

**Madras Redevelopment Commission  
Brewery/BrewPub Recruitment  
Request for Proposals**



Madras Redevelopment Commission  
125 SW E Street  
Madras, OR, 97741  
[www.ci.madras.or.us](http://www.ci.madras.or.us)

## Overview

On the heels of a successful Total Solar Eclipse, and on the verge of something great, the City of Madras (“City” or “Madras”) is actively recruiting a brewpub and/or production brewery (“Brewery/BrewPub”) to its growing and energized community to the City’s Urban Renewal District (“URD”), located in the downtown core around U.S. Highway 97. The Madras Redevelopment Commission (“MRC”) is seeking proposals from those with experience and qualifications in the brewing and restaurant industry to open a Brewery/BrewPub in City’s URD. MRC is offering a package of incentives and assistance to help Madras’ first craft brewer turn its dream into reality and become a vital member of the community known for its livability, affordability, community spirit, and rich mix of cultures.

## Introduction

Whether you’re an established brewer looking to expand, a business guru looking for the next investment, or the passion-project type who’s driven by the love of beer, good food, and community, we want to talk to you! Central Oregon is the state’s hot spot for the craft brewing industry, and where revolutionary breweries started, are developing and attracting creative brewers that are creating successful spin-off breweries. Madras is the last community in Central Oregon without a local brewpub or production brewery. The community of Madras recently identified the need to recruit a Brewery/BrewPub as a top priority in the next 10 years. The community wants a Brewery/BrewPub that is:

1. Welcoming;
2. Slightly up-scale;
3. Family-friendly;
4. A place where friends, family, and groups can meet and enjoy good beer, food, and service; and
5. A place that creates memorable and distinguished experience that inspires customers to come back time and time again.

MRC is ready and able to assist the Brewery/BrewPub with these characteristics by offering a wide-range of incentives to a well-qualified and experienced partner to open and sustainably operate a Brewery/BrewPub in downtown Madras.

## What Makes Madras a Brewer’s Dream?

Madras is located where Highways 97 and 26 intersect. To the casual traveler, it may not seem as if there is an opportunity to start a Brewery/BrewPub in Madras. But there is an opportunity for someone to pursue their dream! The following are several key factors that create a ripe opportunity to open a Brewery/BrewPub:

1. There is ultra-pure water from nearby Opal Springs that is naturally filtered by thick layers of volcanic basalt.
2. There are unique “Farm-to-Table” opportunities for the Brewery/BrewPub with locally grown and malted grain, regionally sourced hops, and locally grown and raised food.
3. Madras is located in the heart of Oregon, Central Oregon. It’s the center of the craft beer culture and prime tourist destination.
4. There’s an opportunity to be the first brewery in Madras—one of the last cities of its size in Oregon without a brewery!
5. MRC and Madras’ commitment to making this happen potentially through a robust package of business incentives.

## Madras Profile

Surrounded by the snow-capped Cascade Mountains, scenic lakes and waterways, and rich amber waves of some of the state’s finest farm and ranchland, Madras is a beautiful community and a gateway to popular Central Oregon. Located 120 miles southeast of Portland, 100 miles south of Hood River, and 45 miles north of Bend, the diverse population of Madras (6,275), Madras retail trade area (19,000+), and Jefferson County (23,000+) boasts a mix of agricultural, manufacturing, tourism, and small businesses.

People, culture, and history form the fabric and foundation of Madras, as does the proud, tight-knit, “we’ve got your back’ mentality of its residents. Very much a “can do” city, Madras became a world stage for the 2017 Total Solar Eclipse while hosting 100,000+ visitors from near and far for the most exciting natural phenomenon to sweep the nation in decades.

The City of Madras has a great deal of market research available to share with those interested in opening a Brewery/BrewPub in Madras. In a recent retail trade area assessment conducted with a third-party, the City found that over \$18 million is spent annually on food service and drinking establishments in Madras. Additionally, more than \$7 million is spent outside the Madras area (such as Bend and Redmond). Madras sees a prime opportunity to build a Brewery/BrewPub for the community to call its own, and keep those dollars at home.

Central Oregon is a tourist destination! Travel expenditures in 2016 reached almost \$810 million in Central Oregon (2016 COVA Visitor Economic Impact Report), a number that’s climbed consistently in the last seven years. Approximate tourism expenditures in Central Oregon are as follows:

- \$713.4 million in Deschutes County
- \$44.2 million in Crook County
- \$50.5 million in Jefferson County (Madras is the County Seat)

## Brewery/BrewPub Location

MRC is limited to funding projects that are located in the URD (Figure 1, pg. 4 of 9). To confirm that a property is located in the URD, please contact Nicholas Snead, Community Development Director by email at [nsnead@ci.madras.or.us](mailto:nsnead@ci.madras.or.us) or by phone at 541-475-2344.

The MRC also owns two properties (see Table 1 below) may be available for development. MRC may consider flexible terms to a proposer with (a) a bona fide intent to acquire and develop such property(ies), and (b) a demonstrable need to reduce development costs that may be a barrier to development and/or redevelopment of such property(ies).

Table 1. MRC Owned Properties Available for Development.

<b>Jefferson Co. Assessor’s Map &amp; Tax Lot</b>	<b>Size (acres)</b>	<b>Zoning</b>	<b>Google Maps Link to Property</b>
11-13-11AA-8300	.24	Downtown Commercial (C-2)	<a href="https://goo.gl/maps/pqrwkwQsBYo">https://goo.gl/maps/pqrwkwQsBYo</a>
11-13-12BC-3500	.57	Downtown Commercial (C-2)	<a href="https://goo.gl/maps/JgYine3cRXT2">https://goo.gl/maps/JgYine3cRXT2</a>



## Incentives and Investments

A developer, owner, and/or operator may apply for MRC assistance as an incentive to open a Brewery/BrewPub in the URD. Any assistance will be subject to review and approval by MRC and any terms and/or conditions imposed by MRC. Provided the proposed location is within the URD, such assistance from MRC may include, without limitation, the following:

- Site Selection within URD
- Architectural Cost
- Permit Fees
- Site Development Costs
- Building Renovation Costs
- Tenant Improvements
- Expedited Permitting
- Technical Assistance with Waste Water Disposal Design
- Technical Assistance with Environmental Efforts
- Jefferson County Small Business Start-Up Loan Opportunity
- Market Research

## Request for Proposal – Submittal Requirements

MRC is seeking proposals from qualified teams interested in opening a Brewery/BrewPub in City. Proposers may obtain this Request for Proposals (“RFP”) and any addenda online at City’s website at [www.ci.madras.or.us](http://www.ci.madras.or.us).

1. **PROPOSAL CONTENTS:** Subject to the provisions of this RFP, each proposal must include the following:
  - A. **COVER LETTER:** Provide a cover letter describing the interest in opening and operating a Brewery/BrewPub and summarizing the major points contained in the Brewery/BrewPub proposal.
  - B. **TEAM MEMBERS:** Identify each team member of proposer and the lead entity (as applicable) whom the MRC may negotiate and/or contract with if MRC selects the proposer. Include the contact person, firm name, and contact information (i.e. address and telephone number) of each team member. Identify the business owners, partners, and/or members that will own, operate, and/or manage the Brewery/BrewPub. Also identify any architectural or engineering firm, industry consultants, and any other key players or consultants, if applicable.
  - C. **RELEVANT EXPERIENCE OF TEAM MEMBERS:** Identify applicable team experience in both brewing and restaurant operations and management. Please tell us about the role and experience of each team member related to the brewing and restaurant industry and how the team will ensure it works effectively together.

**Brewing:** Provide resumes and at least two references for each team member that will be involved with the brewing aspect of the business. Describe successes and/or failures of team members in the brewing industry. Describe how quality, unique, yet palatable beer to the average customer, will be brewed.

**Restaurant:** Provide resumes and at least two references for each team member that will be involved with the operation and management of the restaurant, if applicable. Describe any successes and/or failures of team members in the restaurant industry. Describe how the team will ensure the food served in the brewery and or pub will have consistent quality and great customer service will be provided.

**Architecture/Engineering (if applicable):** If the team includes an architect or engineer, provide the following information: (a) a list similar or relevant projects that have been designed within the past five years; (b) a summary of each project, detailing whether the project resulted in new or redevelopment of an existing building(s), design and functionality approach, current status of projects, photographs of project; and (c) clients' contact information.

**Team History & Success:** Describe how the team members have worked together effectively in the past in business management in similar industries and brewery and/or restaurant operations and management. Describe how the team will ensure it will work effectively to develop, own, and operate the Brewery/BrewPub.

- D. MARKETING:** Describe a viable marketing plan for the proposed Brewery/BrewPub and provide examples of how proposer will market the Brewery/BrewPub to locals and tourists. Describe the extent to which the Brewery/BrewPub will participate in local, regional, and other events.
- E. BUSINESS PLAN:** Provide an estimate of development costs and an outline of the financing strategy. This should include a pro-forma with estimated costs and revenues, the total amount of capital required to develop and operate the Brewery/BrewPub, and identify key assumptions in the financial analysis. Discuss short-and-long-term vision for the proposed Brewery/BrewPub and it's consistency with the brewing industry trends. Provide and outline any MRC incentives and assistance for which the developer expects to apply. Provide any other relevant financial information for the proposed Brewery/BrewPub that identifies the financial sustainability of the proposed Brewery/BrewPub.
- F. FINANCIAL CAPACITY:** MRC is seeking evidence from proposers, in a form reasonably acceptable to MRC, that the proposer has the ability to secure the funds required to meet the financial commitments to construct and/or renovate the proposed site and construct exterior and interior Brewery/BrewPub building improvements. Proposers can decide on the most appropriate evidence of financial capability to provide.
- G. CONCEPTUAL PROJECT PLAN AND DESIGN CONCEPT:** The project plan and design concept should include a narrative that demonstrate how the Brewery/BrewPub will be welcoming, slightly-upscale family friendly where friends, family, and groups can meet and enjoy good beer, food, and service that creates a memorable and distinguished experience that inspires customers to come back time and time again.
- H. COMMUNITY INVOLVEMENT:** Describe how the Brewery/BrewPub will meet community expectations and integrate with and become part of the Madras community. Discuss the importance of community involvement to the Brewery/BrewPub's success.
- I. SPECIFIC CONCERNS:** Proposers shall also identify any MRC objectives to recruit a Brewery/BrewPub that are problematic and reasons why. Please identify any specific concerns relative to MRC's objective to Brewery/BrewPub, and whenever possible, include examples of how these concerns may be resolved. This information is requested to allow the MRC to better understand the challenges associated with opening and sustainably operating a Brewery/BrewPub and to the extent they are able, respond in an appropriate manner to address challenges/problems.

2. **PROPOSAL SUBMISSION.** One unbound original copy, ten (10) additional hard copies, and one “high quality” digital PDF file (on a flash drive or CD) must be received by 5:00 p.m., Pacific Time, on Friday, March 2, 2018. The proposals will be opened and the names of the submitting proposers will be read March 5, 2018 at 9:00 a.m. in the Council Chambers at the Madras Police Station/City Hall located at 125 SW E Street, Madras, OR, 97741. At least one copy of the proposal must bear an original signature. A duly authorized representative empowered to bind the proposer must sign the proposal. All proposals must be sealed in an opaque envelope or package and must be delivered to City of Madras Community Development Director Nicholas Snead, by mail or hand delivery at 125 SW E Street, Madras, Oregon 97741 or at City Hall, 125 SW E Street, Madras, Oregon 97741. Misdelayed, late, and/or faxed submittals will be considered nonresponsive.
3. **PROPOSAL FORMAT.** Written proposals must not exceed fifty (50) pages (one page is considered to measure 8-1/2 x 11, with 11-point font size), including any required forms and/or addenda.

### Brewery/BrewPub Evaluation & Selection Criteria

Proposals will be evaluated based on having all required content and will be scored their ability to meet the criteria identified below.

Criteria	Points
The ability to develop and operate a quality Brewery/BrewPub that will enhance the character of downtown Madras through good site and building design that will catalyze economic activity and viability of downtown Madras.	30
The financial ability to perform and complete the project in a timely manner.	30
The ability to develop and operate a welcoming, slightly-upscale family friendly Brewery/BrewPub where friends, family, and groups can meet and enjoy good beer, food, and service that creates a memorable and distinguished experience that inspires customers to come back time and time again.	20
Marketing plan and market knowledge.	10
Demonstrated experience and or capability of the development team and its members in the successful site development, operation, and management of a brewery, restaurant, and or Brewery/BrewPub.	40
Demonstrated plan for the Brewery/BrewPub and its employees to become integrated and active in the community by, for example, business owner(s) and/or managers living in the Madras/Culver community, participating on or in boards, committees, community groups and organizations, supporting existing business(es), supporting local school districts and local non-profit organizations, activities, and programs, hosting public events and activities at the Brewery/BrewPub such as parties, food drives, corporate events.	20

Total Points Possible    150

## RFP Timeline

MRC will solicit proposals for a Brewery/BrewPub based on the timeline identified below.

<b>Actions</b>	<b>Date</b>
RFP Issued	December 15, 2018
Proposer Requests/Questions Deadline	February 12, 2018, 5:00 p.m.
Proposals Submitted	March 2, 2018, 5:00 p.m.
MRC Sub-Committee Presentation and Interview	March 2018
MRC Finalist(s) Presentations and Interviews to MRC	April 2018
Proposer Selected for Exclusive Negotiations for Development Agreement	May 2018
MRC Approval of Development Agreement (approximately)	As early as July 11, 2018

**Note:** *The RFP timeline is subject to change and in such case the MRC will notify all interested parties accordingly as specified in “Additional Information” below.*

## Post Selection Process

After proposals are submitted on March 2, 2018, City staff and the MRC Sub-Committee will evaluate the submitted proposals based on the Brewery/BrewPub Evaluation & Selection Criteria stated above. The City staff and the MRC Sub-Committee will select the proposals that will make a presentation and interview (closed to public) with City staff and the MRC Committee in March of 2018. Based on the presentations and interviews the MRC Sub-Committee will identify the proposals that will go onto make a presentation and interview with the full MRC in a public meeting. A subsequent public MRC meeting, the MRC will select the best proposal for which they will move forward with developing the necessary agreements to provide financial assistance to open a Brewery/BrewPub. As noted above, the RFP timeline is subject to change. If the timeline proceeds as planned, the MRC would begin drafting the necessary agreements in the Summer or Fall of 2018 and would be executed as soon as the MRC and the proposer can finalize their development plans.

## Additional Information

1. Questions; Addenda. Proposers may submit to MRC questions and/or requests for additional information, including, without limitation, inquiries related to substantive portions of the RFP, timing, clarification related to definition or interpretation of this RFP, and/or questions concerning potential incentives. All questions and/or requests must be submitted in writing by email to Nicholas Snead at [nsnead@ci.madras.or.us](mailto:nsnead@ci.madras.or.us) on or before 5:00 p.m. on February 12, 2018. All requests for additional information must clearly reference, “MRC Brewery/BrewPub Recruitment - Request for Proposals.” MRC will respond to a timely submitted question and/or request for clarification by issuing addenda and/or response on or before 5:00 p.m. on February 16, 2018. Any addenda and/or response(s) (including, without limitation, any amendments to the RFP timeline) will be posted on City’s website at: [www.ci.madras.or.us](http://www.ci.madras.or.us).
2. No Representations. No representation or warranty is made to the accuracy of information provided in this RFP. This RFP, and the selection process contained herein, will in no way be deemed to create a binding contract, agreement, and/or offer of any kind between MRC and any proposer. Nothing contained herein will be construed as to create any agency relationship between MRC and a proposer and does not (and will not be construed to) establish a joint-venture or partnership between any proposer and MRC. If MRC selects a proposer pursuant to this RFP, MRC and the proposer will negotiate and enter into a disposition and development agreement. Any

agreement entered into by MRC and the selected proposer will contain terms and conditions acceptable to MRC (in MRC's sole discretion) and will otherwise be in form and content satisfactory to MRC. Notwithstanding anything contained in this RFP to the contrary, MRC reserves the right to terminate negotiations with a selected proposer and/or negotiate an agreement that is in the best interest of MRC. This RFP is not and will not be construed as a solicitation for the procurement of goods and/or services subject to City and/or Oregon public contracting laws, rules, regulations, and/or ordinances, including, without limitation ORS chapters 279A, 279B, and/or 279C.

3. Confidential Information.

3.1 Any proposal submitted may be subject to public information requests as permitted by Oregon Public Records Law. MRC will attempt to maintain the confidentiality of materials marked "Confidential" to the extent required under Oregon Public Records Law. If it is necessary to submit trade secrets and/or other confidential information in order to comply with the terms and conditions of this RFP, each proposer must label any information that it desires to protect from disclosure to third parties as a trade secret under ORS 192.501(2) and/or confidential under ORS 192.501(4) with the following: "This material constitutes a trade secret under ORS 192.501(2) [and/or confidential information under ORS 192.501(4)] and is not to be disclosed except as required by law." Each page containing the trade secret and/or other confidential information must be so marked.

3.2 MRC will take reasonable measures to hold in confidence all such labeled information, but in no event will MRC be liable for release of any information when required by law or court order to do so, whether pursuant to the Oregon Public Records Law or otherwise, and will also be immune from liability for disclosure or release of information as provided under ORS 646.473(3).

3.3 In submitting a proposal, each proposer agrees that MRC may (a) reveal any trade secret and/or other confidential materials contained in the proposal to MRC staff and to any MRC consultant, and (b) post the proposal on City's intranet or internal network for purposes related to its evaluation and ranking. By responding to this RFP, each proposer agrees to defend, indemnify, and hold harmless MRC and City each of their officers, employees, representatives, and agents from all costs, damages, and expenses incurred in connection with refusing to disclose any material that the proposer has designated as a trade secret and/or as confidential information. Any proposer that designates its entire proposal as a trade secret may be disqualified.

4. Response Costs. Nothing contained in this RFP will be construed as obligating MRC to award a contract and/or to grant any assistance described herein. Proposers responding to this RFP do so at their own expense and City is not responsible for any costs and/or expenses associated with the preparation and/or submission of any proposal. MRC will not, under any circumstances, be responsible for any costs or expenses incurred by any proposer. In addition, each proposer agrees that all documentation and materials submitted with a proposal will remain the property of the MRC and the City of Madras.

5. Miscellaneous. Notwithstanding anything contained in this RFP to the contrary, if in MRC's and/or the City's best interest, MRC reserves the right to amend and/or revise this RFP in whole or in part, cancel this RFP, extend the submittal deadline for responses to this RFP, alter the selection process, and/or reject any or all proposals for any reason and/or without indicating reasons for rejection. Further, MRC reserves the right to (a) seek clarification(s) from each proposer and/or require supplemental information for any proposer, (b) waive and/or correct any irregularities in proposals

after prior notice to the proposer, and/or (c) negotiate with alternate proposers, if initial contract negotiations are unsuccessful.