

**SECTION 1 – TRANSMITTAL LETTER**

September 10, 2003

Mr. Daniel Howe, Strategic Projects Manager  
City of Raleigh – City Manager’s Office  
Room 228, Raleigh Municipal Building  
222 West Hargett Street  
Raleigh, NC 27601

Dear Dan:

The Convention Center Hotel Group, LLC and Marriott International, Inc are pleased to submit the following response to the Request for Qualifications to Develop a Convention Center Hotel. This proposal outlines the team’s ability to leverage the strength of their leadership talent, coupled with a long standing strategic partnership with Marriott, to deliver all of the primary objectives requested by the City and County. Specifically, it answers the need for significant new economic activity and jobs for the downtown area.

The development of a first class, full service Marriott Hotel in downtown Raleigh will serve to attract incremental travel business from every channel surpassing all other brands, generating additional tax revenue, and further stimulating community development. We look forward to working with you to realize the full potential of this promising opportunity.

Marriott International just celebrated 75 years of experience in hotel development, management and operations with in-depth knowledge and experience in operating convention center hotels. The company is founded on principles of satisfying customers, taking care of its associates, and returning profits to shareholders, franchisees, and owners. Marriott enjoys significant preference among frequent business travelers (3:1 over the next competitor), corporate meeting planners (2:1), and leisure travelers (2:1) with a proven track record for delivering the highest share of loyal guests into the market. These accomplishments will enable Marriott International to bring maximum advantages to this project in Raleigh, North Carolina.

In addition to customer preference, the Marriott brand offers an upscale image that will serve to differentiate the project and provide a stimulant for vital growth in the downtown area. The attached proposal outlines the vast array of competitive advantages to anchoring a project with the Marriott name.

In accordance with the stated objectives and priorities of the Raleigh City Council, our goal is to provide a creative and experienced team of local leaders who can plan and deliver an outcome that addresses the objectives outlined in the Hotel Market Study and the Livable Streets Plan. In forming this team, we have brought together a committed and comprehensive group of local hotel principals, who manage a total of eighteen hotels in the area. This team has developed four out of seven of the major full service hotels in the area over the last twenty years. The Group is

represented by Glen B. Hardyman of the firm Kennedy, Covington, Lobdell, & Hickman, LLP. Glen has represented numerous municipalities, including Charlotte (and Strategic Advisory Group), in their successful efforts to develop a public/private convention center hotel and other public/private ventures. With his experience and guidance we can deliver the most effective proposal and reasonable assurance of success to the City of Raleigh.

We appreciate your thoughtful consideration of this proposal, and look forward to meeting with you in the near future to discuss our qualifications further.

Sincerely,

SUMMIT HOSPITALITY GROUP, LTD

Gene Singleton

## **SECTION 2 – TEAM STRUCTURE**

The primary contact for the Convention Center Hotel Group, LLC is Gene Singleton. The principal officers authorized to negotiate with the City are Roddy Jones, Jay Mahan, Doyle Parrish and Gene Singleton. The Team Organizational Chart is attached as Exhibit “A”.

The legal structure of the team is based on contractual relationships between the key team firms and the owner, Convention Center Hotel Group, LLC, a North Carolina manager managed limited liability company with its offices in Raleigh, North Carolina. The primary firm is a newly organized company formed by local principals with over 90 years of combined experience in developing and operating hotels in Raleigh, North Carolina and from Florida to New York.

Davidson and Jones Hotel Company is the developer in conjunction with Marriott International Architecture & Construction. Marriott is contracting with the owner for development services. PFVS Architecture is the architect, Skanska USA Building, Inc., is the design build contractor, Design Continuum is the interior designer and Marriott International Procurement for fit up. Summit Hospitality Group, Ltd., is the Asset Manager and Marriott International North American Lodging and Marriott International Market Management are the hotel management and operating company. The brand will be “Marriott Hotel.” The contact information for each key firm is attached as Exhibit “B”.

These principals have been extensively involved in local development and community activities for four decades as more specifically discussed in Exhibit “C”.

## **SECTION 3 – DEVELOPER/OWNER INFORMATION**

The development team collectively has developed numerous comparable and many larger hotels in the Raleigh area and throughout the country. Notable Raleigh area hotels are the Sheraton Imperial, the Crabtree Marriott, the North Raleigh Hilton, the Marriott RTP and the Wyndham Hotel RTP.

Recently, Summit Hospitality Group, Ltd., was selected to develop the Jacksonville, North Carolina Hotel and Convention Center with approximately \$15 million of public participation. In 2002, Summit’s high-rise hotel in downtown Charlotte, North Carolina received Marriott’s highest development award. Marriott International was selected to develop the Washington Convention Center Hotel with \$500M of public participation. Marriott has developed a number of other convention center hotels including San Francisco, California and San Diego, California.

A summary of key participant personal qualifications is attached as Exhibit “C”.

The Convention Center Hotel Group, LLC and Marriott International, Inc., will agree to a room block commitment of at least 24 months in advance and a rate cap starting at 110% of the group average daily rate. The number of rooms/suites and number of days each month will be mutually agreed based on careful analysis of the City’s Feasibility Study.

As importantly, this team manages enough rooms in the immediate market area (“Crabtree Valley and Wake Forest Road) to commit another 400 rooms under a similar arrangement and can deliver another 400 rooms from other similar properties in the immediate area.

This is a unique proposition that only this team can deliver. It is a critical component to the success of this project.

#### SECTION 4 – HOTEL MANAGEMENT COMPANY INFORMATION

In addition to Marriott's role as the management company, it will be an integral key firm executing the development process. Further, Marriott will have a financial vested interest in the hotel.

Marriott International, an international corporation, would manage the Raleigh Hotel and Convention Center by calling on its 75-year tradition of hospitality excellence; satisfying customers, taking care of associates, and creating profits for shareholders and owners. Through several generations of customer tastes and many economic cycles, Marriott has demonstrated that it is prepared to face any challenge and make the most of its opportunities. Consistent achievement of industry-leading brand standards for products, services, and operations will ensure that the Marriott Hotel Guest will enjoy experiences superior to those provided by competitors.

Today, the company spans 22 brands, has over 2,600 operating units, and operates in 65 countries and territories. With this global reach and distribution, Marriott offers the broadest portfolio of hospitality brands in the world. By working to target locations where customer demand is greatest, Marriott provides investment opportunities in the world's most preferred and profitable markets.

PROJECT NAME	LOCATION	# OF ROOMS	MEETING SPACE* (net SF)	OPENED	POSITION IN MARKET
The Woodlands Waterway Marriott Hotel and Convention Center	The Woodlands, TX	345	70,000	2002	Located on the area's newest development, The Woodlands Waterway. Along with the hotel, the area features entertainment venues, retail shops, upscale dining, and uptown living. The hotel features a convention center with over 70,000 square feet of meeting space.
Renaissance Waverly Hotel	Atlanta, GA	521	60,000	1997	Northwest Atlanta's only full-service luxury hotel. Connected to the Galleria Specialty Mall, with exclusive shops and a 280,000-square-foot convention/trade show complex.
Renaissance Austin	Northwest Austin, TX	478	60,000	1997	Austin's largest and most luxurious hotel. Cornerstone of the Arboretum retail/entertainment complex.
Marriott Lincolnshire Resort	Lincolnshire, IL	390	40,000	1975	Located on 170 wooded acres in the North Shore Chicago suburbs, Marriott's Lincolnshire Resort is close to national and regional

					business centers, outstanding shopping and entertainment. The hotel has over 40,000 square feet of indoor and outdoor function space.
Denver Marriott Tech Center	Denver, CO	625	20,000	1994	Situated in the heart of many major corporations such as AT&T, Hewlett Packard; IBM; JD Edwards; Lucent Technologies and US West.
Renaissance Westchester	White Plains, NY	350	19,000	1997	Nestled on 30 acres of scenic New York countryside. Only 35 minutes from New York City and convenient to many Fortune 500 companies.
Atlanta Marriott Century Center	Atlanta, GA	287	19,000	1995	Located just off I-85 at Century Center, the hotel is 20 minutes north of downtown Atlanta, 5 minutes from the famous Buckhead area, 3 miles from Peachtree Dekalb Airport and near Hartsfield Atlanta International Airport.
Marriott Chicago Oak Brook	Chicago Suburb	347	19,000	1981	Located in the heart of Oak Brook and positioned as the area's premier hotel. Close proximity to the Oak Brook Center (upscale outdoor mall) and area corporations.
Teaneck Marriott at Glenpointe	Teaneck, NJ	341	19,000	1992	Centrally located off of the New Jersey Turnpike, the hotel is just 15 minutes from Manhattan.
Marriott Hanover	Whippany, NJ	353	19,000	1986	Conveniently located around many large corporations (Kraft Foods, Pfizer Pharmaceutical) and a short distance (25 miles) outside of New York City.

Bethesda Marriott	Bethesda, MD	407	17,000	1979	Located 20 minutes outside of downtown Washington, DC. The hotel boasts 17,000 square feet of meeting space and many other amenities.
The Dearborn Inn, A Marriott Hotel	Dearborn, MI	222	17,000	1989	The Dearborn Inn, built in 1931, is a historic 222-room hotel located in the heart of Ford's Business campus. With more than 17,000 sq ft of flexible meeting space, the hotel can hold groups in size from 10 to 800. The Georgian style architecture and historic decor of The Dearborn Inn guarantees a memorable visit to the Detroit Metropolitan area.
Chicago Marriott Schaumburg	Schaumburg, IL	394	14,000	1983	Located in the heart of Woodfield Corporate Center and just minutes from one of the largest shopping malls in North America.
Overland Park Marriott	Overland Park, KS	397	14,000	1984	Located among numerous corporate office parks and minutes from Kansas City.
Troy Marriott	Troy, MI	354	14,000	1990	One of Metro Detroit's premier hotels for business and leisure. The hotel offers easy access to Detroit area businesses and many leisure destinations.
Fremont Marriott	Fremont, CA	357	13,000	1999	Conveniently located between San Francisco and the Silicon Valley. The hotel is close to many large businesses and a variety of restaurants.
Marriott Houston North at Greenspoint	Houston, TX	391	13,000	1986	Conveniently located in Northwest Houston and 15 minutes from Houston's Bush Intercontinental Airport.
Fairview Park Marriott	Falls Church, VA	394	13,000	1989	Located just outside of the nation's capital, the hotel is steps away from shopping, dining and many other points of interest in the DC area.

\* Meeting space SF excludes prefunction space, exhibit halls, balconies (unless partitioned) and outdoor pavilions.

MARRIOTT HOTELS ARE REPRESENTED  
IN MOST MAJOR DOWNTOWN MARKETS ACROSS THE COUNTRY

ALABAMA  
Birmingham Marriott

ALASKA  
Anchorage Marriott Downtown

ARIZONA  
Scottsdale Marriott Suites Old Town

CALIFORNIA  
Los Angeles Marriott Downtown  
Oakland Marriott City Center  
San Diego Marriott Suites  
San Francisco Marriott

COLORADO  
Denver Marriott City Center

CONNECTICUT  
Stamford Marriott

DISTRICT OF COLUMBIA  
JW Marriott Hotel on Pennsylvania Avenue

FLORIDA  
Fort Lauderdale Marina Marriott  
Jacksonville Marriott  
JW Marriott Hotel Miami  
Tampa Marriott Waterside

GEORGIA  
Atlanta Marriott Marquis

ILLINOIS  
Chicago Marriott Downtown

INDIANA  
Fort Wayne Marriott  
Indianapolis Marriott Downtown

IOWA  
Des Moines Marriott Downtown

MARYLAND  
Baltimore Marriott Inner Harbor

MASSACHUSETTS  
Boston Marriott Copley Place

MINNESOTA  
Minneapolis Marriott City Center

MISSOURI  
Kansas City Marriott Downtown  
St. Louis Marriott Pavilion Downtown

NEBRASKA  
Omaha Marriott

NEW MEXICO  
Albuquerque Marriott

NEW YORK  
Albany Marriott  
New York Marriott Marquis

NORTH CAROLINA  
Charlotte Marriott City Center

OHIO  
Cleveland Marriott Downtown  
at Key Center  
Dayton Marriott

OKLAHOMA  
Oklahoma City Marriott

OREGON  
Portland Marriott City Center

PENNSYLVANIA  
Philadelphia Marriott  
Pittsburgh Marriott City Center

RHODE ISLAND  
Providence Marriott

TENNESSEE  
Chattanooga Marriott at the  
Convention Center  
Memphis Marriott

TEXAS  
Austin Marriott at the Capitol  
Dallas Marriott Suites Market Center  
Houston Marriott Medical Center  
JW Marriott Hotel on Westheimer by the Galleria  
San Antonio Marriott Riverwalk

UTAH  
Park City Marriott  
Salt Lake City Marriott City Center

VIRGINIA  
Norfolk Waterside Marriott  
Richmond Marriott

WEST VIRGINIA  
Charleston Marriott Town Center

WISCONSIN  
Madison Marriott

## Summary of Qualifications

Marriott is primarily an Operator and franchiser of hotels and partners with developers and investors when developing new hotels. Marriott provides franchisees and owners the opportunity to enjoy premium returns from the strength of Marriott's brands and the power of a global organization. By choosing to invest with Marriott, owners and franchisees not only benefit from Marriott's experience in hotel development; but they also become an integral part of Marriott's nearly 75-year tradition of lodging leadership. Marriott is one of the fastest growing hotel organizations in the world; *over the past three years Marriott has opened 494 properties.*

As a result of Marriott's premium position in the market, 1 out of 5 new hotels being built today carry a Marriott affiliation. There are 55,000 new rooms in the development pipeline at Marriott, ensuring Marriott's strong presence in the future.

Marriott's role in the development process will be to assist in the development planning. The following outlines these services.

**Architecture and Construction:** Marriott's Architecture & Construction (A&C) organization offers invaluable services to Marriott's owners and franchisees around the world in managing the complexities of hotel development projects. A&C provides support in the areas of architectural and interior design, project and construction management and procurement-related services which include FF&E (furniture, fixtures, and equipment) and 5SU (guest supplies, etc.). The organization also offers leadership in the design and construction of prototypes, complete with criteria, specifications, and design standards to ensure brand consistency while enhancing the overall guest experience.

**Development Planning and Feasibility:** Marriott continues to grow its lodging portfolio by developing the right hotels in the right markets. The Development Planning & Feasibility team remains focused on the company's ambitious growth objectives for the next five to ten years. Members of this team initiate and close on all hotel deals worldwide, including managed, franchised, and company transactions.

**Owner and Franchise Services:** Marriott's Owner and Franchise Services group works in close cooperation with owners and franchisees to ensure that the full value of Marriott's best practices and systems are brought to bear on their behalf. Depending upon their needs and circumstance, owners and franchisees enjoy well-orchestrated support and advocacy from experts in their respective fields, including expert assistance in the areas of development, construction, design, pre-opening services, procurement, and operations. Additionally, the Owner and Franchise Services team also serves as the voice of owners and franchisees at corporate headquarters and field locations, and acts as a liaison to facilitate two-way conversation at all levels.

## Marriott's Experience with Conference and Convention Hotels

With over 2.5 million square feet of meeting space at [49] convention and resort hotels in the United States and four other countries Marriott's Convention Resort Network offers group customers a premier collection of destinations and meeting style choices. Included within the network are many of Marriott's finest properties and brands, including Marriott Hotels, Resorts & Suites (Marriott Hotels, Marriott Suites® and Marriott Resorts), JW Marriott Hotels®, and

Marriott Conference Centers. In addition to providing a broad range of meeting and business amenities, these properties offer leisure activities such as championship golf, spas, and food and beverage outlets to help maximize revenue opportunities.

To ensure complete account coverage of this unique segment, Marriott has created a dedicated team of 400 Convention Resort Network sales specialists. With an expansive national group database of over 2,000 accounts, this sales team is able to target a wide range of corporate and association customers who meet during hotel need dates, creating another way for Marriott to drive higher occupancy levels for Marriott's convention and resort hotels. As a result of this team's sales efforts, in 2001 Marriott held over 4,000 meetings and conventions across the Convention Resort Network representing \$1 billion in revenue for the company.

The Convention Resort Network sales team employs many tools to leverage Marriott's group bookings. For example, in addition to intense focus on the association and corporate segments, the team works proactively with organizations in special markets such as, leisure, government, sports, intermediary, social, and the religious/fraternal segment to uncover potential meeting dates, which can be timed to coincide with Marriott need dates. Marriott also leverages the sales efforts of the team through the Web site, [www.marriottcoolmeetings.com](http://www.marriottcoolmeetings.com), which allows customers to view properties, review availability, and find answers to frequently asked questions.

### **Food Service Operation**

Today, as Marriott International celebrates the opening of our 2,500<sup>th</sup> hotel, our food and beverage operations continue to be an integral part of the Marriott lodging experience. In addition to exceptional quality and consistency, every hotel within the Marriott portfolio offers food and beverage services and amenities appropriate for the hotel's brand and target clientele. As it relates to banquets and social events, this commitment to quality is manifested in a variety of ways.

Attentive, crisp service is ensured through detailed service standards and operating procedures. For years, Marriott has been regarded as the industry leader in documented service procedures, and the catering discipline has always been at the forefront of that leadership. Event success is ensured by combining those high standards with realistic service ratios and staffing guidelines, making sure that guests receive individualized service, regardless of the group size.

Ongoing training, including our long delivered Maitre d' workshop, solidifies that commitment to high quality, professional service.

Of particular note in the local social catering segment is Marriott's pioneering Certified Wedding Planner Program. To date, over 700 Marriott Sales and service managers have completed the required training and passed the on-line certification program, denoting them as true experts in the planning and execution of wedding events in our hotels. This training program is backed with a complete portfolio of wedding services, including customized wedding collateral, planners and ancillary services that make a Marriott hotel a one stop wedding provider.

Another unique service provided by Marriott hotels is our a la carte banquet lunch and dinner service program. Allowing event guests to choose from a variety of entrees for their lunch or dinner meal, this program elevates the typical group experience to a personalized dining occasion.

Those guests choosing to dine in our restaurants or relax in our bars find the same high levels of service and quality that are reflected in our banquet operations. Marriott started, after all, as a restaurant company, over 75 years ago. The same principles that fueled the company's early growth - high quality food and beverage served by a caring, efficient staff in a clean, comfortable environment - are still the foundation of our success.

Care is taken to ensure that restaurant and bar concepts are relevant to the hotel and to the marketplace, and that they are compelling enough to compete against other food and beverage options in the market, whether hotel based, free-standing or in an airport concourse. This "destination" approach to restaurants and bars is grounded in the same attention to detail as is the banquet events philosophy. Restaurant and Bar managers have available to them a myriad of tools and templates that can be employed to create memorable experiences that rival some of the best that guests have enjoyed.

These tools are supported by various training programs and certification mechanisms, access to all of which is facilitated by a state of the art intranet site, the "fbsource", which provides an instant resource for restaurant and bar staff.

Culinary goals recognize the importance for the highest quality, most innovative food and beverage offerings to appeal to hotel and local guests alike. Our portfolio of high quality food specifications and ultra premium beverages ensures that the finest ingredients go on the plate at each and every meal. Additionally, many Marriott chefs are graduates of such prestigious schools as the Culinary Institute of America, and our chefs receive ongoing education for their own benefit and for the benefit of our guests.

Enclosed as Exhibit "B-2" is the Marriott Meeting Planners Guide. A revised and updated version will be available in approximately 60 days. There are over ten thousand copies printed with more than 7,000 distributed to association and in-house and independent meeting planners world wide.

## **SECTION 5 – HOTEL CHAIN AFFILIATION**

Marriott International would be the Hotel Operator utilizing the Marriott Flag.

**Marriott Hotels & Resorts** is our flagship brand of 450 upscale hotels, including over 40 Marriott Resort locations, 13 Marriott Conference Centers and 23 JW Marriott Hotels & Resorts. The brand is trusted by guests worldwide to enhance their travel or meeting experience with knowledgeable service, genuine care and gracious attention to detail. Our thoughtfully designed hotels feature spacious and comfortable guest rooms, pools and fitness centers; superb restaurants and room service; and The Room That Works,<sup>®</sup> business centers, and Concierge and Executive levels.

## **SECTION 6 – PROPOSED ARCHITECT INFORMATION**

The lead architect, PFVS of Atlanta, Georgia and the lead interior designer, Design Continuum of Atlanta, Georgia are two of the leading preferred firms for Marriott International and have prior working relationships with the ownership group. Between the two, they have designed many comparable hotels throughout the country.

Some of these projects include the Indianapolis Marriott, the Pontiac Michigan Marriott, the Franklin Marriott, and recently the Myrtle Beach Raddison hotel and convention center. These firms will be designing in conjunction with the Marriott International Design Group. Enclosed as Exhibit “D” are brochures from each of these organizations.

#### **SECTION 7 – PROPOSED CONSTRUCTION TEAM INFORMATION**

Skanska USA Building, Inc., is nationally recognized and one of the largest construction companies world wide. At the same time they are the only internationally construction firm with regional offices in Raleigh, North Carolina. They have constructed a number of large hotels, including the Weston Savannah Harbor Resort. Enclosed as Exhibit “E” is their brochure.

#### **SECTION 8 – SPECIAL CONDITIONS**

The developer and design team are committed to working with the city to create an exterior design through features and lighting that effectively contributes to the skyline. The team is further committed to working with the city to maximize the street scape opportunity of Fayetteville Street and to work with the living streets plan.

#### **SECTION 9 – STATEMENT OF MWBE PARTICIPATION**

The Owner and Marriott and Skanska are committed to utilize every opportunity on an on going basis for the operation of the Hotel with service firms in the Raleigh area for MWBE firms. Marriott has received many awards and recognition for success in this effort. Skanska has a “committed business philosophy and a long history of proactively identifying and supporting minority businesses”.