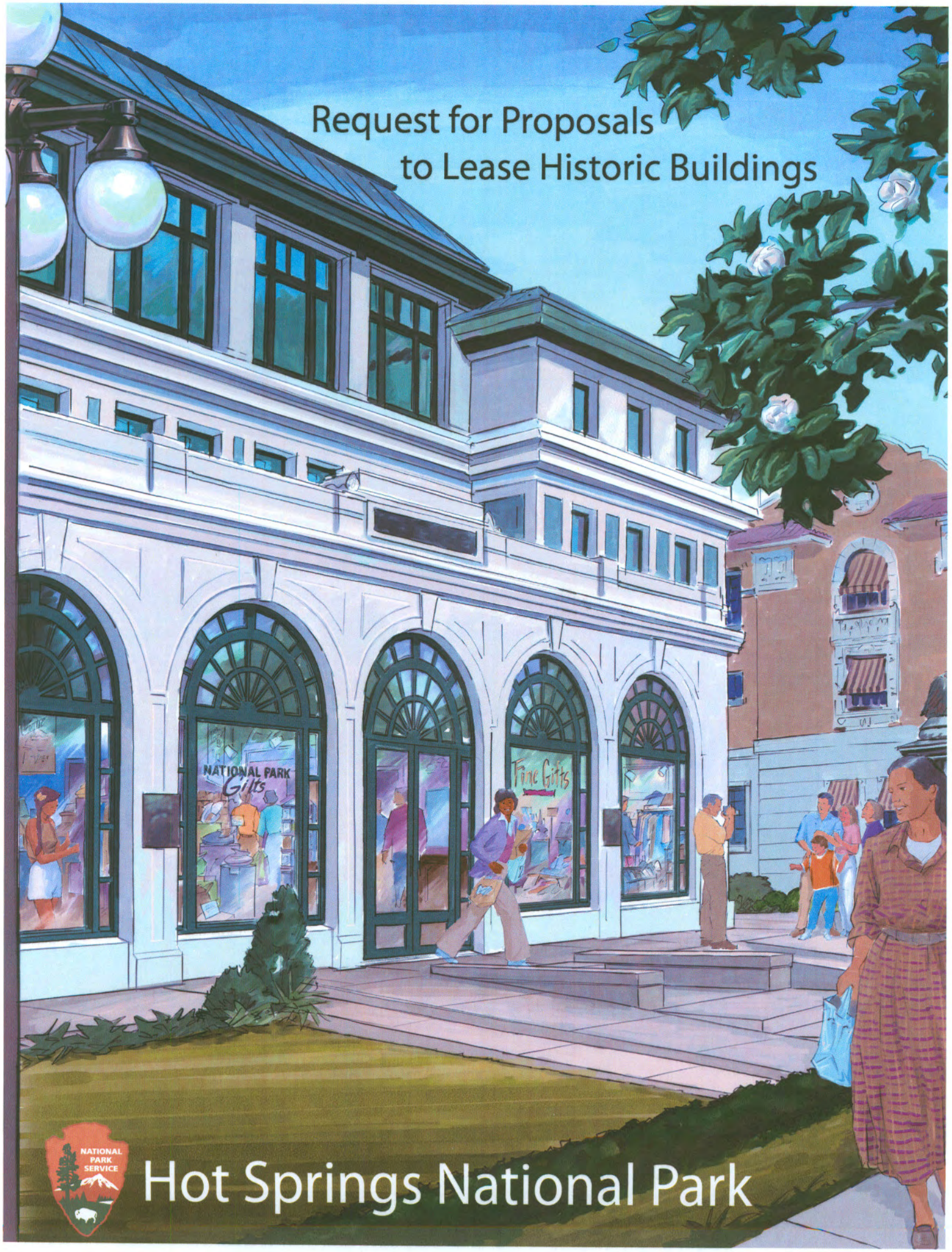
Request for Proposals to Lease Historic Buildings



Hot Springs National Park

National Park Service
U.S. Department of the Interior

REQUEST FOR PROPOSALS

TO LEASE HISTORIC BUILDINGS
IN
HOT SPRINGS NATIONAL PARK

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ISSUED: November 15, 2007

Offers and any modifications of them must be received by
The National Park Service

April 30, 2008 at 4:30 p.m.

At

National Park Service
Hot Springs National Park
Attn: Superintendent
101 Reserve Street
Hot Springs, Arkansas 71901

****

ADDRESS QUESTIONS AND INQUIRIES IN WRITING TO:
Superintendent
Hot Springs National Park
101 Reserve Street
Hot Springs, Arkansas 71901
501/623-2824

UNITED STATES OF AMERICA
DEPARTMENT OF THE INTERIOR
NATIONAL PARK SERVICE
MIDWEST REGION

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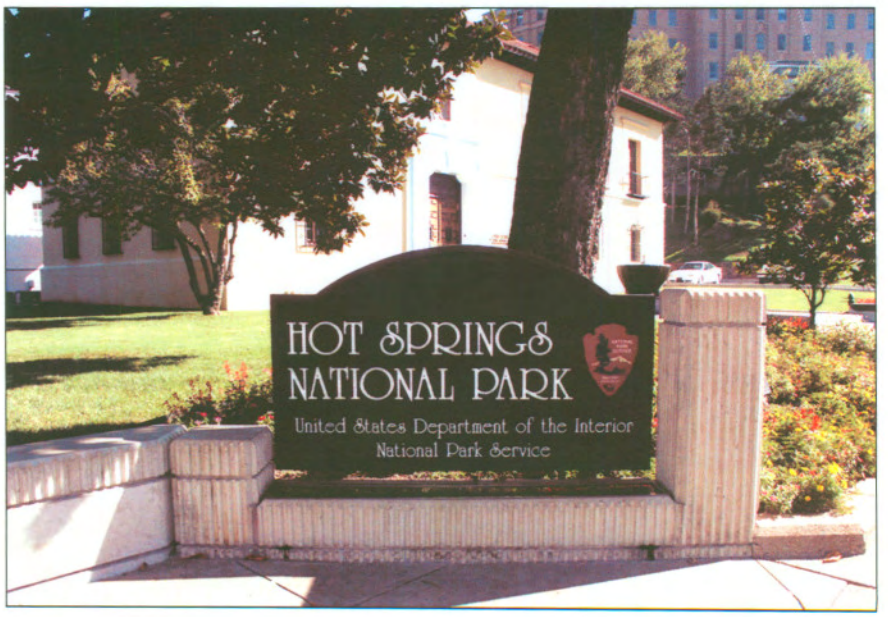


REQUEST FOR PROPOSALS TO LEASE HISTORIC BUILDINGS IN HOT SPRINGS NATIONAL PARK

I. Introduction

This Request for Proposals (RFP) is issued by the National Park Service (NPS) to solicit proposals from the private sector to lease on a long-term basis one or more of three historic buildings in Hot Springs National Park (Park): the Superior, Hale, and Maurice Bathhouses.

The three buildings are part of "Bathhouse Row," a National Historic Landmark District that contains the grandest collection of bathhouses of its kind in America. The historic buildings are arrayed in a continuous row along the main street of the City of Hot Springs, Arkansas, opposite the City's "Main Street" style commercial streetscape. Built between 1892 and 1923, the Bathhouse Row buildings range in size from approximately 10,000 square feet to over 22,000 square feet.

There are eight Bathhouse Row buildings. One of the eight buildings, the Buckstaff Bathhouse, remains in operation as a traditional bathhouse open to the public under an NPS concession contract. Another, the Fordyce Bathhouse, has been rehabilitated and adapted for use as the Park visitor center and museum. The remaining three buildings are offered by this RFP for long-term private sector lease.

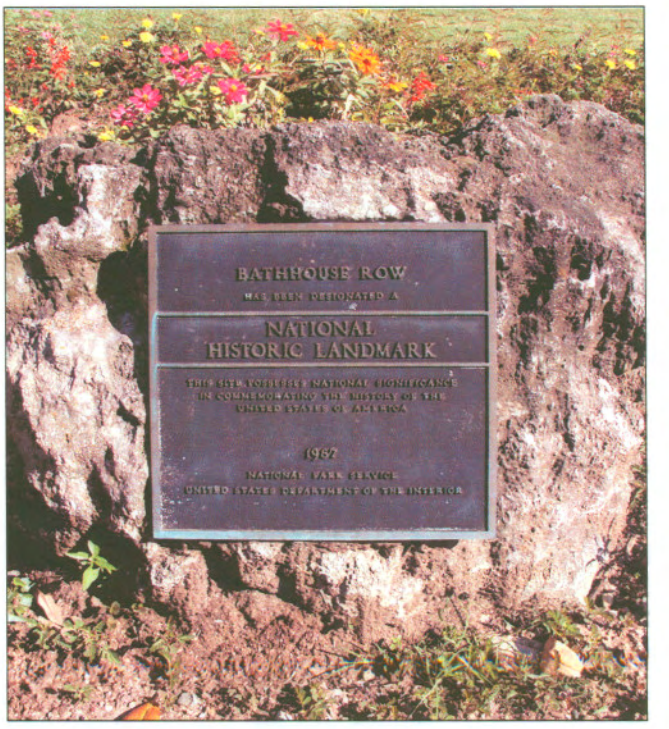
Adaptive Reuse

Although these buildings were historically built and used as bathhouses, NPS seeks proposals for adaptive reuse of the buildings. NPS particularly believes that restaurant and retail operations may prove appropriate, as Bathhouse Row is already a major tourism and shopping area in Hot Springs. The business environment in the vicinity of Bathhouse Row is comprised primarily of retail stores and restaurants. However, NPS welcomes the submission of proposals for other types of reuse consistent with the terms of this RFP.

Applicants should note that the following types of uses are unacceptable as not appropriate for the protection, preservation, and visitor enjoyment of the Bathhouse Row buildings and the Park:

Private Residential
Adult Entertainment
Gambling

In addition, proposed uses for museum or similar purposes must be consistent with the provisions of NPS Management Policies 2006, Chapter 7.1, for the conduct of interpretive and educational programs in an area of the National Park System. (See Appendix A to this RFP). The complete NPS Management Policies are available on the NPS website at www.nps.gov.



The Park

Congress established Hot Springs Reservation in 1832 to protect the naturally flowing thermal springs on the southwestern slope of Hot Springs Mountain. Hot Springs Reservation developed into a well-known resort, attracting health seekers from around the world. The Reservation was renamed Hot Springs National Park in 1921. Today, the 5,500-acre park protects eight historic bathhouses and 47 hot springs and their watershed.

The Park's area of influence includes the metropolitan areas of Dallas/Fort Worth, Oklahoma City, Kansas City, Memphis, Jackson, Tulsa, St. Louis, and Shreveport. All are within a 350-mile radius of Hot Springs.

Between 2002 and 2006, the Park averaged 529,467 visitors per year on the Bathhouse Row area. Park-wide visitation, including recreation and non-recreation use, for the same period averaged 3,723,644 visitors.

Bathhouse Row and its environs epitomize Hot Springs National Park in the minds of most people. It reflects the eclectic architectural interests of the early 20th century and recalls a period when the availability of leisure time and an interest in the therapeutic benefit of spas made Hot Springs a resort of national reputation.

Local and Regional Economic Environment

The City of Hot Springs, Arkansas (City), is located in Garland County (County) in the south central part of the state, 52 miles southwest of Little Rock. With a combined population of approximately 90,000, the City and County exert significant influence on the Park. A popular family and group destination, the area offers a modern 360,000 square foot convention center, lakes, numerous family attractions, shopping, and thoroughbred horse racing. Hot Springs is Arkansas' number one tourist destination. The community enthusiastically endorses the NPS effort to lease the Bathhouse Row buildings through this RFP.

Hot Springs is an important tourism destination, especially for Arkansas and Texas residents. A large number of diversified attractions ensure the continued flow of visitors to the area. Among the Park's attractions are Bathhouse Row, the Hot Springs National Park Visitor Center, and the Mountain Tower. Other important local attractions include Oaklawn Park (racetrack), which currently attracts approximately 600,000 visitors each year; the Magic Springs amusement park, which attracts 300,000 visitors per year; and Lake Hamilton, a popular regional water-based recreation destination.

Currently, each "leisure traveler" to Hot Springs spends an estimated average of $100 per day on food, shopping, transportation, entertainment, lodging, and miscellaneous expenditures. Of this $100, 22% is spent on shopping and 23% is spent on food.

The Hot Springs area has experienced exceptional growth over the last decade and has

become a regional shopping center for surrounding smaller towns and communities. The downtown area of Hot Springs is experiencing a renewal, stimulated by a landscaping project initiated by local property owners, in cooperation with the City. In particular, upper-end retail and art businesses moved into the downtown area. Along Bathhouse Row, all the first floor areas located on the side of the street opposite the bathhouses are now occupied. The expansion of the convention center, the construction of an Embassy Suites Hotel, and the expected development of new hotels in the downtown area, should attract even more visitors in the future.

The Convention Center was built in the 1960s with 70,000 square feet, expanded in 1998 to 240,000 square feet, and then expanded again in 2003 to 360,000 square feet. Convention events are diversified, from sporting events to weddings, and, accordingly, the types and sizes of visiting groups vary significantly according to the event. There are over 4,000 hotel/motel rooms and 200 restaurants in the immediate area.

Food and beverage operations, upscale retail operations, and art galleries are among the most successful businesses in the downtown area.

Because it is located in the heart of this thriving commercial area, Bathhouse Row has become an attractive business location.

II. The Buildings to be Leased.

The Bathhouse Row buildings available for lease are the Superior, Hale and Maurice bathhouses. All are more than 80 years old and have been vacant for more than 20 years. NPS is undertaking extensive stabilization and rehabilitation work on the buildings. However, lessees will be required to complete additional rehabilitation work in order to make the buildings suitable for their specific intended uses. Attachment A to this RFP describes each of the three buildings available for lease and their current condition. It is the responsibility of the applicant to inspect the buildings and verify existing conditions. It is highly recommended that applicants consult appropriate architectural and engineering professionals regarding their rehabilitation plans. Applicants should note that NPS considers that the rehabilitation cost of any of the Bathhouse Row buildings will exceed $500,000.

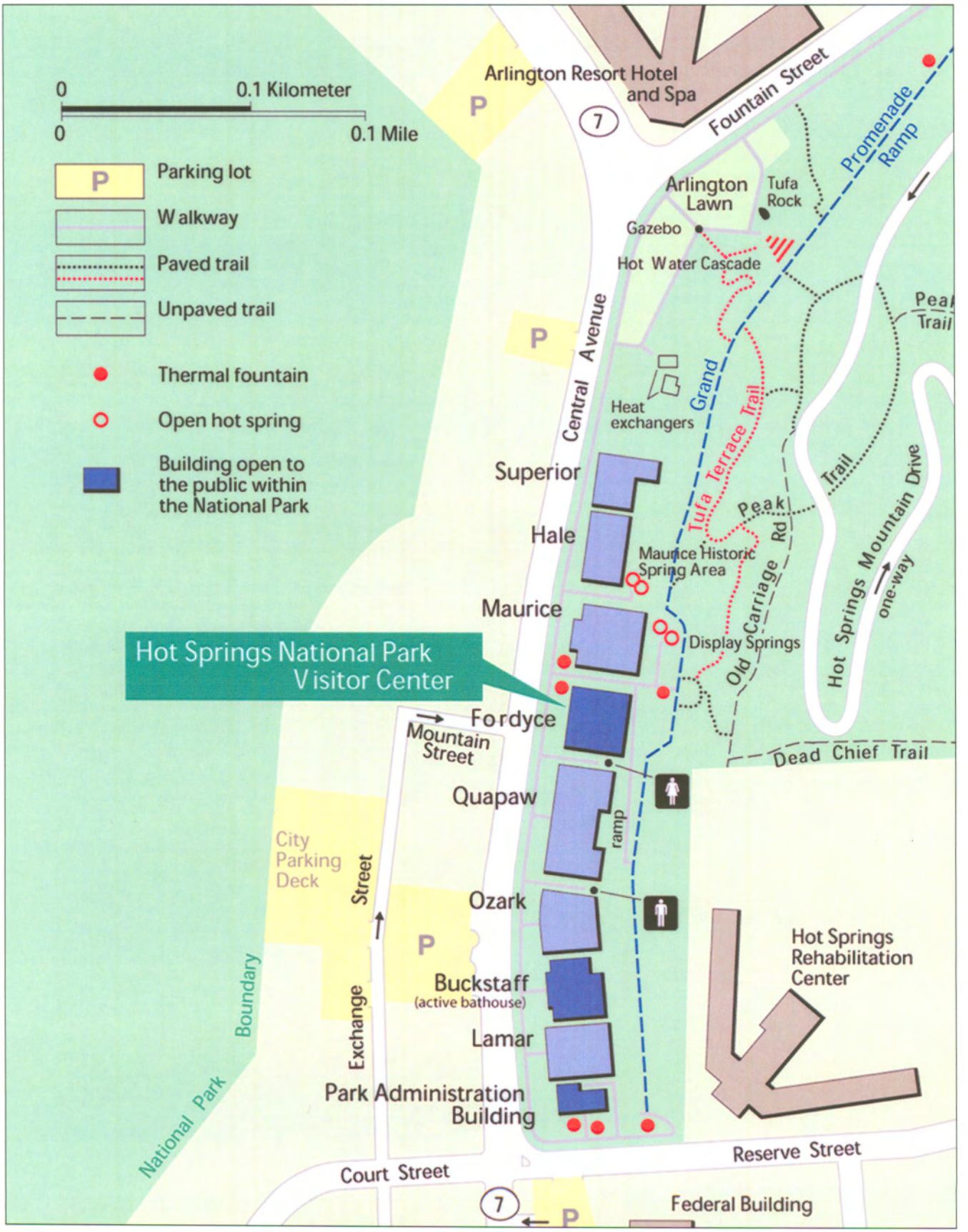
III. Historic Preservation Considerations

The rehabilitation plans of Bathhouse Row lessees must comply with the Secretary of the Interior's Standards for the Treatment of Historic Properties and related policies and procedures. (See Appendix B to this RFP). All proposed rehabilitation plans of selected lessees will be reviewed by NPS and the Arkansas State Historic Preservation Officer to assure consistency with these standards.

IV. Term of the Lease and Rent

36 C.F.R. Part 18 (See Appendix C to this RFP) states that the term of an NPS lease may be up to 60 years but directs that the term be as short as possible, taking into account the financial obligations of the lessee and other relevant factors.

Bathhouse Row



Leases awarded under this RFP will require the payment of at least fair market value rent to NPS. The determination of fair market value rent will take into account the lessee's rehabilitation costs associated with the leased property, the limitations on the uses of the property, and other relevant considerations. To establish fair market value rent, NPS will conduct an appraisal of the property to be leased subsequent to selection of lease proposals. In general, applicants should anticipate paying rent comparable to rents for similar space and uses in the Hot Springs area. They should also anticipate paying rent in the form of both a fixed dollar amount ("square footage rent") and a percentage of gross receipts. Basements of the bathhouses are not included in the square footage figured for rent. Long-term leases will contain appropriate rent adjustment provisions. Attachment B to this RFP lists additional terms and conditions a lease will contain along with related legal and business considerations.

V. Proposal Instructions

Proposals must identify the building or buildings to be leased and contain specific detailed rehabilitation and investment plans and evidence of financial and management capability.

Innovative leasing proposals are welcomed. Proposals should be persuasive as to their feasibility and should reflect a realistic understanding of the buildings and their value. The terms and conditions of selected proposals, to the extent acceptable to NPS, will be incorporated into the final leases.

E-mail or faxed proposals will not be accepted. Six copies of each proposal should be submitted (one copy must be the signed original). The copies should be on 8-1/2" x 11" paper, unstapled, and in 3-ring binders.

NPS will evaluate responsive proposals that

offer to further rehabilitate and reuse at least one specific Bathhouse Row building in conformance with the requirements of this RFP. Each applicant is advised to furnish all the information required by this RFP. Failure to do so may result in less favorable evaluation by NPS or a determination of non-responsiveness. A non-responsive proposal is a proposal that is not timely submitted or fails to meet the material terms and conditions of this RFP.

Proposals must be signed by an official authorized to act on behalf of the applicant. Proposals and modifications must be enclosed in sealed envelopes and submitted in a timely manner. The face of the envelope must show the hour and date specified on the title page of this RFP and the name and address of the applicant. Proposals should be addressed to Superintendent, Hot Springs National Park, 101 Reserve Street, Hot Springs, Arkansas 71901.

Any questions an applicant may have regarding this RFP must be submitted in writing at least thirty (30) days in advance of the submission date in order to allow NPS sufficient time to reply in writing to the requestor. No NPS employee or agent is authorized to make binding oral commitments of any nature regarding this RFP and/or the proposed leases.

Site visits can be scheduled by appointment.

If applicants wish to have the NPS withhold proprietary financial information from potential disclosure, please refer to Attachment C to this RFP for information regarding use and disclosure of information contained in proposals.

This RFP and the Bathhouse Row leases to be awarded under it are subject to 36 C.F.R. Part 18. (See Appendix C to this RFP).

VI. Content of Proposals

A proposal for leasing a Bathhouse Row building should consist of six sections:

1. Building Use Proposal
2. Proposed Preservation and Rehabilitation Plan
3. Proposed Environmental Plan
4. Financial Plan
5. Statement of Management Qualifications
6. Proposed Lease Terms and Conditions

1. Building Use Proposal

The building use proposal must identify the building(s) to be leased and specify the proposed use(s) of the building(s), the modifications or alterations to the buildings that will be required, and the time schedule for completing these modifications or alterations. The proposal should explain how the use(s) are compatible with the preservation, protection and visitor enjoyment of the Park. It should also include, if applicable, facts, information, and data that demonstrate that a viable market demand exists for proposed commercial uses.

2. Preservation and Rehabilitation Plan

The preservation and rehabilitation plan is to specify how the applicant intends to carry out the proposal and shall address the preservation of the interior and exterior of the building(s) to be leased. The plan shall comprehensively describe the applicant's proposed rehabilitation work and outline a detailed schedule for program development, rehabilitation, completion, and opening for operation. Appropriate preliminary plans and drawings should be included in the plan. Applicants should carefully review the Secretary of the Interior's Standards for the Treatment of Historic Properties in this regard. (See Appendix B to this RFP.)

3. Environmental Plan

The environmental plan should describe how the applicant's proposed use(s) of the leased building(s) will be conducted in an environmentally sound manner through, among other programs and actions, energy conservation, waste reduction and recycling.

4. Financial Plan

The financial plan should specify the financial means to implement the proposal. The pro-

posal should not presume the availability of any federally appropriated funds or the likelihood of philanthropic income from private sources. The following information should be provided in sufficient detail to allow the NPS to make an informed evaluation of the financial plan:

a. A statement of the financial circumstances of the applicant. The applicant should include a copy of the applicant's audited annual financial statements from its two most recent fiscal years. If a new joint venture or entity is created specifically to respond to this RFP, such audited financial statements from the participating entities should be included.

b. A plan describing the projected costs of implementing the applicant's proposal, including, without limitation, estimated rehabilitation and other expenses (for each identified building), expected equity requirements, and the working capital necessary to undertake the proposal and related lease obligations. The plan should document the source of these funds to the applicant and include compelling written evidence that the necessary funds are or will be available to the applicant through deposit documentation, financing commitment letters, letters of credit and/or other supporting material.

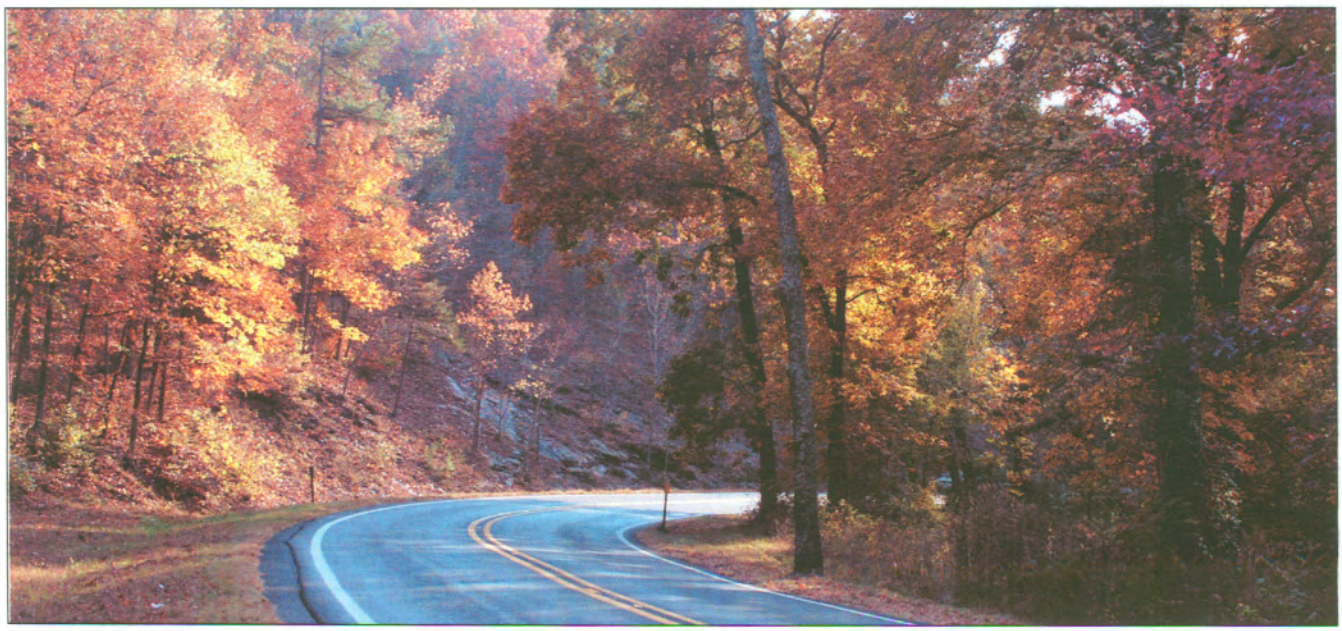
c. Identification of any affiliation or other relationship between the applicant and any other company, parent company, or subsidiary.

Applicants should complete and submit the form entitled "Financial Qualifications" included in Attachment D to this RFP.

5. Statement of Management Qualifications

The statement of management qualifications should detail the management capability of the applicant to carry out its proposal, as follows:

a. A statement describing the past experience and qualifications for managing both the building rehabilitation and the proposed building use(s), including, without limitation, experience in historic rehabilitation, if any. Relevant experience in carrying out the types of activities stated in the applicant's environmental plan should also be included. If you have ever filed for bankruptcy, had fines imposed on you or your business, or other legal proceedings against you or your business, please state



the date(s) and nature of such actions. Please include names of employers/businesses/clients, as appropriate, dates, addresses, and phone numbers.
b. The name, address, and telephone number of the applicant and the name, address, and telephone number of a representative authorized to act on its behalf.

c. If the applicant is not an individual doing business under his/her own name, the statement of management qualifications must describe the status of the applicant (whether a corporation, a non-profit or charitable institution, a partnership, a business association or a joint venture) and indicate the jurisdiction under whose laws it is organized and operating.

d. Please identify the known principals, partners, or co-ventures participating in the project, and the nature and share of each participant's interest in the project.

e. Please provide the following information regarding your organization (existing or proposed); additional pages may be used in order to provide complete information:

If a corporation:

Articles of incorporation and by-laws
Organizational chart
List of officers and directors

If a partnership:

Partnership agreement
List of partners and their roles

If a sole proprietorship or other form of organization, an explanation of organization.

6. Statement of Proposed Lease Terms and Conditions

State the applicant's expectations as to the term of the lease and state any particular other lease terms and conditions the applicant would expect its proposed lease to contain. Applicants should make these statements in consideration of the provisions of 36 C.F.R. Part 18 (See Appendix C to this RFP) as well in consideration of the requirements of this RFP.

In addition, if the proposal identifies more than one building for lease, state whether the proposal is conditioned on lease of all the identified buildings, or whether the applicant is willing to accept a lease of less than all of the buildings identified in its proposal. If the applicant is willing to accept a lease of less than all the buildings sought in its proposal, it must provide its building priority list.

VII. Criteria for Selection of Lease Proposals

The NPS will evaluate an applicant's proposal in response to this RFP under the following criteria:

1. The compatibility of the applicant's proposed use of the leased property with the respect to preservation, protection and visitor enjoyment of the Park. Visitor enjoyment of the Park encompasses consideration of the suitability of the proposed use to a national park environment, including, without limitation, activities suitable for family participation and activities compatible with NPS educational and interpretive programs.

2. The compatibility of the applicant's proposal with respect to the building or buildings identified for lease and their proposed uses in comparison to other proposals received. The NPS seeks an overall adaptive reuse of the Bathhouse Row buildings in an economic, visual, and programmatically compatible and cohesive manner.

3. The financial capability of the applicant to carry out the terms of the lease, including the financing of building rehabilitation and intended uses.

4. The experience of the applicant demonstrating its managerial capability to carry out the terms of the proposed lease.

5. The ability and commitment of the applicant to conduct its activities in the Park in an environmentally enhancing manner through, among other programs and actions, energy conservation, waste reduction and recycling.

6. The benefit to NPS of the financial and other terms and conditions of the proposal, including, without limitation, the scope of rehabilitation work proposed, the term of the lease, and other proposed lease terms and conditions.

7. The compatibility of the proposal with the historic qualities of the building(s) to be leased.

VIII. Proposal Review and Selection Process

The NPS will review all responsive proposals submitted in response to this RFP through an evaluation panel assisted by technical consultants as appropriate.

It is the intention of the NPS to select prospective lessees from the responsive lease proposals submitted without further submittals or presentations. However, after the submission of proposals and prior to the selection of the best overall proposal(s), NPS may request from any applicant additional information (in writing and/or through presentations) or written clarification of a proposal. The responsive proposal for each building determined by NPS to best meet on an overall basis the evaluation criteria will be selected for negotiation of a lease (subject to other terms and conditions of 36 CFR Part 18). Although each proposal is required to identify the building(s) to which it applies, NPS may also evaluate proposals with respect to suitable additional buildings.

NPS will then negotiate the terms of leases with the selected applicant(s), including specific provisions for building rehabilitation, rent, approvals, permitting, and coordination with NPS. A letter of intent with the selected appli cant(s) may be entered into in this connection. Lease award is dependent upon timely, successful negotiation of a lease with NPS within a time frame established by NPS.

In the event that lease negotiations with a selected applicant fail to result in a lease of the applicable building(s), NPS may offer to negotiate a lease for the building(s) with additional applicants that submitted responsive proposals under this RFP that NPS considers to be suitable for the applicable building(s). In the event that no responsive proposals are submitted applicable to a particular building or buildings, NPS may offer to negotiate a lease under the terms of this RFP for the building or buildings with an applicant or applicants that submitted a responsive proposal for other building(s).

In accordance with 36 CFR Part 18, NPS may choose to reject all proposals received and resolicit or cancel this RFP. For administrative convenience, this RFP collectively refers to all the buildings available for lease. However, for purposes of 36 CFR 18.8(d), each lease proposal is considered as submitted under a separate RFP applicable only to the building or buildings identified in the proposal.

ATTACHMENT A. DESCRIPTION OF THE HISTORIC BATHHOUSES AND ENVIRONS

General.

The bathhouses available for lease are located within Hot Springs National Park on Central Avenue in downtown Hot Springs, Arkansas. The City of Hot Springs, with a population of around 37,000, is located approximately 50 miles southwest of Little Rock. The bathhouses available for lease are listed in the National Register of Historic Places (entered on November 13, 1974).

The boundary of Bathhouse Row Historic District extends from the city curb at the northeast corner of Central and Reserve Avenues north along the curb to approximately 50 feet north of the Superior Bathhouse, then turns at a 90° angle and extends to approximately 25 feet east of the Grand Promenade, then follows in a generally southerly direction along a line 25 feet east of the irregular eastern edge of the Grand Promenade (but excluding the two modern comfort stations along the Grand Promenade), to the city curb at Reserve Avenue, then turns approximately west along the curb to the corner of Reserve and Central Avenues. In addition, that portion of the Grand Promenade that extends north from the area covered in the above description to the sidewalk along the southeast side of Fountain Street is included in the Historic District. The District includes approximately six acres.

Across Central Avenue and running parallel to Bathhouse Row Historic District is the City of Hot Springs Central Avenue Historic District, entered in the National Register of Historic Places on June 25, 1985.

Current Building Condition and Stabilization/Rehabilitation Work

The National Park Service has invested a large amount of Federal dollars in each bathhouse building to make them available for adaptive uses. Stabilization measures completed include:

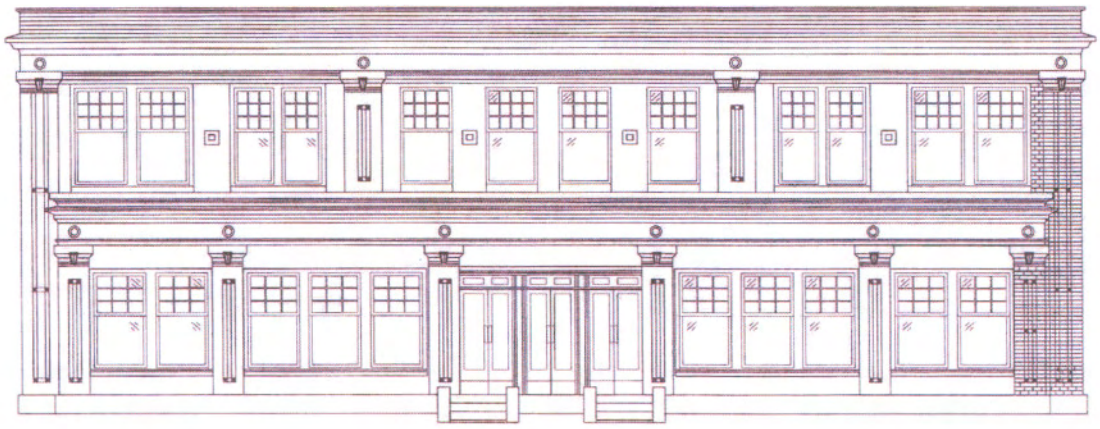
- Asbestos and lead-based paint have been removed from buildings.
- Skylights and roofs on all three buildings have been totally rehabilitated or replaced.
- Structural problems and deficiencies have been repaired and/or corrected.
- Windows have been repaired or replaced. Exterior walls have been repaired and repaint ed.
- Basic HVAC units to control temperature and humidity have been installed
- Basements have ventilation and humidity controls installed.
- Basic electrical service and water lines, including thermal water service, have been installed to each building.
- Natural gas lines have been installed to each building.
- Demolition work on all unusable architectural, structural, mechanical, and electrical elements has been completed.
- Accessible ramps to all structure have been installed at the Superior and Maurice.
- Elevator installed in the Hale.
- Fire sprinkler systems installed in the Superior and Hale.

The Superior Bathhouse

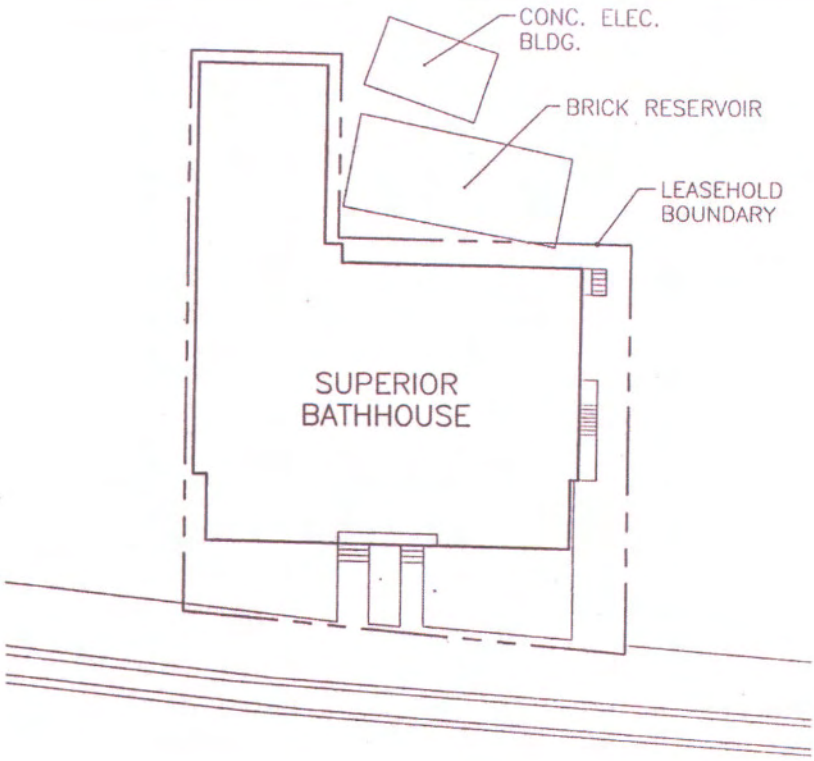
The northernmost bathhouse on Bathhouse Row is the Superior, completed in 1916 and designed by architect Harry C. Schwebke of Hot Springs, Arkansas. The building was constructed on the site of an earlier Superior Bathhouse and is simply designed in an eclectic commercial style of Classical Revival origin. It contains 10,655 square feet, including 4,522 square feet on the first floor, 3,444 square feet on the second floor, and 2,689 square feet in the basement. The Superior Bathhouse closed in 1983.

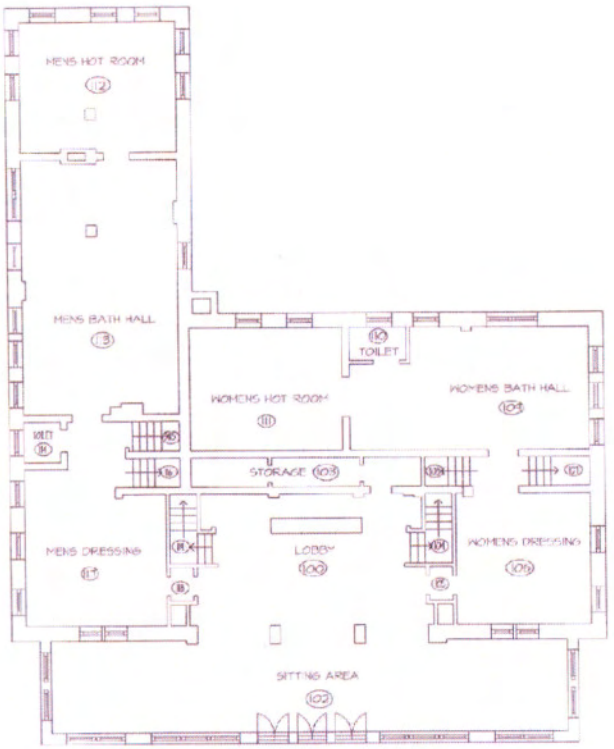
The Superior is "L"-shaped and constructed of load-bearing brick masonry walls with reinforced concrete-beams and flat-slabs and a few interior concrete columns. The roof is flat over both legs of the "L" and has a brick and clay-tile parapet. Principal exterior architectural details are on the front elevation. The three bays are separated by brick pilasters with patterned insets and decorated with concrete painted in imitation of ornamental tile. Tile medallions (paterae) are centered over the pilasters in the friezes below the first and second story cornices. The one-story sun porch at the front elevation projects out from the main mass of the two-story building.

Marble-walled bath stalls with tile floors and solid porcelain tubs remain in the first-floor bathing facilities. The front desk in the lobby is marble and the stairs are marble and tile. Most of the interior hardware is brass. The floors are primarily tile; the ceilings are primarily plaster. Wall finishes vary from plaster to marble to tile. The exterior double hung wood frame windows have twelve lights over one light. A concrete ramp edged with wrought iron railings provides a central entrance to the structure.

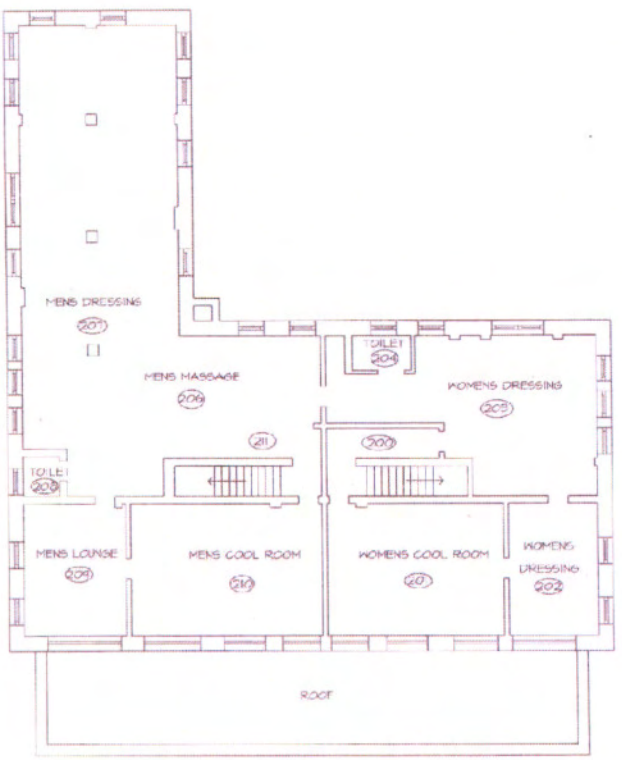


SUPERIOR BATHHOUSE FRONT ELEVATION

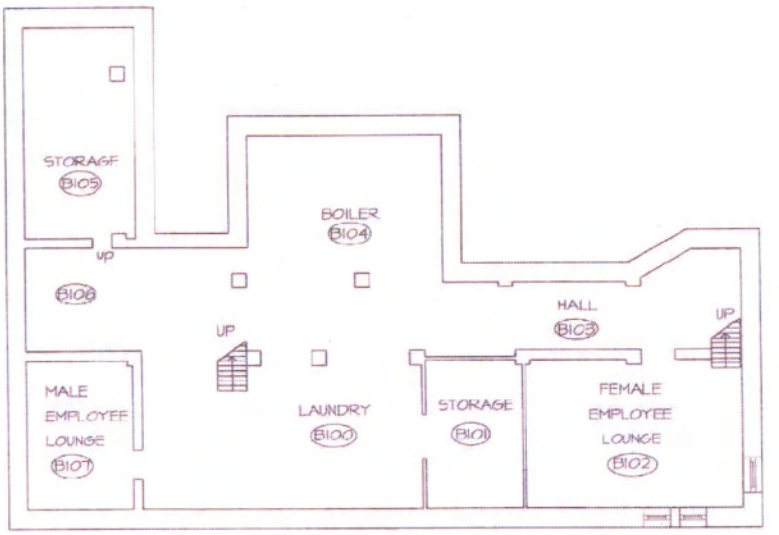




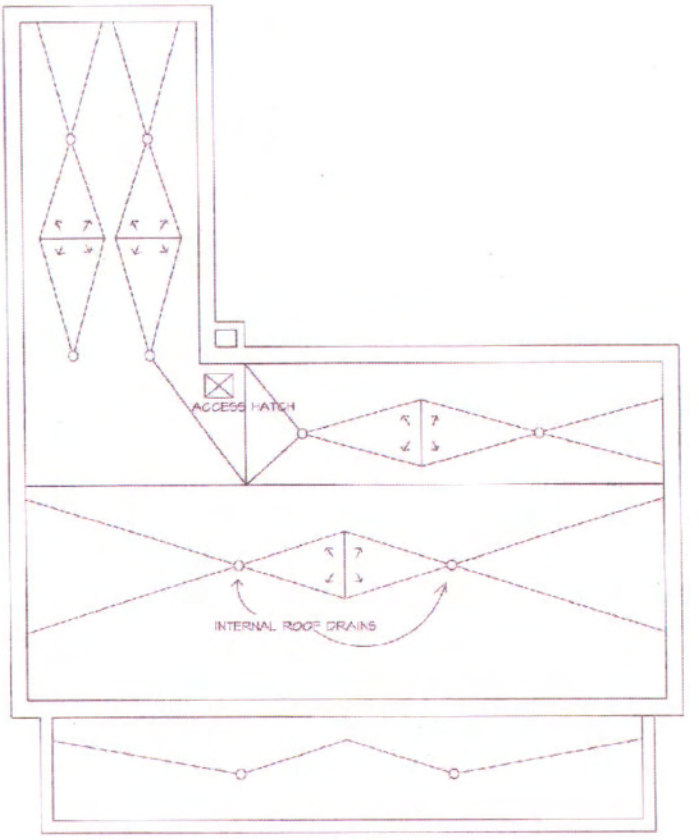
SUPERIOR BATHHOUSE FIRST FLOOR PLAN



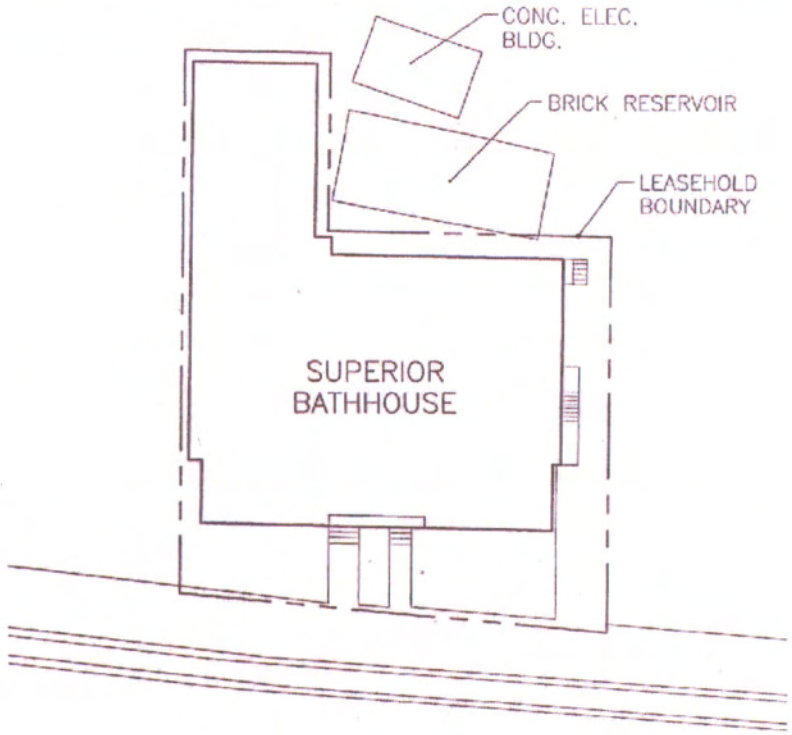
SUPERIOR BATHHOUSE SECOND FLOOR PLAN

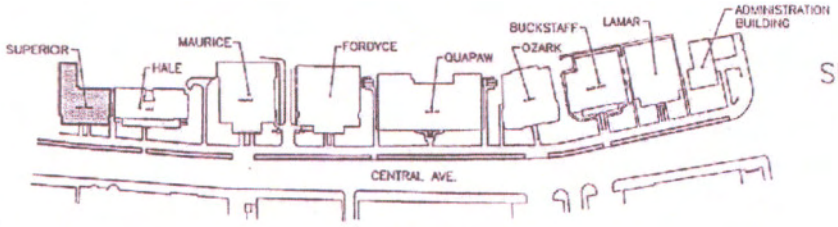


SUPERIOR BATHHOUSE BASEMENT PLAN



SUPERIOR BATHHOUSE ROOF PLAN





KEY PLAN

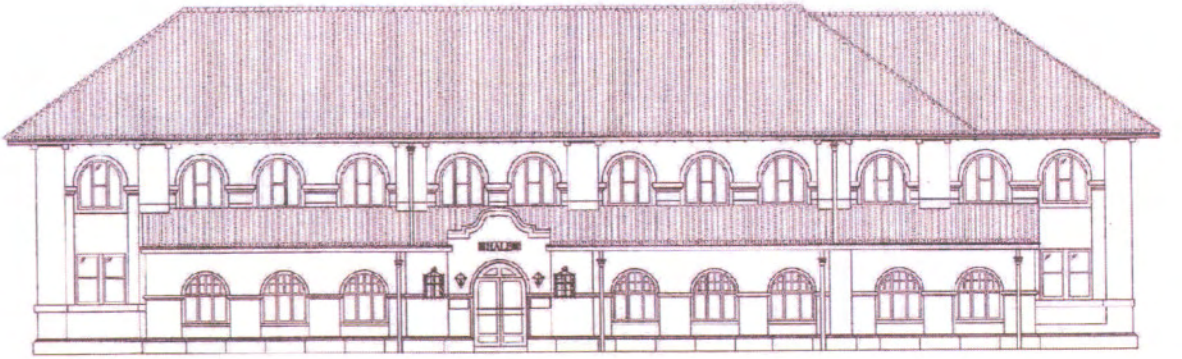
SUPERIOR BATHHOUSE SITE PLAN
HOT SPRINGS NATIONAL PARK
PKG. NO. 145G-15 1/97

The Hale Bathhouse

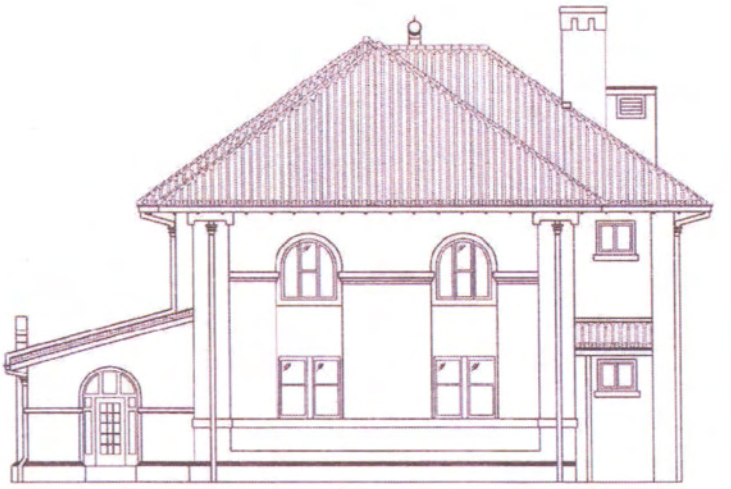
The Hale was constructed in 1892-93, replacing an earlier Hale Bathhouse. The building underwent extensive renovations in 1919 (design by George Mann and Eugene Stern of Little Rock), and again in the late 1930s (design by Thompson, Sanders, and Ginocchio of Little Rock). The latter renovation changed the facade from neo-Classical Revival to Mission Style in 1939-40. The Hale contains 12,007 square feet, including 5,614 square feet on the first floor, 3,968 square feet on the second floor, and 2,425 square feet in the basement. The building ceased operation as a bathhouse in 1978.

The Hale is generally rectangular in plan and is two and one-half stories in height. The building is primarily a brick and concrete structure, reinforced with iron and steel. By 1919, the neo-Classical building had a hierarchy of fenestration typical of that style: rectangular windows on the ground floor with arched windows on the second floor. The 1939 remodeling included changing the rectangular window openings of the sun porch to arched window openings like those on the second story. The hip roof was covered with red tile. The classical segmental arch over the main entrance became a simpler Spanish bell gable. The brick was covered with stucco, and wrought iron grilles were placed over the two windows flanking the entrance.

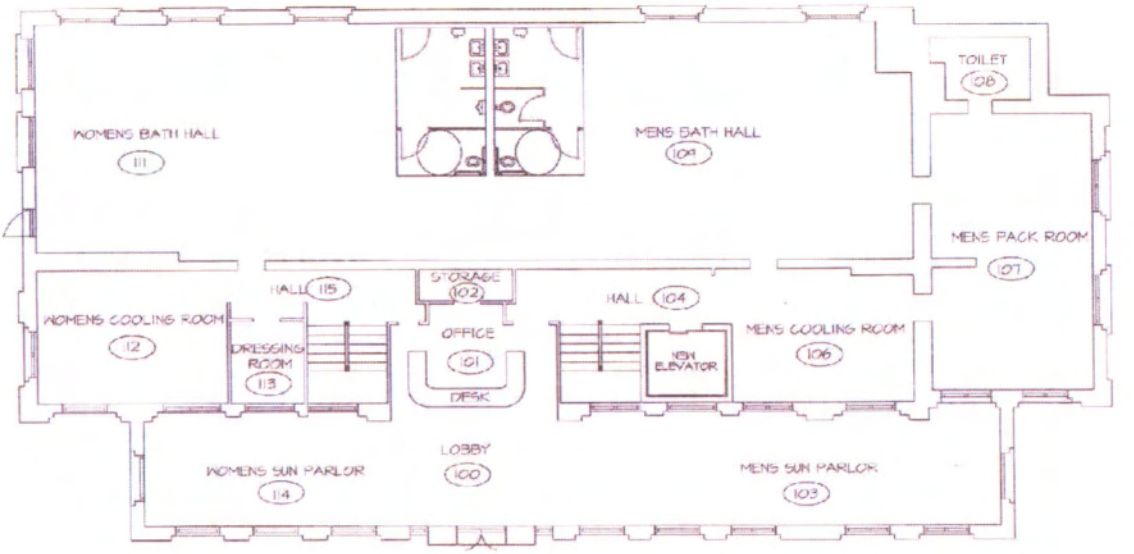
A display spring still flows in the basement. The front desk in the lobby is marble. Most of the interior hardware is brass. Wall finishes varied from plaster to marble to tile.



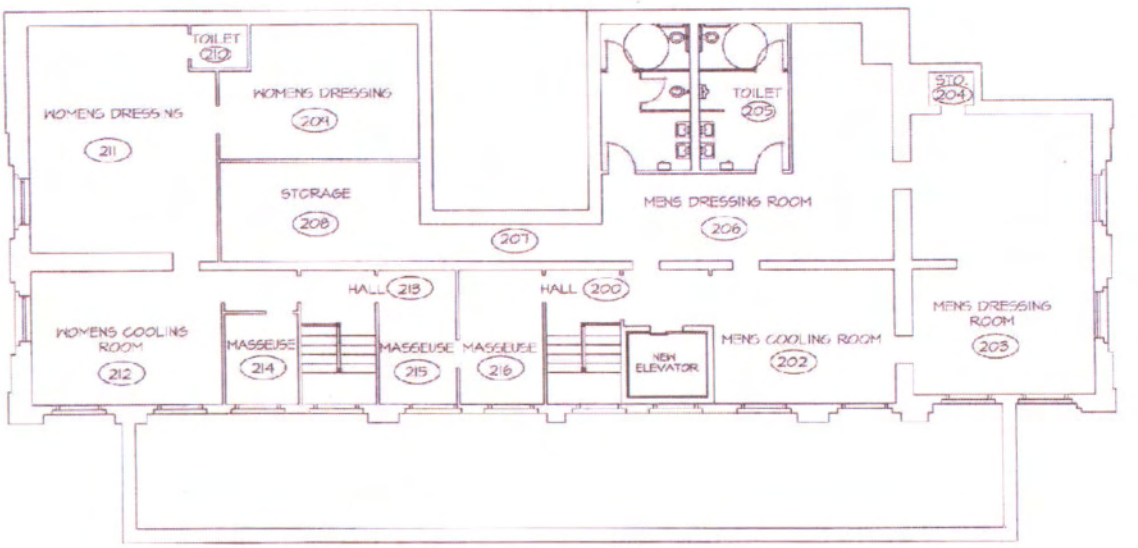
HALE BATHHOUSE FRONT ELEVATION



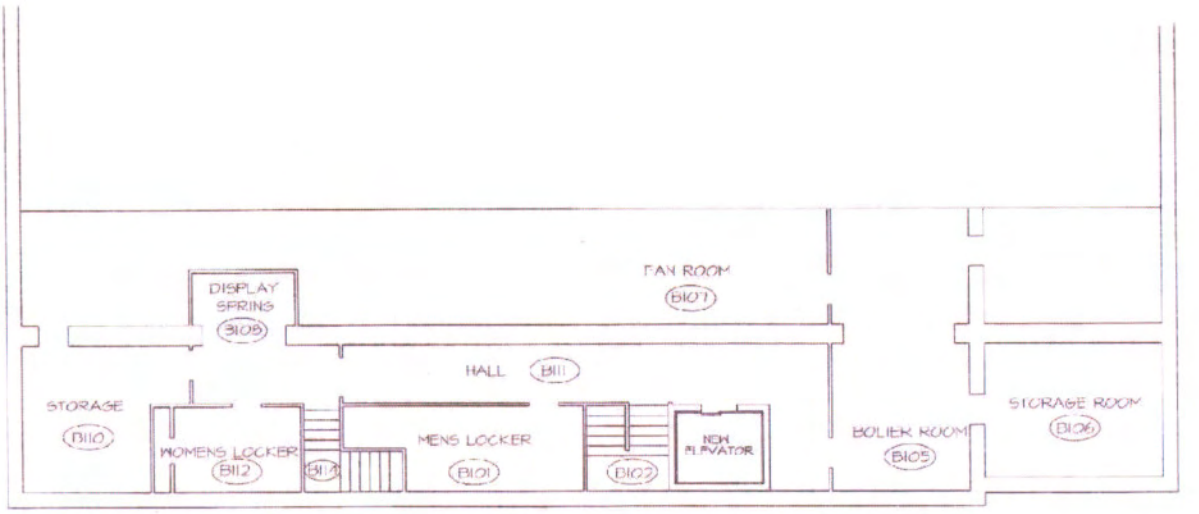
HALE BATHHOUSE SIDE ELEVATION

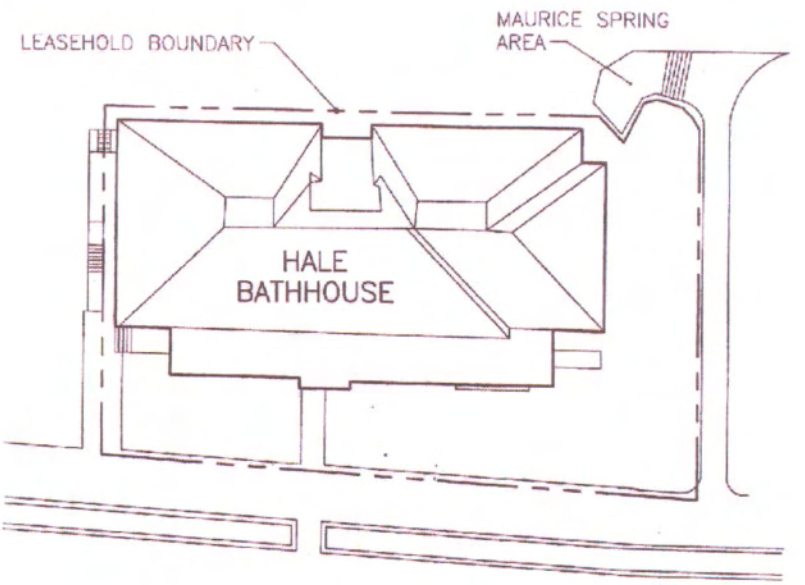


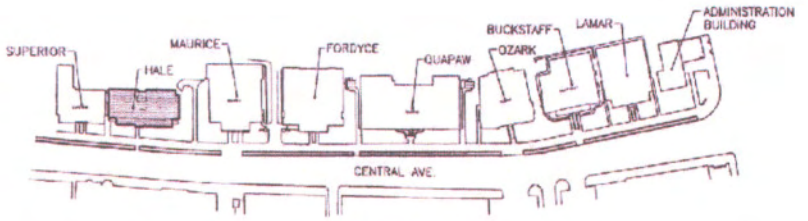
HALE BATHHOUSE FIRST FLOOR PLAN



HALE BATHOUSE SECOND FLOOR PLAN







KEY PLAN

HALE BATHHOUSE SITE PLAN
HOT SPRINGS NATIONAL PARK
PKG. NO. 145G-15 1/97

The Maurice Bathhouse

The Maurice Bathhouse is a three-story structure with a basement and exterior dimensions of 100 feet by 100 feet. It contains 22,919 square feet of space divided into 79 rooms, with 4,940 square feet in the basement, 8,179 square feet on the first floor, 4,900 square feet on the second floor, and 4,900 square feet on the third floor. The exterior architecture is an eclectic mix of Spanish and Italian Renaissance Revival styles. Faced with stucco and inset colored tiles, it has good proportions, simplicity of design, and crisp detailing. The entry is a sun parlor or porch with five arched windows, set in antis between two pavilions. The five-bay motif is used again on the third floor in the central block. The Maurice Bathhouse closed in 1974.

The Maurice has load-bearing masonry walls with concrete-beam and slab-floor construction. The beams are generally exposed (although plastered) in the rooms and the masonry is plastered inside and stuccoed outside. The non-bearing walls are apparently clay tiles with plastered surfaces. Except for the hung ceiling in the entrance lobby, all other floor and roof ceilings have plaster applied directly to the concrete slab and beams.

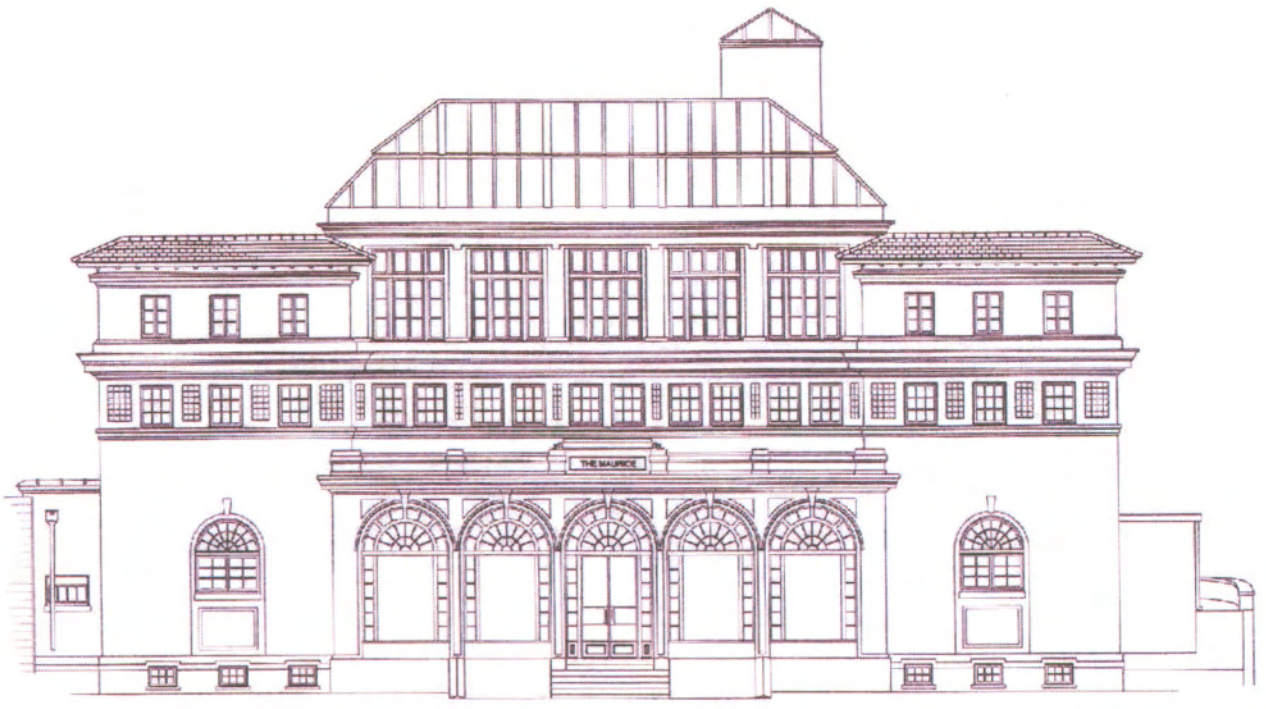
The full basement is under the front four-fifths of the building. It is almost entirely below grade and is roughly finished with painted, exposed-concrete-slab walls and concrete beams and ceiling. An abandoned therapeutic swimming pool stretches across most of the front of the building. Mechanical and equipment rooms, staff rooms, laundry, and storage occupy the remaining basement space.

The ground floor contains a sun porch, the entrance lobby, two elevators and stairs, with men's bathing hall, pack room, cooling rooms, and massage room along the south side and rear cen-

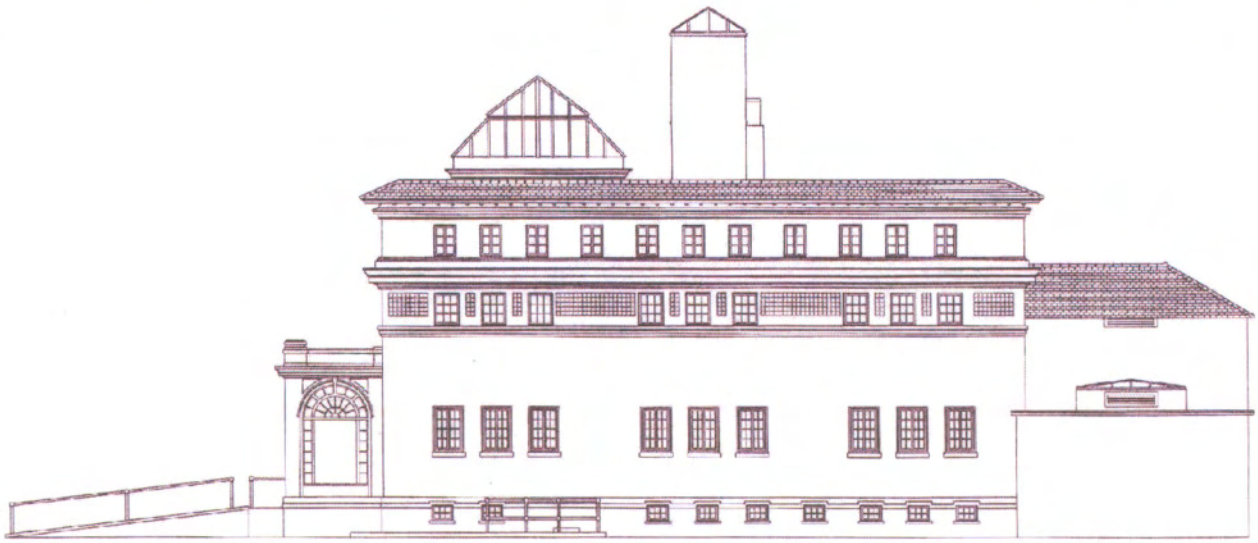
ter similar but smaller pilasters form an elegant lobby feature. Three large leaded stained glass skylights were located in the men's side (two in room 112 and one in room 107) and one in the ladies side in room 113. In addition, there were smaller stained-glass windows in the cooling rooms. Most of the stained glass has been removed, repaired, and stored for protection. A large portion of the first floor is only a single story so the second floor is smaller in size than the first. On the second floor are men's and ladies' dressing rooms; on the men's side is a billiard room with a mural border painted on canvas and miscellaneous staff rooms. The mural has been removed and stored for protection.

The third floor now contains an equipped, wood-paneled gymnasium at front center. This room was used previously as a solarium and as the "Dutch Den." The stained glass ceiling in the sky lighted gymnasium no longer remains, but the paneled walls and the inglenook fireplace and flanking seats are still in place. One small stained glass panel from the ceiling is in the park's museum collection. There are a number of small private rooms along both sides of the third floor; their interior walls are not load-bearing.

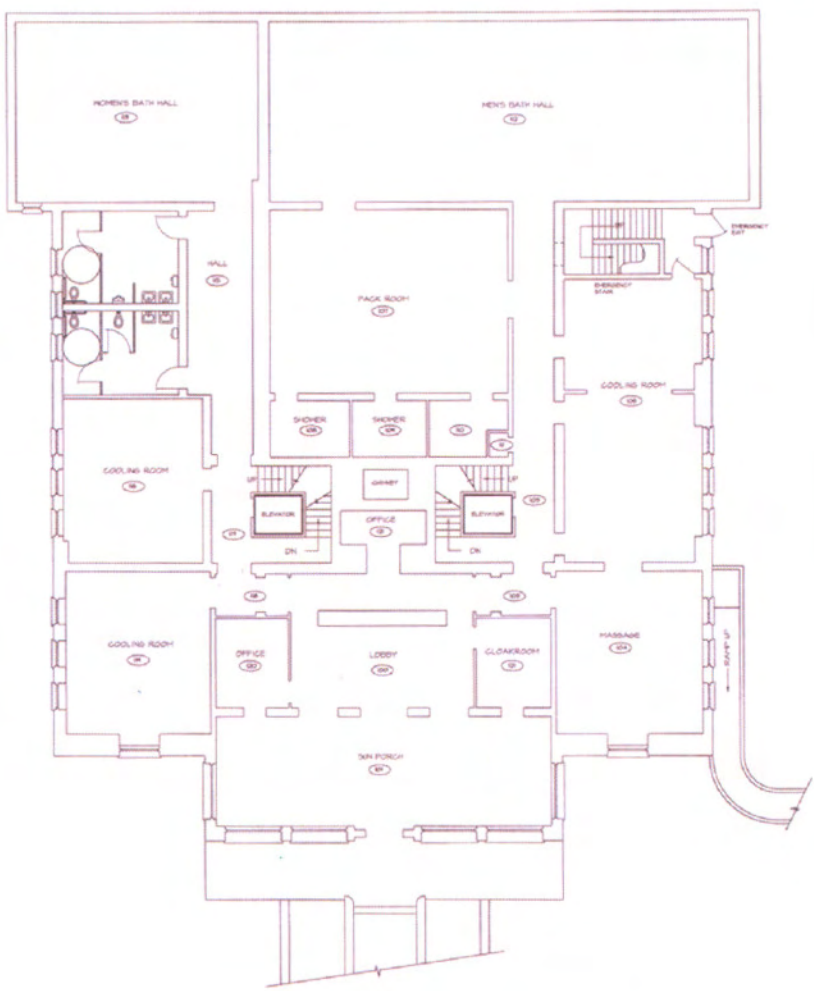
The roof of this building is predominantly flat, but has sloping green tile roofs along the parapet, over some of the rear spaces, and over the elevator penthouse. The third floor center is crowned by a pyramidal skylight that presents a dominant visual element of the façade.



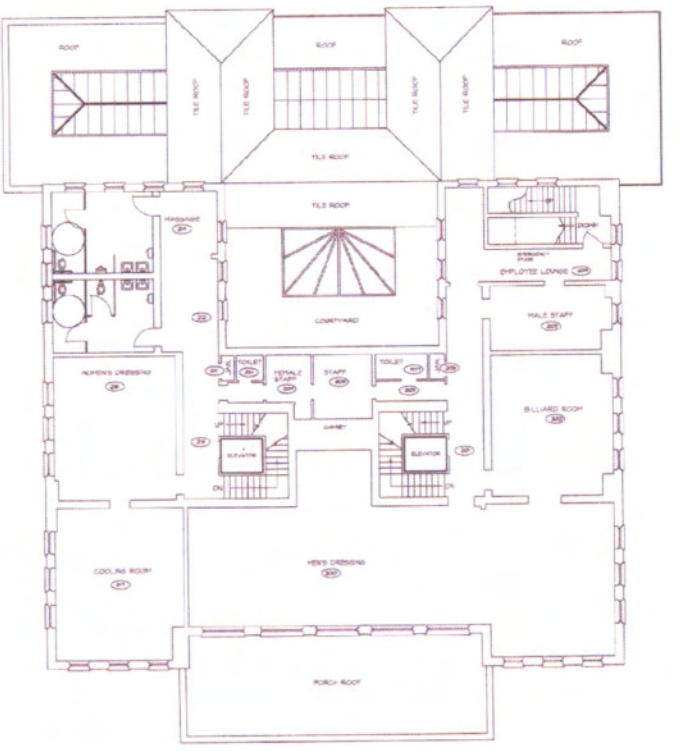
MAURICE BATHHOUSE - FRONT ELEVATION



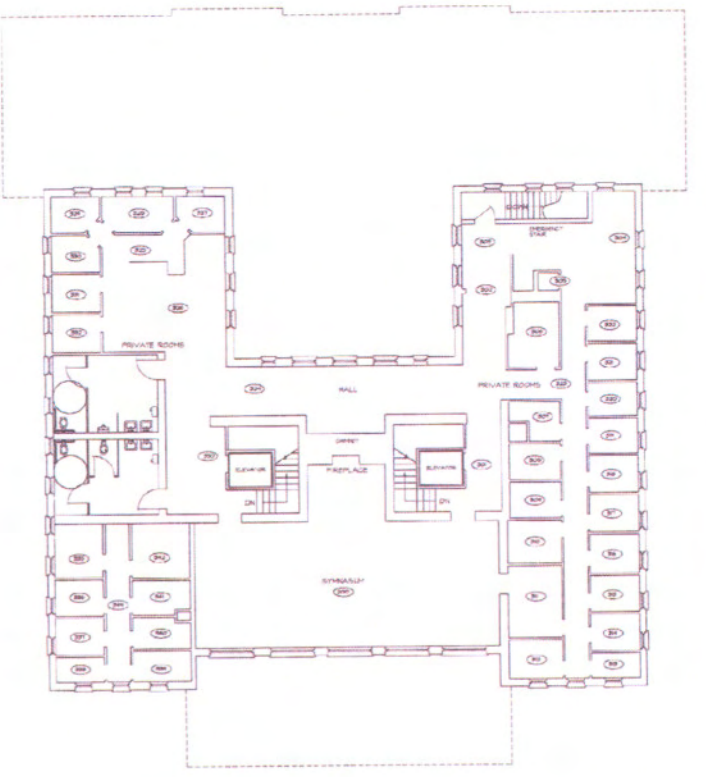
MAURICE BATHHOUSE SIDE ELEVATION



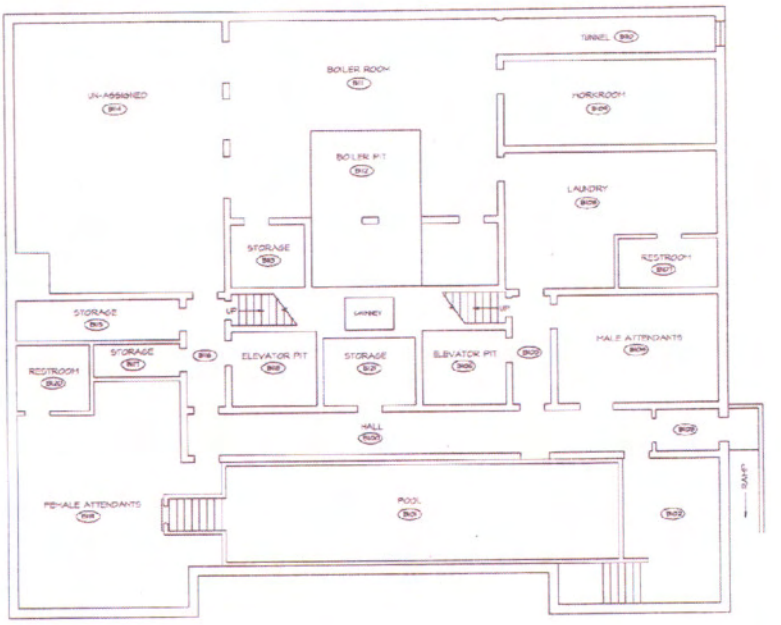
MAURICE BATHHOUSE - FIRST FLOOR PLAN



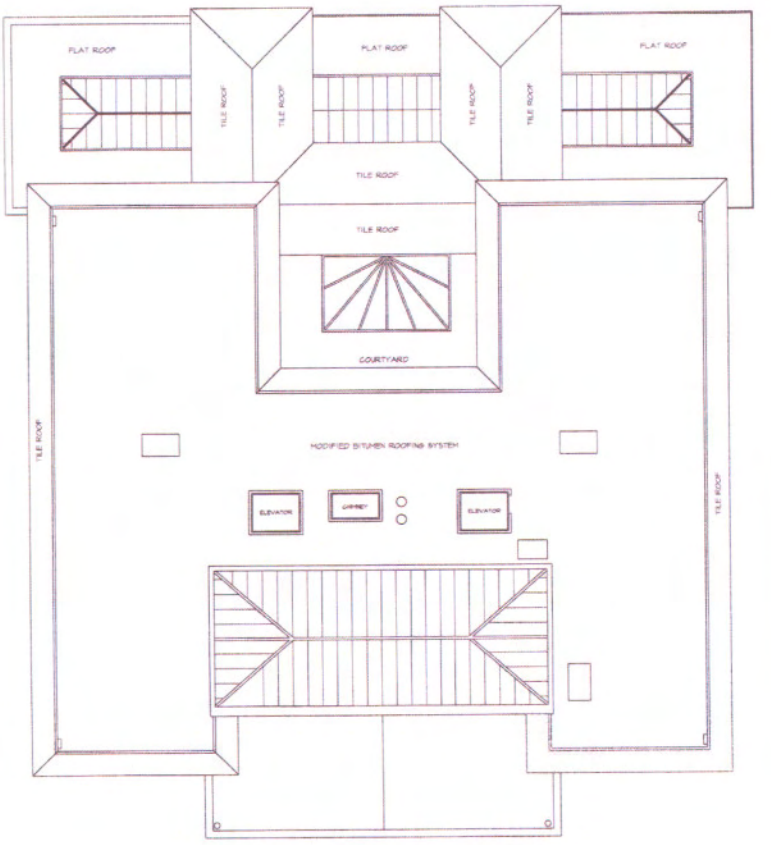
MAURICE BATHHOUSE - SECOND FLOOR PLAN



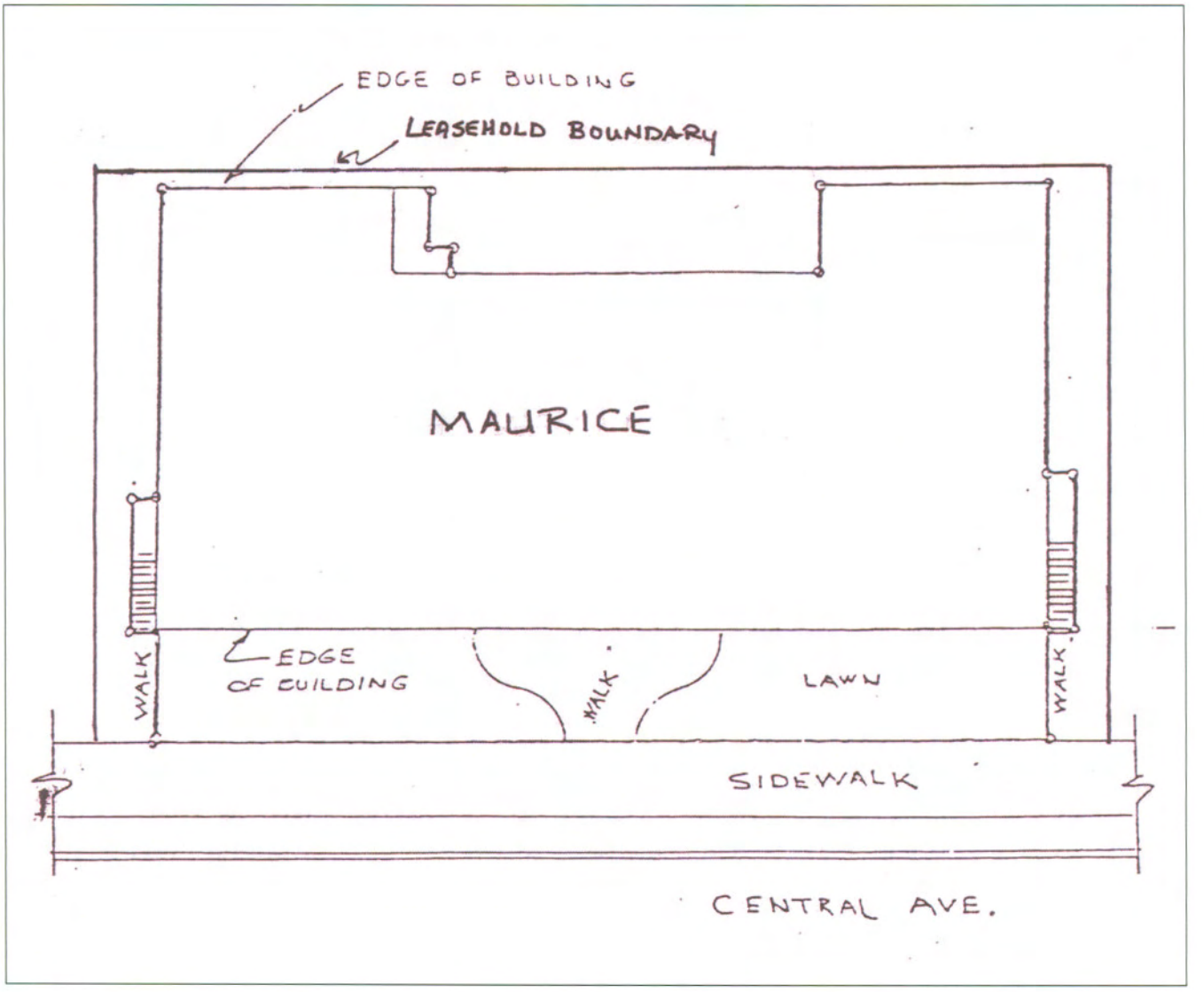
MAURICE BATHHOUSE - THIRD FLOOR PLAN



MAURICE BATHHOUSE - BASEMENT FLOOR PLAN



MAURICE BATHHOUSE - ROOF PLAN



DEPARTMENT OF THE INTERIOR NATIONAL PARK SERVICE HOT SPRINGS NATIONAL PARK	
PLAT OF LANDS OCCUPIED MAURICE	
DRAWN: RTF '73	SCALE: 1" = 40'
REVISED: '76	REV: JAG

ATTACHMENT B: LEGAL AND BUSINESS CONSIDERATIONS

A. Limitations on Sales

Regardless of the type of use of a leased building, the following items will not be sold or displayed:

-Tobacco products sold from vending machines
-Illegally obtained materials (e.g., materials from protected areas, sources, or species) and merchandise made from illegally obtained materials
-Merchandise that is improperly labeled as to its sources, manufacture, or nature
-Glass containers may not be sold from vending machines
-Archeological artifacts of any type

B. Services

1. The National Park Service is not responsible for city water, sewage, electricity, and telephone service to leased structures. The Service assumes no responsibility to provide the lessee with these services. All required permits and inspections are the responsibility of the lessee.

2. No on-site parking is available. Limited access to street parking and nearby parking lot spaces is available. Parking arrangements are the responsibility of the lessee.

3. Thermal water is available from the National Park Service in accordance with the laws, regulations, policies, and availability. The National Park Service is responsible for periodic testing of thermal water to ensure compliance with the National Safe Water Drinking Act. The quantity of water available to the lessee will be discussed during lease negotiations. Lessees will not be entitled to any ground water or subsurface mineral rights pursuant to the lease.

C. Taxes

The lessee shall be responsible for all taxes and other charges as may be assessed and levied by a proper authority.

D. Compliance with Federal, State, and Local Laws and Park Jurisdiction

Hot Springs National Park operates under the jurisdiction of the federal government. The park has exclusive jurisdiction under the authority of the National Park Service Superintendent.

Law enforcement is conducted by National Park Service Rangers holding federal law enforcement commissions. Federal law and state law, through the Act of June 25, 1948, the Assimilative Crimes Act, are enforced by these officers. The Park has general agreements with the surrounding police departments that describe the law enforcement and mutual aid relationships.

The City of Hot Springs Fire Department conducts structural fire protection.

Public health codes are prescribed by the United States Public Health Service (USPHS), and inspections will be conducted in accordance with model codes they have issued. The USPHS, through the Arkansas State Department of Health, will inspect and supervise the operation of the Park's water supply and sewage disposal systems. They will also inspect food service operations. Plans for food service facilities will require approval of the National Park Service, in consultation with the U. S. Public Health Service. That approval will be coordinated by the National Park Service.

Building codes that apply are the strictest of federal, state, and/or local codes or the applicable national codes that are NPS standards, whichever sets a higher standard. No construction may be undertaken unless the NPS has issued a letter or permit to proceed and has approved the plans involved and National Historic Preservation Act (NHPA) Section 106 (historical) and/or National Environmental Protection Act (NEPA) clearance has been received from the appropriate entity.

Although operations are conducted on federal property, the lessee will be subject to applicable state laws and ordinances in the same manner as if they operated outside the federal holding.

E. Park Management Structure

Hot Springs National Park is managed by a Park Superintendent. The Superintendent is assisted by a permanent authorized staff of 105 employees. The Park organization is divided into five divisions: Administration, Maintenance and Utilities, Interpretation, Resource Management, and Visitor Protection. Each division is supervised by a chief who reports to the Park's Assistant Superintendent. The leasing program is managed by the Concessions Specialist.

F. Park Resource Management Issues

Hot Springs National Park's core purpose is the protection of its thermal springs. Understandably, the Park's major resources, cultural as well as natural, are intimately related to the springs.

The presence of the hot springs is a result of the unique geology of the area and its present topography. The water is geothermally heated at an unusually shallow depth of only several thousand feet, then rises through faults in the sandstone formation to emerge at the surface as thermal springs. The discharge zone, containing many separate springs, is a narrow strip about 4 miles long at the foot of Hot Springs Mountain along Central Avenue. This zone has been a focus of human activity for hundreds of years and is today the site of Bathhouse Row and downtown Hot Springs. Except for three display springs, the springs are concealed from visitors, and capped to prevent contamination. The spring water is captured and diverted into the Park's extensive underground thermal water distribution system.

Water use must be conserved in order not to overload the thermal water collection and distribution system providing water to users. Activities must be prevented that would reduce the natural flow of water in the spring system, introduce contaminants into the system, or disturb the flow paths of the thermal water in the discharge area.

Methods of control of pests and vegetation and use of pesticides and herbicides must be approved in advance by the NPS before execution.

G. Concession and Other Authorizations

36 C.F.R. § 18.6 states that NPS leases may not authorize activities by lessees that are subject to authorization by an NPS concession contract, commercial use authorization or similar instrument. The NPS will reject any lease proposal for uses that NPS considers to be in conflict with 36 C.F.R. § 18.6.

H. Americans with Disabilities Act

Leased buildings must meet the requirements of the Americans with Disabilities Act to assure that accessibility is provided throughout the facility. The Americans with Disabilities Act (ADA) establishes federal guidelines that define requirements for disabled access to parking facilities, pathways, and buildings.

I. Minimum Business and Other Lease Terms and Conditions

Leases awarded under this RFP will contain the terms and conditions stated in 36 C.F.R. § 18.11 and 18.12 (See Appendix C to this RFP).

J. Historic Rehabilitation Income Tax Credits

If the proposed use of these National Register properties is income producing or commercial, the investor(s) may qualify for the rehabilitation investment tax credit provided by the Internal Revenue Code. Under the provisions of these sections, rehabilitation expenditures made by a lessee may qualify for an investment tax credit providing the remaining lease term is no less than the applicable recovery period. For Hot Springs National Park, this program is administered jointly by the Internal Revenue Service and the NPS in conjunction with the Arkansas State Historic Preservation Office. Questions regarding financial and administrative aspects of the tax code should be directed to the Internal Revenue Service. Questions regarding architectural or engineering aspects of the program should be directed to the Arkansas SHPO. Among the conditions for qualifications, the rehabilitation must be certified by the NPS to be consistent with the historic character of the structure and to meet The Secretary of the Interior's Standards for Rehabilitation. Potential lessees are advised that tax reform legislation is always a possibility and new tax provisions may affect the credits available for participants in the Historic Property Leasing Program. It is highly recommended that applicants whose use is income-producing or commercial consult with their legal and financial counsel regarding how the current tax code and potential changes may affect their proposal.

K. Insurance

The lessee will be required to maintain adequate insurance and to indemnify the National Park Service against losses connected with or caused by the use, activities, and operations authorized by the lease. The lessee should be aware that it is assuming a risk of loss or potential liability because the structures offered for lease are located in a 100-year floodplain. In addition to adequate insurance coverage, lessees may be required to undertake flood proofing measures to assure some protection against loss of life and property. These measures need not be physical measures but may include such devices as warning systems and evacuation plans.

L. Bonds

The lessee will be required to obtain a satisfactory surety bond in an amount that will reasonably assure performance of the contractual obligations under the lease. Such bonds may be for the purpose of guaranteeing the following: (1) not less than 1 year's rental unless the lease contract provides that the annual rental or portion thereof shall be paid in advance; (2) the estimated construction cost of any improvements by the lessee; (3) an amount estimated to be adequate to insure compliance with any additional contractual obligations.

ATTACHMENT C. USE AND DISCLOSURE OF PROPOSAL INFORMATION

For the purpose of this Prospectus, a "Trade Secret" means an unpatented, secret, commercially valuable plan, appliance, formula, or process, which is used for the making, preparing, compounding, treating, or processing of articles or materials which are trade-commodities. "Confidential commercial or financial information" means any business information (other than trade secrets) which is exempt from the mandatory disclosure requirements of the Freedom of Information Act, 5 U.S.C. § 552. Exemptions from mandatory disclosure regarding business information contained in proposals include Freedom of Information Act exemption (4), which covers "commercial and financial information obtained from a person (which is) privileged or confidential, 5 U.S.C. § 552(b)(4).

If the applicant believes that its proposal contains trade secrets or confidential commercial or financial information exempt from disclosure under the Freedom of Information Act, the cover page of each copy of the proposal shall be marked with the following legend:

"The information specifically identified on pages ___ of this proposal constitutes trade secrets or confidential commercial and financial information that the applicant believes to be exempt from disclosure under the Freedom of Information Act. The applicant requests that this information not be disclosed to the public, except as may be required by law. The applicant also requests that this information not be used in whole or part by the Government for any purpose other than to evaluate the proposal, except that if any Agreement and Lease is awarded to the applicant, the Government shall have the right to use the information to the extent provided in the Agreement and Lease."

The applicant also must specifically identify trade secret information and confidential commercial and financial information on the pages of the proposal on which it appears and must mark each such page with the following legend:

"This page contains trade secrets or confidential information and financial information that the applicant believes to be exempt from disclosure under the Freedom of Information Act and that is subject to the legend contained on the cover page of this proposal."

The NPS may use the information in the proposal identified by the proposal as trade secret information or confidential commercial and financial information only for the purpose of evaluating in the proposal, except that (1) if an Agreement and Lease is awarded to the applicant as a result of or in connection with submission of the proposal, NPS shall have the right to use the information as provided in the Prospectus, and (2) if the same information is obtained from another source without restriction it may be used without restriction.

If a request under the Freedom of Information Act seeks access to information in the proposal identified as trade secret information or confidential commercial and financial information, full consideration will be given to the applicant's view that the information constitutes trade secrets or confidential commercial or financial information. The NPS will notify the applicant promptly of the request and give the applicant an opportunity to provide additional evidence and argument in support of its position, unless it is administratively infeasible to do so. If it is determined that the information claimed by the applicant to be trade secret information is not exempt from disclosure under the Freedom of Information Act, the NPS will notify the applicant of this determination to disclose the information.

The National Park Service assumes no liability for the disclosure or use of information contained in a proposal if not marked properly with the legends described above. Failure of an applicant to mark information contained in a proposal as trade secret information or confidential commercial or financial information will be treated by the National Park Service as evidence that the information is not exempt from disclosure under the Freedom of Information Act.

ATTACHMENT D. FINANCIAL QUALIFICATION STATEMENT

Applicants should use the following format to submit supplemental information with respect to Item 4 (Financial Plan) in Section VI of this RFP.

FINANCIAL QUALIFICATIONS.

1. Submit a current balance sheet and income statement either personal or business. Also, submit a credit report(s) for the applicant. If the applicant is a new entity, please provide a credit report(s) for the entities that formed the applicant.

2. Submit a projected income statement for the first 5 years of operation for activities you propose to conduct in the leased premises. Include, as applicable, accompanying schedules of sales (by category); cost of sales (by category); and general, selling, and administrative expenses. If a not-for-profit use is proposed, submit projected income statement and projected general and administrative expenses only. Indicate assumptions on which the projections are based.

3. Submit your estimate of the cost of developing and operating the business proposed for the leased premises:

a. Initial Rehabilitation and Construction:	$
b. Equipment:	$
c. Inventory (if applicable)	$
d. Working Capital:	$
e. Other	$
Total Cost:	$

4. How will you finance the development and operation of the business:

Amount of Equity Capital:	$
Amount of Borrowed Capital (Debt)	$
Total Capital:	$

APPENDIX A.
NPS MANAGEMENT POLICIES, CHAPTER 7.1: INTERPRETIVE AND EDUCATIONAL PROGRAMS

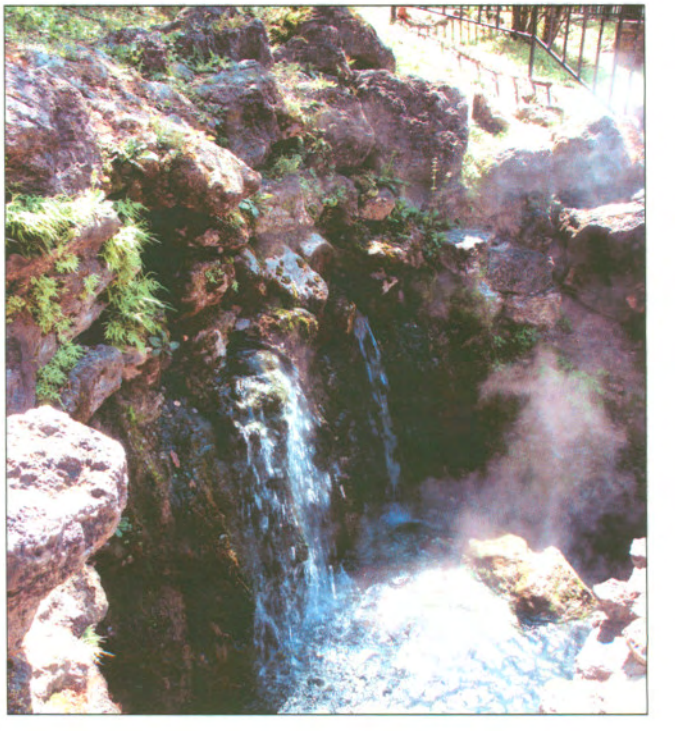
Since its inception, one of the chief functions of the national parks has been to serve educational purposes. The Service is committed to extend its leadership in education, build on what is in place, and pursue new relationships and opportunities to make national parks even more meaningful in the life of the nation. Within the rich learning environments of national parks and facilitation by NPS interpreters, visitors will be offered authentic experiences and opportunities to immerse themselves in places where events actually happened, experience the thrill of connecting with real objects used by previous generations, enjoy some of the most beautiful and historic places in America, and understand the difficult moments our nation has endured.

Every park will develop an interpretive and educational program that is grounded in (1) park resources, (2) themes related to the park's legislative history and significance, and (3) park and Service-wide mission goals. The intent will be to provide each visitor with an interpretive experience that is enjoyable and inspirational within the context of the park's tangible resources and the meanings they represent. In addition, visitors should be made aware of the purposes **and scope of the national park system.**

Interpretation will encourage dialogue and accept that visitors have their own individual points of view Factual information presented will be current, accurate, based on current scholarship and science, and delivered to convey park meanings, with the understanding that audience members will draw their own conclusions. Interpretation will also reach out to park neighbors, segments of the population that do not visit national parks, and community decision-makers to stimulate discussions about the park and its meanings in local, regional, and national contexts. In addition, interpretive services will help employees better understand the park's history, resources, processes, and visitors.

An effective park interpretive and educational program will include

- information and orientation programs that provide visitors with easy access to the information they need to have a safe and enjoyable park experience;
- interpretive programs that provide both on- and off-site presentations and are designed to encourage visitors to form their own intellectual or emotional connections with the resource. Interpretive programs facilitate a connection between the interests of visitors and the meanings of the park;
- curriculum-based educational programs that link park themes to national standards and state curricula and involve educators in planning and development. These programs include previsit and postvisit materials, address different learning styles, include an evaluation mechanism, and provide learning experiences that are linked directly to clear objectives. Programs develop a thorough understanding of a park's resources in individual, regional, national, and global contexts and of the park's place within the national park system; and
- interpretive media that provide visitors with relevant park information and facilitate more in-depth understanding of—and personal connection with—park stories and resources. This media will be continually maintained for both quality of content and condition based upon established standards.



APPENDIX B.
DOI STANDARDS FOR THE TREATMENT OF HISTORIC PROPERTIES
(36 CODE OF FEDERAL REGULATIONS PART 68)

TITLE 36--PARKS, FORESTS, AND PUBLIC PROPERTY

PART 68 - THE SECRETARY OF THE INTERIOR'S STANDARDS FOR THE TREATMENT OF HISTORIC PROPERTIES

--Table of Contents

Sec.
68.1 Intent.
68.2 Definitions.
68.3 Standards.

Authority: The National Historic Preservation Act of 1966, as amended (16 U.S.C. 470 et seq.); sec. 2124 of the Tax Reform Act of 1976, 90 Stat. 1918; EO 11593, 3 CFR part 75 (1971); sec. 2 of Reorganization Plan No. 3 of 1950 (64 Stat. 1262).

Source: 60 FR 35843, July 12, 1995, unless otherwise noted.

68.1 Intent.

The intent of this part is to set forth standards for the treatment of historic properties containing standards for preservation, rehabilitation, restoration and reconstruction. These standards apply to all proposed grant-in-aid development projects assisted through the National Historic Preservation Fund. 36 CFR part 67 focuses on "certified historic structures" as defined by the IRS Code of 1986. Those regulations are used in the Preservation Tax Incentives Program. 36 CFR part 67 should continue to be used when property owners are seeking certification for Federal tax benefits.

Sec. 68.2 Definitions.

The standards for the treatment of historic properties will be used by the National Park Service and State historic preservation officers and their staff members in planning, undertaking and supervising grant-assisted projects for preservation, rehabilitation, restoration and reconstruction. For the purposes of this part:

(a) Preservation means the act or process of applying measures necessary to sustain the existing form, integrity and materials of an historic property. Work, including preliminary measures to protect and stabilize the property, generally focuses upon the ongoing maintenance and repair of historic materials and features rather than extensive replacement and new construction. New exterior additions are not within the scope of this treatment; however, the limited and sensitive upgrading of mechanical, electrical and plumbing systems and other code-required work to make properties functional is appropriate within a preservation project.

(b) Rehabilitation means the act or process of making possible an efficient compatible use for a property through repair, alterations and additions while reserving those portions or features that convey its historical, cultural or architectural values.

(c) Restoration means the act or process of accurately depicting the form, features and character of a property as it appeared at a particular period of time by means of the removal of features from other periods in its history and reconstruction of missing features from the restoration period. The limited and sensitive upgrading of mechanical, electrical and plumbing systems and other code-required work to make properties functional is appropriate within a restoration project.

(d) Reconstruction means the act or process of depicting, by means of new construction, the form, features and detailing of a non-surviving site, landscape, building, structure or object for the purpose of replicating its appearance at a specific period of time and in its historic location.

Sec. 68.3 Standards.

One set of standards--preservation, rehabilitation, restoration or reconstruction--will apply to a property undergoing treatment, depending upon the property's significance, existing physical condition, the extent of documentation available and interpretive goals, when applicable. The standards will

be applied taking into consideration the economic and technical feasibility of each project.

(a) Preservation.

(1) A property will be used as it was historically, or be given a new use that maximizes the retention of distinctive materials, features, spaces and spatial relationships. Where a treatment and use have not been identified, a property will be protected and, if necessary, stabilized until additional work may be undertaken.

(2) The historic character of a property will be retained and preserved. The replacement of intact or repairable historic materials or alteration of features, spaces and spatial relationships that characterize a property will be avoided.

(3) Each property will be recognized as a physical record of its time, place and use. Work needed to stabilize, consolidate and conserve existing historic materials and features will be physically and visually compatible, identifiable upon close inspection and properly documented for future research.

(4) Changes to a property that have acquired historic significance in their own right will be retained and preserved.

(5) Distinctive materials, features, finishes and construction techniques or examples of craftsmanship that characterize a property will be preserved.

(6) The existing condition of historic features will be evaluated to determine the appropriate level of intervention needed. Where the severity of deterioration requires repair or limited replacement of a distinctive feature, the new material will match the old in composition, design, color and texture.

(7) Chemical or physical treatments, if appropriate, will be undertaken using the gentlest means possible. Treatments that cause damage to historic materials will not be used.

(8) Archeological resources will be protected and preserved in place. If such resources must be disturbed, mitigation measures will be undertaken.

(b) Rehabilitation. (1) A property will be used as it was historically or be given a new use that requires minimal change to its distinctive materials, features, spaces and spatial relationships.

(2) The historic character of a property will be retained and preserved. The removal of distinctive materials or alteration of features, spaces and spatial relationships that characterize a property will be avoided.

(3) Each property will be recognized as a physical record of its time, place and use. Changes that create a false sense of historical development, such as adding conjectural features or elements from other historic properties, will not be undertaken.

(4) Changes to a property that have acquired historic significance in their own right will be retained and preserved.

(5) Distinctive materials, features, finishes and construction techniques or examples of craftsmanship that characterize a property will be preserved.

(6) Deteriorated historic features will be repaired rather than replaced. Where the severity of deterioration requires replacement of a distinctive feature, the new feature will match the old in design, color, texture and, where possible, materials. Replacement of missing features will be substantiated by documentary and physical evidence.

(7) Chemical or physical treatments, if appropriate, will be undertaken using the gentlest means possible. Treatments that cause damage to historic materials will not be used.

(8) Archeological resources will be protected and preserved in place. If such resources must be disturbed, mitigation measures will be undertaken.

(9) New additions, exterior alterations or related new construction will not destroy historic materials, features and spatial relationships that characterize the property. The new work will be differentiated from the old and will be compatible with the historic materials, features, size, scale and proportion, and massing to protect the integrity of the property and its environment.

(10) New additions and adjacent or related new construction will be undertaken in such a manner that, if removed in the future, the essential form and integrity of the historic property and its environment would be unimpaired.

(c) Restoration. (1) A property will be used as it was historically or be given a new use that interprets the property and its restoration period.

(2) Materials and features from the restoration period will be retained and preserved. The removal of materials or alteration of features, spaces and spatial relationships that characterize the period will not be undertaken.

(3) Each property will be recognized as a physical record of its time, place and use. Work needed to stabilize, consolidate and conserve materials and features from the restoration period will be physically and visually compatible, identifi-

able upon close inspection and properly documented for future research.

(4) Materials, features, spaces and finishes that characterize other historical periods will be documented prior to their alteration or removal.

(5) Distinctive materials, features, finishes and construction techniques or examples of craftsmanship that characterize the restoration period will be preserved.

(6) Deteriorated features from the restoration period will be repaired rather than replaced. Where the severity of deterioration requires replacement of a distinctive feature, the new feature will match the old in design, color, texture and, where possible, materials.

(7) Replacement of missing features from the restoration period will be substantiated by documentary and physical evidence. A false sense of history will not be created by adding conjectural features, features from other properties, or by combining features that never existed together historically.

(8) Chemical or physical treatments, if appropriate, will be undertaken using the gentlest means possible. Treatments that cause damage to historic materials will not be used.

(9) Archeological resources affected by a project will be protected and preserved in place. If such resources must be disturbed, mitigation measures will be undertaken.

(10) Designs that were never executed historically will not be constructed.

(d) Reconstruction. (1) Reconstruction will be used to depict vanished or non-surviving portions of a property when documentary and physical evidence is available to permit accurate reconstruction with minimal conjecture and such reconstruction is essential to the public understanding of the property.

(2) Reconstruction of a landscape, building, structure or object in its historic location will be preceded by a thorough archeological investigation to identify and evaluate those features and artifacts that are essential to an accurate reconstruction. If such resources must be disturbed, mitigation measures will be undertaken.

(3) Reconstruction will include measures to preserve any remaining historic materials, features, and spatial relationships.

(4) Reconstruction will be based on the accurate duplication of historic features and elements substantiated by documentary or physical evidence rather than on conjectural designs or the availability of different features from other historic properties. A reconstructed property will re-create the appearance of the non-surviving historic property in materials, design, color and texture.

(5) A reconstruction will be clearly identified as a contemporary re-creation.

(6) Designs that were never executed historically will not be constructed.

TITLE 36--PARKS, FORESTS, AND PUBLIC PROPERTY

PART 18--LEASING OF PROPERTIES IN PARK AREAS

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Authority: 16 U.S.C. 1 et seq., particularly 16 U.S.C. 1a-2(k), and, 16 U.S.C. 470h-3.

Source: 66 FR 66759, Dec. 27, 2001, unless otherwise noted.

Sec. 18.1 What is the authority and purpose for this part?

16 U.S.C. 1 et seq., particularly 16 U.S.C. 1a-2(k), and, 16 U.S.C. 470h-3 are the authorities for this part. These authorities allow the Director (or delegated officials) to lease certain federally owned or administered property located within the boundaries of park areas. All leases to be entered into by the Director under these authorities are subject to the requirements of this part, except that, proposed leases that were solicited pursuant to this part prior to January 28, 2002, may be executed in accordance with the terms of the solicitation.

Sec. 18.2 What definitions do you need to know to understand this part?

In addition to the definitions contained in 36 CFR Part 1, the following definitions apply to this part:

(a) Associated property means land and/or structures (e.g., parking lots, retaining walls, walkways, infrastructure facilities, farm fields) related to a building or buildings and their functional use and occupancy.

(b) Building means an enclosed structure located within the boundaries of a park area and constructed with walls and a roof to serve a residential, industrial, commercial, agricultural or other human use.

(c) Commercial use authorization means a written authorization to provide services to park area visitors issued by the Director pursuant to Section 418 of Public Law 105-391 and implementing regulations.

(d) Concession contract has the meaning stated in 36 CFR Part 51.

(e) Fair market value rent means the most probable rent, as of a specific date, in cash or in terms equivalent to cash, for which the property to be leased, under the terms and conditions of the lease, should rent for its highest and best permitted use after reasonable exposure in a competitive market under all conditions requisite to a fair leasing opportunity, with the lessor and the lessee each acting prudently, knowledgeably, and for self-interest, and assuming that neither is under undue duress. Determinations of fair market value rent under this part are to be made taking into account the considerations stated in Sec. 18.5.

(f) Historic building means a building or buildings located within the boundaries of a park area if the building is part of a pre-historic or historic district or site included on, or eligible for inclusion on, the National Register of Historic Places.

(g) Historic land means land located within the boundaries of an historic property.

(h) Historic property means building(s) and land located within the boundaries of a park area if the building(s) and land are part of a pre-historic or historic district or site included on, or eligible for inclusion on, the National Register of Historic Places.

(i) Land means unimproved real property.

(j) Lease means a written contract entered into under the authority of this part through which use and possession of property is granted to a person for a specified period of time.

(k) Non-historic building is a building (or buildings) and its associated property located within the boundaries of a park area but not part of a pre-historic or historic district or site included on, or eligible for inclusion on, the National Register of Historic Places.

(l) Non-historic land means land located within the boundaries of a park area that is not associated property and is not part of a pre-historic or historic district or site included on, or eligible for inclusion on, the National Register of Historic Places.

(m) Non-historic property means building(s) and/or land that are located within the boundaries of a park area but are not part of a pre-historic or historic district or site included on, or eligible for inclusion on, the(n) Park area means a unit of the national park system.

(n) Park area means a unit of the national park system.

(o) Property means both historic and non-historic property that is located within the boundaries of a park area and is federally owned or administered.

(p) Request for bids refers to the lease bid process described in Sec. 18.7.

(q) Request for proposals refers to the lease proposal process described in Sec. 18.8.

(r) Responsive bid or proposal means a timely submitted bid or proposal that meets the material requirements of a request for bids or a request for proposals.

Sec. 18.3 What property may be leased?

(a) In general. The Director may lease any property (except non-historic land) under this part if the Director makes the determinations required by Sec. 18.4.

(b) Non-historic land. Non-historic land may not be leased under this part. Certain non-historic land is eligible for leasing under 36 CFR Part 17.

Sec. 18.4 What determinations must the Director make before leasing property?

Before leasing property in a park area under this part, the Director must determine that:

(a) The lease will not result in degradation of the purposes and values of the park area;

(b) The lease will not deprive the park area of property necessary for appropriate park protection, interpretation, visitor enjoyment, or administration of the park area;

(c) The lease contains such terms and conditions as will assure the leased property will be used for activity and in a manner that are consistent with the purposes established by law for the park area in which the property is located;

(d) The lease is compatible with the programs of the National Park Service;

(e) The lease is for rent at least equal to the fair market value rent of the leased property as described in Sec. 18.5;

(f) The proposed activities under the lease are not subject to authorization through a concession contract, commercial use authorization or similar instrument; and

(g) If the lease is to include historic property, the lease will adequately insure the preservation of the historic property.

Sec. 18.5 May property be leased without receiving fair market value rent?

Property may be leased under this part only if the lease requires payment of rent to the government equal or higher than the property's fair market value rent. The determination of fair market value rent shall take into account:

(a) Any restrictions on the use of the property or terms of the lease that limit the value and/or the highest and best use of the property; and

(b) Any requirements under the lease for the lessee to restore, rehabilitate or otherwise improve the leased property.

Sec. 18.6 Are there limitations on the use of property leased under this part?

(a) A lease issued under this part may authorize the use of the leased property for any lawful purpose, subject to the determinations required by Sec. 18.4 and the limitations on activities set forth in paragraph (b) of this section.

(b) Unless otherwise authorized by law, a lease issued under this part may not authorize the lessee to engage in activities that are subject to authorization through a concession contract, commercial use authorization or similar instrument. Proposed lease activities are subject to authorization under a concession contract if the Director determines in accordance with 36 CFR part 51 and park area planning documents and related guidelines and policies that the proposed activities meet applicable requirements for issuance of a concession contract. Proposed activities are subject to authorization under a commercial use authorization if the Director determines in accordance with park area planning documents and related guidelines and policies that the proposed activities meet applicable requirements for issuance of a commercial use authorization.

Sec. 18.7 How are lease proposals solicited and selected if the Director issues a Request for Bids?

(a) If the amount of the rent is the only criterion for award of a lease, the Director may solicit bids through issuance of a request for bids as described in this section. If historic property is to be leased under the authority of this section, the Director must comply with 36 CFR part 800 (commenting procedures of the Advisory Council on Historic Preservation) at an appropriate time during the leasing process.

(b) A request for bids under this section shall be advertised by public notice published at least twice in local and/or national newspapers of general circulation. The notice shall provide at least a thirty (30) day period from the last date of publication for the submission of sealed bids. The notice will provide necessary information to prospective bidders. It may specify a minimum rent and/or require submission of a rent deposit or advance rent payment. Bids will be consid ered only if timely received at the place designated in the request. Bids must be in the form specified by the Director, or if no form is specified, a bid must be in writing, signed by the bidder or authorized representative, state the amount of the bid, and refer to the applicable public notice. If the notice requires submission of a rent deposit or advance rent payment, the bids must include the required funds in the form of a certified check, post office money order, bank drafts, or cashier's checks made out to the United States of America. The bid (and payment where applicable) must be enclosed in a sealed envelope upon which the bidder shall write: "Bid on lease of property of the National Park Service" and shall note the date the bids are to be opened.

(c) Bids will be opened publicly by the Director at a time and place specified in the public notice. Bidders or their representatives may attend the bid opening. The bidder submitting a responsive bid offering the highest rent will be selected for award of the lease (subject to a determination of financial capability by the Director). A responsive bid is a bid that meets the material terms and conditions of the request for bids. The Director shall accept no bid in an amount less than the fair market rental value as determined by the Director. If two or more bids are equal, a drawing shall make the lease award by lot limited to the equal responsive bids received.

(d) When a property is to be leased through a request for bids, the bidder that is declared by the Director to be the high bidder shall be bound by his bid and this part to execute the offered lease, unless the bid is rejected. If the declared high bidder fails to enter into the lease for any reason, the Director may choose to enter into the lease with the next highest bidder (if that bidder offered to pay at least the fair market rent value). The Director may reject any and all bids in his discretion and resolicit or cancel a lease solicitation under this part at any time without liability to any person.

(e) (1) The criteria to be used in selection of the best proposal are:

(i) The compatibility of the proposal's intended use of the leased property with respect to preservation, protection, and visitor enjoyment of the park;

(ii) The financial capability of the offeror to carry out the terms of the lease;

(iii) The experience of the offeror demonstrating the managerial capability to carry out the terms of the lease;

(iv) The ability and commitment of the offeror to conduct its activities in the park area in an environmentally enhancing manner through, among other programs and actions, energy conservation, waste reduction, and recycling; and

(v) Any other criteria the RFP may specify.

(2) If the property to be leased is an historic property, the compatibility of the proposal with the historic qualities of the property shall be an additional selection criterion. If the RFP requires proposals to include the amount of rent offered, the amount of rent offered also shall be an additional selection criterion.

(f) The Director will evaluate all responsive proposals received. The responsive proposal determined by the Director to best meet on an overall basis the evaluation criteria will be selected for negotiation of the lease. If two or more responsive proposals are determined by the Director to be substantially equal under the evaluation criteria, the Director shall provide an opportunity for those proposals to be amended by their offerors as necessary for the Director to select the best amended proposal. In such circumstances, the Director will provide each offeror that submitted a substantially equal proposal appropriate information as to how their proposals may be amended in order to enhance the possibility of selection as the best amended proposal. If two or more proposals remain as substantially equal after amendment, the Director will select for negotiation of the lease from among these proposals the proposal that the Director determines on an overall basis will be most beneficial to effective management of the park area.

(g) The Director will provide the offeror that submitted the best overall responsive proposal as determined by the Director a specified period of time to negotiate the final terms of the lease (and may enter into a letter of intent to negotiate in this connection). The final terms of the lease must be consistent with the requirements of the RFP. If the negotiations do not result in an executed lease within the specified time period, the Director, in his discretion, may extend the negotiation period, terminate negotiations and negotiate with the offeror that submitted the next best responsive proposal, or, cancel the solicitation.

(h) RFPs may state that the amount of rent to be paid will be negotiated subsequently with the offeror that submitted the best proposal, initially or as amended. The Director may execute a lease only if the Director determines that it requires the lessee to pay at least the fair market value rent of the leased property.

(i) The Director may execute a lease that includes historic property only after complying with 36 CFR Part 800 (commenting procedures of the Advisory Council on Historic Preservation).

Sec. 18.9 When may the Director lease property without issuing a request for bids or a request for proposals?

The Director, except as provided in this section, may not lease property without issuing a request for bids or a request for proposals in compliance with Sec. 18.7 or Sec. 18.8. The Director under this part may enter into leases with non-profit organizations (recognized as such by the Internal Revenue Service) or units of government without complying with Sec. 18.7 or 18.8 if the Director determines that the non-profit or governmental use of the property will contribute to the purposes and programs of the park area. All other requirements of this part are applicable to leases entered into or to be entered into under authority of this section. The Director may enter into leases under this part with a term of sixty (60) days or less without complying with Sec. Sec. 18.7 or 18.8 if the Director determines that to do so is in the best interests of the administration of the park area. If historic land is to be leased under the authority of this section, the Director must comply with 36 CFR part 800 (commenting procedures of the Advisory Council on Historic Preservation) before entering into the lease.

Sec. 18.10 How long can the term of a lease be?

All leases entered into under this part shall have as short a term as possible, taking into account the financial obligations of the lessee and other factors related to determining an appropriate lease term. No lease shall have a term of more than 60 years. Leases entered under the authority of this part may not be extended, except that, leases with an initial term of one (1) year or more may be extended once for a period not to exceed one (1) additional year if the Director determines that an extension is necessary because of circumstances beyond the Director's control.

Sec. 18.11 What general provisions must a lease contain?

All leases entered into under this part must contain terms and conditions that are determined nec-

essary by the Director to assure use of the leased property in a manner consistent with the purposes of the applicable park area as established by law, and where applicable, to assure the preservation of historic property.

Sec. 18.12 What specific provisions must a lease contain?

All leases entered into under this part must contain:

(a) A termination for cause or default provision;

(b) Appropriate provisions requiring the lessee to maintain the leased property in good condition throughout the term of the lease;

(c) Appropriate provisions stating that subletting of a portion of the leased property and assignment of a lease, if permissible under the terms of the lease, must be subject to the Director's written approval. Such subleases and assignments shall be approved only if the Director determines, among other relevant matters, that the proposed sub-lessee or assignee is matters, that the proposed sub-lessee or assignee is financially and managerially capable of carrying out the terms of the lease. Assignment of a lease for the purpose of effectuating an encumbrance to the lease or the leased property is subject to approval pursuant to the requirements of paragraph (l) of this section;

(d) Appropriate provisions requiring the lessee to secure and maintain from responsible companies liability insurance sufficient to cover losses connected with or occasioned by the use and activities authorized by the lease. Types and amounts of insurance coverage will be specified in writing and periodically reviewed by the Director;

(e) Appropriate provisions, unless the Director determines otherwise in the circumstances of a particular lease, requiring the lessee to obtain from responsible companies casualty insurance (including flood insurance if applicable) in an amount sufficient to protect the interests of the lessee and the government. In the event of casualty, the lessee shall be required to repair or replace damaged or destroyed property unless otherwise determined by the Director;

(f) Appropriate provisions requiring the lessee to save, hold harmless, and indemnify the United States of America and its agents and employees for all losses, damages, or judgments and expenses resulting from personal injury, death or property damage of any nature arising out of the lessee's

activities under the lease, and/or the activities of the lessee's employees, subcontractors, sub-lessees, or agents. No lease entered into this part may contain provisions intended

(g) Appropriate provisions requiring the lessee to pay for use of all utilities used by the lessee and to pay all taxes and assessments imposed by federal, state, or local agencies applicable to the leased property or to lessee activities;

(h) Appropriate provisions stating that the lessee has no rights of renewal of the lease or to the award of a new lease upon lease termination or expiration and that the lease is subject to cancellation by the Director in the exercise of the sovereign authority of the United States to the extent provided by applicable law;

(i) Appropriate provisions stating that the lessee may not construct new buildings or structures on leased property, provided that, a lease may contain appropriate provisions that authorize the lessee to construct, subject to the prior written approval of the Director, minor additions, buildings and/or structures determined by the Director to be necessary for support of the authorized activities of the lessee and otherwise to be consistent with the protection and purposes of the park area. Approval by the Director of new construction may only be granted if the Director makes the determinations required by Sec. 18.4;

(j) Appropriate provisions requiring that:

(1) Any improvements to or demolition of

leased property to be made by the lessee may be undertaken only with written approval from the Director;

(2) That any improvements to or demolition of his toric property may only be approved if the Director determines that the improvements or demolition complies with the Secretary of the Interior's Standards for the Treatment of Historic Properties (36 CFR part 68); and

(3) Any improvements made by a lessee shall be the property of the United States;

(k) Appropriate provisions that describe and limit the type of activities that may be conducted by the lessee on the leased property. The types ofof activities described in a lease may be modified from time to time with the approval of the Director through an amendment to the lease. The Director may approve modified activities only if the determinations required by Sec. 18.4 remain valid under the proposed modified activities and the proposed activities are otherwise determined appropriate by the Director;

(l) Appropriate provisions, unless the Director determines not to permit pledges or encumbrances in the circumstances of a particular lease, authorizing the lessee to pledge or encumber the lease as security, provided that any pledge or encumbrance of the lease and the proposed holder of the pledge or encumbrance must be approved in writing in advance by the Director and that a pledge or encumbrance may only grant the holder the right, in the event of a foreclosure, to assume the responsibilities of the lessee under the lease or to select a new lessee subject to the approval of the Director. Pledges or encumbrances may not grant the holder the right to alter or amend in any manner the terms of the lease;

(m) Appropriate provisions stating that fulfillment of any obligations of the government under the lease is subject to the availabilityof appropriated funds. No lease issued under authority of this part shall entitle the lessee to claim benefits under the Uniform Relocation Assistance Act of 1970 (Public Law 91-646) and all leases entered into under the authority of this part shall reqire the lessee to waive any such benefits; and

(n) Appropriate provisions granting the Director and the Comptroller General access to the records of the lessee adminstration purposes and/or as provided by applicable law.

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by the American people so that all may experience our heritage.

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