

# DELAMAR

•SWAMPSCOTT•



Clearview Investment Management & Greenwich Hospitality Group are pleased to submit the following proposal in response to the RFP issued by the town of Swampscott, Massachusetts for the redevelopment of the Hadley Elementary School into a boutique hotel, restaurant, spa, and banquet facility.





# DELAMAR

• HOTELS •



# Overview

- Greenwich Hospitality Group (GHG) and the *Delamar* brand of luxury hotels were founded in 2002 with the opening of Delamar Greenwich Harbor.
- The collection of luxury hotels has since grown to three Connecticut properties in Greenwich, Southport and West Hartford, along with the most recently opened Delamar in Traverse City, Michigan.
- Each Connecticut Delamar substantially outperforms its competitive set in RevPAR (according to STR) and is ranked #1 on TripAdvisor in their respective markets.
- Clearview Investment Management (Clearview), the development and asset management affiliate of Greenwich Hospitality Group is currently under construction on two new Delamar hotels in Westport, CT & Mystic, CT. These properties are anticipated to open in late 3Q24.





# In-house Management

- **Hotels:** Each Delamar hotel is independently branded and managed by GHG. There is no affiliation or contract agreements with any of the larger hotel brands (i.e. Marriott, Hilton, Accor, etc.).
- **Food & Beverage:** In addition to handling the hotel operations, GHG also manages all of the on-site restaurant and banquet facilities at each property. A dedicated team oversees all aspects of F&B from concept development to on-going operations.
- **Spa & Wellness:** GHG manages all spa, gym and wellness facilities in-house at each property.

## DELAMAR

• WEST HARTFORD •



# Development Approach

- Clearview oversees the development of each property.
- The team of real estate and construction professionals handle every phase of the development process from initial site selection, zoning and entitlements, architectural and concept development, project financing, construction, and ongoing asset management.
- Clearview has overseen development projects of varying size and scope in Connecticut, Michigan and Texas.



# RFP Response –Evaluation Criteria

---

## The Respondent's articulated vision for the proposed property:

- GHG envisions repurposing the Hadley School into a market leading full service 55-60 key 'Delamar' hotel, restaurant and spa with dedicated meeting and event space.
- Guest rooms will be divided between the 'main' school building, and the annex building.
- What is currently the principal/nurses office/admin office will become the hotel lobby and check-in with stair access from the front of the building facing Redington Street, and ADA accessible by elevator.
- What is currently the gym will become the full service restaurant & bar with dramatic double height ceilings, open concept finishing kitchen in place of the existing stage, and a private dining room. If approved, a new terrace will be built off the building to provide guests seasonal outdoor dining overlooking historic Linscott Park and Nahant Bay.
- If approved, a new one story addition will be constructed on the roof of the 'main' building. This area will be programmed with two penthouse suites, an event space, and a seasonal outdoor bar – all of which have unrivaled views overlooking Nahant Bay and the Boston skyline.
- The basement of the 'main' building will house the Spa, fitness center, prep kitchen – along with regular back office functions such as employee offices, storage, mechanicals, housekeeping, laundry, etc.
- Parking will be located on the site of existing lawn/playground, with select parking available along the Redington Street side of the property. Where possible, existing blacktop that is not used for parking will be converted into landscaping and green space.



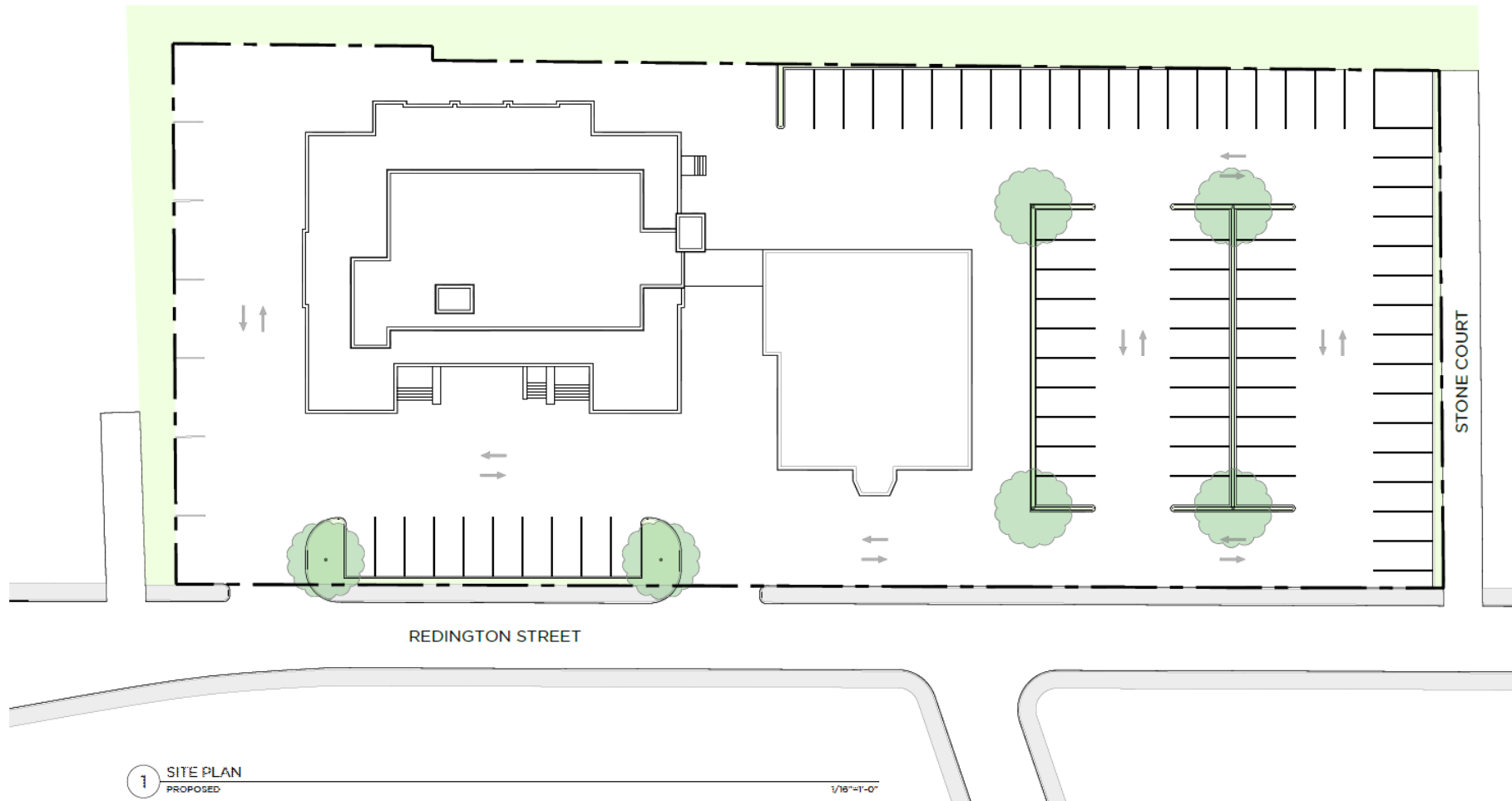
# RFP Response –Evaluation Criteria

This rendering is intended to show a potential layout of a rooftop space that would have event capacity along with penthouse guest suites. The ultimate layout and massing of a rooftop will need to be studied further to ensure efficient spatial usage between the guest room functions and the event / bar space. Modifications to the exterior will be limited and only where necessary. Pending a formal parking analysis based on finalized room count and restaurant/event space capacity, more greenery and landscaping will be integrated into the site plan where possible.



# RFP Response –Evaluation Criteria

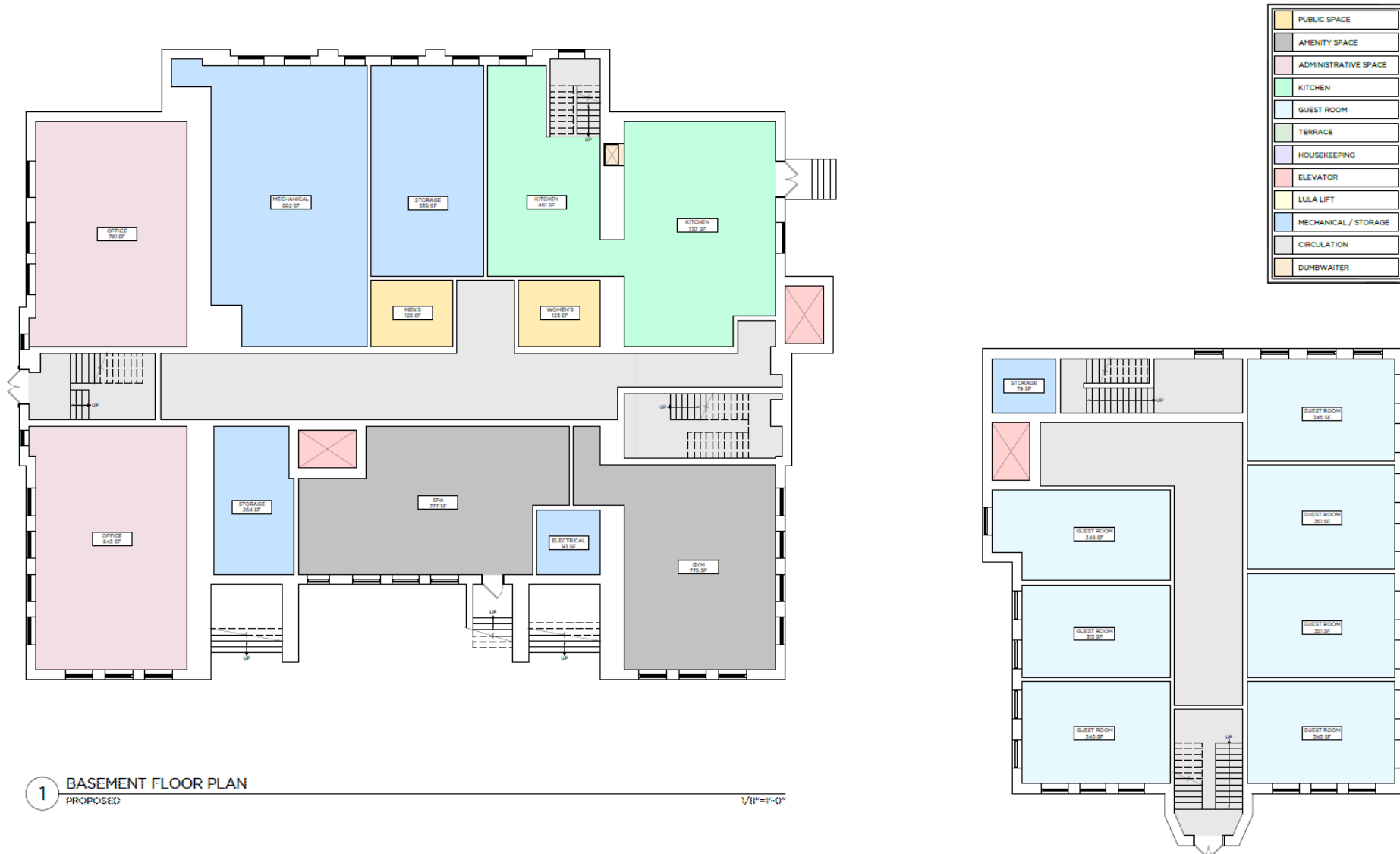
Site plan:





# RFP Response –Evaluation Criteria

## Basement:

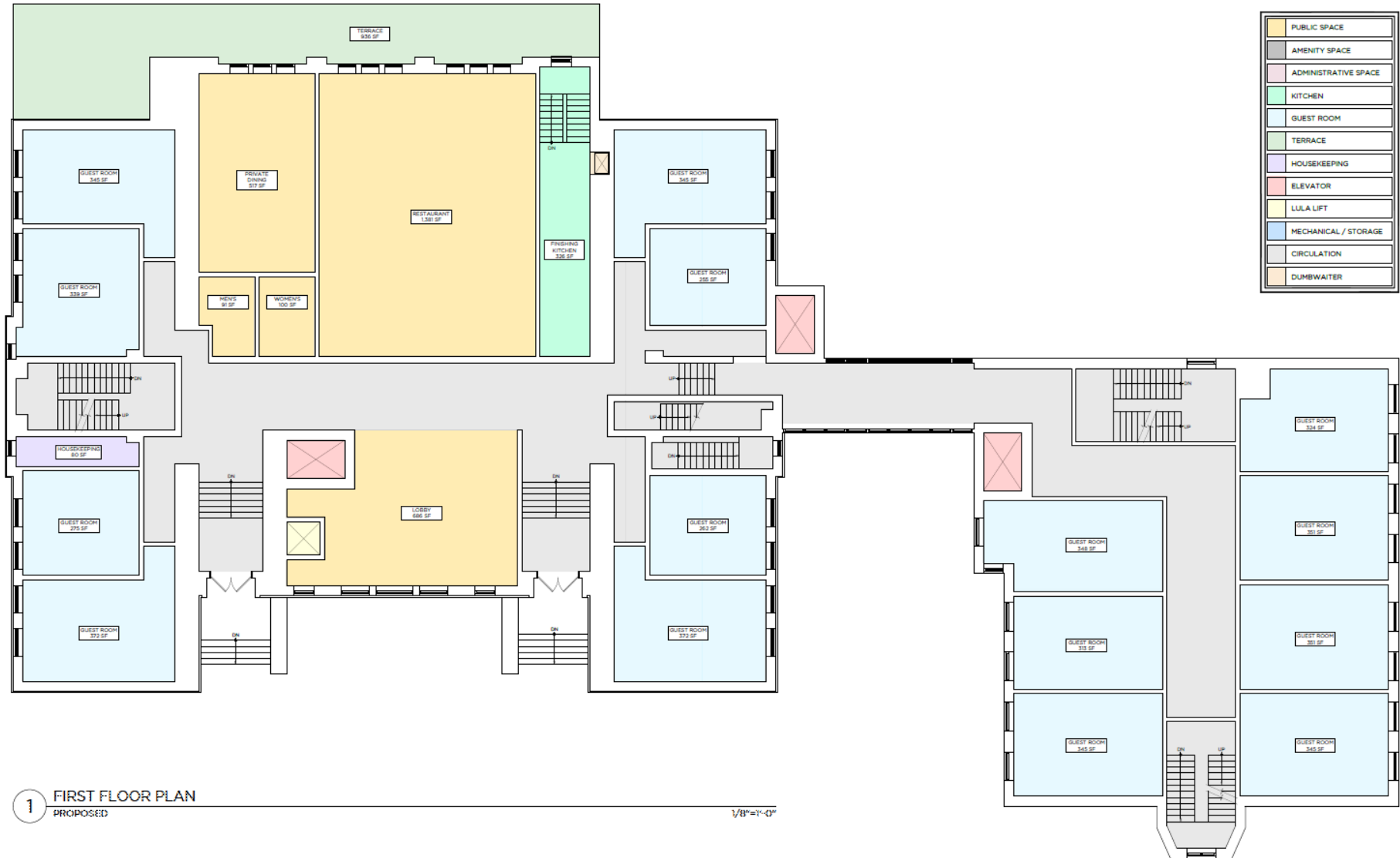


1

BASEMENT FLOOR PLAN  
PROPOSED

# RFP Response –Evaluation Criteria

## Ground Floor:





1 SECOND FLOOR PLAN  
PROPOSED

1/8"=1'-0"

# RFP Response –Evaluation Criteria

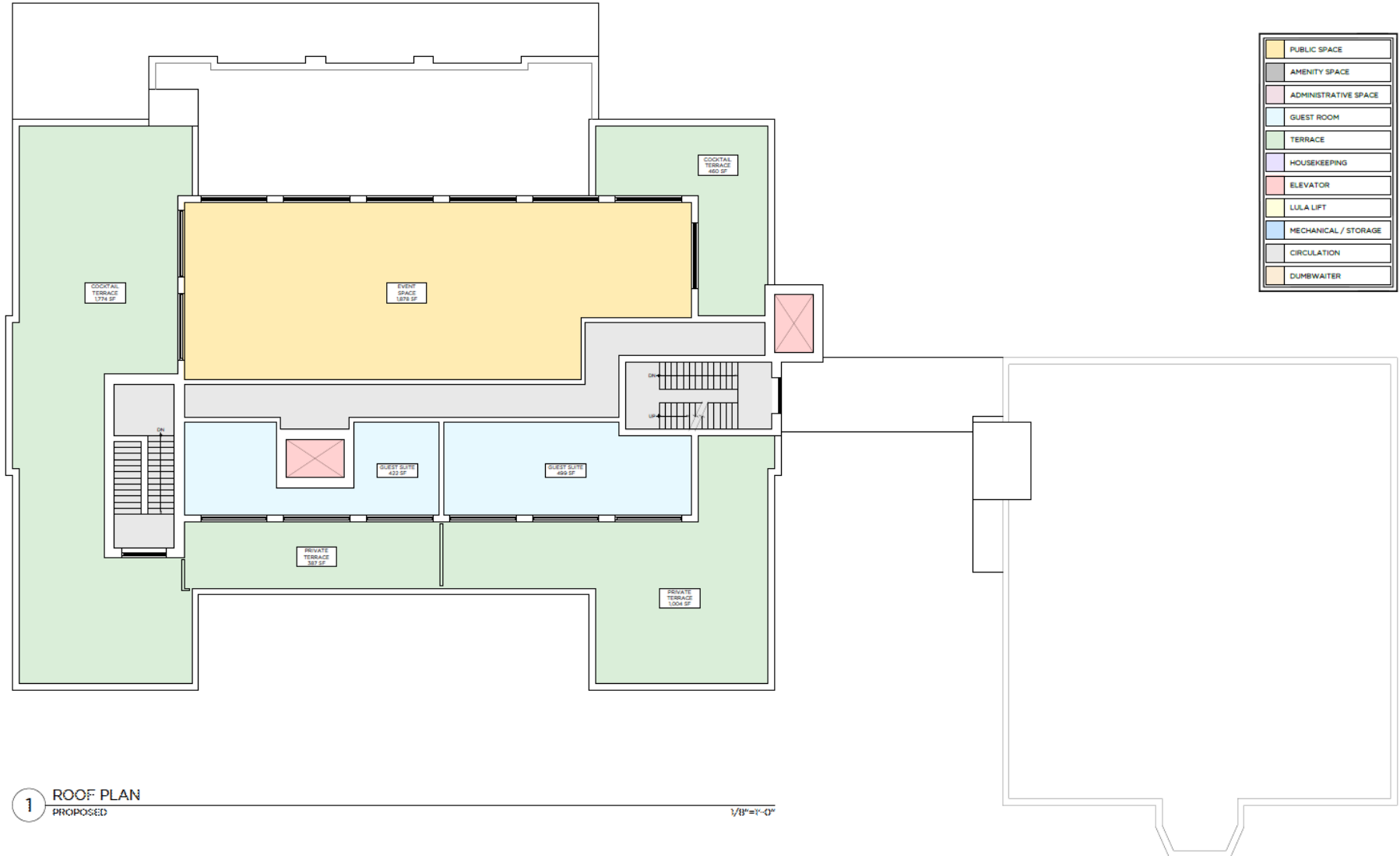
## Third Floor:





# RFP Response –Evaluation Criteria

Rooftop:



# RFP Response –Evaluation Criteria

## The Respondent's articulated vision for the proposed property; Continued

- Below are collection of guest room photos that represent the standard of a Delamar hotel. Each hotel has its own distinct feel and character. Clearview intends to have the design and décor complement the architecture while establishing its own personality throughout the interiors.





# RFP Response –Evaluation Criteria

## The Respondent's articulated vision for the proposed property; - Continued

- Below are a collection of photos of the restaurants in each Delamar hotel. Clearview would strive to create a vibrant, best-in-class, full service restaurant, bar and banquet facility that would cater to both hotel guests and local residents.



# RFP Response –Evaluation Criteria

The degree to which the Respondent has relevant experience with similar properties;

Before



After



- **Delamar Greenwich Harbor (2001):**
- Transformed original 1963 exterior entry motel into world class luxury hotel.
- Ranked #3 best hotel in Northeast by *Conde Nast Traveler* in 2023

Before



After



- **Delamar Traverse City (2021):**
- Property has gone from #32 to #2 ranked hotel on TripAdvisor under GHG ownership, and still undergoing renovations.
- Restaurant, *Artisan*, ranked #1 in Traverse City.
- Original building constructed in 1968.



# RFP Response –Evaluation Criteria

---

Respondent's financial resources and confirmation of ability to secure financing necessary for this scope of development and Respondent's financial proposal to partner with the Town;

- Clearview acts as General Partner or Co-General Partner in every Delamar hotel to date. In every instance, Clearview is either the largest or second largest equity investor in each property.
- Clearview has successfully syndicated all the required equity for new investments/developments through traditional 'friends and family', and has no formal institutional capital partners to date.
- Construction and/or acquisition financing has been procured mostly from local and regional banks, many of which have converted their construction loans into long-term permanent financing upon the property stabilization.
- Clearview would intend to raise required equity capital from existing network of investors, while also offering the investment opportunity to locals of Swampscott and the greater Boston Northshore community. Clearview has found having local 'ownership' of each property generates goodwill from the outset, and helps drive business to the hotels and restaurants.

# RFP Response –Evaluation Criteria

The willingness of the Respondent to work with the parameters established by the Town;

- Clearview has extensive experience working with local governments and non-profits to achieve the goals of bringing premier hospitality offering to each town, while also ensuring the projects are feasible from a long-term investment standpoint.

## **Delamar West Hartford (2017):**

- Clearview won an RFP to develop a ground up 103 key hotel, restaurant, spa and banquet facility on property owned by the town of West Hartford, CT.
- Clearview entered into 99-year ground lease with option to buy the land.



## **Inn at Longshore (2020):**

- Clearview assumed the lease of *Inn at Longshore* from the town of Westport, CT in 2020.
- Clearview extended the lease for an additional 30 years, with the intention to renovate the existing hotel rooms, restaurant and banquet facility.



# RFP Response –Evaluation Criteria

If the Respondent is a qualified developer that is partnering with a qualified hotel operator, the qualifications of said operator, to include length of time in business in the hospitality industry, current portfolio of owned/operated hotels, reputation with hotel brand managers and hotel lenders, etc.

- Greenwich Hospitality Group is a wholly owned subsidiary of Clearview Investment Management. GHG is the operating entity that oversees the day to day management of the hotels, restaurants, spas and banquet facilities within the broader 'Delamar' portfolio.
- Greenwich Hospitality Group was established in 2002 with the opening of the first hotel in the portfolio, Delamar Greenwich Harbor.
- Clearview has been actively involved in real estate ownership and development since 1991.
- Clearview has the in-house development and financial capability to take on the Hadley School project entirely, as demonstrated by the track-record of the existing portfolio.
- However, Clearview would explore the opportunity to partner with a local development/construction firm for the Hadley School project if it believes that partner could provide beneficial expertise in its ability to execute the construction and/or procure favorable local financing on both equity capital and construction debt.
- Clearview currently hold debt financing with the following lenders: Fairfield County Bank, M&T Bank, Darien Rowayton Bank, Signature Bank, J.P. Morgan Chase (CMBS), TD Bank.
- In either scenario, Clearview will be the sole General Partner or the Co-General partner in the development.



# RFP Response –Evaluation Criteria

The confidence in the degree to which the Town believes the Respondent can fully execute the defined vision.

- Please see attached our most recent brochure that provides an overview of each Delamar hotel.



# RFP Response –Evaluation Criteria

---

*Sustainable and Climate-Friendly Design and Construction - The new development shall exhibit a level of design and construction that minimizes the environmental impact and relies on and/or generates renewable energy. The Respondent's plans shall define the sustainable elements of the development in site preparation, building construction, site design, and ongoing operations.*

- Clearview is cognizant of maintaining climate friendly building practices and utilizing materials that minimize overall carbon footprint.
- Clearview intends to install new windows and doors throughout the property to improve building insulation and air circulation.
- Replace the existing inefficient steam powered HVAC system with electric heat-pump systems and supplemental heating if necessary. Clearview intends to install solar panels on the roof of the annex building and the main building (depending on new rooftop programming) to supplement electric load.
- Where possible, retaining the existing antiqued hardwood flooring and other building materials to maintain the feel and character of the historic original building.
- The Delamar hotels implement various sustainable management practices, examples such as:
  - Refillable bathroom amenities instead of one-time-use plastic bottles.
  - Changing bedding at guests option if staying for multiple nights.
  - Use of hybrid or EV drive courtesy cars.
  - Automatic lights & temperature controls for when guests are not in their room.
  - Procuring ingredients from local farmers and purveyors in all restaurants.

# Delamar Portfolio Overview



## DELAMAR

• GREENWICH HARBOR •



## DELAMAR

• SOUTHPORT •



## DELAMAR

• WEST HARTFORD •



## DELAMAR

• TRAVERSE CITY •

<b>Year Opened:</b>	2002
<b>Room Count:</b>	82
<b>Restaurant:</b>	<i>l'escale</i>
<b>Function space:</b>	3,000 sf
<b>Operator:</b>	GHG

<b>Year Opened:</b>	2010
<b>Room Count:</b>	44
<b>Restaurant:</b>	<i>Artisan</i>
<b>Function space:</b>	800 sf
<b>Operator:</b>	GHG

<b>Year Opened:</b>	2017
<b>Room Count:</b>	103
<b>Restaurant:</b>	<i>Artisan</i>
<b>Function space:</b>	5,700 sf
<b>Operator:</b>	GHG

<b>Year Opened:</b>	2021
<b>Room Count:</b>	173
<b>Restaurant:</b>	<i>Artisan</i>
<b>Function space:</b>	4,500 sf
<b>Operator:</b>	GHG



# Development Pipeline

## DELAMAR

• MYSTIC •



Expected Opening:	3Q24
Room Count:	31
Restaurant:	<i>La Plage</i>
Function space:	2,500 sf
Operator:	GHG

## DELAMAR

• WESTPORT •



Expected Opening:	3Q24
Room Count:	86
Restaurant:	<i>Dandelion</i>
Function space:	2,500 sf
Operator:	GHG

# Preliminary Development Budget

- The proposed budget takes into account numerous assumptions and is by no means a commitment by Clearview. Assumptions are made based on current market conditions and costs Clearview is seeing for its current developments under construction.
- Clearview needs to conduct various studies of the property to verify structural integrity and useability of the existing interiors. The assumptions herein are made with the intention to reuse both existing structures, refit interiors to accommodate hotel/restaurant use, modify or repair the exterior only where necessary, install elevators and ADA access points, and buildout a rooftop event and amenity space.
- Clearview intends to explore the use of Historic Tax Credits, along with other state, federal and municipal subsidy programs. However, Clearview finds it prudent to underwrite developments under the assumption no subsidies will be available and only private equity and debt capital will be utilized.

Description	Estimate	Cost Per Key	% / Total
<b>Hard Costs</b>			
Hard Construction Cost	\$ 20,000,000	\$ 344,828	64.39%
Hotel FF&E	\$ 1,250,000	\$ 21,552	4.02%
Room FF&E	\$ 200,000	\$ 3,448	0.64%
OSE	\$ 100,000	\$ 1,724	0.32%
Restaurant Equipment	\$ 1,000,000	\$ 17,241	3.22%
Restaurant Finishes & FFE	\$ 1,000,000	\$ 17,241	3.22%
Landscaping	\$ 500,000	\$ 8,621	1.61%
Sitework	\$ 375,000	\$ 6,466	1.21%
<b>TOTAL HARD COSTS</b>	<b>\$ 24,425,000</b>	<b>\$ 421,121</b>	<b>78.64%</b>
<b>Soft Costs</b>			
Architecture & Design	\$ 750,000	\$ 12,931	2.41%
Construction Team	\$ 300,000	\$ 5,172	0.97%
All other consultants	\$ 300,000	\$ 5,172	0.97%
Interest Expense	\$ 1,500,000	\$ 25,862	4.83%
Legal Fees	\$ 150,000	\$ 2,586	0.48%
Loan closing costs	\$ 300,000	\$ 5,172	0.97%
Owner Rep	\$ 150,000	\$ 2,586	0.48%
Marketing/Pre-opening	\$ 100,000	\$ 1,724	0.32%
Office, Admin, Reimbursables	\$ 50,000	\$ 862	0.16%
Permits	\$ 135,000	\$ 2,328	0.43%
Building Insurance - Construction	\$ 600,000	\$ 10,345	1.93%
<b>TOTAL SOFT COSTS</b>	<b>\$ 4,335,000</b>	<b>\$ 74,741</b>	<b>13.96%</b>
<b>SUB-TOTAL</b>	<b>\$ 28,760,000</b>	<b>\$ 495,862</b>	<b>92.59%</b>
Development Fee (3%)	\$ 862,800	\$ 14,876	2.78%
Contingency (5%)	\$ 1,438,000	\$ 24,793	4.63%
<b>TOTAL</b>	<b>\$ 31,060,800</b>	<b>\$ 535,531</b>	<b>100.00%</b>

SOURCES & USES			
SOURCES		USES	
Loan 55%	\$17,083,440	Construction - Hard Cost	\$24,425,000
Equity 45%	\$13,977,360	Construction - Soft Cost	\$4,335,000
		Contingency	\$1,438,000
		Development Fee	\$862,800
<b>TOTAL SOURCES</b>	<b>\$31,060,800</b>	<b>TOTAL USES</b>	<b>\$31,060,800</b>

# Due Diligence

---

- Clearview will need to conduct extensive due diligence on the subject property considering its age and the extensive renovations required as part of the use change.
- At minimum the following studies will be needed:
  - Phase I/Phase II Environmental study.
  - Hazardous Building Materials (asbestos/lead paint, etc)
  - Structural engineering study.
  - Geotechnical study.
  - Load capacities to accommodate use change.
  - Investigate viability of creating internal penetrations for MEP conduits associated with hotel use, elevators, etc.
  - Conduct parking study to verify proposed uses satisfy local parking requirements based on surface parking available on site.
  - Investigate viability of constructing rooftop amenity space.
  - Investigate viability of constructing terrace off proposed restaurant space for outdoor dining.
- Clearview estimates due diligence period to take 3 - 4 months to fully satisfy the requirements that will enable a development to move forward as proposed.