

INVITATION FOR AN EXPRESSION OF INTEREST

HOLE IN THE WALL

HOTEL MANAGEMENT COMPANY

1. The Industrial Development Corporation (IDC) in collaboration with Incopho Wild Coast Development Projects (Pty) Ltd (“Incopho”) are considering developing a tourism resort. Other key stakeholder in the development include National Department of Tourism. The resort will be developed on a leased 4.22 hectare site in King Sabata Dalindyebo Municipality. The resort will be developed at the Hole-in-the-wall which is considered an iconic tourism site near Coffee Bay in the Eastern Cape. The resort will be located 94 kilometres from Mthatha and 288 kilometres from East London and access will be through the newly upgraded N2 road from the Mthatha Airport.

The proposed scope of development will comprise of the following facilities:

- 22 en-suite 5-star hotel (44 pax)
- 30 units 2 bedroom chalets (160 pax)
- 30 units 1 bedroom chalets (60 pax)
- Conference facilities (500pax)
- Restaurant, lounge & sundowner terrace
- Pool, health spa & fitness centre
- Craft market.

2. REQUEST FOR INFORMATION

IDC and Incopho seeks the services of a professional hotel management company and operator (“Management Company”) to take over the full management and operation of the proposed resort to ensure the resort operates on a sound commercial occupancy rates and optimal revenue mix in line with a typical international resort. The Management Company shall be responsible for effectively leading and taking all initiatives to manage the hotel, development of hotel marketing strategy and execution, operating procedures, implementation of operational systems, human resources policies and reporting. The appointed operator will also be responsible for the

technical input during the initial planning of the resort design, technical services during the design, provide guidance for procurement and sourcing of operating equipment, furniture and fittings.

A hotel management agreement will be concluded with a special purpose vehicle for a minimum period of ten years.

3. TERMS OF REFERENCE

The assignment of the Management Company will be apportioned into two phases, where upon phase one will be to:

3.1. *Technical Services for the Initial Planning Phase*

- 3.1.1. Detailed briefing provided by Operator to Owner's technical team.
- 3.1.2. Operator shall advise and comment on general themes and concepts relating to interior design and to the food and drink outlets to form part of the Hotel.
- 3.1.3. Operator shall attend initial design meetings whereat the project program shall be agreed. Operator shall appoint a representative to attend follow up meetings as required and shall, in addition to the review comments issued by Operator's representative, upon any reasonable request by Owner or if and when Operator deems necessary, issue a technical services progress report.
- 3.1.4. Operator shall give guideline advice on cost and budgeting.

3.2. *Technical Services during the Detailed Design Phase*

Advice and input to the preliminary sketch plan and layout prior to the approval of the design by the IDC and Incopho herein referred as the Owner's. The operator will perform the following technical services in conjunction with owner's design and construction professionals:

- 3.2.1. Review of and comment on plans and quality standards for design materials prepared by Owner's Design and Construction Professionals Review of and comment on the final layout plans of the kitchen
- 3.2.2. Review of and comment on the finalized interior design proposals prepared by Owner's Design and Construction Professionals for compliance with the Standards
- 3.2.3. Advise on the operating equipment and F.F. & E. to be used at the Hotel
- 3.2.4. Advise on items required for the operation of front desk and the general and administration offices
- 3.2.5. Inform of Operator's requirements or recommendations relating to: telephone systems, guest reservation systems, computer systems, in-house and guest audio

video systems, room status systems and electronic key systems so that the Hotel will be in compliance with the Standards

- 3.2.6. Provide schedules and specifications of operator's external and internal script signage requirements
- 3.2.7. Provide input and comment regarding electro-mechanical proposals & systems
- 3.2.8. Review and comment regarding material samples & furniture samples
- 3.2.9. Advise Owner on procurement of operating supplies, Operating Equipment and other such areas as maybe requested, to ensure the maximization of Operator's group procurement benefits

3.3. Furniture, Fixtures and Operating Equipment

3.3.1. Provide guidance regarding sourcing and system requirements and specifications for the items such as, but not limited to the following:

- 3.3.1.1. Loose furniture
- 3.3.1.2. Beds
- 3.3.1.3. Glassware
- 3.3.1.4. Linen (food and drink)
- 3.3.1.5. Silverware
- 3.3.1.6. Kitchen and "back of house" accessories
- 3.3.1.7. Meeting room and Banqueting equipment
- 3.3.1.8. Guest room linen
- 3.3.1.9. Guest room operating supplies
- 3.3.1.10. Housekeeping equipment
- 3.3.1.11. Laundry equipment and supplies
- 3.3.1.12. Front office equipment
- 3.3.1.13. Front office supplies
- 3.3.1.14. Personnel supplies.
- 3.3.1.15. Administrative equipment
- 3.3.1.16. Engineering equipment and supplies

3.4. Review of Works

A representative of the operator must visit the resort construction site at certain agreed key points in the resort project relevant to the interior design, outfitting and future Hotel operation (e.g. completion of sample room) to review that the outfitting and furnishing works are being carried out to the specifications, quality and design originally approved and agreed by Operator and Owner.

3.5. Fitting out and Handover

In conjunction with Owner's Design and Construction Professionals, Operator will provide technical assistance and the following services:

- 3.5.1. Review and approval of any variances to the original plans
- 3.5.2. Review of Mock-up rooms and specialist fittings
- 3.5.3. Completion of snagging reports

3.6. Phase two of the scope of work of the management agreement will entail the following:

3.6.1. Involvement in all aspects of operations to drive profitability and sustainability of the resort in accordance with international standards. The main description of the Management Company duties and responsibilities is as follows:

- 3.6.1.1. Development of a marketing strategy and implementation to improve revenue from;
 - 3.6.1.2. accommodation rooms
 - 3.6.1.3. restaurant
 - 3.6.1.4. conference and banquet facilities

- 3.6.2. Detailed operational plan.
- 3.6.3. Advising on the design and grading of the proposed resort.
- 3.6.4. Human resource plan in terms of training, attracting and retaining key personnel.
- 3.6.5. Implementation of operation and reporting systems.
- 3.6.6. Quarterly reporting of key performance data/indicators.
- 3.6.7. Timely maintenance of the hotel and fixed assets.
- 3.6.8. Other services typically included in a hotel management agreement.

4. TIME LINES AND IMPLEMENTATION

ITEM NUMBER	DESCRIPTION OF WORK	IMPLEMENTATION DATE
1	REQUEST FOR PROPOSAL	22 MARCH 2019
2	SITE VISIT WITH OPERATORS	3 APRIL 2019
3	VALUATION OF PROPOSALS	10 APRIL 2019
4	APPOINTMENT OF OPERATOR	24 APRIL 2019

Interested parties are required to submit their expressions of interest and requests for more information to Thembani Mabasa (holeinthewall@idc.co.za, or at +27 11 269 3046.

All interested parties will be asked to sign a confidentiality agreement in order to protect privileged information, and then submit proposals or offers based on the information provided to them by the IDC. **All submissions and/or expressions of interests must be received by the IDC on or before 22 March 2019 at 16h00.**