

# **SUPPORT FOR THE REHABILITATION RENOVATION RECONSTRUCTION OF HOTELS AND CLASSIFIED TOURISME RESIDENCES OF SAINT-MARTIN 2018**



## **CONTEXT**

After the passing of hurricane IRMA, Saint Martin's, tourist accommodations recorded significant material damages, not allowing a normal customer arrival experience and job retention.

In 2017, before Irma, 1506 classified and non-classified hotel rooms were listed. After the hurricane, 80% were recorded. The remaining 20% are not marketable, given the overall conditions of the facilities.

Since the economy of Saint Martin is mainly based on tourism, it is therefore necessary to assist these establishments with the rebuilding of their businesses in order to enable the return of tourists and to allow the unemployed to return to work in a manner that respects the local government tourism development and reconstruction policy 2017-2027, and at the same time enabling the return of tourists and to allow the unemployed to return to work.

This rebuilding scheme/plan which covers the installation of sustainable tourism zones, according to the definition of the Association of Caribbean States, retains a line of continuity from the previous one, particularly in terms of geographical positioning, and aims to pursue modernization efforts and upscaling of tourist accommodations.

## **1 – OBJECTIVES OF THE CALL FOR PROJECT PROPOSALS**

This call for project proposals main aim is to allocate grants for the rehabilitation, renovation and reconstruction of hotels and classified tourism residences on the territory in the aftermath of hurricane Irma. The objective is to provide direct support to these establishments through investments in tangible and intangible equipment.

Therefore, the State, managing authority of the ERDF/ESF program in Saint Martin on the 2014-2020 programming period and the Collectivity of Saint Martin, competent in local government policy for tourism, wish to use the European Regional Development Fund, for the financing of the

rehabilitation, renovation, and reconstruction measure of tourism accommodations as part of a local government tourism development plan for reconstruction 2017-2027.

## **2 – MAIN CHARACTERISTICS OF THE CALL FOR PROJECT PROPOSALS**

### **2.1 – Project eligibility requirements**

#### **a) Geographic eligibility**

The call for project proposals concerns the French territory of Saint Martin.

#### **b) Temporal eligibility**

Are eligible, projects for which works has not yet begun before the date of submission of the application for aid. By the beginning of works, it is important to understand that it is from the time of the initiation of construction related to the investment or from the first legally binding commitment imposing a firm order of equipment or any other commitment making the investment irrevocable.

Procuring approvals and carrying out feasibility studies are not considered as the initiation of works.

The project must be completed within two years following the allocation of the grant. This duration can be extended upon a motivated request by means of an amendment to the agreement of the aid.

This investment must be maintained for a period of three years from December 31 following the presentation of annual financial statements of the program from which expenses of the project are identified to the European commission. This condition shall not prevent the replacement of existing installations or equipment which has become outdated, damaged or faulty, provided the economic activity is retained within the fixed period referenced above.

#### **c) Type of projects sought**

The projects should contribute to the rehabilitation, renovation reconstruction of classified tourism accommodations while contributing to the tourism economy of the territory and in job retention or return to the labor market.

#### **d) Type of beneficiary targeted**

Can respond to this call for project proposals, from October 5th 2018, hotels and classified residences, according to the tourism policy in Saint Martin that did not benefit from the ERDF funding on the 2014-2020 programming period during the last twelve months.

### **e) Eligible expenditures**

To be eligible, costs must be provided for in the budget and directly related to and necessary for the performance of the action. In addition, all expenses must belong to one of the category of costs below:

- Investments and costs of installation : material investment, equipment, works;
- Technical advice, expertise, feasibility studies

### **Costs that will not be considered as eligible:**

- Overhead costs, staff expenses;
- Land and property acquisitions;
- Indirect costs of the project, that means, cost which are necessary for its implementation (Example : candidate's current operating expenditures)

### **f) Minimum amount**

Projects mobilizing less than 50 000 € of ERDF do not qualify for the call for project proposals.

Compliance with the threshold shall be monitored in a two-stage procedure:

- At the time of application
- After examination of the application, following a possible adjustment of the estimated budget.

The total budget of the project should include a breakdown of expenditures assigned to the grant requested including costs that are to be covered by the applicant's own resources and those of their eventual partners.

## **2.2 How proposals will be evaluated**

Each application that does not respect the recommended format proposed, or that is incomplete, that means failure to submit all documents specified in the subsidiary application form, will be declared inadmissible.

### **a) The selection committee**

Selection of projects will be carried out by a selection committee of the call for project proposals foreseen by order n°2017-17, of May 15th 2017, on the organization of the procedure for the selection of files within the framework of calls for project proposals requesting European funds.

The selection committee shall be responsible to examine completed applications with respect to the selection criteria specified in the next point. For every selection criteria, the selection committee attributes a score in accordance with the evaluation grid (see annex 1) through this call for project proposals. The score is attributed based on the sum of scores accredited to each criteria.

## **b) The criteria selection**

Projects responding the eligible conditions mentioned in point 2.1. will be analyzed by the selection committee, who proceeds to analyze the projects based on the following selection criteria :

- Relevance of the project to the objectives set by local government's tourism development and reconstruction policy for the 2017-2027 period
- Financial capacity of an operator to ensure that they can advance costs pending reimbursement of the ERDF ;
- Capacity of operator to implement necessary resources to ensure sound human and administrative financial management of the ERDF;
- Project quality based on the upscale nature concerning innovative architectural designs, high quality of services and respect to environmental and sustainable development issues, particularly regarding a frugal management of water, waste management and or energy consumption;
- Potential sustainability and economic impact of the project (financial sources, expected impact, number of potential jobs created and or maintained etc....);
- Innovative character of the project that is different from the existing methodology, aims and or effects, capitalizing on lessons learnt from hurricane Irma.

## **c) Selection method**

The following method will be used to score projects and select proposals.

0, 1, or 2 points will be given to a project proposal for each selection criteria, knowing that:

- 2 points will be attributed if the project proposal responds directly to the priority or to the criteria.
- 1 point will be awarded if the project proposal responds indirectly.
- 0 point if the project does not respond at all.

Projects will be ranked by the selection committee on the basis of the overall scores obtained. The project proposals that can be considered eligible for financial aid are those that achieves a global score of at least six out of a possible total of 12 points.

Projects will be retained by decision of the European Regional Executive Unique Committee.

Beforehand, a meeting which is intended to analyze proposals received with regards to the priorities of potential project financers, will be organized with all of the state's services and those of the Collectivity of Saint Martin to give a recommendation.

## **2. 3 – Financing modalities and the allocation of the ERDF aid**

Projects could be approved by the ERDF provided they satisfy the requirements laid down in the State ERDF/ESF Operational program for Guadeloupe and Saint Martin on the 2014-2020 programming period are met, and in particular, achievement of the goals of measure 9 « To promote innovation and competitiveness of businesses in support of economic development and employment ».

### **a) Overall amount available for this call for project proposals**

The indicative sum of the ERDF aid mobilized for the call for project proposals amounts to six million euros.

### **b) Assistance rate**

The maximum co-financing rate of the ERDF is set at 50% of the total cost and this not exceeding the maximum rate of public support with regards to the state's aid regime.

### **c) The amount of assistance**

The maximum amount of support is limited to 800 000 euros per project.

### **d) Modalities for disbursing the ERDR aid**

The ERDF aid will be given in the form of an investment grant disbursed by reimbursements of eligible expenditure actually incurred and paid by the beneficiary (they must have actually been paid and cleared in the accounts) during the period in which the project is executed, following the presentation of supporting evidence for costs incurred.

An advance of maximum 35% may be given on proof of initiation of works for the co-financed operation.

Payments: Payments up to 60% of the maximum estimated European amount of co-financing may be allocated, by justifying evidence of costs incurred up to 80% of the operation's total eligible costs. In that case, the beneficiary shall produce a certified and itemized listing that is accurate, based on expenditure incurred for the selected project, accompanied by a declaration of expenditure and the supporting documents to that declaration. The cumulative amount of the advance and the payments may not exceed 80% of the community grant.

#### **e) The commitments of the beneficiary in regards to ERDF assistance**

The recipient of ERDF aid, agrees to respect and adhere to all specific rules associated with the co-financing of European funds and to submit to all technical, financial and administrative controls directly linked to the operation, including within its accounting, done by the services of the Collectivity of Saint-Martin, by the managing authority and by all authority commissioned by the State or by the inspection corps and national or European controls.

#### **f) The obligations of communication on the allocated European aid**

The beneficiary must mention the participation of the Collectivity of Saint-Martin and the European Union for all communication and promotional campaigns linked to the project after it has been selected. The information pertaining to this support shall use this mention « project co-financed by the Collectivity of Saint-Martin and the European Union» and must also use the logos.

The Collectivity of Saint-Martin, competent in local government tourism policies, could also communicate on the co-financed project.

### **3 – THE TIME SCHEDULE THE CALL FOR PROJECT PROPOSALS**

The present call for project proposals is opened from **Friday October 5<sup>th</sup> 2018**

#### **• CLOSURE OF THE CALL FOR PROJECT PROPOSALS**

It will be closed for applications on monday 17<sup>th</sup> of décembre **2018 at 1:00 pm**, deadline to submit proposals.

### **4 – CANDIDACY DOSSIER**

The candidacy's file used for this project proposal is the EDRF grant application file of Saint-Martin, programming period 2014-2020.

The present call for project proposals and the grant application file can be downloaded from the internet site of the Préfecture: <http://www.saint-barth-saint-martin.pref.gouv.fr/> and the Collectivity of Saint-Martin: [www.com-saint-martin.fr](http://www.com-saint-martin.fr)

The grant application file must be accompanied by:

- A letter of candidacy addressed to the Préfète déléguée Saint-Barthélemy et Saint-Martin
- The application form duly completed and signed
- All documents requested on application form

**THE FILE MUST BE COMPLETED TO BE EXAMINED**

**Submission of grant application**

The application must be submitted or sent in an envelope with **two PRINTED copies** and also a digital **version on a USB key** (containing the same documents in a PDF version), mentioning the title of the call for project proposals in the mailing to the following address

Madame la Préfète déléguée de Saint-Barthélemy et de Saint-Martin

Candidacy for the call of project proposals :

« Support for the rehabilitation/renovation /reconstruction of hotels and classified tourism residences »

Service de la coopération régionale,  
des fonds européens et des politiques contractuelles

23, rue de Spring - Concordia  
97150 SAINT-MARTIN

**Deadline for presenting applications :**

**December 17th 2018 at 1:00 pm.**

Postmarked or attested by a receipt at the préfecture on or before the deadline date

**All incomplete applications or applications submitted after the deadline will be declared ineligible.**

When an application for aid is received, the examining service of the prefecture of Saint-Barthélemy and Saint-Martin addresses an acknowledgement receipt to the candidate authorizing him/her to initiate the works; this authorization does not guarantee the project's eligibility nor the financing of the project.

It is highly advisable to read the provisions formulated in the acknowledgement receipt.

**For further information please contact:**

Préfecture de Saint-Barthélemy et de Saint-Martin - Service de la coopération régionale, des fonds européens et de la politique contractuelle - Tel : 05 90 52 30 87 / 05 90 52 30 50  
[feder-tourisme@saint-barth-saint-martin.gouv.fr](mailto:feder-tourisme@saint-barth-saint-martin.gouv.fr)

and the

Collectivité territoriale de Saint-Martin - Direction du tourisme - Stéphanie BESSIERE  
Tel : 06 90 35 54 72  
[stephanie.Bessiere@com-saint-martin.fr](mailto:stephanie.Bessiere@com-saint-martin.fr)

### Annex 1: Scoring Grid

Selection Criteria	Point attributed			Observations
	0	1	2	
Relevance of the project to the objectives set by local government's tourism development and reconstruction policy for the 2017-2027 period				
Financial capacity of an operator to ensure that they can advance costs pending reimbursement of the ERDF				
Capacity of operator to implement necessary resources to ensure sound human and administrative financial management of the ERDF				
Project quality based on the upscale nature concerning innovative architectural designs, high quality of services and respect to environmental and sustainable development issues, particularly regarding a frugal management of water, waste management and or energy consumption				
Potential sustainability and economic impact of the project (financial sources, expected impact, number of potential jobs created and or maintained etc...)				
Innovative character of the project that is different from the existing methodology, aims and or effects, capitalizing on lessons learnt from hurricane Irma				
<b>Final score</b>				