

NPHA Request for Prospectus Process Change

NPHA requests that the NPS issue new policy guidance which increases transparency in the development of concessions prospectuses, establishes key prospectus requirements and allows for more input from the incumbent concessioners and others to improve these documents. The current prospectus process imposes significant limits on informational meetings with incumbent concessioners in advance of the release of a prospectus. This has contributed to a significant number of instances where no responsive offers have been submitted as well as other cases where the number of responsive proposals has been two or fewer. In addition, potential offerors have sought clarifications to prospectuses – including correction of inaccuracies – and have reported that NPS responses are often unhelpful and/or nonexistent. The current NPS process is excessively shielded from any input from incumbent concessioners, who have the most extensive familiarity with the operations, and the result is that NPS is unaware of any deficiencies in its prospectuses until after the prospectus is released to the public. At that point, NPS appears reluctant to fix any deficiencies which are brought to its attention, particularly where those corrections might require other changes to the prospectus terms.

The development of a prospectus for a new NPS concession contract should encourage the input of all parties with important insights into contemporary hospitality practices and destination management, including but not limited to the incumbent concessioners. This input is not prohibited by the regulations which prohibit *disclosing* information related to a prospectus to parties. In addition, whether undertaken by NPS staff or consultants, the prospectus development process should include opportunities for proposing innovation that enhances visitor experiences without adverse consequences on resources and other visitors. It should also include more accurate and robust economic data needed to guide private investment in capital projects and operations, as well as detailed support for the economic projections made by NPS including those used to determine the minimum franchise fee. NPS also should encourage state and regional economic development interests and current and prospective concessioners to participate in the prospectus development process. NPS should consider refinement and expanded use of the consultation process now underway in Grand Teton National Park as well as other strategies for seeking input. For example, NPS might develop and release a draft prospectus and supporting materials for comments at least 60 days prior to release of the final prospectus soliciting proposals. Supporting materials must include a detailed discussion of how NPS estimated the projected revenues, costs and required investments which it is relying upon to prepare the prospectus. The Director should then revise the prospectus in response to any comments received if the Director determines revisions will enhance competition, improve visitor services or contribute to reductions in deferred maintenance of infrastructure used in the concession operations. The Director shall also consider comments suggesting additional concessioner services and concessioner facilities.