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City of Falls Church, Virginia

Request for Conceptual Proposals
Pursuant to
The Public-Private Education Facilities
and Infrastructure Act (PPEA)

For the

West Falls Church Economic Development Project

On Approximately 10 Acres of Land

Adjacent to
A New George Mason High School

Issue Date: _____, 2018

RFP No.: [●]

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EXECUTIVE SUMMARY

The City of Falls Church, Virginia ("City" or "Falls Church") is seeking a development partner for a premier 10.38 acre site adjacent to the West Falls Church Metrorail Station, I-66, and Leesburg Pike/Route 7 ("Site"). The Site is envisioned as a vibrant mixed-use development that incorporates compelling commercial components, delivers significant economic value, and creates an exciting sense of place. The City is seeking proposals that provide substantial upfront and long term economic value for the City to help fund capital costs of the construction of a new George Mason High School adjacent to the Site ("School Parcel"). The Site should be planned in coordination with the School Parcel, and leverage synergies of adjacent Falls Church landowners. The City has initiated the process to zone the Site as B-2 to allow a flexible mix of uses and density accommodating upwards of 1.5 million gross square feet.

1. PROJECT GOALS AND OBJECTIVES

The City of Falls Church, Virginia ("City" or "Falls Church") has issued this Request for Conceptual Proposals ("RFP") and is conducting this procurement pursuant to The Public-Private Education Facilities and Infrastructure Act of 2002, Section 56-575.1 *et seq.* of the *Code of Virginia* ("PPEA"), as amended, and the City's PPEA Implementation Guidelines.

The purpose of this RFP is to identify qualified teams ("Proposers") and solicit project concepts to redevelop and commercialize approximately 10.38 acres of real property adjacent to the replacement site of the existing George Mason High School (the "Project"). This Project is intended to activate the parcel and generate both upfront and long term revenue to fund the construction of a new high school

The City will evaluate the Conceptual Proposals based upon the evaluation criteria set forth in this RFP. Based upon the City's evaluation of the Conceptual Proposals, the City may, in its sole discretion, invite one or more Proposers to submit detailed proposals in response to a Request for Detailed Proposals ("RFDP"). The objective of the City is to enter into a comprehensive agreement under the PPEA and other applicable law with a private entity best suited to satisfy the City's requirements and desired features of the Project as described in Section 2. A more detailed Project milestone schedule is available in Section 3.2.

With respect to this PPEA procurement, the City will serve as a responsible public entity. The City has adopted its most recent PPEA Implementation Guidelines on July 27, ("Guidelines"). A copy of the Guidelines is available at www.fallschurchva.gov/.

1.1 Project Vision

The Project is envisioned as a regional activity center that integrates commercial and residential uses with public spaces to attract visitors, businesses, and residents and enliven the west end of Falls Church and West Falls Church Metrorail station. Anchored by outstanding design and architecture and responsive to the surrounding uses, the Project should convey a strong sense of

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place and have the potential to catalyze redevelopment by adjacent Falls Church landowners. The Project will generate revenue for the City to offset capital costs of the new school facilities, transform an underutilized, metro-accessible property, and bring desirable commercial activity and amenities to the City.

1.2 Project Background

The City controls land totaling 10.38 acres ("Site") near the intersection of Route 7 (Leesburg Pike) and Interstate 66. A map showing the location of this land more precisely is attached as Appendix A. The Site is located adjacent to the existing George Mason High School ("High School") and Mary Ellen Henderson Middle School ("Middle School"). In connection with a separate project being undertaken by the Falls Church City School Board ("School Board"), the School Board will be replacing the existing High School prior to or simultaneously with the redevelopment and construction of the Project.

The Site is currently part of a 34.6-acre parcel ("School Parcel") that includes the High School and Middle School. The School Parcel became part of the City in 2013 pursuant to a voluntary boundary adjustment agreement with Fairfax County. Prior to that time, although owned by the School Board and the City, the School Parcel was in the jurisdiction of Fairfax County. Under the terms of that agreement, the School Board and the City may use up to 30% of the total acreage of the School Parcel (approximately 10.38 acres) for any lawful purpose, including commercial development. The remaining acreage must be used exclusively for school purposes for a period of 50 years from the date of the agreement.

The City wishes to permit development of the Site and use the short- and long-term revenues of that development to help fund replacement of the High School and expansion of the Middle School and spur further economic development, as described in Project Goals (Section 2.2) below.

This Site offers a unique stand-alone development opportunities, but also presents a special location that is adjacent to other properties in the city that are being contemplated for development in the future..

Certain other background documents relevant to the Project (or portions thereof) are available at www.choosefallschurch.org/WFC, which may be updated from time to time.

1.3 Planning and Zoning

The comprehensive plan and Future Land Use Map have been amended to create more flexibility and the City is encouraging additional height and density to be approved by special exception.

Falls Church is initiating the process to designate the Site under its flexible B-2 zone, which encourages the development of the office, hotel and retail uses, while allowing residential buildings to balance the mix of users and ensure an 18-hour hub of activity. The proposed B-2 zone is being amended to allow flexibility of heights and densities for projects meeting City goals and to permit, through special exception, the City's tallest structures. The City approved,

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on January 22, 2018, Comprehensive Plan amendments that anticipate that density on the Site will be allowed at an FAR of 4.0 or higher, with total gross floor area approved at 1.5 million square feet or more.

The mixed-use development anticipated on the Site and its proximity to Metro are intended to encourage transportation demand management through shared parking facilities and the use of transit, allowing the City to relax its minimum parking requirements.

1.4 Transportation and Access

The Site is a prime location, served by all modes of transportation and presents a unique large tract, transit-oriented development opportunity inside the Capital Beltway. The Site sits adjacent to Leesburg Pike and I-66 and provides easy access to I-495, enabling quick access to the entire region. An estimated 31,000 vehicles pass the Site each day on Leesburg Pike. The Site is a five-minute walk from the West Falls Church Metrorail Station offering rail service to major commercial centers in Arlington County, Tysons and Washington, D.C. Three WMATA bus lines (28A, 480 and 3T) serve the Site, with stops at its edge or at the West Falls Church Metrorail Station. Within half a mile, cyclists can access the W&OD Trail, the spine of the region's bike network, linking to many surrounding communities. Pedestrians benefit from a network of tree-lined sidewalks leading to dining options, groceries and daily conveniences alike.

1.5 Preferred Transaction Process

Upon completion of the RFP process and RFDP process, the City will execute an Exclusive Rights Agreement ("ERA") with the selected development team ("Selected Developer"). The ERA will commit the selected team to major business terms presented in the Selected Developer's proposal, affirm the parties' intent to enter into exclusive negotiation, and provide terms for access to the Site. While the ERA is in effect, the Selected Developer will coordinate closely with the City to perform due diligence and planning; obtain special exception approvals based on B-2 zoning that the City anticipates having previously approved, and negotiate a Comprehensive Agreement ("CA").

The City intends for the Selected Developer to fund due diligence and planning work during the ERA period.

Subsequently the Selected Developer and the City will execute the CA, which will detail the development program; financial commitments to the City and the timing of those commitments; construction milestone schedule, and rights and responsibilities of each party. At CA execution, the Selected Developer will make a significant non-refundable payment to the City. CA execution is anticipated to occur prior to the commencement of construction of the new high school facility in April 2019.

The CA will provide that, during construction of the new high school, the Selected Developer will prepare design documents, obtain final project plan approvals, and secure financing to

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construct the Project. Some site work may be completed during this period, provided that the work does not interfere with the active high school and middle school.

Upon completion and occupancy of the new high school facility, the City will convey the Site to the Selected Developer and the Selected Developer will provide either an upfront payment equal to the purchase price/land value, remaining after its initial payment or begin to make periodic ground rent payments as defined in the CA.

While the City prefers to maintain fee simple ownership of the Site, it will consider a sale of the Site, in part or as a whole, if a fee simple sale demonstrates significant financial and qualitative advantages for the City.

Milestone	Transaction Phase	Financial Exchange	Entitlement Action
Request for Conceptual Proposals (RFP) (Mar 2018)	The RFP will identify qualified development teams and gather projects concepts to design, build, finance, operate, and maintain the Project.		The City has approved comprehensive plan amendments and initiated a B-2 zoning designation for the Site.
Request for Detailed Proposals (RFDP) (Jun 2018)	The RFDP will seek detailed development programs, firm financial commitments, and project timelines from a short-listed group of RFP respondents.		B-2 zoning will be in place prior to RFDP release.
Exclusive Rights Agreement (ERA) (Oct 2018)	The ERA will outline key business terms, site access, and exclusive negotiation between the City and Selected Developer. While in effect, the Selected Developer will perform due diligence and planning; conduct budgeting and scheduling activities, and negotiate a CA.	Selected Developer funds due diligence, planning, and initial design activities.	Following ERA execution, Selected Developer will pursue and receive approvals for land entitlement.
Comprehensive Agreement (CA) (May 2019)	The CA will refine business terms outlined in the ERA and detail the development program, financial commitments and their timing, project schedule, Site conveyance, and rights and responsibilities of each party.	Selected Developer provides significant initial payment to the City at Comprehensive Agreement execution.	Following CA execution the Selected Developer may seek a special exception for additional height, density, etc. The City will also offer preliminary design review to expedite permit issuance after conveyance.
Conveyance of the Site and Final Entitlement (Q3 2021)	Following occupancy of the new high school, the City will convey the Site to the Selected Developer.	Selected Developer provides remaining land value to the City as defined in the CA (eg. Upfront lease payment, periodic ground lease payments, or purchase)	Following conveyance, the Selected developer will apply for permits.

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2. PROJECT REQUIREMENTS AND DESIRED FEATURES

While the City hopes to receive Proposals that deliver all requirements and desired features contained herein, it recognizes that there may be competing priorities in completing the Project. Project requirements must be completed through design and delivery of the Project. If Proposers

do not believe that it is possible to deliver all Desired Features described in Section 2.2 of this RFP, they are nonetheless encouraged to submit a response addressing the goals they believe are achievable and state why they believe others are not achievable. Likewise, if a Proposer believes that the City should be made aware of important tradeoffs that affect multiple requirements and goals, it should clearly describe those tradeoffs in the Proposal.

2.1 Project Requirements

The Selected Developer shall design, build, finance, operate and maintain a vibrant mixed-use development project that meets the requirements below.

Financial and Structural Requirements. The Selected Developer will be required to:

A. Execute a CA with the City prior to the commencement of construction of the new high school, and take possession of the Site from the City following completion and occupancy of the new high school

B. Provide a payment to the City of the fair market value of the Site, to help pay for the new high school being constructed on the School Parcel.
   a. Provide a meaningful non-refundable payment (estimated to be 15-25% of the land value) to the City at the time of CA execution.
   b. Provide payment of remaining land value upon conveyance of the Site for redevelopment as provided for in the CA.

C. Provide sources of capital to plan, design, and build the Project as described in Section **1.5**.

D. Finance and construct utilities, private roads, and infrastructure on the Site.

E. Maximize long-term positive net fiscal impact to the City through high quality commercial uses. For these purposes, the net fiscal impact is the projected tax yield plus ground rent derived from the ground-leasing of the Site for the Project minus the projected costs for the City services once the redevelopment is completed;

F.

Financial Capability Requirements. The Selected Developer must have the following financial capability:

A. Have experience financing large, mixed use, master planned communities with development costs in excess of $100 million. Transit oriented developments, projects greater than 5 acres, and projects located in urban areas will be considered most favorably by the City.

B. Have either (1) a minimum of $100 million in liquid assets not committed to other projects; (2) control over assets with a liquidated value of $100 million; or (3) an in-place fund or credit facility with a minimum of $100 million available, as evidenced by audited financial statements, confirmation of credit facilities from lenders, or other documentation acceptable to the City at its sole discretion.

C. Provide expressions of interest from lenders or equity providers not intended to be part of the Selected Developer through a partnership or joint venture.

D. Must not be subject to financial risk that may impact its ability to successfully execute the Project.

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Development Requirements. The Selected Developer shall propose a development concept that will include the following:

A. Delivering significant and compelling commercial uses as part of a conceptual plan.
B. Coordinating with the City, School Board, and School Administration on the utilities, roads, and infrastructure that will serve both the School Parcel and the Site, and coordinating on the design aesthetic of the Site as it interfaces with the School Parcel.
C. Demolition of the existing high school
D. Outstanding planning, urban design, and architecture and creation of a sense of place.
E. A prominent public civic space that can help shape the Project's identity.
F. Pedestrian and bike friendly streets with effective transportation improvements.
G. Environmentally sustainable buildings that meet LEED Gold or other similar industry equivalents,
H. A process for land use applications with the City with strong community engagement.
I. Affordable housing at a minimum of 6% of residential units at 60% of AMI, to be affordable for the length of the Comprehensive Agreement.
J. Operate and maintain infrastructure, including private roads and sidewalks.

Team Requirements; The Selected Developer shall propose a team or teams with the following;

Development Team

A. Identify a Principal-in-Charge with experience managing projects of a similar size and scope, preferably mixed-use projects over five acres. The Principal-in-Charge shall have the ability to make legal commitments on behalf of the Selected Developer and shall be responsible for coordinating all aspects of the development team.
B. Identify a Developer Senior Project Manager with experience managing projects of similar size and scope, preferably mixed-use projects over five acres, show shall be responsible for the day-to-day management of the project and who resides in the greater Washington area and is committed to the project full-time from award through delivery.

Design Team

A. The Selected Developer must include a local or national architectural/engineering firm(s) (A&E Team) as a member of its team. The A&E Team will be contractually responsible for the Project design and for production of construction documents. The A&E Team must have served as a lead designer on mixed-use, master planned community projects, preferably at least 3 projects of over 5 acres within the past 10 years. Transit-oriented development and placemaking/activation experience and projects incorporating institutional users will be viewed more favorably.
B. The A&E Team shall designate a Master Planner/Urban Designer, who shall be responsible for the Project's architecture and design. The Master Planner must be a licensed architect in the Commonwealth of Virginia. The Master Planner shall have

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experience planning projects of similar size and scope, preferably master planned community, transit oriented development or mixed use projects over 5 acres.

C. The A&E Team shall designate a Design Project Manager, who shall be responsible for overseeing all aspects of the Design Team's performance. The Design Project Manager shall have experience managing projects of similar size and scope.

Construction Team

A. The Developer must include a local or national general contractor, in house or otherwise, ("Construction Team") as a member of the development team. The Construction Team shall be contractually responsible for the construction of the Project.

B. The Construction Team must have completed projects of similar size and scope within the last 10 years.

C. The Construction Team shall designate a Construction Project Executive who has actively and personally performed a similar role on projects of a similar size and scope, preferably at least 3 projects. The Construction Project Executive shall be an officer of the Construction Firm, will be responsible for legally committing the Construction Firm, and will oversee all aspects of the Construction Team.

D. The Construction Team shall designate a Construction Senior Project Manager who has actively and personally performed a similar role on projects of similar size and scope.

E. The Construction Senior Project Manager will be responsible for the day- to-day management of the Construction Team from award through commissioning of the Project.

F. The Construction Senior Project Manager must reside in the greater Washington area and commit to the Project on a full-time basis from the start of construction through commissioning of the Project.

2.2 Desired Features

The City hopes to receive Proposals that accomplish all of the desired features listed below and proposals that include more of the highest priority desired features will be viewed more favorably. Proposers should, however, clearly describe important tradeoffs necessary to deliver multiple requirements and desired features. For example, Proposers should describe impacts to upfront or long-term value as a result of providing multiple desired features. Desired features are shown in descending order of importance.

A. Retention of fee simple ownership of the Site through a structure such as a long-term ground lease, though the City will consider other land transaction structures, provided that they demonstrate significant financial and qualitative advantages over leasing options;

B. Provide Metro-accessible Class A office space.

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C. Incorporate a full-service hotel with conference space.

D. Provide innovative flex or shared space for use by the academic and commercial users, such as greenspace and/or subgrade uses near the proposed practice fields.

E. Provide a future-oriented development program that takes advantage of innovations in technology, transportation and the built environment.

F. Offer other enhancements to the Site that will benefit the City and surrounding community

3. PROCUREMENT INFORMATION

3.1 Procurement Overview

As noted in Section 1, this procurement is being conducted pursuant to the PPEA, with (i) the City serving as a responsible public entity and (ii) all references to the Guidelines in this RFP deemed to mean the City's PPEA Implementation Guidelines.

Pursuant to subdivision 2 of Section 56-575.16 of the *Code of Virginia*, the City has determined that it will proceed using competitive negotiation to pursue a comprehensive agreement for the Project.

Phase I:

This procurement process will be conducted in two phases, with this RFP commencing the first phase. The City will review and evaluate the Conceptual Proposals to identify and select qualified Proposers ("Short-Listed Proposers") Interviews and/or presentations by Proposers may be requested by the City, and such requests may include the presence of representatives from a Proposer's development, planning, financial, architectural, engineering, and/or construction teams. If requested, a Proposer shall make these representatives reasonably available to the City for these purposes.

Following the review and evaluation of the Conceptual Proposals, the City anticipates listing no more than four (4) of the highest rated Proposers as Short-Listed Proposers. The City may increase or decrease this number, if it is in their best interest to do so.

Phase 2:

During the second phase of the procurement process, the City will issue a request for detailed proposals ("Detailed Proposals") only to the Short-Listed Proposers. Short-Listed Proposers will present their concepts at a public hearing. . Interviews and/or presentations by those Short-Listed Proposers submitting Detailed Proposals may be requested by the City.

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3.2 Schedule

The City anticipates conducting this procurement in accordance with the schedule set forth below. The schedule is subject to revision and the City reserves the right to modify the schedule at any time as it deems necessary, in its sole discretion. At the time of the issuance of the RFDP, a more detailed schedule will be provided for that second phase of this process.

	Milestone	**Date**
RFP	Issue RFP	March 1, 2018
	Non-mandatory Industry Forum	March 14, 2018
	Deadline to submit questions on RFP	March 27, 2018
	Issue responses to questions	April 6, 2018
	Conceptual Proposal submission deadline	May 1, 2018
	Announcement of Shortlist	June 2018
RFDP	Issue RFDP	June 2018
	Detailed Proposal submission deadline	August 2018
	Public hearing on Detailed Proposals	September 2018
	Selection of preferred Proposer and Exclusive Rights Agreement execution	October 2018
Transaction & Negotiation	Negotiate Comprehensive Agreement key terms	Nov 2018 – Apr 2019
	Review Land Entitlements Application	Nov 2018 – Apr 2019
	Finalize Comprehensive Agreement	May 2019
	Land Entitlements Approval	May 2019
	Transfer of Property and Demolition of Current High School	Summer 2021

3.3 Point of Contact

The sole point of contact ("POC") for matters related to the RFP, and the designated addressee of any responses, questions, or comments regarding this RFP, is the person designated below. In the interests of competition, transparency and openness in this procurement, the POC is the only individual authorized to communicate in relation to this RFP with any Proposers. All communications with the POC about the Project or this RFP shall be in writing, as required by applicable provisions of this RFP. The City will not be bound by any oral communications. Any Proposer who violates the limits on communication described in this section will be disqualified and will not be considered for the Project.

Name: Jim Wise, Purchasing Agent
Address: The City of Falls Church
300 Park Avenue
Falls Church, Virginia 22046
Phone: 703-248-5007

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E-mail: jwise@fallschurchva.gov

Proposers should be aware that the City is renovating its building at 300 Park Avenue, and that therefore this address will change, probably in early April, 2018. The new address will be posted as an amendment to this RFP on the City's procurement website.

3.4 Posting of the RFP and Addenda

The RFP and addenda, if any, will be posted on City website at www.fallschurchva.gov/. A Proposer shall be solely responsible for ensuring that it has the most current information regarding the RFP.

3.5 Industry Forum

The City will hold an Industry Forum for potential Proposers on Wednesday, March 14, 2018, at __:00 _.m. (Eastern Time) at the following address:

George Mason High School
7124 Leesburg Pike
Falls Church, Virginia 22046

Attendance at this Industry Forum is not mandatory.

3.6 Conceptual Proposal Delivery Requirements

Conceptual Proposals must be delivered **before __:00 [a./p.]m. (Eastern Time) on _____, 2018**.

Conceptual Proposals must be physically delivered to the POC. Neither fax nor e-mail nor other electronic submissions will be accepted.

Proposers are responsible for effecting delivery by the deadline set forth above. Late submissions may be rejected without consideration or evaluation and may be returned unopened to the sender. The City accepts no responsibility for misdirected or lost Conceptual Proposals.

Conceptual Proposals are to be sealed in mailing envelopes or packages bearing the Proposer's name, address, and the words "PPEA Conceptual Proposal for RFP #_____" clearly written on the outside. Conceptual Proposals are to comply with the format requirements set forth in Section 4.9.

A Conceptual Proposal may be modified or withdrawn by a written document bearing an original signature (in ink) of an authorized representative of the Proposer, delivered to the POC prior to the date and time by which Conceptual Proposals must be delivered (as noted above).

3.7 Questions and Clarifications

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To promote transparency and consistency as well as full and open competition, all questions and requests for clarification regarding this RFP shall be submitted to the POC in writing. No requests for additional information, clarifications, or any other communication should be directed to any other individual.

All questions or requests for clarification must be submitted **before __:00 [a./p.]m. (Eastern Time) on _____, 2018**. Questions or clarifications that are: (i) not submitted in writing; or (ii) requested after the date and time set forth herein will not be answered, unless the City, in its sole discretion, elects to do so.

Responses to questions or requests for clarification shall be in writing, and any revisions to the RFP in response to questions or requests for clarification shall be accomplished via an addendum to the RFP. Responses, and any addenda to the RFP, will be posted on the City website at www.fallschurchva.gov/CampusRedevelopment.

3.8 Certain Eligibility Requirements

No person or firm that is suspended or debarred from participation in City procurement, conducting business or submitting proposals on contracts by any other local government, any agency of the Commonwealth of Virginia ("Commonwealth") or the federal government, or any other governmental entity, shall be eligible to submit a Conceptual Proposal pursuant to this RFP. If a Proposer experiences a material change in its debarment status after a Proposal is submitted and prior to the award of an interim or comprehensive agreement for the Project, the Proposer shall notify the POC of the change in writing at the time the change occurs or as soon thereafter as is reasonably practicable.

A firm organized or authorized to transact business in the Commonwealth pursuant to Title 13.1 or Title 50 of the *Code of Virginia* shall include in its Conceptual Proposal the identification number issued to it by the Virginia State Corporation Commission ("SCC"). The Proposer's SCC identification number shall be provided on the Cover Sheet on the line entitled "VA SCC Business Registration #." Any Proposer that is not required to be authorized to transact business in the Commonwealth as a foreign business entity under Title 13.1 or Title 50 of the *Code of Virginia* or as otherwise required by law shall include in its Conceptual Proposal a signed statement attached to the Cover Sheet describing why the Proposer is not required to be so authorized under Title 13.1 or Title 50 of the *Code of Virginia*.

3.9 Proposer Costs

A Proposer shall be responsible for all costs associated with its participation in this procurement.

3.10 Conceptual Proposal Overview

For purposes of this RFP only, this Section 3.11 shall supersede the provisions of Section 7.1 of the Guidelines with respect to the content and format of Conceptual Proposals.

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Proposers with concerns about confidential information to be included in a Conceptual Proposal are directed to Section 8.4.

The Conceptual Proposal shall be organized as shown in the following table, with maximum page lengths as noted therein.

Tab	Title	Maximum Page Length
	Cover Sheet (see Section 4.1)	N/A
	Letter of Submittal (see Section 4.2)	N/A
	Table of Contents	N/A
	Executive Summary (see Section 4.3)	**2**
1	Team Description (see Section 4.4)	**4**
2	Qualifications and Experience (see Section 4.5)	
3	Project Approach (see Section 4.6)	
4	Financial Approach (see Section 4.7)	
5	Project Benefits and Compatibility (see Section 4.8)	

A single Proposer shall not submit more than one Conceptual Proposal for the Project. This limitation shall not be construed to prohibit a Proposer from including in its Conceptual Proposal reasonable alternatives or options relevant to the primary elements of its Conceptual Proposal.

3.11 Conceptual Proposal Format

If the City determines that a Conceptual Proposal does not comply or satisfy the formatting requirements described herein, the City may find such Conceptual Proposal to be non-responsive and it may be rejected without consideration or evaluation.

A Conceptual Proposal shall be prepared on 8.5" x 11" white paper, with all text typed except as otherwise provided in this RFP. All printing should be in a font size of no less than 12 point. Conceptual design drawings may be prepared on 11" x 17" paper, folded to fit within the bound proposal.

A Conceptual Proposal cannot exceed the maximum page requirements described in Section 3.11. The Conceptual Proposal shall be separated by numbered tabs with sections corresponding to the topics described in Section 3.11. The numbered tabs shall not count against the page count limit, provided that no proposal-specific information is included on the tabs.

Each Proposer shall submit one original paper version of the Conceptual Proposal, which must bear an original signature (in ink) of an authorized representative of the Proposer. The original Conceptual Proposal shall be securely bound, with the identifier "Original" on its front cover. Information considered by the Proposer to be confidential and exempt from disclosure shall be securely bound and contained in a separate volume clearly marked "Confidential," with each page thereof clearly designated as such. Proposers are referred to Section 8.4 relating to the Virginia Freedom of Information Act.

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Each Proposer shall also submit ten (10) paper copies of the Conceptual Proposal. Each copy of the Conceptual Proposal shall be securely bound, in one or two volumes consistent with the preceding paragraph. Each copy shall include an identifier "Copy __ of 10 Copies" on the front cover.

Each Proposer shall also submit one electronic copy (a .pdf file), a digital storage flash drive, of the Conceptual Proposal (but excluding any portions considered by the Proposer to be confidential and exempt from disclosure).

4. CONCEPTUAL PROPOSALS CONTENTS

4.1 Cover Sheet

A Proposer shall include in its Conceptual Proposal a completed cover sheet in the form attached hereto as Appendix B ("Cover Sheet").

4.2 Letter of Submittal

The Letter of Submittal shall be on the Proposer's letterhead and identify the full legal name and address of the Proposer (*i.e.*, the legal entity that will execute the comprehensive agreement with the City). The Letter of Submittal shall be signed by an authorized representative of the Proposer. All signatures on the original Letter of Submittal shall be in ink.

In its Letter of Submittal, a Proposer shall:

A. Identify the name, title, address, phone number, and e-mail address of the individual who will serve as the point of contact for the Proposer.

B. Request an exclusion for any identified portion(s) of the Conceptual Proposal consistent with the terms of Section 8.4, if such request has not been made previously through written communication to the POC.

4.3 Executive Summary

A Proposer shall include in its Conceptual Proposal an executive summary ("Executive Summary"), which is expected to be available for public disclosure. Please see Section 8.4 regarding posting and disclosure of a Proposer's Executive Summary.

4.4 Team Description

A. Identify the full legal name of the development, design, and construction firms or individuals who comprise the Proposer for the purposes of responding to this RFP.

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B. Identify the Proposer's type of corporate entity , and identify the team members who will undertake financial responsibility for the Project

C. Identify the organizational structure for the Project team, the project management approach, and how each participant in the structure fits into the overall team.

D. Describe the length of time in business, and corporate background.

E. Identify any persons known to the Proposer who would be obligated to disqualify themselves from participation in any transaction arising from or in connection with the Project pursuant to The Virginia State and Local Government Conflict of Interest Act, Chapter 31 (Section 2.2-3100, *et seq.* of the *Code of Virginia*), and state the basis on which such disqualification would be required.

4.5 Qualifications and Experience

In Tab 1 of its Conceptual Proposal, a Proposer shall:

A. Describe the experience of the entities making the proposal, focusing on experience with design and construction of master planned, urban, transit oriented, and mixed-use commercial real estate developments of comparable size and complexity, including prior experience bringing similar projects to completion on budget and in compliance with design, land use, service and other standards.

B. Provide a narrative summarizing the experience of all of the key principals and project managers listed in the team manager's section of section 2.4, Team Requirements. For each professional defined in 2.1 describe specific relevant projects and years of relevant experience and provide a resume.

C. Describe experience that Proposer entities and/or key principals have successfully working together on similar projects.

D. Describe up to five (5) complex, master planned, mixed-use developments, preferably with total project costs over $100 million, that have been completed or substantially completed. At least one of these projects should have been completed by each of the Development, A&E Team, and Construction teams. For each project, provide total project costs, gross square feet of development, year completed, and key principals who played a role in the project. Preference will be given to projects that exceed 5 acres, include transit oriented development, and/or were completed with a public partner.

E. Provide a letter from A-rated and Treasury-listed surety affirming that Developer has the capacity to provide performance and payment bonds valued at $XXX. In the event that an alternative to bonding is proposed, provide information on the alternative and explain how it better protects the City's interests versus payment

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and performance bonds. (Will not count against page limitation if included in a tabbed appendix)

F. Provide written statements of interest directly from all proposed lenders (including equity providers) which should confirm the level of interest obtained from the capital provider. . (Will not count against page limitation if included in a tabbed appendix)

G. Provide the current or most recent financial statements of the firm (audited financial statements to the extent available), and if the firm is a joint venture, limited liability company, partnership or entity formed specifically for this Project, provide financial statements (audited if available) for the firm's principal venturers, members, partners, or stockholders that show that the firm or its constituents have appropriate financial resources and operating histories for the Project. (Will not count against page limitation if included in a tabbed appendix)

H. Provide information related to financial risks for each Proposer entity:

1. Bankruptcy Information: provide a statement indicating whether the contracting and financially responsible entities, any controlling entities, any key principals or other proposed equity investors have declared bankruptcy during the past five (5) years, and briefly describe the bankruptcies;

2. Pending Litigation: provide a statement indicating whether the contracting and financially responsible entities, any controlling entities, any key principals or other proposed equity investors are involved in any business-related litigation, liens or legal claims, and briefly describe such matters; and,

3. Judgments: provide a statement indicating whether the contracting and financially responsible entities, any controlling entities, any key principals or other proposed equity investors have had a business-related, court-sanctioned financial judgment against it/them during the past five (5) years, and briefly describe each instance.

4.6 Project Approach

In Tab 2 of its Conceptual Proposal, a Proposer shall:

A. Provide a project concept describing the general nature of all proposed uses and the approximate location and size (including height and square footage) of all buildings and structures, along with a general layout including location of streets, parking areas, pedestrian walkways and bicycle paths. Conceptual design should address the Development Requirements described in section 2.1 of this RFP.

B. Identify and fully describe any work you propose to be performed by the City, School Board, or any other public entity, and the timing and estimated cost of such work.

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C. Identify the estimated delivery dates for the project or project phases, assuming conveyance of entitled land in November2021, to allow the City to evaluate the potential for tax revenue collection.

D. Provide information relative to phased delivery, if any, of the proposed Project.

E. Identify innovative ideas to improve the efficiency of the site, maximize revenue to the City from the development, creatively deliver flex or shared recreation space with the academic campus, and offer a year-round community gathering space.

F. Describe the proposer's plan for zoning and any other entitlements needed to prepare the Site for development.

G. Identify the strategy and plans for community information and involvement in the development process.

H. Describe any Desired Features (Section 2.2) your team has included in its project concept as well as any tradeoffs the City should consider related to Desired Features.

I. Provide conceptual site plan drawings and massing diagrams that portray e the placement of each use on the 10 acre site as well as relationships to surrounding properties, as relevant. Renderings, and construction materials descriptions are not required at this time and will not be evaluated.

4.7 Financial Approach

The City views the up-front land payments and generated tax revenue as the primary drivers of value. If the Proposer has other ideas that may generate value for the City outside these two primary sources, it encourages the Proposer to discuss how these measures would work. The City seeks to understand the Proposer's general approach to financing a Project of this size and mixture of products, and understands that financing terms are not final at this phase of the procurement.

In Tab 3 of its Conceptual Approach, the Proposer shall:

A. Submit a financing plan consisting of:[1]

1. Presumed financing structure with estimated percentages of debt, equity, and other sources of potential project funding;
2. Presumed sources of equity, including Proposer's, and amounts to be syndicated from other investors, as well as estimated return requirements;
3. Presumed sources of construction and permanent debt and general ranges of terms including leverage ratios to cost and value, interest rate spreads over appropriate

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benchmarks, debt service coverage requirements, amortization periods, acceleration terms, etc.; and

4. Financial phasing plan, if any.

B. Submit a narrative of how the Proposer will approach and mitigate project risks in order to ensure performance and timely delivery of the Project.

C. Detail the use of any public funds or subsidies, if any.

D. Submit a brief narrative describing any potential revenue generating opportunities for the City beyond the initial or ongoing land payments and future tax revenue generated by the Project.

E. Submit a brief narrative of the impact (if any) on financing terms from both lenders and investors arising from the use of a long-term ground lease structure versus fee ownership.

5. EVALUATION PROCESS AND CRITERIA

For purposes of this RFP only, this Section 5 shall supersede the provisions of Section 8 of the Guidelines with respect to the evaluation of Conceptual Proposals.

5.1 Evaluation Team

The City will appoint a team to evaluate the Conceptual Proposals. The evaluation team will provide recommendations to the City Council, who will make final decisions related to the procurement. Technical, financial, legal, and other subject matter advisors will provide assistance to the City and the evaluation team in evaluating the Conceptual Proposals.

5.2 Responsiveness and Responsibility Review

The City may exclude from consideration any Proposer whose Conceptual Proposal contains a material misrepresentation, whose Conceptual Proposal is not materially responsive to this RFP, or who is determined not responsible.

The City will review each Conceptual Proposal submitted by a Proposer for responsiveness to the requirements set forth in this RFP and conformance to the RFP instructions regarding organization and format. This initial review will also identify any items that may constitute minor non-conformities, irregularities, or apparent clerical mistakes that are unrelated to the substantive content sought by this RFP. Based on this review, the City may determine that a Proposer is not responsible or responsive and is therefore ineligible for shortlisting.

5.3 Proposer's Qualifications and Experience

A. Key professionals' qualifications
B. Master planning experience
C. Mixed-use development experience

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D. Placemaking experience (transit oriented development, civic space and programming)
E. Entity's experience working together

5.4 Proposer's Financial Capacity

A. Access to capital
B. Financial stability and liquidity
C. Financial risks
D. Performance and payment bonding capacity

5.5 Project Approach

A. Reasonableness of Project approach
B. Project concept's alignment with Project Requirements
C. Inclusion of Desired Features
D. Innovation of project concept
E. Entitlement approach
F. City and other public entity responsibilities
G. Community information and involvement
H. Team project management

5.6 Financial Approach

A. Acceptance and ability to work with preferred transaction structure
B. Reasonableness of financing plan
C. Risk mitigation approach
D. Additional opportunities for revenue generation for the City
E. Ability to anticipate and mitigate risk and approach to potential schedule default

6. PARTICIPATION BY SMALL, WOMEN-OWNED, AND MINORITY-OWNED BUSINESSES

The City encourages small, women-owned, and minority-owned businesses to participate in business opportunities with the City. Proposers are directed to the Virginia Department of Minority Business Enterprise for information regarding certification and certified businesses (www.dmbe.virginia.gov).

7. RESERVATION OF RIGHTS

In addition to all rights reserved as specified by applicable law, the City further reserves to itself, without limitation or with or without cause and with or without notice, the following:

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A. The right to cancel, withdraw, postpone, or extend this RFP in whole or in part at any time prior to the execution by the City of an interim agreement and/or comprehensive agreement, without incurring any obligations or liabilities;

B. The right to reject any and all submittals, responses, and proposals received at any time;

C. The right to modify all dates set out in this RFP and to revise the schedule.

D. The right to suspend and/or terminate the procurement process for the Project at any time;

E. The right to revise and modify, at any time prior to the proposal submittal date, facts or matters they will consider in evaluating Conceptual Proposals and to otherwise revise their evaluation methodology;

F. The right to issue addenda, supplements, and modifications to this RFP, including the right to seek clarification from Proposers;

G. The right to hold meetings and conduct discussions and correspondence with the Proposers responding to this RFP to seek an improved understanding and evaluation of the Conceptual Proposals;

H. The right to seek or obtain data from any source that has the potential to improve the understanding and evaluation of Conceptual Proposals, including the right to seek clarifications from Proposers;

I. The right to permit Proposers to add or delete firms and/or key personnel;

J. The right to use the assistance of outside technical, financial, and legal experts and consultants in the evaluation process;

K. The right to waive deficiencies, informalities, and irregularities in a Conceptual Proposal, accept and review a non-conforming Conceptual Proposal, or seek clarifications or supplements to a Conceptual Proposal;

L. The right to disqualify any Proposer that changes its submittal without prior approval or submits a Conceptual Proposal that does not comply with the requirements of this RFP;

M. The right to respond to all, some, or none of the inquires, questions, and/or requests for clarifications received relative to this RFP;

N. The right to use all or part of any unsuccessful Conceptual Proposal, whether or not the Proposer withdraws the Conceptual Proposal;

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O. The right to make determinations relative to potential conflicts of interest;

P. The right to enter into one or more interim and/or comprehensive agreements with one or more Proposers as permitted by the PPEA, in furtherance of the development of the Project or any of its components, or to modify or abandon procurement, or a portion of procurement, of the Project; and

Q. The right to short-list from among the highest-rated Proposers.

8. MISCELLANEOUS

8.1 Changes in Proposer Team

Any addition, removal, or other change in the identity or make-up of any Proposer or any other member of the Proposer's team in relation to that set out in the Proposer's submitted Conceptual Proposal shall be subject to the prior written consent of the City, which consent may be withheld or granted in its sole discretion.

8.2 Conflicts of Interest

In an effort to make this procurement as transparent and open as possible, the City will follow the procedures below if a potential conflict of interest is identified:

The City, in its sole discretion, will make a determination relative to potential organizational conflicts of interest and the Proposer's ability to eliminate or mitigate such conflict. An organization determined to have a conflict of interest relative to this procurement that cannot be eliminated or mitigated shall not be allowed to participate on a Proposer's team for the Project. Failure to abide by the City's determination may result in a Conceptual Proposal being declared non-responsive and not reviewed or evaluated.

The following entities either provided or are providing services to the City with regard to the Project and therefore will not be available to participate with any Proposer team:

1. Arcadis
2. Alvarez and Marsal
3. Davenport & Company
4. Arent Fox

8.3 Ethics in Public Contracting

The City may, in its sole discretion, disqualify any Proposer from further consideration for the award of an interim agreement or comprehensive agreement if it is found by the City that there is a violation of the Ethics in Public Contracting Act (Section 2.2-4367 of the *Code of Virginia*), or any similar statute, involving the Proposer in this procurement.

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8.4 Virginia Freedom of Information Act

All Conceptual Proposals and other records submitted to the City are subject to the disclosure requirements of the Virginia Freedom of Information Act ("VFOIA") (Section 2.2-3700 *et seq.* of the *Code of Virginia*), the PPEA, and other applicable law. The information set forth below is intended to complement the information about VFOIA included in the Guidelines. Proposers are advised to familiarize themselves with the provisions of such laws to seek to prevent materials properly identified as confidential from being subject to disclosure.

Proposers are hereby notified that the City will post on its webpages all accepted Conceptual Proposals, in accordance with applicable law, including but not limited to Section 56-575.17 of the *Code of Virginia*.

Proposers are advised that portions of their Conceptual Proposal may be exempt from public disclosure under one or more provisions of VFOIA. However, Proposer information may be lawfully excluded from public disclosure only upon the Proposer's written request pursuant to applicable law, including but not limited to Section 2.2-3705.6 of the *Code of Virginia*.

If a Proposer has concerns about information it desires to include in its Proposal but it believes is exempted by law from disclosure, such Proposer shall, in its Letter of Submittal or in a prior written communication to the POC:

1. Invoke such exemption upon the submission of the data or other materials for which protection from disclosure is sought;

2. Identify with specificity the data or other materials for which protection is sought; and

3. State the reasons why protection is necessary.

Failure to take such precautions prior to or at the time of submission of a Proposal may subject confidential information to disclosure under the VFOIA.

Blanket designations that do not identify the specific information to be treated as exempt from disclosure shall not be acceptable and may be cause for the City to treat the entire Proposal as public information.

Proposers are hereby notified that in no event shall a Proposer's Executive Summary be considered exempt from posting or disclosure.

In the event the City receives a request for disclosure of a portion of a Proposal, the City will determine whether the requested materials are exempt from disclosure. In the event the City determines to disclose the requested materials, it will endeavor to provide notice to the Proposer of its intent to disclose.

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Nothing contained in this provision shall modify or amend requirements and obligations imposed by applicable law, and applicable law shall control in the event of a conflict between the procedures described above and any applicable law.

In no event shall the City be liable to a Proposer for the disclosure of all or a portion of a Conceptual Proposal submitted pursuant to this RFP.

8.5 Compliance with Law

All Proposers must at the time of their Conceptual Proposal submittal comply with all applicable law and nothing herein is intended to contradict or supersede any applicable state or federal law and regulations. Each Proposer must be eligible at the time of its Conceptual Proposal submittal to offer and provide all services proposed and related to the Project.

8.6 RFP Takes Precedence

In the event that any provision of this RFP conflicts with the Guidelines, the terms of this RFP shall control.

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