

RESOLUTION NO. R-2025-209

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BASTROP, TEXAS, AUTHORIZING THE CITY MANAGER TO NEGOTIATE AND EXECUTE A CONTRACT WITH HOTEL & LEISURE ADVISORS (HLA) FOR A FEASIBILITY STUDY FOR A CITY-OWNED HOTEL AND CONVENTION CENTER PROJECT, IN AN ESTIMATED AMOUNT NOT TO EXCEED \$52,500, FOR A SITE LOCATED IN THE AREA OF BEAR HUNTER, FM 20, AND HIGHWAY 71; AFFIRMING THE PUBLIC-PRIVATE PARTNERSHIP (P3) PROJECT STRUCTURE; PROVIDING FOR SEVERABILITY; AND ESTABLISHING AN EFFECTIVE DATE.

WHEREAS, the City of Bastrop seeks to evaluate the feasibility of developing a City-owned hotel and convention center in partnership with a private development company under a public-private partnership (P3) model to expand economic development, tourism, and meeting capacity; and

WHEREAS, the proposed project site is generally located in the area bounded by Bear Hunter, FM 20, and Highway 71; and

WHEREAS, the City desires to engage a qualified consultant to perform a comprehensive feasibility study to assess market demand, recommended facility program, projected performance, financial viability, and anticipated public and private participation and load to the project; and

WHEREAS, Hotel & Leisure Advisors (HLA) is a qualified firm with experience in evaluating hotel, convention, and conference center developments and has proposed to conduct the feasibility study for an estimated amount not to exceed Fifty-Two Thousand Five Hundred Dollars (\$52,500); and

WHEREAS, the purpose of the feasibility study is to determine whether the City can sustain such a project, including an analysis of demand generators, comparable venues, revenue and expense projections, partnership structures under a P3 model, and recommendations to inform the City Council's decision-making prior to proceeding with subsequent phases of development.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BASTROP, TEXAS:

Section 1. Findings. The City Council hereby finds the recitals set forth above are true and correct and are incorporated herein as findings of the City Council.

Section 2. Authorization. The City Council authorizes the City Manager, or designee, to negotiate and execute a contract with Hotel & Leisure Advisors (HLA) for a feasibility study for a City-owned hotel and convention center project to be located in the area of Bear Hunter,

FM 20, and Highway 71, in an estimated amount not to exceed Fifty-Two Thousand Five Hundred Dollars (\$52,500), together with any related documents necessary to implement the study consistent with this Resolution.

Section 3. Scope and Purpose. The feasibility study shall evaluate market demand; facility programming; site considerations; projected operating performance; capital and operating financial analyses; P3 structure considerations including potential public and private funding participation and load; and provide findings and recommendations to guide Council deliberation prior to design, procurement, or construction activities.

Section 4. Severability. If any provision of this Resolution is found by a court of competent jurisdiction to be invalid or unenforceable, such invalidity shall not affect the remaining provisions, which shall continue in full force and effect.

Section 5. Effective Date. This Resolution shall take effect immediately upon passage.

PASSED AND APPROVED by the City Council of the City of Bastrop, Texas, on this the 9th day of December, 2025.

APPROVED:

by: 
Ishmael Harris, Mayor

ATTEST:



Michael Muscarello, City Secretary

APPROVED AS TO FORM:



City Attorney

Denton Navarro Rocha Bernal & Zech, P.C.





Proposal for a Market Feasibility & Financial Analysis Study

RFQ #CM-2025-001

Proposed Hotel and Convention Center
Bastrop, Texas



Our Mission

Empowering hospitality and leisure
industry clients to make sound
decisions with data-driven analysis
and insightful recommendations



HOTEL & LEISURE ADVISORS

hladvisors.com



HOTEL & LEISURE ADVISORS

December 1, 2025

City Secretary
City of Bastrop Manager's Office
1311 Chestnut Street
Bastrop, Texas 78602

**RE: Market Feasibility and Financial Analysis Study
Proposed Hotel and Convention Center, Bastrop, Texas**

Dear City Secretary:

Hotel & Leisure Advisors (H&LA), in partnership with Luong Development, is pleased to submit our qualifications and revised pricing to prepare a feasibility study for the proposed hotel and convention center in the City of Bastrop. We have narrowed the scope of our assignment to fit within your budget. As a nationally recognized consulting firm specializing in market and financial feasibility studies for hotels, resorts, and other real estate-based projects, we bring over 35 years of experience analyzing complex, mixed-use developments that integrate hospitality and leisure amenities.

Our team combines robust data analytics with deep expertise in economic feasibility to evaluate project success, define optimal development scope, and provide defensible recommendations. Our partnership with Luong Development rounds out our team's expertise with their ability to provide initial renderings of the proposed hotel that will help bring the concept to life and paint a vivid picture of the concepts detailed in the feasibility analysis. Together, we understand the City's goals to assess market need, financial viability, and community impact, and we are well-positioned to deliver actionable insights that support informed decision-making.

Based on our hospitality experience and our understanding of the proposed facility concepts, I am confident that H&LA and Luong Development are well qualified to respond to your consulting requirements. We have developed sophisticated and innovative research techniques, resulting in thorough analyses that incorporate in-depth local, regional, and state market information. For additional information about our firm, our company qualifications are included with this proposal package. Over the years, H&LA has served over 950 clients on a variety of projects.

To proceed with our engagement, please sign this proposal and return it to our office with a retainer payment. I look forward to working with you on this assignment. If you have any questions or require any additional information, please contact me.

Sincerely,

Hotel & Leisure Advisors

David J. Sangree, MAI, ISHC
President



HOTEL & LEISURE ADVISORS

**Proposal for a Market Feasibility and Financial Analysis Study
Proposed Hotel and Convention Center - Bastrop, Texas
RFQ #CM-2025-001**

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HOTEL & LEISURE ADVISORS

Proposal for Consulting Services for the Proposed Hotel and Convention Center, Bastrop, Texas

A. FIRM

Executive Summary

Hotel & Leisure Advisors (H&LA) is a national hospitality and real estate consulting firm specializing in feasibility studies, market analyses, appraisals, and economic impact evaluations for hotels, resorts, attractions, and related real estate projects. Founded in 2005 and headquartered in Cleveland, Ohio, H&LA has completed more than 4,000 studies across the United States and Canada, including nearly 250 in the state of Texas.

Our team of appraisers, analysts, and economists brings a multidisciplinary approach to every assignment, leveraging data-driven insights, financial modeling, and regional market expertise.

We are particularly well-suited for the City of Bastrop Hotel Feasibility Study due to our extensive experience evaluating complex mixed-use and destination developments requiring integration of lodging, wellness, and community services.

Project Luong is a leading architecture & development company located in Houston, Texas, specifically focused on the financing, design, development, construction, and operations of destination developments for municipalities throughout Texas and the United States. With a specific focus on municipal hotel and destination resort development, Project Luong provides in-house, Texas-based architects and landscape architects to evaluate and program sites for maximum sustainability both environmentally and economically.

Authorized Contact for this RFQ:
David J. Sangree, MAI, ISHC
President | Hotel & Leisure Advisors
(216) 228-7000 | dsangree@hladvisors.com

References

See the Attached Reference Sheet included in the Addenda

B. GENERAL

Statement on Schedule

H&LA is committed to meeting the City's timeline and can mobilize immediately upon contract authorization. Our typical feasibility study timeline is 40 to 60 days, including data collection, fieldwork, and analysis.

We maintain the capacity to accelerate this schedule to meet client needs by allocating additional analyst resources and utilizing our internal peer-review system to maintain quality.

Our project management process includes:

- Kickoff call and data request within 3 days of notice to proceed
- Site visit and stakeholder meetings within 2 weeks
- Draft report within 45 to 50 days of initiation (or sooner as required)
- Final report within 10 days of draft review

Information to Finalize Contract and Begin Work

To finalize the proposal and authorize H&LA to begin working on this assignment, we will need the following:

- Signed copy of the engagement letter
- Retainer for 50% of the overall fee

C. WORK CATEGORIES

Key Personnel and Qualifications – Hotel & Leisure Advisors

Hotel & Leisure Advisors is a hospitality consulting firm specializing in appraisals, feasibility studies, impact analyses, economic impact studies, and litigation support for hotels, resorts, waterparks, casinos, conference and convention centers, sports complexes, golf courses, ski resorts, amusement parks, and other leisure real estate.

Our clients receive individualized attention, which ensures the very best and most thorough analysis from a company with the expertise and knowledge to deliver the excellence our clients deserve. H&LA is the go-to source for lenders, developers, hotel companies, attorneys, municipalities, and others for appraisals, feasibility studies, impact analyses, and other consulting services.

Our experienced consultants travel nationwide analyzing hospitality trends, studying leisure industries, and understanding local communities. We focus on competitive markets and provide thorough, thoughtful analysis of hospitality properties. Our consultants have analyzed and prepared studies on more than 4,000 properties in all 50 states, Canada, and the Caribbean. Our experience and dedication to hospitality ensure our clients meaningful results.

David J. Sangree, MAI, CPA, ISHC President

David is a nationally recognized hotel and waterpark consultant and appraiser with expertise in the analysis of leisure real estate. He has completed more than 4,000 hotel and resort studies across North America, including feasibility analyses, appraisals, and financial projections for projects ranging from economy hotels to luxury resorts. A graduate of Cornell University's School of Hotel Administration, David has provided consulting services since 1987 to developers, investors, municipalities, and lenders. He holds Certified General Appraiser licenses in multiple states, including Texas, Ohio, and Virginia.

Joseph Pierce, MAI Director of Appraisal & Consulting Services

Joseph is an MAI-designated appraiser and hospitality consultant with over 25 years of experience in feasibility and impact studies nationwide. His background includes hotel operations and accounting roles with Marriott and Renaissance Hotels and management of an independent boutique property in Chicago. Joseph holds an MBA from Michigan State University's School of Hospitality Business and a B.S. in Accounting from SUNY Brockport. He is a Certified Real Estate Appraiser in Ohio.

**Adam Zarczynski, CHIA
Manager**

Adam specializes in financial analysis, market research, and economic impact studies for hospitality and leisure developments across the U.S. His experience spans all hotel segments from economy to luxury, including feasibility analyses and benchmarking. Prior to H&LA, he evaluated investment opportunities with Doradus Partners and held operational roles in hotels in the U.S. and Italy. Adam is a Certified General Appraiser in Ohio and New York.

**Stephen Szczygiel, CHIA
Senior Associate**

Stephen contributes expertise in process improvement, financial analysis, and competitive benchmarking for feasibility and appraisal assignments nationwide. His operational background includes leadership roles with Hilton-branded hotels, Hollywood Casino, and Xfinity Live!, overseeing multimillion-dollar F&B operations. He earned a B.S. in Hotel and Restaurant Management from Drexel University and studied Culinary Arts at Walnut Hill College. Stephen is a Registered Appraiser Assistant in Ohio.

**Anthony DiPonio, CHIA
Associate**

Anthony supports market and financial analyses for hotels, resorts, and leisure properties nationwide. He brings extensive management experience from eight hotels throughout the Midwest and expertise in financial modeling, competitive benchmarking, and operations. Anthony holds a B.A. from Michigan State University's School of Hospitality Business and a certificate in Hotel Real Estate Investment and Asset Management from Cornell University.

**Kate Cheung, CHIA
Associate**

Kate focuses on market feasibility and economic impact analyses for hospitality and leisure projects across the United States. She has prior operational experience at the Amangiri resort in Utah and strong analytical training in hospitality real estate. Kate earned a Master's in Hospitality Management with a Minor in Real Estate from Cornell University's Nolan School of Hotel Administration, and a B.S. from Binghamton University, along with an eCornell certification in Commercial Real Estate.

Key Personnel and Qualifications – Project Luong

Based in Houston, Texas, our diverse team has more than ten decades of combined multidisciplinary experience across many project classes, including community, retail, commercial, municipal, aviation, higher education, corporate, healthcare, recreational, and multi- and single-family residential. On each and every project, we strive to create ease and cohesion throughout project start-up, execution, and close out. We stand behind our work, and our designs aim to clarify, align, and respond to our clients' visions, missions, and goals.

**Alec A. Luong, AIA, NCARB, RID, CM
Principal – Managing Partner**

Alec Luong, Principal and Managing Partner of Project Luong Architects, has more than 16 years of experience leading complex municipal and destination developments. He specializes in guiding civic projects from feasibility through delivery, balancing community goals, operational needs, and financial sustainability. Alec's leadership includes projects such as the City of Baytown Hotel and Convention Center Renovation, Ford Park Redevelopment, and the West Memphis Entertainment District. He holds Bachelor and Master of Architecture degrees from Virginia Tech and is a Registered Architect and Interior Designer in Texas.

Emily Chisholm Luong, PLA
Principal

Emily Chisholm Luong is the firm's Landscape Principal, leading the design and coordination of outdoor environments for civic, recreation, and destination projects. With over 14 years of experience and a background in municipal engineering, she brings deep insight into public project implementation and interdepartmental coordination. Her recent work includes the Crystal District at Lago Mar, Hill Country Lagoon Resort, and the Harris County Multi-Modal Thoroughfare and Equity Plan. Emily holds a Master of Landscape Architecture from Virginia Tech and is a Registered Landscape Architect in Texas.

H. Warren Johnson, AIA
Principal

Warren Johnson is a Principal at Project Luong Architects with extensive experience in mixed-use, hospitality, and commercial projects both domestically and internationally. His portfolio includes Promenade Town Center, LaCenterra at Cinco Ranch, and Ritz-Carlton Galleria, reflecting his ability to merge strong design with development insight. Warren earned his Bachelor of Science in Architecture from Georgia Tech and is a Registered Architect in Texas, a LEED Accredited Professional, and an active member of AIA, NCARB, ULI, and ICSC.

Jeffrey Farr, AIA
Architect / Project Manager

Jeffrey Farr is an Architect and Project Manager with broad experience in large-scale civic, mixed-use, and hospitality developments across the U.S. His portfolio includes the City of Baytown Hotel and Convention Center Renovation, Ford Park Redevelopment, and the West Memphis Entertainment District, as well as notable national projects such as the Comcast Technology Center and Four Seasons Residences in Philadelphia. Jeffrey combines strong technical expertise with a collaborative approach to design and project delivery, ensuring efficiency and quality throughout every project phase.

Project Understanding and Coordination

H&LA understands that successful completion of this assignment will depend on clear communication, effective coordination, and a structured exchange of information between all parties. Our team will work closely with the client throughout each phase of the study to ensure that all objectives are clearly defined, expectations are aligned, and deliverables are met on schedule.

At the outset of the engagement, we will provide a detailed data request list outlining the information needed to complete our analysis. We will coordinate directly with the client to obtain this information efficiently and will remain available to clarify any questions regarding data needs.

Our team will schedule and coordinate all necessary site visits and stakeholder interviews in collaboration with the client. These meetings are an integral part of our process, allowing us to gain a thorough understanding of the property, market dynamics, and project goals.

Throughout the study, we will maintain open lines of communication and keep the client informed of our progress. Interim discussions will be scheduled as needed to review preliminary findings, address emerging questions, and confirm that our analysis remains consistent with the client's vision for the project.

Upon completion, we will provide a comprehensive report summarizing our findings, conclusions, and recommendations. H&LA is committed to a collaborative and transparent process that ensures the client is fully informed and engaged at every stage of the project.

Quality Control Program

H&LA maintains a rigorous quality control program designed to ensure the accuracy, reliability, and professionalism of all deliverables. Our analyses are based on the most current and credible data available from widely recognized industry sources, as well as proprietary research and first-hand market observations.

Each report undergoes a detailed internal review process led by senior team members to verify the accuracy of data, validity of assumptions, and consistency of conclusions. This multi-level review ensures that all findings are well-supported, clearly presented, and aligned with industry standards.

Our firm's quality assurance practices emphasize accuracy, clarity, and transparency at every stage, from data collection and analysis to report preparation and final review, so that our clients can have complete confidence in the integrity and reliability of our work.

Approach and Methodology

I. Market Feasibility and Financial Analysis Study

OBJECTIVE

This engagement will assess the market feasibility of the development of a proposed hotel and convention center. Our analysis will provide valuable insights to support informed decision-making regarding project viability. We will conduct an in-depth financial evaluation to estimate the hotel's probable operating performance over an 11-year holding period.

Beyond financial analysis, we will provide tailored recommendations regarding key aspects of the proposed development, including:

- Optimal property size and configuration, including guestroom count, food and beverage facilities, conference space, recreational amenities, and future expansion potential
- Strategic amenity offerings to maximize guest attraction and revenue generation
- Potential operating options - independently operated or affiliated with a franchise, along with possible franchise options

SCOPE OF WORK

Research & Data Collection

Prior to initiating our study, we will engage with the client to define the project's scope, address confidentiality concerns, and align our analysis with specific objectives. Our research process includes the following components:

- **Understand Business Goals:** Review the overall objectives for the proposed hotel and assess the scale of the investment and vision for the project

- **Review Subject Data:** Review information such as development budget, financial forecast, architectural plans, tax & zoning information, etc.
- **Review Existing Research:** Evaluate prior market studies and leverage our insights into the submarket
- **Site & Market Evaluation:** Conduct a site visit and market tour, including:
 - Travel to the subject market for a site visit, neighborhood and market tour, and meetings with the client
 - Visit competitive hotels and resorts to assess facilities, performance benchmarks, and market segmentation
 - Interview hotel managers, owners, and representatives of major hotel chains
 - Engage with local economic development authorities, convention and visitor bureau, tourism board, chamber of commerce, assessor's office, and municipal planning offices
 - Review zoning, tax, and regulatory considerations relevant to the development
 - Analyze the project's master plan (if applicable) and planned developments in the surrounding area

Market Analysis

- **Industry Trends:** Evaluate national and regional hospitality and hotel trends to contextualize the project within broader market conditions
- **Economic & Demographic Assessment:** Analyze local market factors such as population growth, employment rates, income levels, tourism, and transportation access
- **Regional Supply Analysis:** Analyze demographic and economic information within various drive times of the subject compared with successful comparable facilities
- **Site Analysis:** Analyze the proposed project site, including
 - Traffic counts
 - Access and visibility
 - Proximity and travel time
 - Nearby visitor attractions
 - Distance to demand generators relative to competitive properties
 - Demographic and economic information within various drive times of the subject, including the number of children and families, adults, household income, and other population statistics
 - Visitation levels, leasing trends, new stores and attractions, etc.
- **Competitive Positioning:**
 - Assess demand generators, including leisure, corporate, and group travel
 - Identify and evaluate direct competitors based on historical performance data, occupancy rates, ADR (Average Daily Rate), visitation, meeting space, and market segmentation
 - Analyze the past 10 years' hotel occupancy, ADR, and RevPAR performance for the competitive set utilizing data from CoStar and STR
 - Utilize data analytics tools (i.e., Placer) to analyze visitor demand and demographics at comparable hotels and resorts
 - Profile the competitors by providing information about their performance, facilities, and expansion plans

- Prepare a SWOT analysis to highlight the strengths, weaknesses, opportunities, and threats related to the proposed development
- Analyze the historical market segmentation (corporate transient, leisure transient, group, and contract demand) of the competitive properties and project the market segmentation for the proposed hotel
- Analyze demand for conference and convention center space in the market
- **Supply & Demand Dynamics:**
 - Examine current and planned hotel and resort developments within the market
 - Evaluate trends and estimate the supply of and demand for guestrooms and conference space
 - Forecast market growth and assess potential impacts from new supply additions
 - Quantify the projected performance of the subject compared to similar properties in similar markets throughout the region
- **Franchise Analysis:** Evaluate the suitability of franchise affiliation and recommend potential brand partners based on market positioning and financial performance
- **Development Cost Projections:** Estimate a range of construction costs based upon cost data from CoreLogic and other industry services, along with in-house data from other assignments, to provide a realistic financial framework for decision-making
- **Proposed Project Forecasts:**
 - Forecast annual occupancy and ADR levels for the proposed property
 - Forecast usage levels for the proposed convention center
 - Compare the projected performance of the subject to comparable properties in similar markets throughout the region and the subject's competitive set of properties
 - Analyze daily and monthly occupancy and ADR performance of the market, and make projections of daily and monthly occupancy performance for the subject for a stabilized year

Financial Analysis & Feasibility Projection

Utilizing insights from the market analysis, we will develop a comprehensive financial model forecasting the hotel or resort's potential performance for a standard holding period. This will include:

- **Revenue & Expense Projections:**
 - Utilize data from comparable properties, industry benchmarks (*STR/CoStar's Hotel Profitability Study*, *CBRE's Trends in the Hotel Industry*), and our proprietary financial information from over 2,000 hotels and resorts
 - Forecast key performance metrics, including occupancy rates, ADR, and RevPAR for an 11-year holding period
- **Operational Performance Projections:** The financial analysis report will include detailed comparisons with actual operating statements of similar properties and will provide a line-by-line discussion of each of the major departments of a hotel. In addition, we will:
 - Analyze the effects of estimated future inflation on revenues and expenses and arrive at the estimated cash flow from operations
 - Estimate departmental revenue and expenses on a per-room, per-occupied-room, and percentage-of-total-revenue basis

- Adjust projections to account for inflation and anticipated market fluctuations
- **Feasibility Analysis:**
 - Calculate the potential value of the property based on typical discount and capitalization rates
 - Benchmark value created against construction costs and comparable hotel developments to determine financial feasibility

Comprehensive Market Feasibility Study

We will present our findings in a comprehensive narrative market study report, outlining recommended facility components and providing prospective financial analysis. Our evaluation will assess the strength and growth potential of the target markets, analyzing attendance trends, utilization rates, and other key performance indicators relevant to comparable hotel and resort properties. The report will include specific recommendations regarding the appropriate number of guestrooms, food and beverage facilities, conference facilities, amenity sizing, and any expansion potential for the property. We will also propose amenity enhancements designed to attract additional demand. This report will serve as a strategic resource for stakeholders, investors, and decision-makers, offering clear, data-driven insights to support the planning and development of a successful project.

II. Site Planning

Project Luong will provide a comprehensive site planning analysis for the urban site selected by the City, developing clear and compelling visual materials that illustrate the recommended program, size, scope, and scale of the proposed Hotel and Convention Center.

The City has requested an independent, third-party review of the developer's proposed site layout concept. This scope reflects a limited review and is not intended to provide a full site plan design effort for a greenfield site. Services included in this scope are as follows:

Program Fit Verification

- Review and confirm that the program elements identified in your team's study can be properly accommodated on the proposed site.

Adjacency Review for Entertainment Programming

- Assess the layout to ensure necessary adjacencies and relationships between entertainment program components are appropriately addressed.

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Code and Zoning Compliance Review

- Evaluate the proposed development against applicable zoning regulations, development standards, and relevant codes to confirm that the concept is permissible within current requirements.

Revised Site Plan Markups

- Prepare and issue a revised site plan with markups reflecting recommended adjustments based on:
 - The developer's proposed concept
 - Findings from the feasibility study
 - Identified opportunities, constraints, or compliance considerations

Narrative Summary of Findings

- Provide a written narrative outlining the impacts, recommended changes, and opportunities identified during the site review.

Site Rendering

- Develop and deliver one (1) revised site rendering representing a unified proposal for the City's review and potential use in communications.

PROJECT QUALIFICATIONS & EXPERIENCE

Hotel & Leisure Advisors

Our consultants are national experts in the analysis of all types of hotel and resort properties. We have prepared more than 4,000 hotel and attraction studies, including nearly every hotel brand and chain scale in the United States and Canada. With your project in mind, below is a small sampling of projects we have completed over the years that are similar to yours in property type or scope of services. A complete list of all H&LA projects can be found on our [website](#).

Omni Frisco Hotel – Frisco, Texas: H&LA conducted a market feasibility study assessing the potential for a premier **hotel and convention center** designed to support the city's growing business community while attracting new visitors and demand to the region. Three potential sites in Frisco were carefully evaluated, and our analysis recommended a 500-room luxury hotel featuring a full-scale convention center, multiple dining venues, a spa, fitness center, outdoor pool with waterpark elements, and an outdoor golf range with bar—creating a dynamic destination that blends business, leisure, and lifestyle experiences.



Kalahari Resorts – Round Rock, Texas: H&LA prepared a comprehensive retrospective appraisal and market analysis for the Kalahari Resort in Round Rock, a premier destination featuring **a full-scale convention center**. We examined a regional set of comparable properties to assess potential financial performance, employing the income capitalization, sales comparison, and cost approaches. Our analysis thoughtfully allocated value across real estate,

personal property, and intangible assets, providing a clear picture of the resort's market positioning and investment potential.

Gaylord Texan Resort – Grapevine, Texas: H&LA conducted a Market and Financial Feasibility Study to evaluate the potential for an indoor waterpark addition to the 1,814-room resort. Our analysis explored multiple development scenarios, with and without the waterpark and guestroom expansion, providing the client with a clear understanding of the projected value relative to development costs. This insight enabled informed decision-making on the financial and operational viability of each expansion scenario, supporting a strategic approach to enhancing the resort's offerings and market appeal.





Great Wolf Lodge Properties – United States and Canada:

Hotel & Leisure Advisors has had the privilege of partnering with Great Wolf Lodge on a wide range of consulting assignments across their portfolio of properties in the United States and Canada. Our work has included appraisals, feasibility studies, economic impact analyses, operational reviews, customer surveys, and other strategic consulting services. As the largest indoor waterpark resort company in North America—with 23 properties and

growing—Great Wolf Resorts continues to set the standard in the industry, and H&LA has been at the forefront of their growth and expansion.

PROJECT LUONG PROJECTS

Crystal District at Lago Mar: The Crystal District at Lago Mar is a \$1 billion mixed-use resort development in Texas City, Texas, anchored by the largest Crystal Lagoon in the state. The 100-acre master plan includes a destination resort, indoor waterpark, family entertainment center, multifamily residences, vacation rentals, and a restaurant promenade. Project Luong led the master planning, development phasing, pro forma, and branding, transforming an unnamed district into the iconic “Crystal District.” Through creative design, stakeholder coordination, and an extensive 3D modeling effort, the team achieved municipal approval and positioned the project to move forward in 2025.



Ford Park Redevelopment: The Ford Park Redevelopment in Jefferson County, Texas, reimagines the county-owned Ford Park complex into a year-round destination for sports, recreation, and entertainment. The \$210 million plan transforms the existing arena into a multi-sport facility and adds a 100,000-square-foot indoor waterpark, hotel, and retail boardwalk surrounding a new lake and fountain feature. Project Luong led planning, finance, and design efforts, developing phased construction schedules, detailed revenue modeling, and operational strategies to ensure long-term success. The project represents a major investment in regional tourism and economic

development.

Oak Hills Lagoon: Oak Hills Lagoon is a \$45 million leisure destination in Columbia, South Carolina, featuring the state's first Crystal Lagoon. The 24-acre site includes a community clubhouse, events center, limited-service hotel, big-box entertainment venue, and multifamily housing surrounding a four-acre lagoon. Project Luong provided architecture, planning, and master design services, capturing the distinctive charm of Low Country architecture while balancing environmental and infrastructure constraints. The design establishes a cohesive, authentic sense of place rooted in South Carolina's cultural and architectural heritage.



FEES & PAYMENT SCHEDULE

Project Fees	
Component	Fee
I - Market Feasibility and Financial Analysis Study	\$29,000
II – Site Planning	\$21,000
H&LA travel, subsistence, and out-of-pocket expenses, including research data	Not to exceed \$2,500

These fee estimates are subject to revision if the scope of the engagement is altered. In such an event, we will discuss the matter with you so that a mutually acceptable revision can be made. Our price quote for this scope of services is valid for 90 days from the date of this proposal. Projected expenses exclude any applicable state sales taxes. If at any point during the engagement a decision is made to discontinue our services, our professional fees will be based on the time expended through that date.

Payment Schedule

We require a 50% retainer prior to beginning the assignment.

After conclusion of our fieldwork, we will issue an invoice for 25% of the project fee. This payment is due prior to our issuing the draft report.

The final invoice (balance plus expenses) will be sent with the draft copy of the completed report. Payment of this invoice is required prior to our issuance of final reports. Hard copies of the report are available upon request for an additional fee.

Any revisions to the report made within 30 days of issuance of the draft are included in the fee. Any revisions after 30 days will require an additional 10% of the project fee. If we do not receive any revisions within 30 days, we will issue the final report, provided we have received payment of the final invoice.

Any invoice that is 60 days past due is subject to a 1.5% monthly finance charge. Client agrees to pay any fees incurred as a result of collections activity.

We will negotiate fees for any additional services when you request them. Our consulting services are available at a rate of \$170-\$620 per hour, depending on the staff person involved, or we will issue a specific fee quote once the scope of additional services is determined.

TIMING

We can begin work immediately and will provide you with the report documenting our conclusions within 40 to 60 days of receiving the retainer payment and the signed engagement letter. We will work with your appointed representative to ensure the required data is made available. *The delivery date of the draft and final reports is contingent upon receiving the data requested for the property on a timely basis.*

We will communicate with you on a regular basis throughout the project and update you as needed on our progress. Chronologically, we will:

- Issue a data request list indicating items that need to be reviewed as part of our analysis.
- Schedule appointments to meet with you and tour the subject site and local/regional market. Our fieldwork will include visits to a range of comparable facilities.
- After conclusion of fieldwork, we will conduct additional research and interviews and analyze additional data to prepare the report. It typically takes a few weeks to analyze the data and an additional few weeks to write the report.
- Execute internal review of the report for quality control purposes.
- Issue the report in draft format within the timeframe specified in the proposal. After you review the draft, we will issue the final version of the report, including addenda items.

D. DISCLOSURES

Conflict of Interest

We hereby certify that we have no known conflicts of interest that would prevent us from performing services for the City of Bastrop in an objective and impartial manner. We further affirm that neither the firm nor any of its principals, officers, or employees has any financial or personal interest that would impair our ability to provide independent and unbiased professional services to the City.

Conditions

The report will be prepared in accordance with our Standard Conditions, which are attached. To indicate your acceptance of this proposal, please sign and return it to us with a retainer of 50% as authorization for us to proceed with the engagement.

As a material inducement for Hotel & Leisure Advisors to enter into this agreement for services and for value received, and the consideration of Hotel & Leisure Advisors' performance in providing appraisal and consulting services for the client, the signature on this letter guarantees the company's timely payment of this agreement. This includes, but is not limited to, the payment of any and all sums due pursuant to the agreement. This guarantee applies to services rendered prior to and after the above date.

The terms of this agreement shall be interpreted and construed in accordance with the laws of the State of Ohio. The client hereby submits to the nonexclusive jurisdiction of the court having jurisdiction in the County of Cuyahoga, State of Ohio, and agrees not to raise and waive any objection based upon forum non conveniens.

Thank you for this opportunity to be of service. We look forward to working with you on this assignment.

Hotel & Leisure Advisors

A handwritten signature in black ink, appearing to read "David J. Sangree".

David J. Sangree, MAI, ISHC
President

By signing below, I agree to the fees and terms described in the attached proposal. By initialing next to the component(s) below, I agree to pay fees for the report as indicated. I have read and understood the proposal and the attached standard conditions, and I agree to the terms and conditions therein.

Component	Fee	Initial to be Engaged
I & II - Market Feasibility and Financial Analysis Study and Site Planning	\$50,000	
Expenses	Not to exceed \$2,500	

Sylvia Carrillo

Signature

Sylvia Carrillo

Name (print)

City Manager

Title

City of Bastrop

Company

1311 Chestnut St

Company Address

Bastrop, Texas, 78602

City, State, Zip code

scarrillo@cityofbastrop.org

Email

512-332-8800

Phone Number

03/12/2025

Date

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FINANCIAL ANALYSIS STUDY OF THE
PROPOSED RESORT OR HOTEL**

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Standard Conditions: The following Standard Conditions apply to real estate consulting engagements and appraisals by Hotel & Leisure Advisors (H&LA). Extraordinary Assumptions are added as required.

1. The report is to be used in whole and not in part. The report, engagement letter and these standard conditions constitute the entire understanding and agreement between the parties with respect to the subject matter hereof and supersedes any and all prior or current agreements or understandings between the parties, whether in writing or orally. The report and engagement letter may not be amended except in writing signed by the parties hereto. These standard conditions shall survive the completion of the assignment.
2. Publication of the report or engagement letter without the prior written consent of H&LA is prohibited unless otherwise stated in the letter of engagement. Neither the report nor engagement letter may be used by any person other than the party to whom they are addressed nor may they be used for purposes other than that for which they were prepared. Neither the engagement letter, nor the report, nor their contents, nor any reference to the appraisers or H&LA or any reference to the Appraisal Institute, International Society of Hospitality Consultants, or the American Institute of Certified Public Accountants, (or the MAI, ISHC, or CPA designations) may be included or quoted in any offering circular or registration statement, prospectus, sales brochure, other appraisal, loan, or other agreement or document without H&LA's prior written permission, in its sole discretion. Moreover, "H&LA" is a registered trademark of Hotel & Leisure Advisors. The client agrees that in event of a breach of this Section 2, in addition to any other rights and remedies of H&LA, and hereby consents to injunctive relief.
3. No responsibility is assumed for the legal description or any matters which are legal in nature. Title to the property is assumed to be good and marketable and the property is assumed to be free and clear of all liens unless otherwise stated. No survey of the property was performed. Sketches, maps, photos, or other graphic aids included in the reports are intended to assist the reader in ready identification and visualization of the property and are not intended for technical purposes.
4. The information contained in the assignment is based upon data gathered from sources the consultant or appraiser assumes to be reliable and accurate. Some of this information may have been provided by the owner of the property. Neither the consultants nor H&LA shall be responsible for the accuracy or completeness of such information including the correctness of public records or filings, estimates, opinions, dimensions, sketches, exhibits, and other factual matters.
5. The report may contain prospective financial information, estimates, or opinions that represent the consultants' or appraisers' view of reasonable expectations at a particular point in time. Such information, estimates, or opinions are not offered as predictions or as assurances that a particular level of income or profit will be achieved, that events will occur, or that a particular price will be offered or accepted. Actual results achieved during the period covered by H&LA's prospective financial analyses will vary from those described in the report, and the variations may be material. The financial projections stated in the report and any opinions of value are as of the date stated in the report. Changes since that date in external and market factors or in the property itself can significantly affect property value or performance.
6. H&LA has not considered the presence of potentially hazardous materials and contaminants such as asbestos, urea formaldehyde foam insulation, toxic waste, PCBs, pesticides, mold, lead-based paints, or other materials. The appraisers and consultants are not qualified to detect or report on hazardous material contamination and H&LA urges the client to retain an expert in this field if desired.
7. Unless noted, H&LA assumes there are no encroachments, zoning violations, or building violations encumbering the subject property. It is assumed that the property will not be operated in violation of any applicable government regulations, zoning, codes, ordinances, or statutes. No responsibility is assumed for architectural design and building codes. The analysis and concept drawings included in the report are not intended for technical purposes.
8. All mortgages, liens, encumbrances, leases, and servitudes have been disregarded unless specified otherwise.
9. Real estate consulting engagements and appraisal assignments are accepted with the understanding that there is no obligation to furnish services after completion of the original assignment. We are not required to give testimony or attendance in court by reason of this analysis without previous arrangements, and the client will be obligated to pay in advance for the standard per diem fees and travel costs.
10. No significant change is assumed in the supply and demand patterns indicated in the report. The appraisal or consulting engagement assumes market conditions as observed as of the current date of the market research stated in the letter of transmittal. These market conditions are believed to be correct; however, H&LA or the consultants assume no liability should market

conditions materially change because of unusual or unforeseen circumstances.

11. The quality of a lodging facility or other leisure property's management has a direct effect on the property's economic viability. It should be specifically noted by any prospective reader that the engagement assumes that the property will be competently managed, leased, and maintained by financially sound owners over the expected period of ownership. H&LA is not responsible for future marketing efforts and other management or ownership actions upon which actual results will depend.
12. The forecast of income and expenses are not predictions of the future. Rather, they are the consultants' best estimates of current market thinking on future income and expenses. We do not warrant that the estimates will be obtained, but that they have been prepared in a conscientious manner on the basis of information obtained during the course of this study.
13. The subject property is valued assuming all items of furniture, fixtures, equipment, working capital, and inventory are in place. Should items essential in the operation of the hotel prove to be missing, we reserve the right to amend the opinion of value expressed in an appraisal report.
14. H&LA does not, as part of this consulting report or appraisal, perform an audit, review, or examination (as defined by the American Institute of Certified Public Accountants) of any of the historical or prospective financial information used and therefore, does not express any opinion with regard to it.
15. The consulting engagement or appraisal report has been prepared in accordance with the Uniform Standards of Professional Appraisal Practice and the Code of Ethics of the Appraisal Institute. No other code, ordinance, rule or regulation of any kind or nature whatsoever shall apply.
16. It is agreed that the maximum damages recoverable from H&LA or its affiliates or their respective employees relative to this engagement shall be the amount of the money actually collected by H&LA or its affiliates for work performed pursuant to the engagement letter. The client acknowledges that H&LA cannot and does not guarantee and makes no representations as to the success of the project. H&LA shall not be liable for any incidental, breach of warranty, consequential or punitive damages, expenses, costs or losses whatsoever directly or indirectly arising out of the services performed hereunder (including negligence and/or gross negligence). In addition, there is no accountability or liability to any third party.
17. The client hereby releases and discharges H&LA, its directors, officers, and employees, from and against any and all claims and demands of any nature or kind whatsoever arising as a result of the design, development, operations, and performance of the proposed or existing project. The client furthermore agrees to indemnify, defend and hold harmless H&LA and its directors, officers and employees, from any and all claims of any nature whatsoever, including attorney fees, expenses and costs.
18. The report does not address the project's compliance with the federal statute commonly known as the Americans with Disabilities Act as well as regulations and accessibility guidelines promulgated thereunder.
19. The provisions of the report, the engagement letter and these standard conditions shall be severable, and if a court of competent jurisdiction holds any provisions of the report, engagement letter and these standard conditions invalid, illegal or unenforceable, the remaining provisions shall nevertheless remain in full force and effect as written.