

MEMORANDUM OF UNDERSTANDING BETWEEN
THE TOWN OF BOILING SPRINGS, NORTH CAROLINA
AND
THE TOWN OF BOILING SPRINGS TOURISM DEVELOPMENT AUTHORITY
AND
CLEVELAND COUNTY, NORTH CAROLINA
AND
GARDNER-WEBB UNIVERSITY

THIS MEMORANDUM OF UNDERSTANDING (hereinafter “Memorandum”) made and entered into this 8th day of October, 2023, by and between **the Town of Boiling Springs (“Town”)**, a North Carolina municipal corporation, the **Boiling Springs Tourism Development Authority (“TDA”)**, a discretely presented component unit of the Town, the **County of Cleveland North Carolina (“County”)**, a North Carolina County government, and **Gardner-Webb University (“University”)**, a private university, recognizes the mutual advantage of the creation of a coordinated effort to support the Town, TDA, County and University goals and to state their intention to cooperate in accordance with the below-stated objectives.

I. OVERVIEW

Each party wishes to promote economic development and business recruitment in Boiling Springs and Cleveland County. As such, each party wishes to participate in a Hotel Feasibility Study, which will help the Town determine if an additional hotel could be supported without adversely impacting the existing area hotel. The study will be conducted by **Core Distinction Group (“Firm”)**, an Oshkosh, WI corporation; the details of which are attached hereto as “Exhibit A.”

II. RESPONSIBILITIES OF EACH PARTY

- A. Sharing of Costs.** Each party will contribute to the cost of the training as described below:
1. The Town will contribute twenty (20) percent of the cost.
 2. The TDA will contribute twenty (20) percent of the cost.
 3. The University will contribute twenty (20) percent of the cost.
 4. The County will contribute forty (40) percent of the cost.
- B.** The Town will serve as the point of contact with the Firm.

III. PROCESS FOR SHARING OF COSTS

- A.** The Town will receive invoices from the Firm and, upon approval, pay such invoices.
- B.** After paying an invoice to the Firm, the Town will send the invoice, Town approval, and evidence of payment to the TDA, the University, and County for reimbursement.
- C.** Upon receipt of such reimbursement request, the TDA, the University, and County shall pay to the Town their portion of the expenses as outlined in Section II above.

IV. MISCELLANEOUS

A. Amendments. This MOU may be amended by written consent of all parties, and all amendments shall be attached to this MOU.

IN WITNESS WHEREOF, the Parties to this non-binding Memorandum of Understanding have affixed their signatures:

FOR THE TOWN OF BOILING
SPRINGS:

Danna Stansbury, Town Manager
Town of Boiling Springs

I certify that this instrument has been
preaudited in the manner required by the
Local Government Budget and Fiscal
Control Act:

Rhonda W. Allen, CPA
Finance Director

FOR THE BOILING SPRINGS
TOURISM DEVELOPMENT
AUTHORITY:

Kim Duren
Board President

FOR CLEVELAND COUNTY:

David Cotton, County Manager
Cleveland County

I certify that this instrument has been
preaudited in the manner required by the
Local Government Budget and Fiscal
Control Act:

Sherri Geer
Finance Officer

FOR GARDNER-WEBB UNIVERSITY:

William M. Downs, President
Gardner-Webb University

Approved as to form and content:

John Schweppe, III
Boiling Springs Town Attorney

EXHIBIT A

Scope of work, pricing, and reference details are provided on the subsequent pages.

DRAFT

SCOPE OF WORK



Core Distinction Group takes immense pride in the work we do. Throughout each phase of our projects we communicate with our clients regularly. This ensures everyone involved in the project is up-to-date on the progress. We also keep a very tight timeline on our projects. Each phase is well thoughtout and followed consistently. The objective of our studies are to identify and determine the need for lodging in the community, the loss of lodging to the area due to lack of quality or amount of lodging, as well as determine if there is enough need to justify a new hotel. A new hotel that makes good business sense. Below you will find each part and its timing in the process:

KICKOFF MEETING, RESEARCH & COMMUNITY OUTREACH

This phase involves speaking with community leaders to compile a list of potential demand generators in the local and regional community. Research and Community Outreach is conducted within the first one to two weeks following receipt of the retainer.

SITE VISIT & COMMUNITY INTERVIEWS

This phase involves an in-depth local tour given by community leaders to help Core Distinction understand said community and need for lodging. The tour also includes a detailed analysis of potential sites for the project.

DEMAND GENERATOR INTERVIEWS

This phase involves conducting online and phone interviews with potential demand generators gathered during the Research and Community Outreach of the study process. This phase will take place in the first two weeks of the study process. In some cases, interviews are done during visit as well.

DATA COMPILATION

This phase of the process involves compiling all the data gathered during our visit to gain the overall picture of what is needed for the community. This phase is conducted in the two weeks following our community visit completion.

***DATA RECEIVING & REPORTING**

Once all the demand generator information is gathered, Core Distinction Group begins pulling industry data for target market as well as industry trends to help us gain a better understanding of the local and regional opportunity areas.

COST GATHERING

This involves all things cost. Core Distinction Group gathers actual cost for the development, construction, financing, taxes, and all other ongoing costs associated with the specific project.

PROJECT PRO FORMA

Immediately following Development and Operational Cost Gathering, Core Distinction Group will construct a project, brand, market, and scale specific Pro Forma that is bank, investor, brand and developer friendly.

DRAFT COMPLETION/SUBMITTAL

After Core Distinction has conducted all previous phases, we complete a draft of the study and financial pro forma and submit it for review by the contracted entity. Changes to the study may be made at this point but are limited to spelling and grammar updates.

FINAL












After all requested changes are made and final payment is received, Core Distinction Group will submit a final draft of the Hotel Market Feasibility Study and Brand Specific Pro Forma to the community for distribution.

*If at this point, Core Distinction Group does not feel there is enough need for lodging to merit the costs of a new build hotel, we will stop the process, communicate with the community and offer alternative options for accommodations. If this happens, the contracted entity is not responsible for the remaining study costs highlighted in (Cost) and will receive a report indicating the reasoning behind the decision.

ALL-INCLUSIVE PRICING

The cost to complete your community's Comprehensive Hotel Market Feasibility Study would be \$15,000. This fee is all-inclusive and will give you every tool you would need to bring a hotel to your community. Once your organization has decided to move forward in hiring Core Distinction Group, LLC to conduct your study, we will require a signed contract and 50% (\$7,500) non-refundable retainer. The remaining 50% (\$7,500) will be required prior to your organization receiving the Final Draft. If at any given point after the Site Visit and Community Tour, our company believes that a new hotel project in your community does not make good business sense, we will reach out to you to discuss. If after the discussion of all data with your organization, all parties believe that we have come to the proper determination, we will cease all project work and you will not be responsible for the remainder of the fee/cost. In addition, Core Distinction Group, LLC does not charge for additional time spend on the project after questions from investors, bankers, brands and so on are complete. Core Distinction Group, LLC will also include one additional Pro Forma update with-in a year of the project completion at no additional charge of changes in fees or costs.

Below you will find a breakdown of what is included in our pricing:

Travel - Airfare, Accommodations, Rental Car, Meals and any Out of Pocket Expenses	
Industry Reports	
Community Visit and Site Analysis	
Data Compilation/Gathering	
Hotel Market Feasibility Study Completion	
	Introduction/Objective
	Market Overview
	Site Analysis
	Economic Overview
	Lodging Demand Overview
	Community Interview/Survey Details
	Lodging Supply Overview
	Conclusion/Scale, Size and Amenity Recommendations
	Room Share Overview
	Economic Impact
	Project Marketing Piece
Financial Projections/Proforma (2 Separate Brand Specific Proformas)	
Total All-In Project Cost	\$ 15,000

ALL PROPOSED PRICES ARE SUBJECT TO CHANGE AFTER 45 DAYS OF RECEIPT