National Park Service
U.S. Department of the Interior

Interior Regions 8, 9, 10, & 12

PROSPECTUS

A Concession Business Opportunity to Operate Lodging, Food and Beverage, Retail, Campground (group site), Firewood, and Other Services within Olympic National Park

Solicitation #

CC-OLYM001-27

OLYMPIC NATIONAL PARK

CONCESSION CONTRACT NO. CC-OLYM001-27

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PART I

BUSINESS OPPORTUNITY

CC-OLYM001-27

Department of the Interior

National Park Service
Olympic National Park

A Concession Business Opportunity to Operate Lodging, Food and Beverage, Retail, Campground (group site), Firewood, and Other Services

within the Kalaloch Area

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INTRODUCTION

The National Park Service ("Service") seeks proposals for a concession contract authorizing the operation of lodging, food and beverage, retail, campground (group site), firewood, and other services within the Kalaloch Area of Olympic National Park. This Prospectus describes, in general terms, the existing business operations and the future business opportunity for services required by the Service. Those submitting proposals ("Offerors") must review all sections of this Prospectus and, specifically, the terms and conditions of the Draft Concession Contract No. CC-OLYM001-27 ("Draft Contract"), including its exhibits, to determine the full scope of a future concessioner's responsibilities under the Draft Contract.

Exhibit 1. Summary of Draft Contract Terms and Conditions

Category	Draft Contract Terms and Conditions
Draft Contract Term	Ten (10) Years
Projected Effective Date	October 1, 2027
Required Services	Lodging, Food and Beverage, Retail, Campground (group site), Firewood Sales
Authorized Services	Recreational Equipment Rentals, Firewood Sales (Kalaloch & South Beach campgrounds), Visitor Shuttle Transportation
Projected Gross Receipts (Year 1)	$7,290,000 - $8,050,000
Estimated Initial Investment (Year 0)	$2,230,000
Concession Facilities Improvement Program (Years 1-2)	$623,000
Deferred Maintenance (Years 1-2)	$557,000
Minimum Franchise Fee	9.0% of gross receipts for gross receipts from $0 to $5,000,000; plus 13.0% of gross receipts for gross receipts from $5,000,001 to $9,000,000; plus 16.0% of gross receipts for gross receipts greater than $9,000,000
Component Renewal Reserve	1.75% of gross receipts

Source: National Park Service

SITE VISIT

The Service will host a one-day site visit for organizations interested in bidding on this opportunity on the date listed on the inside cover of this Prospectus. The site visit provides interested persons, corporations, or other entities an overview of the concession operations along with a tour of the Concession Facilities, as that term is defined in the Draft Contract, assigned to the Concessioner under the Draft Contract.

To attend the site visit, registration is required. To register, please email Kimberley Gagliolo, Commercial Services Specialist, Interior Regions 8, 9, 10, and 12 at kim_gagliolo@nps.gov with the name of your company, contact phone number and email, and the number of people attending from your organization, no later than the registration date listed on the inside cover of this Prospectus. All parties to attend the site visit must disclose to the Service the names of the interested organizations engaging their services. The Service will provide further information and additional directions by email to the primary contact.

Site visit participants are responsible for obtaining their own lodging, meals, and transportation to the respective Concession Facilities. All attendees must be 18 years of age or older. Please be prepared for variable weather conditions and walking between buildings. Since the concession operation will be serving visitors at the time of the site visit, the Service limits the number of representatives that each organization, including any supporting contractors, may bring to the site visit to five (5), and no more than two (2) people per organization, including any supporting contractors, will be permitted within the kitchen areas. Attendance at the site visit is not required to submit a proposal for the Prospectus; however, attendance is encouraged.

NOTIFICATION OF INTENT TO PROPOSE

If you plan to submit a proposal in response to this solicitation, you must notify Kimberley Gagliolo via email at kim_gagliolo@nps.gov. Your email notification must include the name of the Offeror as it will be provided in the Offeror's Transmittal Letter or the name of the individual or entity who will sign the proposal on behalf of the Offeror.

The Service will not accept proposals from entities that do not provide their Notice of Intent to Propose on or before 12:00 p.m. (Pacific Time) on date listed on the Inside Cover of the Prospectus.

INFORMATION REGARDING THIS PROSPECTUS

The Prospectus comprises five parts.

I. Business Opportunity (this document)
II. Proposal Instructions
III. Proposal Package
IV. Draft Contract, including its exhibits
V. Appendices Table of Contents and Recommended Websites

In these documents, the National Park Service refers to Olympic National Park as the "Park" or "Area."

This Prospectus includes Service estimates of revenue and expenses to assist Offerors in developing financial projections. These estimates reflect Service assumptions based on planning decisions, historical concession operating data, industry standards, economic conditions, and comparable and competitive operations. The Service does not guarantee these projections will materialize and assumes no liability for their accuracy.

Offerors must compile and present their own financial projections based on independent assumptions, due diligence, and industry knowledge.

As noted above, the Draft Contract with all exhibits is included in this Prospectus. In the event of any inconsistency between the description of the terms contained in this Prospectus and the Draft Contract itself, the terms of the Draft Contract will prevail.

Certain federal laws apply to this solicitation, including the National Park Service Concessions Management Improvement Act of 1998 (Public Law 105-391, as amended and recodified at 54 U.S.C. § 101911 *et seq*., and hereafter referred to as "the 1998 Act"), as implemented by regulations in 36 C.F.R. Part 51. 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. 36 C.F.R. Part 51 is available at the Government Printing Office's Electronic Code of Federal Regulations website.

"Concessioner" refers to the entity that will be the concessioner under the Draft Contract.

"Existing Concessioner" refers to DNC Parks and Resorts at Kalaloch, Inc., the concessioner under Concession Contract No. CC-OLYM001-12 ("Existing Contract"). The Existing Contract is available upon request.

The Service intends to announce the selected Offeror around January 2027. The Service intends to award the Draft Contract around June 2027, or approximately four (4) months prior to the anticipated effective date when the Concessioner will commence operations on October 1, 2027. Award of a concession contract does not occur until the competitive process has been completed and both the selected Offeror and the Service have signed the concession contract. While the Service will make effort to meet this schedule, it is subject to change.

PROPOSAL OVERVIEW

Part II of this Prospectus contains the instructions for submitting proposals. The Service will only accept digital versions of proposals for this solicitation submitted electronically per instructions, except for the submission of the Offeror's Transmittal Letter, which the Offeror must also send as an original hardcopy with wet signature. Offerors must carefully read and comply with the proposal instructions provided in Parts II and III.

Part III of this Prospectus contains the Proposal Package that Offerors must complete in its entirety. The Proposal Package contains a required Offeror's Transmittal Letter, five principal selection factors, and two secondary selection factors. Each selection factor identifies the minimum and maximum points the Service may award, depending on the quality of the response. A high-quality response includes clear, specific commitments. The following paraphrases the information sought under each selection factor. Where there are discrepancies, the wording of the actual selection factors in the Proposal Package controls.

Principal Selection Factor 1 requires Offerors to describe experience and expertise relating to the maintenance of facilities.

Principal Selection Factor 2 requires Offerors to describe proposed improvements to lodging amenities, furniture and equipment.

Principal Selection Factor 3 requires Offerors to describe their organizational structure and provide documentation to help the Service understand the Offeror and its relationship to other entities. The Service does not score this information specifically but may use it to understand responses elsewhere in the proposal. Incomplete submissions may lead to a lower score elsewhere if the information submitted does not support claims made in response to specific subfactors in this and other selection factors and failure to provide this information may result in the Service determining your proposal to be non-responsive. The Service has provided forms Offerors must complete depending on their organizational structure.

This principal selection factor also has a scored section that requires Offerors to describe its experience with similar operations and the history of violations and infractions as well as the strategies it will implement to minimize them.

Principal Selection Factor 4 requires Offerors to demonstrate their financial capacity to commence and carry-on operations under the Draft Contract. A high-quality response incorporates commitments made elsewhere in the proposal. The Proposal Package includes a business history form, and an Excel workbook Offerors must complete in providing responses to this selection factor.

Principal Selection Factor 5 requires Offerors to provide the franchise fee they will pay on gross receipts generated under the Draft Contract. Failure to agree to pay the minimum franchise fee set out in the selection factor will result in the Service finding the proposal non-responsive and ineligible for award of the Draft Contract.

Secondary Selection Factor 1 requires Offerors to describe how they will minimize the environmental footprint of waste produced by their operations and to describe environmental purchasing and local sourcing programs.

Secondary Selection Factor 2 requires Offerors to describe ways they will improve employee well-being and living conditions.

DOING BUSINESS WITH THE SERVICE

The Service has worked with private parties to provide services to visitors dating back to the earliest times of national parks. Many of the iconic lodges and other structures found in America's national parks were constructed and operated by private parties, and that relationship continues today.

The Service uses the term "commercial visitor services" when generally describing services, benefits, and goods provided to visitors within an area of the National Park System by a third party for a fee. The term "commercial visitor services" includes lodging, food and beverage, retail, marina operations, guided recreation, equipment rental, experiential transportation, and similar services the National Park Service itself does not provide. The Service implemented regulations for many aspects of the 1998 Act, primarily to set out the process for soliciting bids for new contracts and managing the concessioner's investment in structures owned by the United States.

Working with the Service to provide commercial visitor services differs from operating outside a park in several respects. By law, the Service approves rates to ensure park visitors do not pay higher fees for goods and services merely because such transactions occur within parks. As with the private sector, concessioners must develop and follow environmental management programs, risk management programs, and similar programs to ensure operations comply with applicable laws. We also developed operating standards based on similar ones in the private sector to reflect best industry practices for the services provided under the concession contract. Our employees review the quality of concession operations and compliance with contract requirements including, when appropriate, the maintenance of facilities. Our contract oversight reflects the best management practices of the private sector industries.

Even with these regulatory requirements, concessioners in national parks enjoy significant benefits. Many parks function as unique visitor destinations. Concessioners frequently operate with few, if any, in-park competitors, even though we do not grant exclusive rights to provide any visitor services. Although we oversee concessioner rates charged to the public, our processes ensure rates are competitive with similar services near the operating locations.

THE NATIONAL PARK SERVICE AND ITS MISSION

In 1916, President Woodrow Wilson approved legislation creating the Service within the Department of the Interior. That legislation mandated that Congress created America's National Park Service 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. 54 U.S.C. § 100101(a)*

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… 54 U.S.C. § 100101(b)*

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, its mission, policies, and individual parks.

Source: National Park Service

OLYMPIC NATIONAL PARK

Olympic National Park is located within Clallam and Jefferson Counties on the Olympic Peninsula of the state of Washington. The Park encompasses 922,650 acres (1,442 square miles) and features distinctly different ecosystems including old-growth and temperate rain forest, glacier-capped mountains, and wild Pacific coastline.

Kalaloch Lodge is located on the Pacific coast of the Olympic Peninsula, approximately 3 to 3.5 hours by car from the Seattle-Tacoma metropolitan area. Most of the other highly visited locations within the Park, including the Hoh Rain Forest, Sol Duc Hot Springs, Lake Crescent, and Hurricane Ridge, are located to the northeast of Kalaloch.

The following exhibit shows the Park outlined in green within its regional context. Highways and major roads are shown in red, and bodies of water are shown in blue. Kalaloch is circled to indicate the location of concession operations under the Draft Contract.

Exhibit 2. Olympic National Park and Surrounding Region

Source: National Park Service

From Park headquarters in Port Angeles, it takes approximately 2 hours to drive southwest to Kalaloch Lodge. Port Angeles is approximately two to three hours by car (or car/ferry combination) from points in the Seattle-Tacoma metropolitan area.

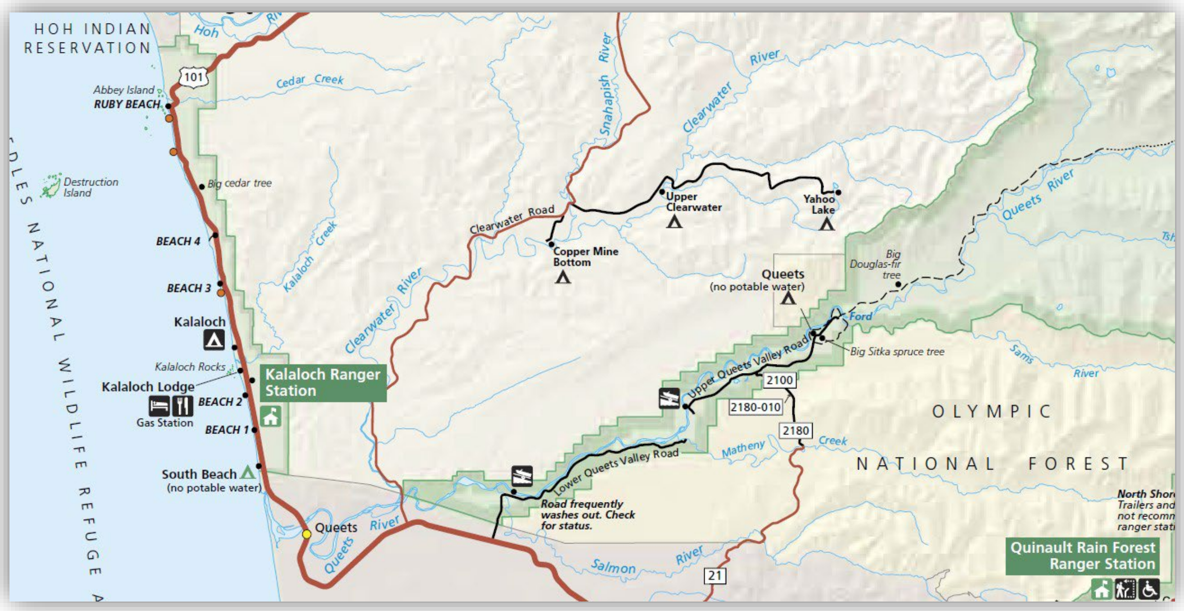
In 1909, President Theodore Roosevelt designated Mount Olympus National Monument to protect the elk and forests of the Olympic Peninsula. Congress and President Franklin D. Roosevelt re-designated the monument and established Olympic National Park in 1938.

The Park and its surroundings are home to a wide variety of wildlife. Raccoons, beaver, and mink live mostly in the lowlands, while deer, elk, cougars, and bears range from valleys to mountain meadows. Park waters are home to some of the healthiest runs of Pacific salmon outside of Alaska. Over 300 species of birds live in the area at least part of the year. Just offshore, whales, dolphins, sea lions, seals, and sea otters feed in the Pacific Ocean. Invertebrates of countless shapes, sizes, colors, and textures inhabit tide pools.

The Park also boasts an amazing diversity of plant life. Over 1,450 types of vascular plants grow on the Peninsula, nearly the same number as the British Isles—an area 30 times larger. The Park and surrounding Olympic Peninsula have snowy peaks that plunge to mist-shrouded coast. Temperate rain forest on the west side lies only 34 miles from dry oak savanna in the rain shadow northeast of the mountains. These quick changes in elevation and precipitation mean a lot of different habitats are crowded into the area.

Native Americans have lived here for thousands of years, both along the coast and in the interior reaches of the peninsula. There are eight federally recognized Tribes that have traditional associations to the lands in Olympic National Park: Hoh, Jamestown S'Klallam, Lower Elwha Klallam, Makah, Port Gamble S'Klallam, Quileute, Quinault, and Skokomish.

Exhibit 3. Detailed Map Showing Kalaloch Area



Source: National Park Service

VISITATION INFORMATION

The following exhibit presents annual visitation data for the Kalaloch District where the Draft Contract services are provided, as well as the annual visitation date for the entire Park over the past ten years. From 2016 through 2019, recreation visits to the Park averaged approximately 3.29 million visitors per year, with an average of approximately 629,000 visits to the Kalaloch District. The arrival of the COVID pandemic in the spring of 2020 impacted the U.S. tourism industry and resulted in temporary closures of parks. From 2020 through 2022, reported Park visitation averaged 2.55 million visitors, and averaged 460,000 within the Kalaloch District. However, in 2024 and 2025, Park recreation visitation averaged 3.65 million visitors and average visitation to the Kalaloch District increased to over 740,000, each exceeding pre-pandemic averages.

Exhibit 4. Annual Recreation Visitation to the Kalaloch District and Olympic National Park

	Kalaloch District*	**Kalaloch District***	**Olympic National Park**	**Olympic National Park**
Year	*Visitation*	*Percent Change*	*Visitation*	*Percent Change*
2016	638,097	19.6%	3,390,221	3.9%
2017	665,667	4.3%	3,401,996	0.3%
2018	607,400	-8.8%	3,104,455	-8.7%
2019	604,821	-0.4%	3,245,806	4.6%
2020	509,982	-15.7%	2,499,177	-23.0%
2021	585,025	14.7%	2,718,925	8.8%
2022	283,088	-51.6%	2,432,972	-10.5%
2023	371,240	31.1%	2,947,503	21.1%
2024	684,549	84.4%	3,717,267	26.1%
2025	803,145	17.3%	3,584,187	-3.6%

Source: National Park Service

**To determine the recreation visitation to the Kalaloch District, the Service uses multiple inputs, including an inductive loop traffic counter located across the road at the entrance to Ruby Beach parking area; a pneumatic tube traffic counter located across from Queets access road; the number of overnight stays at each of the following Kalaloch, South Beach, and Kalaloch Group Campgrounds, Kalaloch Lodge, and in the backcountry. Additional information regarding how data is collected, and visitor use numbers estimated is available on the NPS Stats website, under the "Visitor Use Counting Procedures" link.*

There is a distinct seasonal pattern to Park visitation figures. Peak visitation occurs between June and September, with over 55% of visitors arriving within this four-month period. The following exhibit summarizes average monthly visitation to the Park in 2024-2025.

Exhibit 5. Olympic National Park Monthly Recreation Visitation (2024-2025 Averages)

Month	Average Visitation for Park	Share of Average Visitation for Park	Average Visitation for Kalaloch District	Share of Average Visitation for Kalaloch District
January	100,153	2.7%	32,774	4.4%
February	116,880	3.2%	56,657	7.6%
March	149,579	4.1%	67,990	9.1%
April	193,982	5.3%	72,245	9.7%
May	378,879	10.4%	73,578	9.9%
June	371,756	10.2%	21,282	2.9%
July	551,590	15.1%	30,457	4.1%
August	590,501	16.2%	43,450	5.8%
September	527,048	14.4%	165,316	22.2%
October	331,158	9.1%	97,532	13.1%
November	226,189	6.2%	64,892	8.7%
December	113,015	3.1%	17,680	2.4%
Total	**3,650,727**	**100%**	**743,850**	**100%**

Source: National Park Service

COMPLIANCE WITH FEDERAL, STATE, AND LOCAL LAWS AND PARK JURISDICTION

The Federal Government owns the lands within Olympic National Park, which is an area of exclusive federal jurisdiction. The Service provides law enforcement and emergency medical services in cooperation with local agencies and provides structural fire protection and wildland fire protection.

The Concessioner is responsible for obtaining all permits necessary for its operations under the Draft Contract, paying necessary taxes, and abiding by applicable labor laws, including as described in the Draft Contract Exhibit C (Nondiscrimination) and 36 C.F.R. § 8.4.

WEATHER AND NATURAL HAZARDS

At lower elevations, the Olympic Peninsula has a moderate marine climate with pleasant summers and mild, wet winters. High temperatures in summer months typically range between 65- and 75-degrees Fahrenheit. Summer is the driest season, with heavier precipitation during the rest of the year. Winters are mild at lower elevations, with temperatures averaging in the 40's. At higher elevations, winter temperatures are well below freezing and snowfall is generally heavy, with accumulations of up to 10 feet common.

Weather in the Park can be variable and unpredictable, no matter the time of year. It is common for different weather conditions to exist within the Park at the same time. Even in the summer, temperatures typically vary from 10-20 degrees, especially along the coast and at higher elevations.

Severe weather, icy or snowy roads, changing snow conditions, and rain can quickly alter any trip, as the Park closes roads during hazardous conditions. What starts as a sunny day can end with hurricane-force winds and blizzard conditions.

Erosion of the coastal bluff in the Kalaloch area has resulted in the removal of 16 out of 20 Bluff Cabin units at the Lodge since 2023. Units are removed when the edge of the bluff erodes to within 15 feet of a lodging building. Based on recent weather events, it is possible that two of the last four Bluff Cabin units may need to be removed during the Draft Contract term. The Service has taken this possibility into account in its financial analysis of the Draft Contract.

Source: National Park Service

CONCESSION OPPORTUNITY

The following section describes the services required and authorized by the Draft Contract, as well as other key terms and information regarding the business opportunity.

DRAFT CONTRACT TERM

The Draft Contract will have a term of ten (10) years, with an effective date of October 1, 2027.

REQUIRED AND AUTHORIZED SERVICES: DRAFT CONTRACT

The following describes the Required Services (i.e., must be provided by the Concessioner) and Authorized Services (i.e., may be provided at the option of the Concessioner) specified in the Draft Contract.

Exhibit 6. Required Services

Services	Location
Lodging	Kalaloch Lodge
Food and Beverage	Kalaloch Lodge
Retail	Kalaloch Lodge
Campground (group site)	Kalaloch Lodge
Firewood Sales	Kalaloch Lodge

Exhibit 7. Authorized Services

Services	Location
Recreational Equipment Rental	Kalaloch Lodge
Firewood Sales	Kalaloch & South Beach Campgrounds
Visitor Shuttle Transportation	Kalaloch Lodge to other Park locations as approved

OVERVIEW OF CONCESSION FACILITIES AND SERVICES

Kalaloch Lodge's name is derived from the Quinault term k'-E-le-ok, meaning "a good place to land" or "sheltered landing." The lodge, originally named Becker's Ocean Resort, was built in the 1920s, after Charles W. Becker, Sr., purchased 40 acres of land along Kalaloch Creek.

The development of the Olympic Loop Highway in the 1930s improved access to the Kalaloch area, and during World War II, the U.S. Army utilized the lodge's cabins for training purposes. Areas of coastal wilderness were added to Olympic National Park in 1953, and in that same year the current main lodge building was constructed.

The Service purchased the lodge property in 1978, and it remains the only coastal lodging facility within Olympic National Park.

Source: National Park Service

Offerors should refer to the Draft Contract, Exhibit D (Assigned Land and Real Property Improvements) for additional facility information and detailed maps.

All Kalaloch Lodge services are offered year-round. See the Draft Contract, Exhibit A (Operating Plan) for information about minimum operating hours for each service.

Lodging

Prior to 2023, Kalaloch Lodge consisted of a total of 64 rooms and cabin units. The breakdown of lodging units was as follows: 10 rooms in the main lodge building, 10 rooms in the Seacrest House, 20 one- and two-bedroom Bluff Cabin units (with direct ocean views) that could accommodate two to seven guests, and 24 Kalaloch Cabins that could accommodate four to six guests.

Due to erosion of the coastal bluff, 12 Bluff Cabin units were removed from the lodging inventory in 2023 and 2024. An additional four Bluff Cabin units were removed in 2025 and now only four remain, resulting in a remaining total of 48 rooms and cabin units. The four remaining Bluff Cabins include the Macy and Overly cabins, each with two bedrooms, sleeping up to seven people, and duplex cabin 15 and 16, a studio style cabin, with each unit sleeping up to three people.

Due to continued erosion, the Service anticipates two additional Bluff Cabin units could be removed at some point during the first few years of the Draft Contract term; therefore, the Service assumed, when establishing the minimum franchise fee, only two Bluff Cabins remain during for the majority of the term of the Draft Contract.

All lodging is provided in accordance with the Service's Midscale Lodging Standards (10-LGM). These standards are available on the NPS Commercial Services website.

The following table presents a breakdown of lodging units by type.

Exhibit 8. Lodging Units by Type

Unit Type	Number of Units
Main Lodge Rooms	10
Seacrest House Rooms	10
Bluff (View) Cabins	4 (previously 20)
Kalaloch Cabins	24
TOTAL	**48 (previously 64)**

The ***main lodge*** building provides a total of 10 rooms, which range from units with one queen bed, accommodating 2 people, to the spacious Becker and Kalaloch Suites, which feature ocean views and can accommodate up to 4 people.

Main Lodge, National Park Service

In the ***Seacrest House*** there are 6 rooms that accommodate up to 4 people, and 4 suites that accommodate up to 6, for a total of 10 rentable units. Some of the Seacrest rooms feature fireplaces, and all units feature either a patio or balcony with partial ocean views.

Seacrest House, National Park Service

The 28 remaining ***cabin units*** consist of log cabin-style cottages. They feature wood stoves and kitchens, and some can accommodate up to 6 guests. Most have direct or partial ocean views.

Kalaloch Cabin, National Park Service

The ***group campsite*** is approximately 0.2 miles south of the Lodge. It can accommodate up to three small RVs, or eight tents. The capacity of the site is 30 guests. The campsite sits on a bluff overlooking the Pacific Ocean, and has a potable water tap, vault toilet, double bear-proof trash container, bear-proof food storage locker, two large double picnic tables, two regular size picnic tables, and one fire ring. The minimum operating season of the group campsite is March 1 to October 31; however, a Concessioner could choose to operate longer.

Group Campsite, National Park Service

Lodging Occupancy Rates and Existing Contract Nightly Rates

Monthly lodging occupancy rates have exceeded 95% between June and September, and annual occupancy rates have been in the 70% range in recent years. The table below provides the rates for the Existing Contract, for informational purposes. The main lodge building suites (Becker and Kalaloch), the two-bedroom Seacrest House rooms, and the Bluff Cabins rates are non-core under the Existing Contract and approved in accordance with Competitive Market Declaration. Current rates for lodging are located under the Existing Concession Contract section below.

Food and Beverage

The ***Kalaloch Lodge restaurant*** seats 106 guests, providing a full-service dining experience for breakfast, lunch, and dinner. Breakfast offerings include egg dishes, pancakes/waffles, cereal, toast, juice, coffee and other items. Lunch includes hamburgers, fish and chips, sandwiches, soups, and salads. Dinner entrees include local/regional seafood dishes, in addition to other selections. The attached lounge has eight seats and sells wine, cocktails, and beer. Current menus are included as an appendix to this Prospectus.

The Concessioner will operate the restaurant in accordance with the Service's Upscale Casual Food and Beverage Standards (10-FBU), unless otherwise identified in the Draft Contract, Exhibit B (Operating Plan). These standards are available on the NPS Commercial Services website.

Kalaloch Lodge restaurant, National Park Service

Retail

The retail operations at Kalaloch include the ***gift shop***, located in the lobby of the main lodge building, as well as the ***mercantile store***, which is located in a separate structure near the main lodge building at the front of the property as viewed from the highway. The Existing Concessioner sells grocery items, camping supplies, gifts, firewood, and other items at the mercantile store. The gift shop features souvenirs, apparel, and gifts themed appropriately for the national park setting. The total combined retail area is over 2,400 square feet, with the mercantile store representing approximately 75% of the total retail square footage. The mercantile and gift shop are both operated in accordance with the Retail Standards (10-RET). These standards are available on the NPS Commercial Services website.

Mercantile. National Park Service

EV Charging Station, National Park Service

Electric Vehicle Charging Stations

As an amenity of the lodging service, the Concessioner operates and maintains Service-assigned electric vehicle charging stations at Kalaloch Lodge. These charging stations are considered Government Personal Property and are included in Exhibit E (Assigned Government Personal Property).

Firewood Sales

The Concessioner is required to provide firewood sales for campers at the Kalaloch mercantile store (year-round) and is authorized to sell firewood at the Kalaloch and South Beach Campgrounds. Should the Concessioner choose to sell firewood in either campground, it must be provided from a mobile truck, cart, or similar, and the Concessioner may not leave firewood in the campgrounds.

Other Authorized Services

The Concessioner is authorized to provide recreational equipment rentals (e.g., beach chairs, umbrellas, and camping equipment). The Concessioner must provide the list of equipment it plans to rent to the Service for review and approval prior to providing this authorized service.

The Concessioner is authorized to provide visitor shuttle transportation to nearby access points and other in-Park sites, subject to necessary compliance and Park approvals.

Rates

Under the Draft Contract, the Service will use the Competitive Market Declaration ("CMD") rate approval method for all services required and authorized. For more information see the Draft Contract, Exhibit B (Operating Plan) and the National Park Service Rate Administration Guide ("Rate Administration Guide"). A copy of the Rate Administration Guide and addendum are available on the NPS's Commercial Services website.

Employee Housing

In addition to the required visitor services, the Concessioner must provide housing for staff. The Concessioner may charge a reasonable rate to employees for this housing, managing the room and board account on a break-even basis to the greatest extent possible. The Existing Concessioner employs approximately 40-50 full- and part-time employees.

The following is the breakdown of the Draft Contract assigned housing facilities located within the Park, accounting for approximately 30-35 beds, not including RV sites.* Historically, because there are not enough beds to accommodate all staffing needs, some staff live outside the Park. Under the Existing Contract, the Kalaloch Lodge Manager Residence (FMSS 82128) is used as an administrative building and employee dining room with commercial grade appliances. The Concessioner may choose to convert it back to employee housing.

Exhibit 9. Employee Housing

FMSS Number	Facility Name	Location
82128	Building 742, Kalaloch Lodge Manager Residence	Kalaloch Lodge
82157	Building 1433, Kalaloch Lodge Employee Housing Building 1	Kalaloch Lodge
82158	Building 1434, Kalaloch Lodge Employee Housing Building 2	Kalaloch Lodge
82159	Building 1435, Kalaloch Lodge Employee Housing Building 3	Kalaloch Lodge

**The number of RV sites will increase in the Kalaloch Lodge employee housing area once the associated Concession Facilities Improvement Program is completed. See additional information below.*

FINANCIAL DATA

This section presents projections developed by the Service to assist Offerors in developing projections for future operations associated with the Draft Contract. These estimates reflect Service assumptions based on historical concession operating data, industry standards, economic conditions, and comparable and competitive operations. The Service does not guarantee these projections will materialize and assumes no liability for the accuracy of the projections presented. Offerors must compile and present their own financial projections based on their independent assumptions, due diligence, and industry knowledge. Additionally, the Service does not provide projections for authorized services, as these services may or may not be provided by the Concessioner.

Revenue Assumptions

In developing prospective revenue estimates, the Service assumed changes from historical revenue. This was in part, but not limited to, the reduction in the total number of lodging units to 48 due to bluff erosion, and the change from "core", using comparability, to CMD rate methodology for all lodging units.

First year projections for required services appear in Exhibit 10 below.

Exhibit 10. Draft Contract Projected Gross Receipts (Year 1)

Category	2028 Projections
Lodging (48 units)	$4,113,000 - $4,542,000
Food and Beverage (restaurant and lounge)	$1,860,000- $2,050,000
Retail (includes firewood sales at mercantile)	$1,330,000 - $1,470,000
Group Campsite	$7,000 - $8,000
Total Estimated Gross Receipts	**$7,310,000 - $8,070,000**
*Less Deductions**	*$10,000 - $20,000*
TOTAL GROSS RECEIPTS	**$7,300,000 - $8,050,000**

Source: National Park Service **Authorized deductions (exclusions) are defined in the Draft Contract*

Utilization Assumptions

The following exhibits provide a breakdown of projections of operating statistics by department.

Exhibit 11. Projected Lodging Operating Statistics (2028)

	Kalaloch Lodge
Number of Available Rooms (48 units)	17,520
Number of Occupied Rooms	11,960 - 12,570
Annual Occupancy Rate	68% - 72%
Average Daily Rate (ADR)	$344 - $361

Exhibit 12. Projected Food and Beverage Operating Statistics (2028)

	Number of Covers	Average Check
Breakfast	13,210 - 13,890	$18.00 - $18.90
Lunch	17,050 – 17,920	$20.40 - $21.40
Dinner	34,680 - 36,460	$27.90 - $29.40
Grab-and-Go	10,100 - 10,620	$6.50 - $6.80

Projected gross receipts for alcoholic beverages are estimated at $239,000 to $264,000 in 2028.

Exhibit 13. Projected Retail Statistics (2028)

	Kalaloch Lodge
Number of Transactions (gift shop, mercantile including firewood sales)	74,000 – 77,700
Average Transaction Amount	$18.00 – $19.00

Exhibit 14. Projected Group Campsite Statistics (2028)

	Kalaloch Group Campsite
Number of Available Site Nights	245
Number of Occupied Site Nights	146 – 154
Annual Occupancy Rate	60% – 62%
Average Daily Rate (ADR)	$49 – $51

INVESTMENT ANALYSIS

The Service estimates for the total required initial investment by the Concessioner necessary to begin operations required by the Draft Contract are provided below. Offerors must complete their own due diligence and not rely on the Service's estimates in preparing and submitting its proposal in response to this Prospectus. The Offeror's proposal in response to Part III of this Prospectus should address how it intends to fund these items. The Existing Contract does not require the Existing Concessioner to sell or transfer any personal property to the Concessioner.

Exhibit 15. Estimated Initial Investments

Required Investments	Estimated Amount (2028 Dollars)
Personal Property	$1,280,000
Inventory	$250,000
Start-up Costs	$350,000
Working Capital	$350,000
Total Estimated Initial Investment	**$2,230,000**

Source: National Park Service

PERSONAL PROPERTY

The Concessioner must provide its own personal property to commence operations, such as personal property used for general concession administration and support, furniture, and equipment. To assist potential Offerors to better understand the type and quantity of personal property necessary for the operation of the Draft Contract, the Service has provided a list of the Existing Concessioner's personal property as an appendix to this Prospectus. Offerors should note the list of personal property, provided as Appendix F to this Prospectus, may include some personal property related to the recently removed Bluff Cabins; however, the personal property estimate above has considered the reduced value of personal property with the fewer cabins.

INVENTORY AND WORKING CAPITAL

The Concessioner will need initial inventory and other working capital for accounts receivable and accounts payable.

START-UP COSTS

At the start of the Draft Contract, the Concessioner will need to make a one-time investment in a range of activities to commence operations including hiring staff, training that may involve costs in addition to normal wages, implementation of appropriate information technology, quality control, and other systems, legal services, and marketing and advertising beyond normal annual expenditures as well as other necessary start-up costs, such as operating supplies.

ASSIGNED GOVERNMENT PERSONAL PROPERTY

The Service will assign certain government-owned furnishings and equipment to the Concessioner. A list is presented in Exhibit E to the Draft Contract. The Concessioner must maintain assigned government personal property in good working condition and replace items as needed at its own expense.

LEASEHOLD SURRENDER INTEREST

The Existing Concessioner does not have a leasehold surrender interest (as that term is defined in 36 C.F.R. § 51.51) ("LSI").

The Concessioner will be eligible to obtain LSI as outlined in the Draft Contract and Exhibits A ("Leasehold Surrender Interest") and F1 ("Concessioner New Construction and Major Rehabilitation Project Procedures") to the Draft Contract, subject to all requirements set forth therein. Sections 15 and 16(a) of Exhibit A to the Draft Contract set forth the standard contract language for obtaining LSI for fixture replacement and alternative language for waiving LSI in such fixture replacements (which includes an exemption for both CFIP projects described in the Draft Contract). The Offeror's Transmittal Letter, which is part of the Proposal Package, allows the Offeror to elect the use of the standard contract language or the alternative language, also known as the LSI Waiver Provision for Fixture Installation and Replacement.

The Service believes the Concessioner's election to include the LSI Waiver Provision for Fixture Installation and Replacement in the Draft Contract will reduce the administrative burden on the Service and the Concessioner with respect to approval of fixture replacements, and approval and tracking of related costs and depreciation. The Service estimates fixture replacement expenditures to average approximately $50,000 per year, or an estimated total of $500,000 over the term of the Draft Contract. Waiving of LSI in fixture installations and replacements includes waiving LSI in fixtures included in any concessioner project including projects in the Offeror's proposal but excluding both CFIP projects as explained below.

The evaluation of proposals will be neutral with respect to the Offeror's election to include or exclude the LSI Waiver Provision for Fixture Installation and Replacement in the Draft Contract. That is, inclusion or exclusion by an Offeror of the LSI Waiver Provision for Fixture Installation and Replacement will have no effect on the Offeror's evaluation score. See election in the Offeror's Transmittal Letter.

In addition to the initial investment as described above, there are other required investments in the early years of the Draft Contract. These include curing the deferred maintenance ("DM") and legislatively mandated ("LM") work orders over the first two years of the Draft Contract term, as described below and in an appendix to this Prospectus, and completing the Concession Facilities Improvement Program ("CFIP"), as described below. An Offeror's responses to Principal Selection Factor 4 in the Proposal Package should address how an Offeror will fund these items.

DEFERRED MAINTENANCE

The Concessioner must cure, within the first two years of the Draft Contract term, all DM and LM work for all Concession Facilities assigned under the Draft Contract. The Draft Contract requires the Concessioner to maintain buildings according to the Maintenance Plan (Exhibit H to the Draft Contract), which means DM will not accumulate. The Service has provided, for informational purposes, a list of DM and LM work orders as an appendix to the Prospectus. In the first year of the Draft Contract, the Service will work with the Concessioner to develop a prioritized and comprehensive list of DM and LM task orders, using the list provided in the Prospectus, which is a point-in-time list of work orders the Service believes properly represents the DM and LM that will need to be cured over the first two years of the Draft Contract. Conditions and quantities of DM and LM may vary from the descriptions and quantities provided as an appendix to this Prospectus.

The following exhibit presents estimated DM costs. The total estimated amount of $557,000 includes approximately $432,000 for high-priority replacements of electrical wiring and panels in cabin units, and $125,000 for other work orders. The Service has estimated these costs for illustrative purposes and has taken them into consideration in its financial analysis of the Draft Contract; Offerors must develop their own estimates. The Concessioner is required to complete all DM and LM work to the satisfaction of the Service, even if costs exceed the estimates provided in this Prospectus.

Exhibit 16. Estimated Deferred Maintenance

	Estimated Amount
Total Estimated Deferred Maintenance, 2027-2028	$557,000

Source: National Park Service

CONCESSION FACILITIES IMPROVEMENT PROGRAM

During the first two years of the Draft Contract term, the Concessioner must complete real property improvements under the Concession Facilities Improvement Program (CFIP). The Concessioner must ensure that real property investments are accurately accounted for in the total project costs. CFIP project work must follow Exhibit F1 (Concessioner New Construction and Major Rehabilitation Project Procedures) and obtain prior written approval from the Service. The Concessioner will receive LSI only for eligible expenses and if projects comply with the project procedures and proper documentation is provided to the Service. The Concessioner is required to undertake all the outlined projects and requirements described below. The Service is requiring these projects with the intent of improving the visitor experience and providing high-quality employee housing. All construction must comply with relevant building codes and standards ensuring safety and accessibility standards are met. The Service has estimated the total CFIP program will cost not less than $560,000 and not more than $686,000.

The required CFIP consists of the following separate projects.

Exhibit 17. Estimated CFIP Construction and Personal Property Costs and Schedule

Project	Estimated Project Start Date	Estimated Completion Date	Real Property Investment ($2028)	Personal Property Investment ($2028)	Total Estimated Project Cost ($2028)
Replace Sprinkler System in Main Lodge Building and Housekeeping Storage Building	Dec. 2027	Apr. 2029	$553,000	$0	$553,000
New Employee Housing RV Sites	Dec. 2027	Apr. 2029	$70,000	$0	$70,000
Total Estimated CFIP			**$623,000**	**$0**	**$623,000**

Source: National Park Service

CFIP Project 1: Replace Entire Fire Sprinkler System in Main Lodge Building and Housekeeping Storage Building. The Service will require the Concessioner to install an in-kind replacement fire sprinkler system in the main lodge building (FMSS# 82129) with minor modifications to meet State and local laws including installing the required backflow assembly. The existing system is a wet suppression system, made of black steel with sections of copper piping and approximately 132 quick response sprinkler heads. The Service assumes project initiation in late 2027 and completion by April 2029. The cost estimate is based on 6% annual escalations to 2028.

CFIP Project 2: Develop Two New Employee Housing RV Sites. The Service will require the Concessioner to prepare sites and install hookups (electrical, water, and sewer) for two new employee RV sites near existing employee housing at Kalaloch Lodge. The selected location was previously used as RV sites, including utilities; therefore, the Concessioner will need to complete site preparation that may include clearing vegetation and trenching to locate and reconnect the hookups. The Service assumes project initiation in 2027 and completion by April 2029. The cost estimate is based on 6% annual escalations to 2028.

Note: should an Offeror elect to waive LSI for fixtures (see the Proposal Package), the Service has expressly exempted both CFIP projects from such a waiver. Language regarding this exemption is included in the Offeror's Transmittal Letter and Exhibit A (Leasehold Surrender Interest to the Draft Contract).

OTHER FINANCIAL & OPERATIONAL REQUIREMENTS

In addition to the investments listed above, the Draft Contract includes the following requirements that are ongoing throughout the term of the Draft Contract. The Offeror's proposal in response to Part III of this Prospectus should address how the Offeror intends to fund these items or account for them.

FRANCHISE FEE

Offerors must agree to pay the minimum franchise fee set out in Principal Selection Factor 5 of the Proposal Package. In determining the minimum franchise fee, the Service, using available lodging, food and beverage, retail, and recreation industry data, considered the probable value to the Concessioner of the privileges granted by the Draft Contract. This probable value is based upon a reasonable opportunity for net profit in relation to capital invested and the obligations of the Draft Contract including anticipated revenues and expenses.

The following chart presents the minimum franchise fee tiers. Offerors, however, may propose a higher minimum franchise fee, as described in the Proposal Package.

Exhibit 18. Minimum Franchise Fee Tiers

Minimum % Required	Tiered Gross Receipts
9.0%	of gross receipts for gross receipts from $0 to $5,000,000; plus
13.0%	of gross receipts for gross receipts from $5,000,001 to $9,000,000; plus
16.0%	of gross receipts for gross receipts greater than $9,000,000

COMPONENT RENEWAL RESERVE

Component renewal is the planned replacement of a component, a portion of an asset, at the end of its useful life (examples include roof replacement, electrical distribution systems, parking lots and walkways). The Concessioner must reserve funds for the Component Renewal Reserve based on a required percentage of gross receipts the Service estimates will support projected component renewal throughout the term of the Draft Contract.

The Draft Contract requires the Concessioner to fund the Component Renewal Reserve by allocating **one and three quarters of a percent (1.75%)** of the Concessioner's annual gross receipts throughout the term of the Draft Contract.

The Service anticipates the following estimated costs for component renewal throughout the term of the Draft Contract. The estimated costs fluctuate year to year due to varying project costs, useful lives of different components ending at different times, and differing numbers of projects depending on the year. The purpose of the timing and estimated costs, presented below, is to provide potential Offerors with information that can assist in the development of financial projections. However, it does not replace an Offeror's due diligence, nor does it impact the Concessioner's contractual responsibilities as outlined in the Draft Contract and its exhibits, specifically Exhibit F2 (Component Renewal Reserve Project Procedures).

Exhibit 19. Component Renewal Reserve Estimated Costs and Timing

Estimated Year of Project	Estimated Component Renewal Costs
2028	$133,694
2029	$98,209
2030	$0
2031	$0
2032	$109,853
2033	$0
2034	$482
2035	$526,876
2036	$3,582
2037	$337,258

INSURANCE REQUIREMENTS

In the Draft Contract, Exhibit D (Assigned Land and Real Property Improvements) and Exhibit I (Insurance), the Service included the minimum building insurance requirements for the assigned Concession Facilities and minimum liability insurance requirements required by the Draft Contract.

UTILITIES

The Service will provide water and wastewater service to the Concessioner. The Concessioner must obtain all other utilities (electricity, solid waste, telephone, propane/fuel oil, internet, etc.) from out-of-Park suppliers.

The Service charges utility users (including concessioners) the utility systems' operating and maintenance costs and amortized cost of capital improvements to utility systems. The Service has reviewed projected operating and maintenance costs and amortized costs of capital improvements for these utility systems and services and has developed not-to-exceed rates, which are the maximum rates the Concessioner will have to pay during the term of the Draft Contract. The not-to-exceed rate in 2028 for the combined rate for water and wastewater charged to the Concessioner is $140.16 per thousand gallons. The Service estimates the Concessioner will use approximately 1.1 million gallons in 2028. The not-to-exceed rates for the remainder of the term of the Draft Contract are in Exhibit B (Operating Plan). The Service has incorporated the not-to-exceed rates into its franchise fee calculation and will not approve a utility add-on.

MINIMUM WAGE

The Service has considered the implications of the Washington State minimum wage requirements in the analysis of the minimum franchise fee, and Offerors must consider the impacts of these minimum wage requirements when developing its financial projections.

The Washington State minimum wage is $17.13 in 2026, and it increases annually based on changes in the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI-W). The minimum cash wage for tipped workers in Washington State must be the same as the minimum wage for all other workers. Tips are in addition to, and not a part of, an employee's state hourly minimum wage.

PREFERRED OFFEROR DETERMINATION

Pursuant to 36 C.F.R. Part 51, the Director has determined there is no Preferred Offeror for the Draft Contract.

COMPETITVE ENVIRONMENT IN AND AROUND THE PARK

Lodging

There are several lodging alternatives within the Olympic Peninsula region, but few in the immediate vicinity of Kalaloch Lodge. North of Kalaloch, in La Push (about 50 miles north) and Neah Bay (about 83 miles north), there are properties that feature similar coastal locations.

Some of the nearest lodging alternatives are in the Lake Quinault/Amanda Park area, located 35 miles to the southeast of Kalaloch off of Highway 101. Although some of these properties feature scenic and natural settings, they are located inland near Lake Quinault and not on the Pacific Coast.

There are also several coastal lodging properties approximately 50 miles to the south of Kalaloch Lodge in the towns of Moclips and Pacific Beach. Some of these properties have amenities comparable to Kalaloch, but they are located outside of the Park in a less remote, less pristine area. Even further south, towns on the Washington coast including Seabrook and Copalis Beach, and on the Oregon coast including Seaside and Cannon Beach (among many others), feature lodging options for regional tourists seeking proximity to the ocean.

Other lodging properties within Olympic National Park, including Sol Duc Hot Springs Resort, Lake Crescent Lodge and Log Cabin Resort, attract visitors who might also consider Kalaloch Lodge. These properties feature visitation profiles generally in line with Kalaloch, although they do not operate year-round.

In the towns of Forks and Port Angeles, to the north and east of Kalaloch, there are several hotels and motels catering to Park visitors.

Food and Beverage and Retail

Dining options near Kalaloch Lodge, including restaurants and cafes in Amanda Park/Lake Quinault, are roughly 30 miles south of the Lodge or approximately 35 miles north in Forks.

The Queets Trading Post, a gas station and convenience store, located five miles to the south in Queets off Highway 101, sells gas, diesel and propane fuel, groceries, and has an RV dump station and laundry/shower facilities.

Salmon House Restaurant at the Rain Forest Resort Village along Lake Quinault is one of the closest full-service restaurants. The Roosevelt Dining Room at Lake Quinault Lodge is an upscale sit-down restaurant offering fine dining options and serves breakfast, lunch, and dinner.

Grocery items and firewood sales are available in the Amanda Park and Forks areas. In addition, gift/souvenirs and grocery items are available at Quinault Mercantile.

EXISTING CONCESSION CONTRACT

The Existing Contract for the operations at Kalaloch Lodge commenced on September 20, 2012, and as lengthened and extended, is set to expire September 30, 2027.

CONCESSION OPERATIONAL PERFORMANCE OVERVIEW

The following exhibits present historical annual gross receipts by department and franchise fees paid to the Service from 2022-2025 under the Existing Contract.

The Existing Concessioner pays a franchise fee of six-point-five percent (6.5%) of gross receipts under the Existing Contract.

Exhibit 20. Existing OLYM001 Historical Departmental and Total Gross Receipts

Department	2022	2023	2024	2025
Lodging	$5,015,745	$4,820,390	$4,662,442	$4,363,612
Food and Beverage	$1,361,148	$1,595,497	$1,709,759	$1,835,093
Retail	$1,176,940	$1,162,700	$1,163,691	$1,175,687
Group Campsite	$5,308	$5,847	$5,979	$5,603
Other/Miscellaneous	$0	$423	$42,390	$28,374
Gross Receipts	**$7,559,141**	**$7,584,857**	**$7,584,261**	**$7,408,369**
Franchise Fees Paid	$490,999	$495,684	$493,795	$477,672

Source: National Park Service

Note: Historical gross receipt data includes some revenue from lodging units that were removed from service due to bluff erosion in 2023, 2024, and 2025.

The following table provides the existing lodging rates or range of rates for the 2025 operating year.

Exhibit 21. Existing Contract Lodging Rates by Type

Unit Type	2025 Nightly Rate
Main Lodge Rooms with view	$402
Main Lodge Rooms no view	$365
Main Lodge Suites	$269 - $550
Seacrest House Rooms (2 bedroom)	$239 - $429
Seacrest House Rooms	$219 - $399
Bluff Cabins	$239 - $699
Kalaloch Cabins	$350

Kalaloch Lodge foyer, National Park Service

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