

BUSINESS OPPORTUNITY

CC-EVER001-14

Department of the Interior

National Park Service
Everglades National Park

**A Concession Business Opportunity to Operate Lodging, Camping,
Tour Boat, Food and Beverage, Retail, and Other Services within
Flamingo**

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INTRODUCTION

The National Park Service ("Service") intends to award a concession contract at Everglades National Park ("Park") to provide lodging, tour boat, food and beverage, retail and other services. This Prospectus describes in general terms the existing business operations and the future business opportunities for the facilities and services required by the Service. Offerors must review all sections of this Prospectus and specifically, the terms and conditions of the Draft Concession Contract, CC-EVER001-14 ("Draft Contract"), including its exhibits, to determine the full scope of a future concessioner's responsibilities under the Draft Contract.

The Service is conducting this solicitation in accordance with the National Park Service Concessions Management Improvement Act of 1998 (P.L. 105-391), as implemented by regulations in 36 C.F.R. Part 51. The term "Concessioner" as used in this Prospectus refers to the entity that will be the Concessioner under the Draft Contract. The term "Existing Concessioner" refers to Everglades National Park Boat Tours Two, the concessioner under the current Concession Contract, CC-EVER002-08 ("Existing Contract"). A copy of 36 C.F.R. Part 51 is included as an appendix to this Prospectus.

In the event of any inconsistency between the terms of this Prospectus and 36 C.F.R. Part 51, 36 C.F.R. Part 51 will control. In the event of any inconsistency between the description of the terms contained in this Prospectus and the Draft Contract, the attached Draft Contract will control.

Given the popularity of the Park and the variety of services available to the public required under the Draft Contract, the Service believes this new concession contract presents an attractive business opportunity for a future Concessioner.

THE NATIONAL PARK SERVICE AND ITS MISSION

In 1916, President Woodrow Wilson approved legislation creating the National Park Service within the Department of the Interior. That legislation mandated that America's National Park Service was created by Congress to:

...conserve the scenery and the natural and historic objects and the wild life therein and to provide for the enjoyment of the same in such a manner and by such means as will leave them unimpaired for the enjoyment of future generations. (16 U.S.C. 1)

Additionally, Congress declared that the National Park System should be:

...preserved and managed for the benefit and inspiration of all the people of the United States. (16 U.S.C. §1a-1)

The Service has as its overall mission the preservation and public enjoyment of significant aspects of the nation's natural and cultural heritage. To learn more about the National Park Service, visit www.nps.gov. This site includes information about the Service's mission, policies, and information on individual park units.



EVERGLADES NATIONAL PARK

Established in 1947, Everglades National Park's original boundaries contained 460,000 acres. The Park now includes over 1.5 million acres, including most of Florida Bay, and stretches more than sixty miles north-to-south and forty miles east-to-west. It holds the largest expanse of wilderness east of the Rocky Mountains.

The Park is located at the interface of temperate and subtropical environments and has a great diversity of resources. These include over 400 species of birds, 800 species of land and water vertebrates, 1600 species of vascular plants, 125 species of fish and 24 varieties of orchids. The Park is home to 14 endangered species, and shelters the largest mangrove ecosystem in the western hemisphere. The Park is also the most significant breeding ground for tropical wading birds in North America.



Popular visitor activities include canoeing, camping, boating, wildlife observation and fishing. There are 156 miles of trails in the Park, including five miles of surfaced trails, one mile of elevated boardwalk trails, and several canoe trails. There are also five visitor centers (including one at Flamingo), a research facility, and two environmental education camps in the Park. Flamingo is one of the districts within Everglades National Park. The term Flamingo will be used throughout the Prospectus to describe the location of this concession opportunity.



Everglades alone among our hemisphere's national parks has been named an International Biosphere Reserve, World Heritage Site and a Wetland of International Importance. These designations are a tremendous source of pride, and bring increased economic benefits from international tourism.

The elevation of the Park ranges from 0 to 8 feet, with an average elevation of 6 feet. Annual rainfall averages 60 inches per year and is concentrated in the May through September rainy season. The average high temperature in winter is 77 degrees Fahrenheit, and the average high temperature in summer is 87 degrees.

The Everglades are an integral part of the South Florida Ecosystem, an 11,000 square mile region extending from the Kissimmee River near Orlando to the Florida Keys. Originally a vast expanse of wetland, pineland, wilderness, mangroves, coastal islands and coral reefs, this is one of the continent's most highly populated and manipulated regions. The four national park units of South Florida protect about 2.5 million acres that embody some of the best and most complete examples of the natural and cultural history of South Florida.

The natural systems of the four parks also sustain South Florida's quality of life and economy. They are vital to the survival of fish, wildlife and recreational areas that support the region's tourism industry. The Everglades provide and protect fresh water that enables people to live and do business in much of this area. It is the source of drinking water for 5 million people and sustains a productive agricultural industry. Their survival is linked to efforts to restore portions of the larger ecosystem as well as its original functions and to lay the basis for a sustainable future for the region.



The Park partners with the Seminole and Miccosukee Native American Tribes, which have the opportunity to exercise their tribal rights within the Park.

Additional information about the Park can be found on the National Park Service website at <http://www.nps.gov/ever>.

The following is an overview map of Everglades National Park and the surrounding area.

Exhibit 1. Map of Everglades National Park and Surrounding Area



Source: PlanetWare



CONCESSION OPPORTUNITY

The Existing Concessioner provides certain visitor services, detailed below, at Flamingo under the Existing Contract. Under the Existing Contract, the Existing Concessioner will cease operations at Flamingo on December 22, 2013.

Concession Overview

Construction of facilities used to serve visitors at Flamingo began in 1956, and by 1960 the visitor center, lodge, marina, campgrounds, employee housing, and other support facilities were completed. Since that time, Flamingo has provided services and facilities to a growing visitor population, providing both day use and overnight accommodations (lodging until 2005 and camping through the present day), and visitor and interpretive facilities. In 2005, hurricanes Katrina and Wilma destroyed or heavily damaged a number of the facilities at Flamingo, including the lodge, Flamingo restaurant, and visitor center.

Currently, Flamingo has limited visitor services due to damage sustained in 2005. The Existing Concessioner provides retail sales (gifts, camping supplies, and groceries) at the Marina Store, seasonal food & beverage service at the Buttonwood Café, boat tours of Florida Bay and Whitewater Bay, rental of boat slips, canoes, kayaks, skiffs and houseboats, and gasoline sales (marine and automobile).

Lodging accommodations have not been offered since 2005, when they were damaged beyond repair by Katrina and Wilma. The lodge and duplex cottages were subsequently demolished in 2008 and 2009. The Flamingo and Long Pine Key campgrounds survived the 2005 hurricanes and are currently operated by the Park.

The following is an overview map of the Flamingo area.

Exhibit 2. Map of Flamingo Area



Source: National Park Service

Required and Authorized Services

Required Services

There are several changes to Required services in the Draft Contract (as compared to the Existing Contract). These changes include the following:

- The Concessioner will be required to operate both the Flamingo and Long Pine Key campgrounds
- The Concessioner will be required to construct and operate 24 elevated cottage units at Flamingo
- The Concessioner will be required to install and operate 20 eco-tents (sturdy tents on platforms with amenities including beds, chairs, a dresser, and an electric light and fan) in the walk-in campground area
- The Concessioner will be required to provide and operate 5 RV lodging units in the Flamingo campground
- The Concessioner will be required to rent bicycles and provide a boat transfer service (previously authorized services)

Exhibit 3 summarizes the Required services in the Draft Contract.

Exhibit 3. Required Services in the Draft Contract	
Required Services	
Lodging:	24 Elevated Cottages; 20 Eco-Tents; 5 RVs in the Flamingo Campground
Camping Services:	Flamingo and Long Pine Key campgrounds
Boat Tours:	Tours of Florida Bay and Whitewater Bay
Food & Beverage:	Buttonwood Café
Retail:	Marina Store
Fuel Sales:	Dockside and Auto
Rentals:	Boat Slips, Bicycles, Canoes, Kayaks, Skiffs, and Houseboats
Boat Transfer Service	

Source: National Park Service

Minimum operating hours and other operational requirements for these Required services shall be as stated in the Operating Plan, presented in Draft Contract Exhibit B.

Lodging

There are currently no lodging accommodations provided in the Park. Under the Draft Contract, the Concessioner will be required to construct 24 elevated cottages near the site of the former Flamingo Lodge (to the east side of the visitor center parking lot) during the first year of the Draft Contract. Of the 24 cottages, 4 will be studio units (approximately 300 square feet), 12 will be one-bedroom units (450 s.f.), and 8 will be two-bedroom units (600 s.f.). Each cottage will have a deck, bathroom, kitchenette, and dining area.

The Concessioner will also be required to provide and install 20 eco-tents (sturdy tents on platforms with amenities including beds, chairs, a dresser, and an electric light and fan) in the walk-in campground area during the first year of the Draft Contract. The location of the eco-tent site features impressive views of Florida Bay. Guests staying in the eco-tents will be able to use existing comfort stations in the walk-in campground. Eco-tents will fill a niche between camping and cottage lodging, for guests who desire a more rustic Park experience without having to provide their own camping gear. One concept for eco-tents, including construction drawings, is presented in Appendix K, though offerors may propose their own concepts provided they are responsive to the requirements in this Prospectus.

The CFIP section of this Business Opportunity describes these lodging investments and requirements in further detail.

The Draft Contract also requires the Concessioner to provide 5 RVs to rent to guests on a nightly basis. The RVs will have full hookups and will be located within the Flamingo Campground.

Camping

The Concessioner will be required to operate the Flamingo and Long Pine Key campgrounds, which are currently operated by the Park. The Flamingo Campground will offer 66 RV sites (41 of which offer electrical hookups), 55 drive-in tent sites, 60 walk-in tent sites, and 3 walk-in group sites, for a total of 184 campsites. Amenities at Flamingo Campground include shower facilities, dump stations, picnic tables/grills, and an amphitheater.

The Long Pine Key Campground has 108 drive-in sites for tents and RVs, including one group site. Restrooms, water, a sewer dump station and amphitheater are available at this site. However, no showers or electrical hookups are offered there.

Boat Tours

Boat tours under the Draft Contract consist of (i) the Whitewater Bay Tour, which visits the interior waterways of the Everglades and features the mangrove forest and sightings of alligators, crocodiles, and birds; and (ii) the Florida Bay Tour, which explores the shallow, open water of Florida Bay and often features dolphin and wading bird sightings. The tour boats currently used are 40'-45' Corinthian catamaran passenger barges with capacities of approximately 50 passengers each.

Currently, the Whitewater Bay Tour is offered year-round, and the Florida Bay Tour is offered during winter months and on Fridays and weekends mid-April through mid-December. Exhibit 4 presents boat tour schedules from the Existing Concessioner’s website. Some departures may be cancelled if there is insufficient demand. Both tours run approximately 1.75 hours each.

Exhibit 4. Existing Contract Boat Tour Schedule

Whitewater Bay Tour	Departure Times
Mid-December through Mid-April	9:00, 10:00, 11:00, 12:00, 1:00, 2:00, 3:00, 4:00
Mid-April through Mid-December	10:30, 12:30, 2:30, 4:30
Florida Bay Tour	Departure Times
Mid-December through Mid-April	10:30, 12:30, 2:30, 4:30-6:00 depending on sunset



Mid-April through Mid-December	(Fri, Sat, Sun only) 11:30, 1:30, 3:30, 5:30
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Source: National Park Service

Food and Beverage

Until 2005, the food & beverage department at Flamingo consisted of two operations: the Flamingo restaurant and the Buttonwood Café. The Flamingo restaurant was a 125-seat, full-service restaurant with bar that was open for all meals that was destroyed in 2005. The Buttonwood Café was a 75-seat, limited service café (no kitchen facility) with bar serving sandwiches, pizza, and snacks in the late afternoon and evening.

The Existing Concessioner operates the Buttonwood Café mid-December through mid-April using a canteen trailer for food preparation and the screened-in bottom floor of the restaurant building as a seating area. Current seating capacity within the screened area is approximately 60 guests – there is additional outdoor picnic seating adjacent to this area. At present, the Buttonwood Café is operated mid-December through mid-April, but could be open year-round.

Under the Draft Contract, the Concessioner will be required to provide food & beverage service in the current Buttonwood Café space. The Concessioner must provide a canteen trailer or other mobile food preparation facility or area as there is no kitchen available with the Buttonwood Cafe.

Retail

The Concessioner will be required to sell gifts, souvenirs, camping supplies, and groceries at the Marina Store at Flamingo. Marina Store clerks currently handle retail sales, boat tour ticket sales, and rentals mid-April through mid-December.

Fuel Sales

As under the Existing Contract, the Concessioner will be required to provide gasoline and diesel for automobiles and marine vessels within the Marina Store Area.

Rentals

The Concessioner will be required to rent boat slips in the Florida Bay marina, bicycles, canoes, kayaks, and skiffs at the ticket booth located within the Marina Store Area. In addition, the Concessioner will be required to provide and rent 5 houseboats that sleep a minimum of 6 guests each. These houseboats will be docked in the Whitewater Bay marina and will be used for backcountry excursions.

Boat Transfer Service

The Concessioner will be required to provide boat transfer service between Florida Bay and Whitewater Bay via a trailer service. A universal boat trailer will be assigned to the Concessioner for this purpose.

Authorized Services

Authorized services are those services that the Concessioner may provide, at its option, under the Draft Contract. The Park Superintendent must give prior approval before the Concessioner may offer any Authorized services. Exhibit 5 summarized the Authorized services that may be offered under the Draft Contract.

Exhibit 5. Authorized Services in the Draft Contract

Authorized Services



Guided Trips: Fishing, Canoe Trips, Sailing Trips
Visitor Shuttle: To Canoe Launch Sites
Mobile Food Service: Long Pine Key Campground
Special Events
Chase/Tow Boat Service
Wireless Internet Service

Source: National Park Service

Employee Housing

The Concessioner will be assigned two dormitory buildings for Concessioner employee housing, with a total capacity of approximately 24 employees. The Concessioner will be assigned trailer pads with hookups in the Concessioner employee housing area and may provide RVs for additional employee housing. Four existing travel trailers will be assigned to the Concessioner for managerial housing. In addition, a National Park Service apartment will be assigned to the Concessioner for use by the concession site manager.



UTILIZATION AND OPERATING DATA

The Proposal Package (Part III of this Prospectus), which Offerors must complete and submit as part of this solicitation, requires Offerors to develop financial projections based on the business to be operated. To assist Offerors in the development of these projections, the Service presents information regarding historical utilization, operating data, and financial projections, based on an assumed Draft Contract effective date of December 23, 2013. Please note that the Service's financial and operating projections are only estimates based on Service assumptions that were developed taking into account publicly available historical data, industry standards, other comparable information from other facilities, and the Existing Concessioner's Annual Financial Reports.

Some or all of the Service's estimates or projections may not materialize and unanticipated events may occur that will affect these estimates and projections. Offerors are responsible for producing their own financial analyses and future financial projections and may not rely on the Service's estimates of projections. The Service does not warrant, and assumes no liability for, the accuracy of the financial projections or estimates contained in this Prospectus.

Historical Revenues

Exhibit 6 presents total concession gross revenue from 2010 to 2012. Revenue increased by 1.1% in 2011 over the 2010 level, and by an additional 1.0% in 2012.

Exhibit 6. Historical Revenue

	2010	2011	2012 ¹
Total Revenue	\$1,609,271	\$1,626,411	\$1,641,271

National Park Service

¹ Note: Preliminary figure, since the 2012 Annual Financial Reports have not been finalized.

Exhibit 7 presents a breakdown of revenue by department during the year 2011¹. Boat tours generated the largest share of total revenue over this period (46.6%), followed by grocery/general merchandise (12.8%), food and beverage (12.6%), marina/rentals (12.6%), fuel sales (8.6%), and souvenirs (2.2%).

Exhibit 7. Departmental Revenue, 2011

Department	Revenue	Share
Boat Tours	\$759,000	46.6%
Food & Beverage (Restaurant)	\$204,000	12.6%
Grocery/General Merchandise	\$208,000	12.8%
Souvenirs	\$35,000	2.2%
Marina/Rentals	\$204,000	12.6%
Fuel	\$140,000	8.6%
Total	\$1,626,000	100%

Source: National Park Service

Exhibit 8 presents average gross annual revenue by department during 2000-2004, prior to the impact of the hurricanes in 2005. Note that there were 127 lodging rooms prior to October 2002 and 98 rooms from October 2002 through September 2005. This exhibit is presented to show how the scale of concession services has been reduced since the hurricanes in 2005 and to demonstrate there is greater revenue potential with the re-introduction of lodging.

¹ Prior to 2011, the restaurant had been closed for several years, and no food and beverage revenue had been reported.



Exhibit 8. Average Gross Revenue by Department, 2000-2004

Department	Average Revenue (2000-2004)
Lodging	\$1,573,000
Food & Beverage	\$905,000
Retail	\$1,147,000
Boat Tours	\$495,000
Fuel	\$207,000
Marina/Rentals	\$460,000
Other	\$265,000
TOTAL	\$5,052,000

Source: National Park Service

Exhibit 9 presents the average number of occupied rooms per night and per month at the Flamingo Lodge between 2001 and 2003. It shows that the lodge was near capacity during the months of February and March and experienced high levels of occupancy in the months of December, January, and April.

Exhibit 9. Average Number of Occupied Rooms at the Flamingo Lodge, 2001-2003

Month	Occupied Rooms per Night	Occupied Rooms per Month
January	81	2,523
February	92	2,587
March	105	3,240
April	79	2,376
May	32	989
June	22	660
July	18	546
August	20	614
September	21	627
October	22	682
November	47	1,419
December	85	2,626

Source: Consultant

As this exhibit shows, during mid-December through mid-April the number of occupied rooms per night ranged from 79 (in April) to 105 (in March), while during the low season the number of occupied rooms ranged from 18 (in July) to 47 (in November).

Camping Revenue

The Flamingo and Long Pine Key campgrounds are currently operated by NPS. They are open year-round, although fees are typically not charged from June through November due to low demand and the relatively uncomfortable camping conditions (largely related to the weather and mosquitoes). Approved 2011 and 2012 camping rates for tent and RV sites at both campgrounds are \$16.00 per person per night (\$8.00 for seniors or Access Pass holders). For the 41 sites now with electrical hookups in the T-Loop area of the Flamingo Campground, rates are \$30.00 per site (\$15.00 for seniors or Access Pass holders). Group sites are \$30.00 per night. Rates have remained relatively stable over the last few years, increasing by no more than \$2.00 over the last five years (representing a 2.7% average annual rate increase for per person camping and a 1.4% increase for group camping).



Exhibits 10 and 11 present Park campground utilization from 2000 to 2011, for Flamingo and Long Pine Key Campgrounds, respectively, as represented by the total number of overnight stays.

Exhibit 10. Overnight Stays at the Flamingo Campground, 2000-2011

	Tent	RV	Group	Total	% Change
2000	12,431	16,272	2,814	31,517	-
2001	12,419	14,362	2,388	29,169	-7.4%
2002	14,538	15,087	2,408	32,033	9.8%
2003	13,992	13,332	1,428	28,752	-10.2%
2004	12,443	13,810	1,428	27,681	-3.7%
2005	15,914	8,964	1,582	26,460	-4.4%
2006	4,567	3,708	425	8,700	-67.1%
2007	8,871	10,469	1,493	20,833	139.5%
2008	9,908	10,291	1,212	21,411	2.8%
2009	13,196	10,932	1,680	25,808	20.5%
2010	11,514	11,426	2,448	25,388	-1.6%
2011	11,256	13,062	2,854	27,172	7.0%

Source: National Park Service

Exhibit 11. Overnight Stays at the Long Pine Key Campground, 2000-2011

	Tent	RV	Group	Total	% Change
2000	5,252	8,796	1,101	15,149	-
2001	9,684	10,370	534	20,588	35.9%
2002	5,536	10,070	808	16,414	-20.3%
2003	8,721	8,060	671	17,452	6.3%
2004	6,360	11,828	996	19,184	9.9%
2005	6,026	8,218	710	14,954	-22.0%
2006	5,714	11,366	851	17,931	19.9%
2007	7,898	4,504	694	13,096	-27.0%
2008	4,876	8,163	652	13,691	4.5%
2009	5,416	10,188	564	16,168	18.1%
2010	5,998	10,788	624	17,410	7.7%
2011	*	*	*	*	*

Source: National Park Service

Over the last decade at Long Pine Key, approximately 40% of demand was for tent camping, 56% was for RV camping and 4% was for group camping. At Flamingo, the number of tent and RV campers was more evenly split over this timeframe (at 48% and 47%, respectively), with group camping comprising 5% of demand.

While camping is available year-round, demand is very seasonal, with Flamingo and Long Pine Key following similar monthly utilization patterns. Exhibit 12 shows the number of sites occupied by month at the Flamingo Campground in 2011.



Exhibit 12. Sites Occupied by Month, Flamingo Campground, 2011

Month	Tent	RV	Group	Total	Share
Jan.	1,246	1,927	80	3,253	26.2%
Feb.	1,370	2,443	43	3,856	31.0%
March	1,425	1,105	86	2,616	21.1%
April	34	24	0	68	0.5%
May	64	76	0	140	1.1%
June	14	28	0	42	0.3%
July	6	23	0	29	0.2%
Aug.	7	9	0	16	0.1%
Sept.	10	49	0	59	0.5%
Oct.	50	46	0	96	0.8%
Nov.	266	249	8	523	4.2%
Dec.	1,136	552	39	1,727	13.9%
TOTAL	5,628	6,531	238	12,425	100.0%

Source: National Park Service

As this exhibit shows, camping demand is very concentrated in the December-March period, accounting for 92% of annual occupied sites at Flamingo.

Exhibit 13 presents total combined campground revenue at Flamingo and Long Pine Key Campgrounds over the past four years.

Exhibit 13. Flamingo and Long Pine Key Campground Revenue

Year	Revenue
2009	\$248,815
2010	\$272,546
2011	\$278,833
2012 ¹	\$290,651

Source: National Park Service

¹ Note: Preliminary figure, since the 2012 Campground Revenue Reports have not been finalized.

Future Revenue Estimates and Utilization Projections

Revenue estimates and utilization projections for lodging, boat tours, food and beverage, retail and camping under the Draft Contract are based on the following assumptions about capacities and operating statistics for the year 2015 (see Exhibit 14 below). Note that the projected rate ranges presented are based on comparability and are not guaranteed. Projected approved (maximum) rates by lodging type and by season are presented in Appendix C to this Prospectus. Prices for concession services are estimated to increase at the rate of inflation, assumed to be approximately 2.4% per year. Because cottage lodging units are expected to be constructed during 2014, we present operating statistics for 2015, which is the second year of the Draft Contract, when those units are expected to be available to the public.



Exhibit 14. Projected Capacities and Operating Statistics (2015)

Lodging	Projected Ranges
Occupied Cottages	6,000-6,500
Average Daily Rate for Cottages (ADR)	\$140-\$160
Occupied Eco-Tents	2,300-2,800
Average Daily Rate for Eco-Tents (ADR)	\$80-\$90
Boat Tours	Projected Ranges
Number of Passengers	34,000-38,000
Average Revenue Per Passenger	\$23-\$26
Food and Beverage	Projected Ranges
Number of Restaurant Covers	30,000-35,000
Average Check Per Cover	\$15-\$20
Retail	Projected Ranges
Gift & Souvenir Square Footage	600
Revenue Per Square Foot	\$350-\$400
General Merchandise (Grocery) Square Footage	1,000
Revenue Per Square Foot	\$325-\$375
Camping	Projected Ranges
Occupied RV Spaces—Flamingo and Long Pine Key	7,000-8,000
Average Daily Rate for RV Sites (ADR)	\$22-\$25
Occupied Tent Spaces—Flamingo and Long Pine Key	7,000-8,000
Average Daily Rate for Tent Sites (ADR)	\$17-\$20
Occupied Concession RV Units	800-1,200
Average Daily Rate for RV Units (ADR)	\$70-\$80

Source: National Park Service

Exhibit 15 presents departmental revenue projections for the second year (2015) of the Draft Contract period.

Exhibit 15. Projected Revenue by Department, 2015¹

Department	Projected Range
Lodging	\$1,100,000-\$1,300,000
Boat Tours	\$800,000-\$1,000,000
Food and Beverage	\$450,000-\$650,000
Retail (Souvenirs and Groceries)	\$450,000-\$650,000
Camping	\$300,000-\$500,000
Rentals	\$350,000-\$550,000
Fuel	\$250,000-\$450,000
Other	\$0-\$200,000
Total Revenue	\$3,700,000-\$5,300,000

Source: National Park Service



¹ *These estimates are not warranted by the Service and the Service is not bound by these estimated amounts. All Offerors are responsible for conducting their own due diligence and calculating their own revenue estimates of required initial investment.*

Expenses

The Service projects that most departmental and indirect expenses will be within industry average ranges.

Utilities

The Service will provide water and sewage treatment services under the Draft Contract. Please refer to Exhibit B (Operating Plan) of the Draft Contract for more information. The Service's methodology for determining utility rates will change with the implementation of *NPS Director's Order 35B, Cost Recovery for NPS-Provided Utilities* anticipated to occur in 2013. DO 35B allows the service to recover costs from users (including concessioners) for utility-related cyclic repairs, cyclic rehabilitation, and capital improvements to the utility system. For additional information, see DO 35B, included as Appendix I to this Prospectus.

Concession Facilities

A land assignment map showing the Concession Facilities is in Exhibit D to the Draft Contract. The Concessioner will be responsible for maintenance, repairs, housekeeping, and grounds-keeping of the Concession Facilities, as provided in the Draft Contract.



INVESTMENT AND OPERATIONS ANALYSIS

Exhibit 16 shows that the total estimated required initial investment by the Concessioner, as projected by the Service, is \$5,956,000 in 2014 dollars. This includes new construction, personal property, inventory deferred maintenance, and start-up costs and working capital (staff hiring, training, etc.). Note: There is no existing Leasehold Surrender Interest.

Exhibit 16. Estimated Initial Investment (2014)¹

Item	Estimated Amount (2014 Dollars)
Concession Facilities Improvement Program (New Construction)	\$3,436,000
Purchase of Personal Property	\$1,743,000
Inventory Investment	\$83,000
Deferred Maintenance (2014 and 2015)	\$400,000
Start-up Costs and Working Capital	\$300,000
TOTAL	\$5,962,000

Source: National Park Service

¹ These estimates are not warranted by the Service and the Service is not bound by these estimated amounts. All Offerors are responsible for conducting their own due diligence and calculating their own revenue estimates of required initial investment.

Concession Facilities Improvement Program (New Construction)

The Concessioner must undertake and complete a Concession Facilities Improvement Program (CFIP) costing not less than \$3.0 million and not more than \$3.5 million. The CFIP includes construction of 24 new elevated cottages, construction of foundations for 20 eco-tents, associated utilities upgrades, and other infrastructure, landscaping, site work, and renovation of the historic gas station for use as a check-in area. The elevated cottages will be located on the site of the previous lodge (cottage area, Exhibit D) and the eco-tents will be located in the eco-tent area (Exhibit D) walk-in campground. The components of the CFIP are described in detail in Appendix J to this Prospectus.

Exhibit 17. Estimated CFIP Construction Cost*

Description	Total Estimated Net Construction Cost
Studio Guest Cottages (4)	\$384,000
1-bedroom Guest Cottages (12)	\$1,356,000
2-bedroom Guest Cottages (8)	\$1,080,000
Cottage Area Infrastructure and Site work	\$636,000
Eco-tent Foundations (20) (<i>tents are personal property</i>)	\$100,000
Eco-tent Area Infrastructure and Site work	\$190,000
Gas Station Renovation (Lodging Reception)	\$50,000
Maintenance Area Storage Unit	\$40,000
Total Net Construction Cost	\$3,836,000
Less Service Contribution	\$400,000
Total Concessioner Construction Investment	\$3,436,000

Source: National Park Service

*Amounts do not include personal property.

Guest Cottages



The CFIP requires the concessioner to construct 24 elevated cottages near the site of the former Flamingo Lodge (to the east side of the visitor center parking lot) during the first year of the Draft Contract term. Of the 24 cottages, 4 will be studio units (approximately 300 square feet), 12 will be one-bedroom units (450 square feet), and 8 will be two-bedroom units (600 square feet). Each cottage will have a deck, bathroom, kitchenette and dining area. The cottages may be grouped in clusters of two to four units to take advantage of common stairways and infrastructure.

The cottages must be designed and sited to withstand hurricane-force winds (146 mph per Miami-Dade county building code). They will be constructed on 10- to 12- foot pilings for protection from potentially damaging storm surges. The finished first-floor elevation for these units must be approximately 16 feet above sea level based on available FEMA map data. They may be modular and potentially able to be re-located to a new site at such time as coastal conditions warrant (sea level rise due to long-term climate change, for example).

The Proposal Package (Part III of this Prospectus) asks Offerors to propose their designs for the guest cottages. The Service has researched several types of building materials and methods including steel framing, structural panels made of wood, cement board, or galvanized steel, as well as concrete modular construction. Offerors should not limit themselves to these options, but the cottage design proposed must be hurricane-resistant and must be compatible with the other structures in the Flamingo area. Note: The Park's Hurricane Plan is included as Appendix Q to this Prospectus.

Cottages will be connected to water, wastewater, and electrical utilities, and the Concessioner will be responsible for developing utilities connections. The current state of the utility infrastructure is described in Appendix M.

Eco-Tents

As part of the CFIP, the Concessioner will also be required to provide and install 20 eco-tents (sturdy tent cottages on platforms with amenities including beds, chairs, a dresser, and an electric light and fan) in the eco-tent area (Exhibit D, Land Assignment Map) during the first year of the Draft Contract term. Eco-tent area infrastructure and site work will also be required. The location of the eco-tent site features impressive views of Florida Bay. Guests staying in the eco-tents will be able to use existing comfort stations in that campground. Eco-tents will fill a niche between camping and cottage lodging, for guests who desire a more rustic Park experience without having to provide their own camping gear.

The Park is interested in using an eco-tent design (including platforms and structures) presented by the University of Miami, as detailed in Appendix K. However, offerors have some flexibility within this design concept. For example, eco-tents may feature sturdy aluminum, wood, or composite framing and a canvas or similar covering. The interior space of each eco-tent must be at least 120 square feet and the total platform area (including a deck) for each eco-tent must be at least 150 square feet.

Eco-tents will be dismantled and stored during May through October (historically low visitor months) and reassembled before November. Platforms may stay in place year-round.

Eco-tents will have electrical connections and enough power to operate lighting and a fan. The Concessioner will be responsible for the cost of the infrastructure development of these connections. Given the small projected electrical loads, small solar panels or batteries may be a feasible choice for powering the eco-tents.

Gas Station Renovation (Lodging Reception)

The Concessioner will be required to renovate the interior of the former gas station on the main road near the entrance to the Flamingo area, to convert it into the lodging reception for the new lodging units. The gas station's floor plan is presented in Appendix N.

Maintenance Area Storage Unit



The Concessioner will be required to construct and/or install a storage unit in the maintenance area (Exhibit D, Land Assignment Map) to protect the eco-tents and other personal property when not in use. The Service estimates that the structure (possibly a heavy-duty, aluminum-frame tent or similar) will need to be approximately 1,500 square feet and will require an investment of around \$40,000, including the structure itself, the foundation and installation labor. The structure must meet applicable hurricane building codes and be hurricane resistant.

Please refer to the appendices for specifications, concept drawings, and details about the CFIP. Exhibit 17 summarizes construction cost estimates for all of the real property components of the CFIP. The Service expects to contribute \$400,000 to projects associated with the CFIP that would reduce the Concessioner's LSI-eligible investment by the same amount.

The Service expects that capital investments associated with the CFIP will be eligible for Leasehold Surrender Interest (which is detailed below).

Leasehold Surrender Interest (LSI)

The Draft Contract provides that the Concessioner will obtain LSI in capital improvements it constructs in accordance with the terms of the Draft Contract. The Draft Contract defines "capital improvements" as the construction of "structures" and "major rehabilitations," and, the installation of "fixtures" (including non-removable equipment) as the Draft Contract defines these terms. Upon contract termination or expiration, the Concessioner will be entitled to compensation for its LSI. The Service may also extinguish LSI during the term of the Draft Contract by payment of its value to the Concessioner. In general, the value of LSI is equal to:

- (1) the initial construction cost of the related capital improvement; (2) adjusted by the percentage increase or decrease in the Consumer Price Index from the date of substantial completion of the construction of the related capital improvement to the date of payment of the leasehold surrender interest value; (3) less depreciation of the related capital improvement.

There is no existing LSI.

Personal Property and Inventory Investment

The estimated value of Personal Property that will need to be acquired for the Draft Contract is approximately \$1.7 million in 2014 dollars. This estimate includes new personal property that will need to be acquired to support new visitor services and lodging facilities, as well as existing personal property used for existing visitor services and general concession administration and support, such as furniture, fixtures, and equipment. Please see Exhibit E to the Draft Contract for a list of personal property owned by the Service that will be assigned to the Concessioner. Appendix H to this Prospectus presents a list of property owned by the Existing Concessioner.

The Service assumes that the Concessioner will operate the same or similarly designed tour boats as the Existing Concessioner. New personal property that will need to be acquired includes furnishings and equipment for the new guest cottages and eco-tents (as well as the tent structures themselves), five RVs/trailers for guest lodging, an additional five RVs/trailers for employee housing, three additional houseboats, upgrades to employee dorm furniture, campground maintenance equipment and other associated furnishings and equipment.

Deferred Maintenance



The Concessioner must complete all deferred maintenance (DM) for all real property assets assigned under the Draft Contract. DM expenditures, which are estimated to total approximately \$400,000, represent non-routine expenditures not covered by the Repair and Maintenance Reserve. The DM forecast assumes the Concessioner will maintain buildings according to the Maintenance Plan (Exhibit H to the Draft Contract) and will not allow new DM to occur or accumulate. The Service provides detailed descriptions of DM projects in Attachment 1 to Exhibit H.

While the Service has estimated DM costs, the estimates may not be relied upon and Offerors must develop their own estimates. In addition, the Concessioner must complete the DM to the satisfaction of the Director even if the actual costs exceed the total estimate provided by the Service in this Prospectus. The Service does not warrant the estimate, but includes it to provide a reasonable expectation of the investment associated with the requirements herein. It is assumed that all DM will be addressed over the first two years of the Draft Contract term. Note that the Park is responsible for major repair associated with repaving in the marina parking area, concessioner maintenance and housing areas, Flamingo and Long Pine Key campgrounds, and is also responsible for replacing the seawall at Flamingo.

Start-Up Costs and Working Capital

At the start of the Draft Contract, the Concessioner will need to make a one-time investment covering a range of activities in order to ramp up concession operations. These activities may include, but are not limited to staff hiring, training that may involve compensation in addition to normal wages, systems implementation, legal support services, and marketing and advertising beyond normal annual expenditures. The Service assumes start-up costs to be approximately \$150,000, or roughly 5% of first-year operating expenses. Initial working capital is also estimated at \$150,000.

Repair and Maintenance Reserve

The Draft Contract requires the Concessioner to establish a Repair and Maintenance Reserve for repair and maintenance projects that are non-recurring within a seven-year time frame. The terms and conditions of the Repair and Maintenance Reserve are set out in the Draft Contract in Section 10(c). The Repair and Maintenance Reserve for the Draft Contract will represent **zero point seven percent (0.7%)** of gross receipts per year, dedicated to this reserve account, during the term of the Draft Contract.

Examples of projects that may be funded from the Repair and Maintenance Reserve (with the prior approval of the Service) include repair or replacement of foundations, building frames, window frames, sheathing, subfloors, drainage, rehabilitation of building systems such as electrical, plumbing, built-in heating and air conditioning, roof replacement and similar projects. No ownership, LSI, or other compensable interest shall arise as a consequence of the expenditures of Repair and Maintenance Reserve funds.

Franchise Fees

The minimum franchise fee will be equal to **four point seven percent (4.7%)** of the Concessioner's annual gross receipts for the preceding year. However, Offerors may propose a higher minimum franchise fee, as described more fully in the Proposal Package (included in part III of this Prospectus).

Contract Term

The term of the Draft Contract will be for ten (10) years with an estimated beginning date of December 23, 2013. The effective date of the Draft Contract is subject to change prior to award if determined necessary by the Service. In such an event, the Service will change the expiration date of the Draft Contract to maintain a term length of 10 years from the effective date of the Draft Contract.



PARK VISITATION INFORMATION

Exhibit 18 presents historical recreation visitation trends at the Park over the period 2000 to 2012. Although not all traffic counters are functioning at all times, and visitation figures are based on estimates when this occurs, this data provides the best available estimate of the overall trend in visitation to the Park. Note the decline in 2006, reflecting the effects of the hurricanes in late 2005. In 2008, gas prices were extremely high, which impacted visitation to national parks throughout the country. Visitation has grown in each of the past three years.

Exhibit 18. Everglades National Park Visitation, 2000-2012

Year	Total Visitation	% Change
2000	995,390	
2001	1,049,851	5.5%
2002	968,909	-7.7%
2003	1,040,648	7.4%
2004	1,181,355	13.5%
2005	1,233,837	4.4%
2006	954,022	-22.7%
2007	1,074,764	12.7%
2008	822,118	-23.5%
2009	900,882	9.6%
2010	915,538	1.6%
2011	934,351	2.1%
2012		

Source: National Park Service

In 2011, the total number of visitor contacts at the Flamingo Visitor Center was approximately 129,000 out of the total Park visitation that year of 915,538 visitors. The Park estimates that approximately half of visitors who travel to Flamingo go to the visitor center there, so an estimated 260,000 people visited the Flamingo area in 2011.

Seasonality of Visitation

Exhibit 19 presents data on average monthly visitation to the Park reported from 2007 to 2011. The exhibit indicates that approximately two-thirds of total annual visitation occurs during the six month period between November and April. The winter months (January, February, and March) represent the peak of the visitor season.



Exhibit 19. Everglades National Park Average Monthly Visitation, 2006-2011

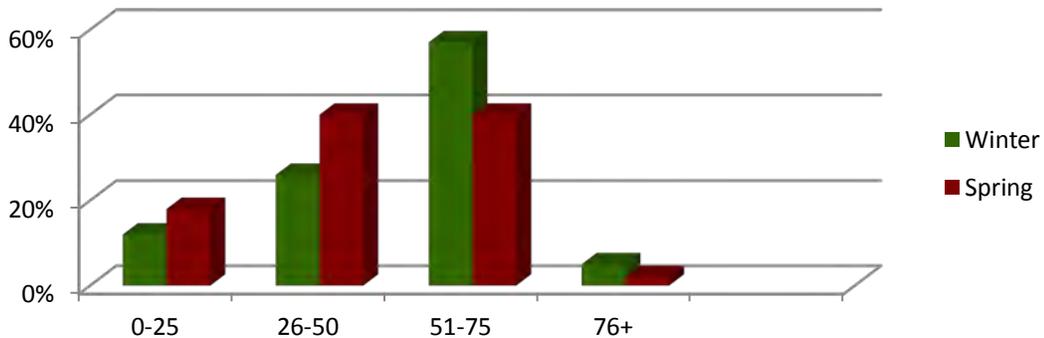
Month	Average Visitation	Share of Annual
January	100,905	10.9%
February	111,117	12.0%
March	145,873	15.7%
April	92,225	9.9%
May	61,486	6.6%
June	49,189	5.3%
July	55,108	5.9%
August	50,344	5.4%
September	49,403	5.3%
October	59,773	6.4%
November	68,098	7.3%
December	86,009	9.3%
Annual	929,531	100%

Source: National Park Service

Visitor Demographics

A 2008 visitor survey (“Everglades National Park Visitor Study: Winter and Spring 2008”) found that 57% of winter Park visitors were between 51 and 75 years old, 26% were between 26 and 50, 12% were 25 years or younger, and 5% were 76 years or older. The numbers were similar for Spring visitors: 40% were between 51 and 75, 40% were between 26 and 50, 18% were 25 or younger, and 2% were 76 or older. Exhibit 20 summarizes this data.

Exhibit 20. Age Distribution of Everglades National Park Visitors



Source: 2008 Visitor Survey

Given that around half of Everglades visitors are over age 50, a future concessioner will want to offer service levels, amenities and products that appeal to this demographic, while also considering how to attract younger visitors, perhaps through targeted family programs or more active adventures.

Overnight Stays

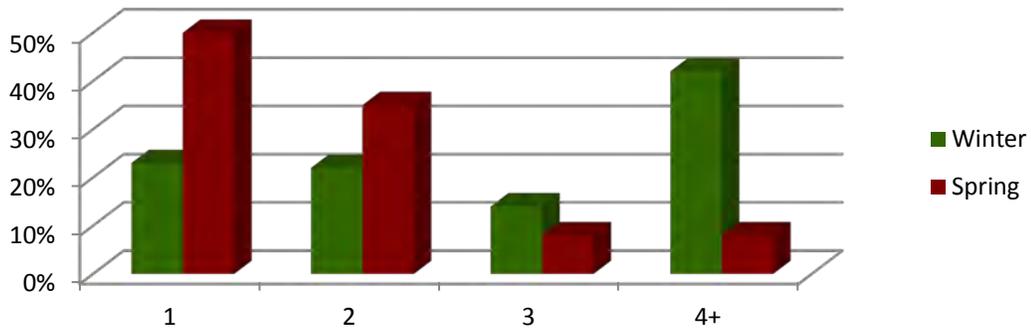
According to both the winter and spring surveys in the 2008 visitor study, 66% of visitor groups stayed overnight away from home within Everglades National Park and/or the surrounding area when they visited the Park.

Of those groups, according to the winter survey, 42% stayed 4 nights or more away from home, 14% stayed 3 nights, 22% stayed 2 nights, and 23% stayed one night. In the spring, the average number of nights



away from home was lower. Exhibit 21 summarizes these data. Since the only option for overnight stays within the Park at present is in campgrounds, visitors seeking hotel or motel lodging accommodations stay outside Park boundaries in Florida City, Homestead, Everglades City, or other cities and towns near Park entrances.

Exhibit 21. Overnight Stays in the Everglades Area (Number of Nights)



Source: 2008 Visitor Survey

Given the fact that many visitor groups stay multiple nights in the Everglades area, there appears to be demand for an in-Park lodging option. High levels of demand for in-Park lodging are also indicated by the historical concession lodging data up to 2005.

Visitor Origins

According to the 2008 visitor survey (combined winter and spring results), U.S. visitors comprised 72% of visitation to Everglades National Park, while international visitors accounted for 28%.

As shown in Exhibit 22, demand for services at Flamingo is derived primarily from visitors from Florida, followed by visitors from European countries including the Netherlands, Germany, and the UK, as well as populous states including Michigan, Pennsylvania, New York, and California.

Exhibit 22. Visitation by Region of Origin

Region	Share of Visitation (Winter and Spring 2008)
Florida	25%
Netherlands	6%
Germany	6%
United Kingdom	4%
Canada	4%
Michigan	4%
Pennsylvania	4%
France	3%
New York	3%
California	3%
Illinois	2%
Ohio	2%
Massachusetts	2%
All Other States and Countries	32%
Total	100%

Source: 2008 Visitor Survey



MARKET OVERVIEW

South Florida Tourism

Data from VISIT FLORIDA, the non-profit corporation that carries out the work of the state's Commission on Tourism, shows that the total number of visitors to the state increased from 72.8 million in 2000 to 85.9 million in 2011, an 18% increase over the period, or an average annual rate of 1.5% per year. The number of overseas visitors increased by 55% over the same period (from 6.0 million to 9.3 million), while the number of Canadian visitors increased by 65% (from 2.0 to 3.3 million). Exhibit 23 summarizes this data.

Exhibit 23. Florida Historic Visitor Numbers (millions)

	Domestic	Overseas	Canadian	Total
2000	64.7	6.0	2.0	72.8
2001	62.3	5.3	1.9	69.5
2002	67.9	4.4	1.6	73.9
2003	68.7	4.2	1.7	74.6
2004	73.4	4.4	1.9	79.7
2005	77.2	4.4	2.0	83.6
2006	77.6	4.1	2.1	83.9
2007	77.3	4.7	2.5	84.5
2008	76.1	5.2	2.9	84.2
2009	71.2	7.0	2.6	80.9
2010	71.2	8.0	3.1	82.3
2011	73.3	9.3	3.3	85.9

Source: VISIT FLORIDA Research

The total number of visitors declined in 2008 and 2009 after reaching 84.5 million in 2007. Part of the decline in 2009 was due to a change in counting methodology, but it also reflects reduced travel demand due to the global economic slowdown. The increase from 80.9 million visitors in 2009 to 82.3 million visitors in 2010 and a record 85.9 million in 2011 was due primarily to increases in the number of overseas and Canadian visitors.

Exhibit 24 presents data on total tourism spending in Florida. It provides an aggregate indicator of the overall trend in the tourism industry in the state.

Exhibit 24. Total Tourism Spending in Florida (billions)

	Spending	Change
2000	\$50.9	
2001	\$50.8	-0.2%
2002	\$51.1	0.6%
2003	\$51.5	0.8%
2004	\$57.1	10.9%
2005	\$62.0	8.6%
2006	\$65.0	4.8%
2007	\$65.5	0.8%
2008	\$65.2	-0.5%
2009	\$60.9	-6.6%
2010	\$62.7	3.0%
2011	\$67.2	7.2%

Source: VISIT FLORIDA Research



Total spending increased from \$50.9 million in 2000 to \$67.2 million in 2010, an increase of 23.2% over the decade, or an average of 2.6% per year. As with the state visitation data, spending grew through 2007 and declined in 2008 and 2009 before increasing in 2010 and 2011.

Data on arrivals to Miami International Airport provides an indicator of travel specifically to south Florida. Domestic arrivals increased by 13.2% between 2006 and 2011, or an average of 2.5% per year. International arrivals increased much more significantly over the period, by 24.5% between 2006 and 2011, or 4.5% per year. Although domestic arrivals fell slightly between 2007 and 2009, international arrivals actually increased during that recessionary period. Exhibit 25 summarizes this data.

Exhibit 25. Miami International Airport Passengers (Arrivals)

	Domestic	% Change	International	% Change
2006	8,811,650		7,455,498	
2007	9,025,732	2.4%	7,863,890	5.5%
2008	8,892,542	-1.5%	8,149,108	3.6%
2009	8,961,413	0.8%	8,057,475	-1.1%
2010	9,432,074	5.3%	8,552,895	6.1%
2011	9,972,896	5.7%	9,283,867	8.5%

Source: Miami International Airport

Local Market Area—Lodging Competition

Exhibit 26 lists several properties that offer temporary, overnight lodging in the Florida City-Homestead area nearest to Flamingo. The list includes properties that report occupancy and rate data to Smith Travel Research.

Exhibit 26. Lodging Properties in Homestead and Florida City

Property Name	Location	Number of Rooms
Days Inn Homestead	Homestead	100
Hampton Inn Suites Miami South Homestead	Homestead	126
Travelodge Florida City	Florida City	88
Econo Lodge Florida City	Florida City	42
Super 8 Florida City Homestead Area	Florida City	52
Holiday Inn Express & Suites FL City Gateway To Keys	Homestead	105
Comfort Inn Florida City	Florida City	124
Ramada Florida City East Palm	Florida City	123
Best Western Gateway To The Keys	Florida City	114
Knights Inn Florida City Homestead	Florida City	48

Source: Smith Travel Research

Exhibit 27 presents annual average daily rate (ADR) data for the properties listed in Exhibit 26 over the 2006-2011 period.



Exhibit 27. Florida City-Homestead Lodging Average Daily Rates, 2006-2011

Year	ADR	% Change
2006	\$82.15	
2007	\$88.28	7.5%
2008	\$87.36	-1.0%
2009	\$82.31	-5.8%
2010	\$83.00	0.8%
2011	\$81.89	-1.3%

Source: Smith Travel Research

Average daily rates peaked in 2007 and 2008 and were down by approximately 5% off the peak during the global economic slowdown in 2009-2011.

Based on historic ADR data from the Flamingo Lodge within the Park, visitors place a premium on the in-Park location and unique experience available at Flamingo. In 2003, ADR at Flamingo Lodge was 70% higher than the ADR reported by a sample of properties outside the Park listed in Exhibit 26.

Exhibit 28 presents average annual occupancy rates for the lodging properties in the Smith Travel Research sample (Exhibit 26) over the 2006-2011 period. Exhibit 28 shows that occupancy fell in 2008 and 2009, but rebounded in 2010 and 2011.

Exhibit 28. Florida City-Homestead Area Occupancy Rates, 2006-2011

Year	Occupancy Rate
2006	63.6%
2007	61.8%
2008	56.6%
2009	50.8%
2010	57.3%
2011	63.3%

Source: Smith Travel Research

There are additional lodging properties under construction or in the pipeline in the Homestead/Florida City area outside of the Park. The Courtyard Homestead opened in summer 2012. Construction of an estimated 100 rooms has been proposed for the central corridor of Florida City in the near future.

Demand for in-Park Flamingo lodging may be relatively immune to these changes in outside of the Park lodging capacity in the local area. Typically, visitors seeking a National Park experience first attempt to secure accommodations inside the Park, and then seek accommodations in gateway communities outside of the Park when in-Park facilities are not available.

There are a number of hotels, motels, and other types of lodging establishments in the Upper Keys that offer an experience more comparable to Flamingo (on or near the coast, and geared toward the leisure traveler) than the lodging options in Homestead and Florida City. Exhibit 29 summarizes 2012 rates charged by some hotels in the Keys, particularly in Key Largo and Islamorada, which are closest to Flamingo. In addition to the more localized establishments in this exhibit, there are also several chain hotels in the area (Hampton Inn, Courtyard by Marriott, Holiday Inn, etc.).



Exhibit 29. Partial List of Lodging Establishments in the Upper Keys

Property Name	Location	Rates (2012)
Coconut Palm Inn	Key Largo	\$156-\$201
Rock Reef Resort	Key Largo	\$140-\$201
Marina Del Mar Resort	Key Largo	\$133-\$180
Seafarer Resort	Key Largo	\$85-\$155
Largo Lodge	Key Largo	\$100-\$195
Sunset Cove Beach Resort	Key Largo	\$158-\$169
Atlantic Bay Resort	Tavernier	\$109-\$287
Island Bay Resort	Tavernier	\$149-\$358
Islander Resort	Islamorada	\$156-\$266
Chesapeake Beach Resort	Islamorada	\$198-\$288
La Siesta Resort & Marina	Islamorada	\$167-\$268
Postcard Inn Beach Resort	Islamorada	\$162-\$272
Ragged Edge Resort & Marina	Islamorada	\$104-\$169
Pines and Palms Resort	Islamorada	\$143-\$474
La Jolla Resort	Islamorada	\$79-\$299

Source: Consultant

Boat Tours

Boat tour rates currently charged by the Existing Concessioner at Flamingo are in line with rates for boat tours of similar content and duration in the region. Exhibit 30 provides summaries of some other boat tours offered in the area.

Exhibit 30. Boat Tours in the Local Market Area (2011)

	Max. Passengers	Tour Length	Adult Price	Child Price
Pennekamp State Park Glass Bottom Boat	130	2.5 hours	\$24	\$17
Key Largo Princess	129	2 hours	\$30	\$17
Caribbean Watersports	6	2 hours	\$60	\$45
Key Largo Boat Tours	35	3 hours	\$32	\$24

Source: Consultant

The concessioner at John Pennekamp State Park offers glass bottom boat tours on a 65' catamaran three times daily. Tours last 2.5 hours and feature views of the coral reefs on the ocean side of Key Largo.

A similar glass bottom tour is offered by the *Key Largo Princess*, a 70' catamaran that departs from the Holiday Inn dock at mile marker 100 in Key Largo.

Caribbean Watersports offers an "Everglades Enviro-Tour" of Florida Bay on a rigid inflatable zodiac with a maximum of six passengers.

Key Largo Boat Tours operates a 45' Corinthian, similar to the boats used by the Existing Concessioner and now operating at Flamingo. This three-hour tour of Florida Bay features visits to sites within Everglades National Park, including a stop for swimming.

Campgrounds

There are five campgrounds within 15 miles of the Royal Palm entrance to the Park, all of which are located in Florida City or Homestead and comprise a significant share of the regional supply of campsites. Camping is also available at state parks in the Keys, further from Flamingo. Summary information concerning the local campgrounds is listed in the following table.

Exhibit 31. Summary of Local Area Campgrounds

Campground	No. of Sites	Nightly Rates	Amenities
Boardwalk RV Resort, Homestead	Tent: None RV: 137	RV: \$35-\$45	Full/partial hook ups, restroom/shower facilities, laundry, community center, swimming pool, fitness facility, picnic area
Southern Comfort RV Resort, Florida City	Tent: 40-50 RV: 350	RV: \$30-\$38 Tent: \$10-\$28	Full/partial hook-ups, swimming pool, bar, laundry, picnic area
Gold Coaster Mobile Home and RV Resort, Homestead	RV: 525 Tent: None	RV: \$30-\$50	Full/partial hook-ups, restroom/shower facilities, laundry, swimming pool, laundry, picnic area
Florida City Camp Site and RV Park, Florida City	RV: 310 Tent: 50	Tent: \$25 RV: \$30	Full/partial hook ups, restroom/shower facilities, laundry, picnic area
Everglades Hostel, Florida City	Tent: 9	Tent: \$18	Laundry/shower facilities, picnic area

Source: Consultant

The majority of these locations cater predominantly to RV campers (although some also provide tent camping) and offer a far wider range of amenities and services than what is supplied at the Park campgrounds. Typically, amenities at these alternative sites include full or partial utility hook-ups, picnic tables and grills, laundry facilities, restrooms and showers, wireless internet, and cable TV. Many also provide additional amenities, such as swimming pools and fitness centers. All of these campgrounds are privately operated, except the Florida City Camp Site and RV Park, which is managed by Florida City.

In 2011, rates for RV campsites with full or partial hook-ups ranged between \$30.00 and \$50.00 per site per night, with an average rate of \$36.00. Nightly rates for tent sites ranged between \$10.00 and \$28.00 per night, with an average nightly rate of \$20.00. These average nightly rates were slightly higher than what is charged per RV site at the Park, but the campgrounds listed in Exhibit 31 offer more amenities than are offered at the in-Park Flamingo Campground.

These campgrounds are open year-round, although peak demand typically occurs from January through March, with campground occupancy ranging between 90% and 100% on weekends (Friday, Saturday and Sunday) and between 80% and 90% on weekdays. The shoulder months are November, December, April and May, with the slowest season occurring during the summer. This is identical to Park camping utilization trends. During the summer period, occupancy falls to 30% to 50%.

During the winter, many of the RV visitors using the campsites listed in Exhibit 31 are middle-aged or senior citizen couples traveling from colder climates ("snowbirds"), who are often on prolonged trips. Over 50% of these types of visitors are repeat customers who come and stay each year at their favorite campground, either as the prime destination or as one of several stops during their vacation. Almost all visit Everglades National Park during their stay, but prefer to camp outside of the Park due to the wider range of amenities offered. The period between mid-April and mid-December generally attracts more locals for both types of camping.



Demand at these local area, outside of the Park campgrounds has remained relatively constant over the last five years, with only minor impacts to their business associated with the global economic downturn. In fact, several noted small to moderate increases in demand (ranging from 5% to 15%) in 2011 from 2010 levels.

Other Services

Canoe, kayak, skiff, houseboat and bicycle rental are offered outside of the Park by providers in Florida City and the Florida Keys. There are a number of food and beverage and retail outlets in these areas as well, although none are considered direct competition to Flamingo because of its unique location within the Park.

PREFERRED OFFEROR DETERMINATION

The 1998 Concessions Act includes the limited right of preference in renewal for statutorily defined outfitter and guide services and small contracts. This limited right does not apply here, however. The Service has determined, pursuant to 36 C.F.R. Part 51, there is no "preferred offeror" who is eligible to exercise a right of preference for the award of the Draft Contract.

SITE VISIT

A one-day site visit is scheduled on the date listed on the inside front cover of this Prospectus. If you intend on attending the site visit and would like more information, please contact Bill Stevens at the following address, phone number, or e-mail:

Attn: Bill Stevens, Commercial Services
National Park Service, Southeast Regional Office
100 Alabama St, SW, Bldg 1924, 5th Floor
Atlanta, GA 30303
Phone: (404) 507-5636
E-Mail: Bill_G_Stevens@nps.gov

The site visit will be an opportunity for all interested parties to get an overview of the proposed concession operations areas, along with a tour of common use and Concession Facilities associated with the Draft Contract.

