

Infrastructure.

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**Arimu Investments Inc**  
**Construction of Aiden by Best Western**  
**88 & 89 Robb & Oronoque Street**  
**Georgetown**

## **Section 1 Executive Summary**

### **Introduction**

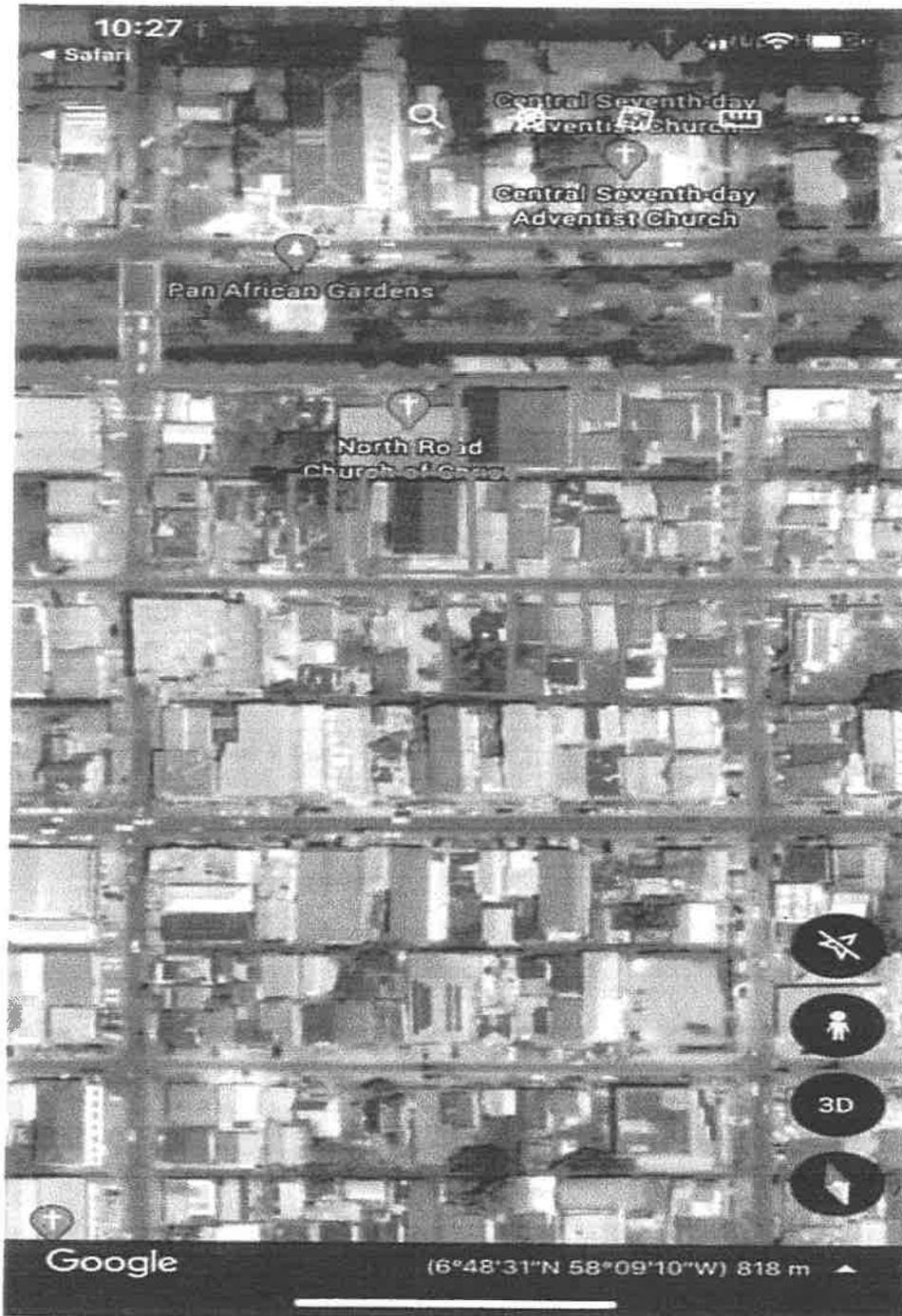
Guyana is projected to become the world's fastest growing economy in the next few years with potential to produce an estimated 750,000 barrels of oil per day by 2025. It was also named #1 " Best for Ecotourism " destination in the world at the 2019 ITB global travel trade fair in Berlin , Germany . This vast increase of wealth and recognition of tourism potential indicates that Guyana is expected to have a steep increase in visitors over the next few years ranging from expatriate workers for the mining , oil and gas industries , business travelers from supporting sectors and tourists who simply want to experience a taste of Guyana.

The subject of this study is the international premium branded Aiden by Best Western project under the Arimu Investments Inc on their lands located centrally in the heart of Georgetown , a stone's throw away from the Office Of The President compound and Ministry buildings . These transported lands are located on Robb Street , between the corners of Oronoque and Albert Streets . The 101 well appointed hotel rooms with world class amenities will quickly become the hub for those seeking secure and comfortable ambiance, precise for both work and play .

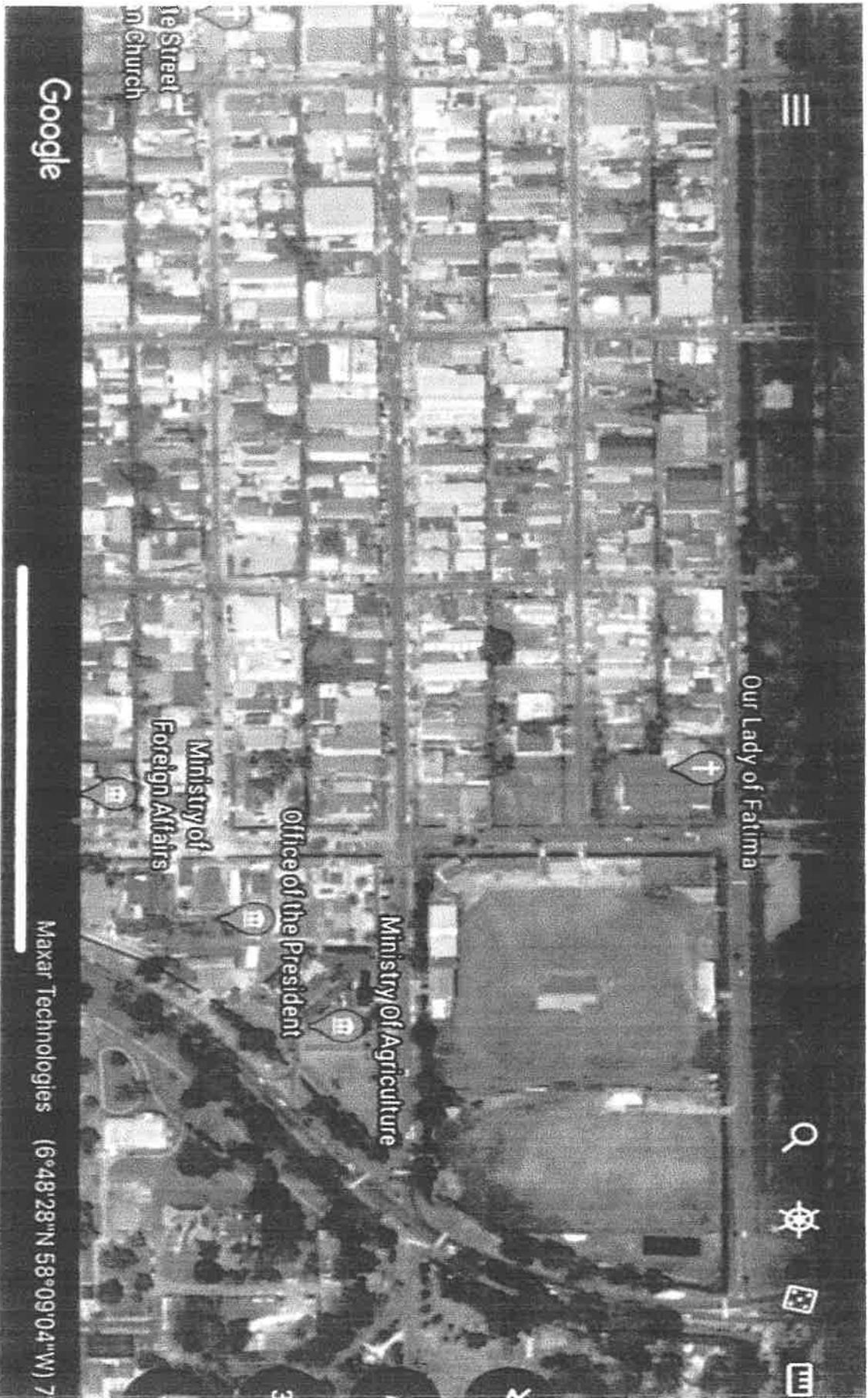
The planned complex consists of a nine story building including parking ,meeting and commercial space. The hotel will include a luxury restaurant , complimented by an international bar , spa , fitness- salon and outdoor terrace . The building would be constructed with all building parameters and guidelines taken into consideration .

### **Location**

The location identified for this development is a portion of transported land owned by Arimu Investments Inc , located on Robb Street , prime commercial area of Georgetown. This area is North West to the Office of President and Ministries Of Agriculture and Foreign Affairs . It is also 10 minutes drive from Eugene Correia Airport located in Ogle . It is also an ideal area for access via road including public transportation and foot traffic .



The Areas identified in red are all transported and owned by Arimu Investments Inc. The two plots showing “green roofs” are occupied by the company’s store: Innovations America. The other 5 portions identified are the prospective sight, leaning more towards the corners of Oronoque and Robb Streets. We are presently in the process of acquiring more land in area, negotiations are ongoing.



Google

Our Lady of Fatima

Ministry Of Agriculture

Office of the President

Ministry of Foreign Affairs

le Street  
n Church

Maxar Technologies (6°48'28"N 58°09'04"W) 7'

The above image shows the close proximity of lands to the Ministry buildings and Office of The President Buildings as well as several church's.

#### Financial Capacity to Fund the Hotel Development

The Arimu Investments group is one of the largest private groups operating in Guyana comprising One of the Caribbean's Most efficient Hardware and Department Store, Hotel located on the Essequibo Coast, 200 acre Coconut estate along the Pomeroon River as well as many gold mining interests across the Country. One of our director's have been in the top 15 gold producers in Guyana for over the last fifteen calendar years. In the interior, the firm employs excess of 200 persons. The group has several interested partners with large scale financing capabilities mainly the Commercial Banks located right here in Georgetown, Guyana.

#### The Specific Hotel Groups Options Overview

Currently we have met with many major international brands to share project details with them and invite them to become involved in negotiations towards the selection of an international brand to flag the hotel. We have received letters of intent from 2 major hotels; namely : Country Inn by Raddison and Best Western. The general consensus is that there will be a great demand for about 1,000 additional rooms over the next few years. For this reason, we are seeking to offer affordable rooms to suit the demand mentioned.

Please see below: Letter of Intent on Next page

### **Scope and Methodology**

The methodology used to develop this market study is based on the market research and valuation techniques commonly used in the international hotel industry.

1. The project's site was evaluated from the viewpoint of its physical utility for the operation of a hotel, as well as access, visibility, and other relevant locational factors.
2. The projects details and plans were based on information provided by the market research performed and years of experience in development
3. The surrounding economic environment, on both an international/regional area as well local level, was reviewed to identify specific hostelry-related economic and demographic trends that may have an impact on future demand for hotels.
4. Dividing the market for transient accommodations into individual segments defined specific market characteristics for the types of travelers expected to utilize the area's hotels. The factors investigated included purpose of visit, average length of stay, facilities and amenities required, seasonality, daily demand fluctuations, and price sensitivity.
5. An analysis of existing and proposed competition provided an indication of the current accommodated demand, along with market penetration and the degree of competitiveness.

### **Site Analysis**

We evaluated the subject site according to the following criteria:

- accessibility with respect to the area's transportation network and demand generators;
- Access/ visibility of the site from various access points;
- ambiance of the site and the immediate vicinity as it might impact demand
- Relationship of the site to area demand sources and area attractions.

### **Area Review**

- We have gathered and analyzed relevant economic data to determine whether the overall economic environment in the area appears suitable for the development of the proposed facilities.

### **Market Share and Occupancy Analysis**

After completing our estimate of overall market supply and demand, we estimated the share of the market that the proposed facility should be able to capture following its opening. Based on the market research, we also estimated the probable average daily room rates, reflecting the anticipated size, market orientation, and segmentation of the proposed hotel.

### **Estimated Annual Operating Results**

We have prepared statements of estimated annual operating results for the proposed hotel. The statements include revenues and expenses for the first five years of operation, resulting in a "bottom line" of income before, debt service, depreciation, amortization, and income taxes.

## General Comments and Management Assumptions

The market study here presented has been done in a conservative manner, based on external and internal information and data currently available, and with the experience of recent years of the market development and performance in the region.

**The following assumptions have been taken into consideration while conducting this study:**

- The Hotel will be branded with a premium International brand such as Country Inn by Radisson or Best Western who have both given written non-binding letters of intent. Once the international brand has been chosen the property will be operated by a qualified hotel operator under a management agreement.
- Meetings facilities at the hotel will be targeting the corporate meetings market as well as local association and social sectors such as weddings and other family celebrations.
- Guyana will experience a tremendous growth in corporate travelers as well as ramp up its tourism marketing efforts through its "Living Guyana Tourism Strategic Action Plan: 2018-2025" and the number of visitors will continue to increase.
- The Georgetown area will continue to grow with a few other hotel and residential properties coming on line offering a healthy competitive environment.
- The Guyanese Government will plan and execute important projects in infrastructure development as well as education & training.
- The current world economic situation is difficult due to the Pandemic however with the boom in oil production in Guyana the economic projections for the country are positive with stronger than average growth. It is expected that growth in demand for premium Hotel & Residences in Georgetown will be on an increase by the time the hotel is projected to open.
- No major political turmoil will occur in Guyana or the region.

### Summary of Conclusions

Corporate transient travelers comprise the largest segment of demand for the selected primarily competitive Georgetown hotels and small to medium group travelers comprise an important secondary demand driver within the competitive set for The Country Inn by Radisson, Georgetown, Guyana. Given the fact that the subject site has an excellent location in the heart of the capital city and minutes walking distance from most embassies and ministry buildings. The proposed hotel should capture a significant amount of corporate travelers as well as workers for various International companies. Specifically, The Country Inn & Suites by Radisson Georgetown is anticipated to have significant appeal in the corporate group segment of demand as a result of its specialized meeting and function space, supported by the high quality facilities and services provided. In addition, leisure travelers will comprise a portion of captured demand by those who are vacationing with special packages offered and those traveling within the country for a variety of reasons, which include visiting local residents, shopping at the nearby mall, or are touring Guyana local ecological attractions. Overall, it is our opinion the subject site has significant locational advantages for the development of a hotel such as a premium brand mentioned in this study. It is our opinion that the infrastructure and location associated with the subject site, along with the positive business climate boom associated in the Guyana market create a healthy environment for the subject hotel to sustain successful operations. The hotel site benefits from its location within the city, proximity to the commercial and recreational demand generators in Georgetown and has good access to regional transportation hubs, more importantly the International Airports. The marketing and relationship synergies that exist with an international premium brand Hotel Management and their hotel group will greatly facilitate the distribution and dissemination of information about the property to important foreign travel agency networks and travel organizations and help the hotel turn their target market into sustained occupancy. Documentation for an occupancy and average rate projection was derived using the build-up approach based on an analysis of lodging activity. A detailed projection of income and expense for the hotel has been made in accordance with the Uniform System of Accounts for Hotels sets forth the anticipated economic benefits of the proposed hotel and provides the basis for the income capitalization approach. The long-term trends evident in the area are decidedly favorable and bode well for future levels of demand to support the subject hotel.

### SECTION II: AREA REVIEW

Introduction, Geographic Overview, Guyana Overview, Georgetown Overview  
Government, Population, Economy, Commerce and Trade, Employment  
Tourism, Conclusion

## INTRODUCTION

When evaluating the viability of a hotel property, it is generally recognized that the success of the project is influenced by factors that can be broadly categorized as economic, governmental, social, and environmental. It is therefore necessary to evaluate the dynamics of these factors within a market to understand their effect on the area economy.

Guyana is a sovereign country on the northern coast of South America, and one of the only Caribbean nations that isn't an island. The country was colonized by the Netherlands and then became a British colony for more than 200 years before gaining independence in 1966. It's the third smallest independent state of South America with just 215,000 square kilometers (83,000 sq. mi) of land.

## GEOGRAPHIC OVERVIEW

Guyana has only one city with a population more than 50,000. The capital, Georgetown, is home to about 240,000, or 355,000 in the metro area, and the next largest city is Linden with 45,000 people. 90% of Guyana's population lives on the coastal strip, which accounts for only 10% of the total land area and is just 40 miles across at its widest point.

## ECONOMY

Economy of Guyana	
<b>Currency</b>	Guyanese dollar (GYD)
<b>Fiscal year</b>	Calendar year
<b>Trade organisations</b>	CARICOM, WTO, Prosur, Unasur, Mercosur (associate)
<b>Country group</b>	Developing, Emerging Upper middle income economy
<b>Statistics</b>	
<b>GDP</b>	▲ \$8.866 billion (nominal, 2020 est.) ▲ \$7.148 billion (PPP, 2019 est.)
<b>GDP growth</b>	4.1% (2018); 4.7% (2019e) 5.1% (2020f); 8.1% (2021f)
<b>GDP by sector</b>	Agriculture: 15.4% Industry: 15.3% Services: 69.3% (2017 est.)
<b>Labour force</b>	▲ 324,943 (2019) <sup>[1]</sup> 49.2% employment rate (2017) <sup>[1]</sup>
<b>Labour force by occupation</b>	N/A
<b>Unemployment</b>	▲ 12.2% (2018) <sup>[1]</sup>
<b>Main industries</b>	<u>bauxite, sugar, rice milling, timber, textiles, gold mining</u>
<b>Ease-of-doing-business rank</b>	134th (medium, 2020) <sup>[2]</sup>

**Inflation (CPI)** ▲ 3% (2020 est.)<sup>19</sup>

**Population below poverty line** 35% (2006 est.)<sup>20</sup>

**Gini coefficient** 44.5 (2007)<sup>21</sup>

▲ 0.570 (2018)<sup>22</sup> (123rd)

0.546 (HDI) (2018)<sup>23</sup>

**Labour force** ▲ 324,943 (2019)<sup>24</sup>

49.2% employment rate (2017)<sup>25</sup>

**Labour force by occupation** N/A

**Unemployment** ▲ 12.2% (2018)<sup>26</sup>

**Main industries** bauxite, sugar, rice milling, timber, textiles, gold mining

## External

**Exports** ▲ \$1.439 billion (2017 est.)<sup>27</sup>

**Export goods** sugar, gold, bauxite, alumina, rice, shrimp, molasses, rum, timber

**Main export partners**  Canada 24.9%

 United States 16.5%

 Panama 9.6%

 United Kingdom 7.7%

 Jamaica 5.1%

 Trinidad and Tobago 5%

(2017)<sup>28</sup>

**Imports** ▲ \$1.626 billion (2017 est.)<sup>29</sup>

The Guyanese economy is based largely on agriculture and extractive industries and exhibited moderate economic growth in recent years. The economy is heavily dependent upon the export of six commodities - sugar, gold, bauxite, shrimp, timber, and rice - which represent nearly 60% of the country's GDP and are highly susceptible to adverse weather conditions and fluctuations in commodity prices. Guyana closed or consolidated several sugar estates in 2017, reducing production of sugar to a forecasted 147,000 tons in 2018, less than half of 2017 production. Much of Guyana's growth in recent years has come from a surge in gold production. With a record-breaking 700,000 ounces of gold produced in 2016, Gold production in Guyana has offset the economic effects of declining sugar production. In January 2018, an estimated 3.2 billion barrels of oil were found offshore and Guyana is scheduled to become a petroleum producer by March 2020.

Guyana's entrance into the CARICOM Single Market and Economy in January 2006 broadened the country's export market, primarily in the raw materials sector. Guyana has experienced positive growth almost every year over the past decade. Inflation has been kept under control. Recent years have seen the government's stock of debt reduced significantly - with external debt now less than half of what it was in the early 1990s. Despite these improvements, the government is still juggling a sizable external debt against the urgent need for expanded public investment. Chronic problems include a shortage of skilled labor and a deficient infrastructure.

Guyana's economy is riding through the COVID-19 world in better shape than practically any other country on the planet. In 2020, the country's economic growth is expected to be a little over 26 percent, which even in normal times would be amazing. It can be said that Guyana, one of the poorest countries in the Americas, was long due some good luck, which finally came from massive offshore discoveries of oil. Guyana's good luck on the economic front should continue into 2021, but the country has challenges which it needs to address if it wants to achieve a longer term and equitable trajectory of expansion.

Guyana also needs an upgrade in its infrastructure. As an Inter-American Development Bank report in 2019 observed: "The infrastructure stock is inadequate to support delivery of public services or

facilitate private sector growth. The country's transportation infrastructure (roads, airports and seaports) requires substantial improvements to support the growth of the private sector." High energy costs, dependability of electricity and upgrading the country's telecommunications system also need attention. **(While executing these projects they will provide demand for hotel rooms.)**

Another area of improvement is in human capital, a critical resource. Although efforts have been made to improve the education system, the new oil-based economy is creating demand for everything from skilled welders to accountants and engineers. Related to upgrading the school system, is the need for further efforts to inject further professionalism into government service, with an emphasis on reducing patronage.

To be fair, according to the international corruption watchdog Transparency International, Guyana scored well in an 18 country survey (including most of Latin American and Caribbean states) that asked if respondents thought government corruption is a "big problem". While most of Latin Americans respondents provided an answer of 90 percent and above, Guyana finished only behind Barbados and ahead of the Bahamas and Jamaica, with 59 percent believing this was case. But at close to 60 percent there is room for improvement.

According to the International Monetary Fund, 2020's global economic contraction is expected to be followed by a 5.8 percent expansion. Advanced economies are expected to grow by 3.9 percent and emerging market and developing economies by 6.0 percent. China, which the IMF sees expanding at 1.8 percent in 2020, is expected to strongly rebound by 8.0 percent next year. All of this is important for Guyana. It's up and coming oil export machine will see greater demand. Consequently, the need for Guyana to upgrade its governance, educational and infrastructure systems has a greater sense of urgency.

Guyana is no longer the isolated country on the northeastern shoulder of South America it once was. The combination of massive oil discoveries; improved global communications; and a better-connected diaspora in North America, the United Kingdom and the Caribbean means that Guyana is no longer on the outskirts of the global economy. It has attracted large multinational companies, including the likes of the U.S.'s ExxonMobil and Hess, Spain's Repsol, and China's CNOOC. It has been wooed by the U.S., which in 2020 sent its Secretary of State (the first ever) to Georgetown. China has also sought to gain a foothold. Consequently, to make certain that the Guyanese people are well served for the future, the government, civic society and professional organizations need to maintain a serious approach to upgrading how their country is governed and works.

## TOURISM



The Guyana Tourism Authority logo says "Guyana South America Undiscovered" which gives hope to attract new visitors.

Guyana has been named the #1 "Best of Ecotourism" destination in the world, leading ecotourism destinations like Sierra Gorda, Mexico and Tmatboey in Cambodia. The award was presented to Guyana at the ITB global travel trade fair in Berlin, Germany, the Department of Public Information (DPI) has reported. The second annual "Best of Top 100" Awards is a selection of the finest top 100 destinations selected by a panel of experts who reviewed sustainability success stories submitted by destinations worldwide.

Director of the Guyana Tourism Authority (GTA) Brian T. Mullis accepted the award on behalf of Guyana. "Guyana has expended considerable effort in recent years not only to develop new and innovative eco-friendly tourism products as a part of the national Green State Development Strategy, (<http://guyanareddfund.org/images/stories/pdffiles/Framework-Document-for-Guyana-Green-State-Development-Strategy.pdf>) but also to incorporate sustainable tourism best practice into all aspects of its strategy, planning and programming while educating the world about its deep commitment to maximizing the positive socio-economic and conservation outcomes from tourism," Mullis told the travel trade fair.

Guyana is positioned as the next must-see destination for travellers. With daily non-stop flights already available from New York, Miami and Toronto and direct routes available from Europe through sister Caribbean countries, being the only English-speaking country in South America, travellers can experience the vibrant indigenous culture, rich history, and hospitable and friendly people in the language both parties know best. Guyana has also recently become the first country to adopt the Adventure Travel Trade Association's International Adventure Travel Guide Qualification & Performance Standards.

[https://cdn.adventuretravel.biz/wpcontent/uploads/2015/09/ATTA\\_AdventureTravelGuideStandard-A4\\_04SEP15-R009.pdf](https://cdn.adventuretravel.biz/wpcontent/uploads/2015/09/ATTA_AdventureTravelGuideStandard-A4_04SEP15-R009.pdf) ). President of the Green Destinations Foundation said “The Top 100 Awards Jury was impressed by the dossier prepared by Guyana Tourism Authority for the Top100-nomination and by the success stories submitted of Surama and Rewa. Both these eco-lodges have ambitious and admirable goals and successes, are community-owned and led, and aim at preserving Guyana’s ecosystems and indigenous traditions. The Jury also liked that Guyana has a policy of a ‘Green, Inclusive and Prosperous Guyana’ that provides a good quality of life for all its citizens based on a sound education and social protection, low-carbon resilient development, green and decent jobs, economic opportunities, individual equality, justice, and political empowerment,” DPI reported.

### **TOURIST ATTRACTIONS AND ACTIVITIES source Guyana Tourism**

The Guyanese tourism authority invites travelers to explore tourism in 5 areas:

Nature & Wildlife, Active adventure, Birding, Culture & Heritage & Conservation Travel



#### **Cities & Towns**

Explore the cities and towns of Guyana, which make for exciting gateways into the rainforest and savannahs within the hinterland of the country. Start with Georgetown, the capital, and make your way to the other hubs such as Lethem, Corriverton, Bartica, Linden, New Amsterdam & others

#### **Rainforest & Mountains**

Guyana is blessed with extraordinary topography dominated by lush rainforests and four major mountain ranges. In between, sinuous rivers tumble down mountains and through the thick towering trees of sublime rainforest on long journeys towards the Amazon and Atlantic. With a wide range of ecosystems compressed into a relatively short distance, these mountainous landscapes are perfect hideaways for diverse wildlife for nature lovers and adventurous travellers to explore. This pristine and often remote topography is home to Indigenous Peoples living at the base of the mountains and in hilltop villages. The local villages and unique avian and wildlife are best explored on foot or by 4X4 safari.

#### **Protected areas**

The ancient forests, eroded riversides, expanses of grasslands and mountains make a fascinating playground for botanists, zoologists and nature lovers travelling to Guyana. There are a number of

protected areas in the country that house a variety of flora and fauna to interest travelers. Guyana is one of the few countries where travelers can have first row seats to nature's treasures.

### **Coasts**

Guyana's coastal regions are one step closer to paradise. Explore postcard perfect tropical regions along the Atlantic Ocean. These areas pack in the best of Guyana – the boho vibe of Georgetown, first glimpse of the rainforests and remnants of Dutch history.

### **Savannahs**

The sprawling grasslands of Guyana cover the belly and some southern parts of the country, offering a dramatic change of scene from thick rainforests, the vast ocean and mountains of the north and Deep South. There is ample for the eyes and the soul for the travelers. The flat pale yellow grasslands allow easy spotting of a range of animals, especially the anteaters. Unique avian species that like a combination of grasslands and canopies exist in the Rupununi, making it a birding hotspot. The ranching culture in the savannahs is starkly different from the Caribbean vibe of the north, with rodeo events headlining the region

### **Rivers & Creeks**

Guyana is known as the 'land of many waters' because of the numerous rivers that traverse long distances in the country, before finally spilling into the Atlantic Ocean in the north. The Essequibo, Demerara, Berbice and Corentyne are the most important ones, rising in the highlands or mountains of the country. The rivers and their tributaries offer a rich ecosystem for flora and fauna to survive along, offering travelers a 360 degree view of nature in the country.

## **Conclusion**

### **Tourism is a Renewable Export source GTA**

Tourism is an important export industry that can become a significant economic development tool. Export refers to money going from a foreign consumer to a domestic business. Exports generate foreign earnings, contribute to job creation, and GDP growth. An export industry is one that sells a significant share of its goods or services outside of the country, thus bringing new money into the local economy. Tourism meets these two tenets, as Guyana welcomed 286,732 international visitors in 2018, resulting in a direct contribution of an estimated GY\$63.9B in foreign exchange earnings. The monies contribute to 22,000 jobs. With the exemption of international airlines and one foreign-owned hotel (Ramada), 99% of all travel and tourism businesses are owned by Guyanese and serve foreign consumers. This means that other than select tourism-related imports such as foodstuff, equipment, and furnishings, there is little economic leakage from the tourism sector.

Tourism is Guyana's third largest export sector. Unlike gold or oil and gas, tourism is not an extractive industry. This means that tourism has the potential to outlive the extractive sectors, as it will continue to provide economic, social and conservation benefits over the long-term. The challenge is to ensure Guyana's tourism sector realizes these benefits. The Guyana Tourism Strategic Action Plan: 2019-2025 was developed to address this need. It is anticipated that if the current trends continue Guyana will attract more than 500,000 visitors a year as early as 2025, which would reflect nearly doubling visitation over 10 years. This will become problematic without a stronger policy environment for and investment in tourism development. The Guyana tourism sector is already experiencing unmet market demand. Guyana needs more hotels and tourist products that meet international safety, quality and

**Project : Aiden by Best Western**

**Location : 88 & 89 Robb & Oronoque Streets**

**Development:**

**Nine (9) Story Structure**

**101 Executive Rooms**

**1 Restaurant**

**1 Roof top bar & terrace**

**Meeting rooms**

**Conference rooms**

**Retail Center**

**Phases of Construction:**

**Phase 1 - Pile Driving and Foundation**

**Phase 2 - Structure & Wall Building**

**Phase 3- Finishing Works**

**Construction Time Frame:**

**18- 22 months**

**INVESTMENTS INC.**  
• 100a Street, Lamaha Gardens  
Georgetown, Guyana



**ARIMU INVESTMENTS INC.**

**Aiden** By Best Western



- 101 EXECUTIVE ROOMS
  - EXECUTIVE CONFERENCE ROOMS
  - COFFEE SHOP
  - EXECUTIVE CHAUFFEUR SERVICES
  - ROOFTOP BAR / LOUNGE
  - RESTAURANT / BAR / GRILL
  - GYM / SAUNA AREA
  - VALET PARKING
- 88-89 Oronoque & Robb Streets, Georgetown, Guyana



by **BEST WESTERN**



**ARIMU INVESTMENTS INC.**  
 298 Kamoia Street, Lamaha Gardens  
 Georgetown, Guyana

