



Franklin School

925 13th Street NW | Square 0285, Lot 0808

*A Historic Revitalization Opportunity in the Heart of
Downtown DC*

Release Date: July 31, 2013

Submission Deadline: October 2, 2013

Responses are to be sent to the following address:

Office of the Deputy Mayor for
Planning and Economic Development
The John A. Wilson Building
1350 Pennsylvania Avenue, NW
Suite 317
Washington, D.C. 20004
Attn: Reyna Alorro, Project Manager



REQUEST FOR PROPOSALS

District of Columbia
Office of the Deputy Mayor for Planning and Economic Development

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Questions regarding this Request for Proposals should be submitted via e-mail only to Reyna.Alorro@dc.gov. Respondents shall not direct questions to any other person within the District except as allowed elsewhere in this RFP. Responses to Respondent questions will be aggregated and posted on the following website: <http://dcbiz.dc.gov/>.

INTRODUCTION

The Government of the District of Columbia (the “District”), through the Office of the Deputy Mayor for Planning and Economic Development (“DMPED”), issues this Request for Proposals (“RFP”) to “Prequalified Respondents” (“Respondents”) identified in the Request for Qualifications (“RFQ”) process related to the disposition and redevelopment of the existing, approximately 51,000 gross square feet (approximately 33,000 to 38,000 usable square feet)*, historic Franklin School building, located at 925 13th Street, NW, Washington, DC 20005 .

This RFP constitutes the second phase of a two-phase process to solicit and select a team that is capable of (a) conducting or overseeing the rehabilitation work needed at the historic Franklin School building (“the building” or “the property”) AND (b) reusing the rehabilitated building. The first phase consisted of an RFQ which was issued on April 10, 2013, with a submission date of May 23, 2013, and a Pre-Response Information Session and Site Tour on April 26, 2013.

DMPED invites the Respondents to submit “Proposals” to this RFP. This **Phase II RFP** will broadly consist of preparation and submission of more detailed project plans for the property and a substantiated commitment from a tenant, if not already provided, and as detailed in the “RFP Process” section of this RFP. Plans will be reviewed in greater detail with a particular focus on the unique historic preservation needs of the building; and the tenant will be evaluated for financial viability and their compatibility with the building’s historic character. Each of the Respondents will be invited to attend a more detailed tour of the building on an exclusive basis. A representative of the District will contact each Respondent with specific dates and times.

The Franklin School is a landmark listed on the DC Inventory of Historic Sites; therefore, all renovations will be required to be in conformance with all applicable historic preservation laws.

The District assumes that the Respondents in receipt of this RFP are fully informed and familiar with the contents of the RFQ. Respondents who submit a Proposal are responsible for becoming fully informed regarding all circumstances, information, laws and any other matters that might, in any way, affect the Respondent’s roles and responsibilities in the Project. Any failure to become fully knowledgeable of any other matters that might, in any way, affect the Project will be at the Respondent’s sole risk. The District assumes no responsibility for assumptions or conclusions made by Respondents on the basis of information provided in this RFP or through any other sources.

The Timeline

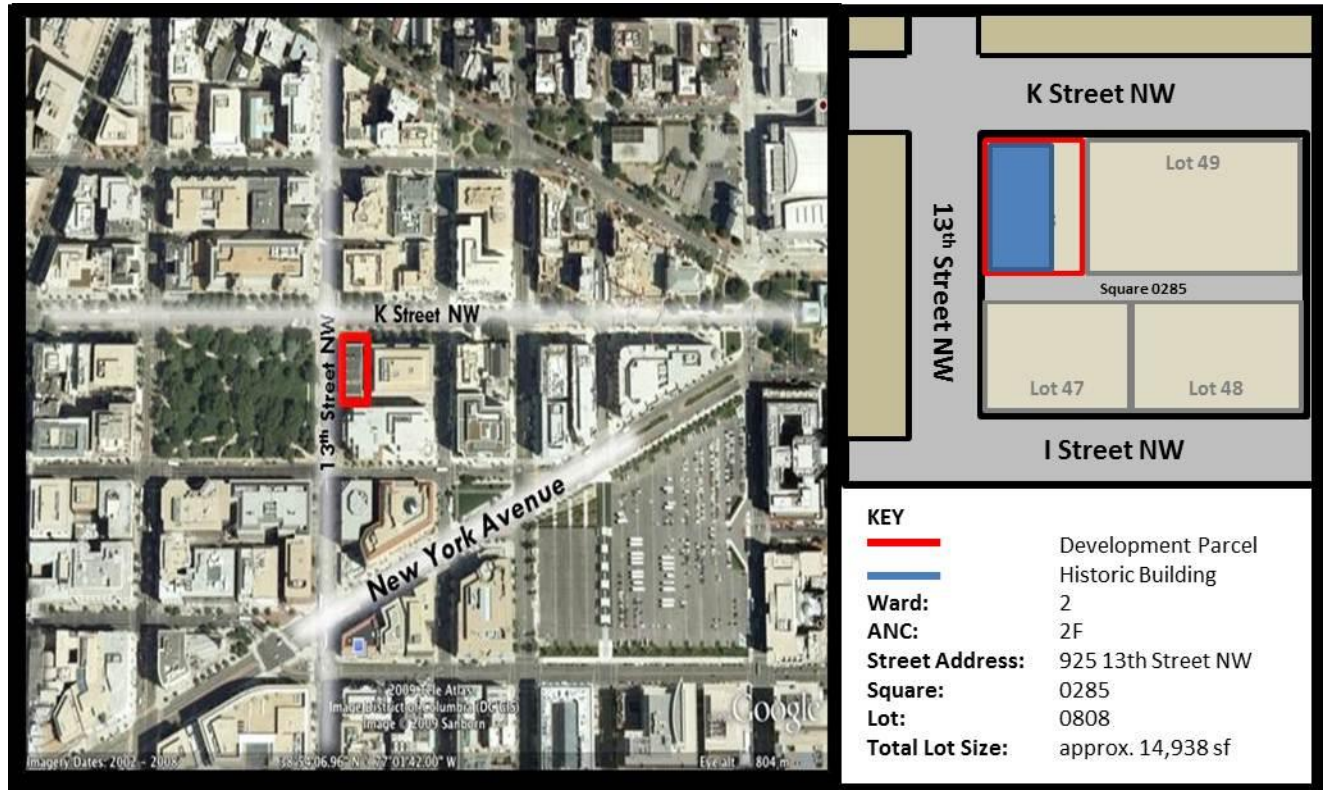
The District will endeavor to follow the timetable set forth below; however, the activities and timetable represented below are a guideline only and are subject to change at the District’s sole discretion and without prior notice:

<i>Selection Process Timetable (subject to change)</i>	
1. Issuance of RFP to Pre-Qualified Respondents	July 31, 2013
Additional Site Visits	August 19 th – 23 rd
Deadline for Submission of Questions	August 28, 2013
Posted Responses to Questions	September 4, 2013
2. Proposal Submission Due Date (8 weeks)	October 2, 2013
3. Selection recommendation Panel Interviews	October 21 st – 25 th
Community Presentation by Development Team Respondents	TBA, Week of October 28 th
Request for Best and Final Offer (If Applicable)	TBD
Best and Final Submission Due Date (If Applicable)	TBD
4. Final Selection of Development Team	December 2013
Submission of Disposition Agreement & Accompanying Legislation to District of Columbia Council	Late Spring 2014

**Subject to change.*

Property Information

Completed in 1869, the Franklin School was the flagship school in a group of seven modern urban buildings constructed as the first to house a comprehensive system of free universal public education in the District. The building was the site of Alexander Graham Bell's photo-phone experiments in 1876, housed the City's first high school in 1880, and became the administrative headquarters of the District school system from 1928 until 1968. From 1969 until 1990, the building served as an Adult Education Center. Today, the building is vacant and the District is seeking a high-quality rehabilitation plan for the property that showcases this unique structure and pays homage to its history.



District of Columbia Policy Goals & Requirements

Historic Preservation & Rehabilitation

The Franklin School is a landmark listed on the DC Inventory of Historic Sites. This designation provides protection and a review process to ensure compatible treatments not only for the exterior of the building but for interior features and finishes as well. This includes, but is not limited to, the broad twin stairs, the Great Hall with remains of its original frescos, and the timber-frame roof truss system. The property is also listed on the National Register of Historic Places at the highest level of designation as a National Historic Landmark.

Respondents shall ensure that any rehabilitation, alterations, additions and adjacent new construction conform with the "Historic Preservation Amendment Act of 2006" (as codified in DC Official Code § 6-1101 *et seq.*), District of Columbia Municipal Regulations ("DCMR") § 10A-100 *et seq.*, the standards established by the District of Columbia Historic Preservation Review Board for the treatment of historic properties, and all other applicable historic preservation laws. Respondents are encouraged to consult with the Office of Planning's Historic Preservation Office early in their project planning for guidance and direction on the preservation review process. Please contact Steve Callcott at the Historic Preservation Office at 202.741.5247 or steve.callcott@dc.gov for additional information.

Rehabilitation of the building will require substantial work given both the building's historic designation and its vacancy over the past several years. DMPED estimates that the total cost to rehabilitate the building would be approximately \$20 - \$24 million. This estimate does NOT include costs associated with specific use needs. Respondents are expected to draw independent conclusions concerning conditions that may affect the methods or cost to rehabilitate the building. Respondents are also strongly encouraged to take advantage of the Federal

rehabilitation tax credit, eligible for qualified expenses related to the renovation of designated historic property. Please contact Steve Callcott at the Office of Planning at 202.741.5247 for more information.

Planning Framework

The property is designated on the Comprehensive Plan Future Land Use Map for “High Density Commercial” development which typically anticipates residential, office, hotel, or other commercial or mixed-use development. The Comprehensive Plan Generalized Policy Map indicates that the property sits within the Central Employment Area, which is “the business and retail heart of the District and metropolitan area.” This area has the widest variety of commercial uses, including but not limited to, major government and corporate offices, hotels, residential, retail, and cultural and entertainment uses.

The property sits within the Central Washington Area Element, which is the city’s traditional Downtown. This area is the economic core of the region and the center of its transportation network, with excellent mass transit access and a Walk Score of 96 (Walker’s Paradise). The Plan notes that:

“... Central Washington should be strengthened as a dynamic employment center, a high-quality regional retail center, an internationally-renowned cultural center, a world-class visitor and convention destination, a vibrant urban neighborhood, and the focus of the regional transportation network.” (CW1.1.1) and that: “... Historic resources should be recognized as essential to Downtown’s economic vitality and competitive edge, particularly for retail, tourist, and entertainment activities.” (CW-1.2.2)

The property also sits within the boundaries of the Center City Action Agenda, 2008, which emphasized the continued development of downtown as welcoming, well connected, distinctive, and sustainable through the creation of great places for DC residents to work, live, and shop. The Center City Action Agenda identified K Street as a priority corridor, great pedestrian street, and transit way that provides fast efficient travel.

Across the street from the property is Franklin Square, a public park. The Office of Planning is currently working with the National Park Service on a new design concept for the park. A request for proposals for redesign and development of Franklin Square was issued on March 13, 2013.

In addition to conformance with the 2006 Comprehensive Plan Generalized Policy Map, the Comprehensive Plan, and Center City Action Agenda, developments that activate the street and further sustainability, walkability, and livability in creative ways are encouraged. Please contact Joel Lawson at the Office of Planning at 202.442.7600 for more information. Maps and documents referenced in this section can be found at the Office of Planning website: <http://www.planning.dc.gov/>.

Zoning

The property shall be developed in compliance with applicable zoning laws and regulations and Respondents’ responses shall contemplate the same. The property is zoned C-4, which, in this instance, permits matter-of-right development for office, retail, hotel, residential or a mix of uses to a maximum FAR of 10.0 (11.0 with a Planned Unit Development), a maximum height of 130 feet and a maximum lot occupancy of 100%. However, the ability to obtain additional density or height on the building will be severely constrained by the building’s status as a National Historic Landmark. The potential to add to the gross floor area for the purpose of providing adaptive core facilities may exist. All additions will be subject to appropriate agency reviews. Square footage numbers are estimates and should be independently verified. Currently, properties within C-4 zones are not subject to the requirements under the Inclusionary Zoning Program.

Respondents should review all applicable District of Columbia Zoning regulations while preparing their responses. Please refer to Title 11 of the DCMR for a complete list of zoning restrictions and requirements. Zoning regulations and maps are available on the Office of Zoning website (<http://www.dcoz.dc.gov/>). Please contact Joel Lawson at the Office of Planning at 202.442.8802 or joel.lawson@dc.gov for more information.

Transportation and Public Space

The District Department of Transportation (“DDOT”) is currently undertaking an Alternative Analysis (AA) to determine the most appropriate route for premium transit service between Union Station and Georgetown. The property is located within the study area of the AA, and K Street is one of the primary corridors being evaluated. Any redevelopment of the property should not preclude opportunities for the installation of fixed guide way transit along K Street. This may potentially include a streetcar system with frequent station stops, overhead wiring, and catenary poles strategically located along the street. It is possible that construction of a transit facility could overlap with redevelopment of the property. Whatever the case with the potential construction schedules, DDOT expects full access to construct transit improvements and no impacts on transit operations from site construction. Please

visit <http://www.unionstationtogeorgetown.com/index.php/related-studies> to review additional details on the K Street Transitway Study and Environmental Assessment.

DDOT also maintains several transportation resources within the vicinity of the property. The property is currently served by the DC Circulator Bus by two routes: the Union Station-to-Georgetown route and the Woodley Park–Adams Morgan–McPherson Square route. Capital Bikeshare stations within a 3-block radius are located at K Street and 11th Street, K Street and 15th Street, L Street and 12th Street, and 13th Street near New York Avenue. DDOT welcomes the opportunity to explore partnerships to provide a Capital Bikeshare station in public space in the vicinity of the property. The functionality of these assets or other DDOT assets shall not be hindered by the redevelopment of the property.

When changes occur at a property due to redevelopment and the proposed principal use for the property is different from that prior to the redevelopment, all existing driveways shall be restored with new curb and gutter, tree space, and sidewalk to current DDOT standards. Existing curb cuts may or may not be permitted to be retained and reused upon redevelopment of the property. Additionally, DDOT encourages the use of alleyways to access the property and highly discourages the installation of curb laybys along K Street and 13th Street. Respondents should be aware that while the building was formerly used as a school, there are no drop-off or pick-up locations for students and no outdoor play area on the property. For more information on DDOT design standards and public space regulations, the relevant documents are listed below. Please contact Fleming El-Amin at DDOT at 202.741.5835 or Fleming.El-Amin@dc.gov for more information.

DDOT Design and Engineering Manual

<http://dc.gov/DC/DDOT/Projects+and+Planning/Standards+and+Guidelines/Design+and+Engineering+Manual>

DDOT Public Realm Design Manual

<http://ddot.dc.gov/DC/DDOT/Projects+and+Planning/Standards+and+Guidelines/Public+Realm+Design+Manual>

Community & Stakeholder Outreach

The success of any development project hinges on the inclusion and support of the local community. Responses must consider and incorporate stakeholder and community preferences, to the extent feasible. Respondents are strongly encouraged to work with local community members, and in particular, Advisory Neighborhood Commission 2F, to understand how the community's goals can be met in the Respondent's response.

Sustainability and Green Building Requirements

The property shall be developed in compliance with the District of Columbia's Green Building Act of 2006, codified in D.C. Official Code § 6-1451.01 *et seq.* (2012) and the District's storm water management regulations published in Chapter 5 of Title 21 of the DCMR and Chapter 31 of Title 20 of the DCMR. Respondents' responses shall contemplate the same. Specific design criteria are stated in the Storm Water Guidebook which is available online at <http://ddoe.dc.gov/publication/stormwater-guidebook>.

In February 2013, Mayor Gray released the Sustainable DC Plan to ensure the District is the healthiest, greenest, and most livable city in the nation. The plan encompasses 32 goals and 31 targets, and offers 143 specific actions in the areas of the built environment, energy, food, nature, transportation, waste and water. The Sustainable DC Plan is found at <http://sustainable.dc.gov/finalplan>. Respondents should review the plan and highlight their qualifications and experience in sustainable rehabilitation projects, if any, in their Phase I response.

First Source

Pursuant to DC Code § 10-801(b)(7) and the Workforce Intermediary Establishment and Reform of the First Source Amendment Act of 2011 (D.C. Law 19-84, D.C. Official Code §§ 2-219.01 *et seq.*) and the rules and regulations promulgated thereunder and Mayor's Order 83-265, Respondents recognize that one of the primary goals of the District of Columbia government is the creation of job opportunities for District of Columbia residents. Accordingly, the Respondent selected by the District to negotiate a disposition agreement shall enter into a First Source Agreement, prior to execution of a disposition agreement, with the Department of Employment Services ("DOES") that shall, among other things, require the Respondent to: (i) hire and require its architects, engineers, consultants, contractors, and subcontractors to hire at least fifty-one percent (51%) District of Columbia residents for all new jobs created by the development project, all in accordance with such First Source Employment Agreement and (ii) ensure that at least fifty-one percent (51%) of apprentices and trainees employed are residents of the District of Columbia and are registered in apprenticeship programs approved by the DC Apprenticeship Council as required under D.C. Official Code §§ 32-1401 *et seq.* Collective bargaining agreements shall not be the basis for the waiver of these requirements. Respondents must complete the Form of Acknowledgement attached as Appendix B. Please refer to the following website to find a copy of the First Source Agreement: <http://www.does.dc.gov/does/cwp/view,a,1232,q,537680.asp>. For more information on the District's DOES

apprenticeship program, please visit the following website: <http://does.dc.gov/service/apprenticeships>. Please contact Anetta Graham at DOES at 202.724.7000 for more information.

Certified Business Enterprises

The Respondent selected by the District to enter into a disposition agreement shall enter into a Certified Business Enterprise (“CBE”) Agreement with the District’s Department of Small and Local Business Development (“DSLBD”). Pursuant to D.C. Official Code §10-801(b)(6) and D.C. Official Code §§ 2-218.01 et seq., the selected Respondent will enter into an agreement that shall require the Respondent to contract with Certified Business Enterprises for at least 35% of the contract dollar volume of the project, and, unless exempted by law, shall require at least 20% equity and 20% development participation of Certified Business Enterprises. Pursuant to D.C. Official Code §2-218.49a(d), if the entity that controls the development project is an entity tax-exempt under 26 U.S.C.S. § 501(c), or other not-for-profit entity, such entity is exempt from the equity and development participation requirements set forth in D.C. Official Code § 2-218.49a. Respondents are encouraged to exceed the District’s CBE participation requirements. Respondents must complete the Form of Acknowledgement attached as Appendix B. Please contact Tabitha McQueen at DSLBD at 202.727.3900 for more information.

Local Hiring & Opportunities

Within their responses, Respondents are encouraged to incorporate their plans to address: (1) Employment and business opportunities for local residents and businesses; and (2) Opportunities for District neighborhood-based business to participate in the project.

Davis Bacon

To the extent applicable, the selected Respondents shall be required to develop the property in compliance with the provisions of the Davis-Bacon Act, 40 U.S.C. § 276(a), and the regulations promulgated therewith. It shall be the Respondents responsibility to determine if Davis-Bacon Act is applicable.

Hotel Uses

A Respondent whose response contemplates a hotel use within the building and is selected to submit a response to the RFP will be required to enter into a Labor Peace Agreement as required under “Hotel Development Projects Labor Peace Agreement Act of 2002”, D.C. Official Code §§ 32-851 et seq. with any labor organization that seeks to represent employees involved in hotel operations at the property as a part of its response to the RFP. “Labor Peace Agreement” means a written agreement between the Respondent and the labor organization that contains, at a minimum, a provision prohibiting the labor organization and its members from engaging in any picketing, work stoppage, boycott, or other economic interference with the Respondent’s operations or the Project. The requirement above shall be included in any request for proposals or similar solicitations by the Respondent that pertains to hotel operations at the property.

Minimum Ground Lease Terms

The District has provided more information about the disposition structure from Respondents in the “RFP Process” section of this RFP. A ground lease with a term in excess of 20 years (inclusive of options) will require authorization of Council in accordance with D.C. Official Code § 10-801 (2012 supp.) prior to the District’s execution or contractual obligation to enter into the ground lease with the selected Respondent. Respondents should be aware that the Mayor’s request for Council authorization under D.C. Official Code § 10-801 must be accompanied by an appraisal, economic factors considered, and justification for the financial terms negotiated in the ground lease.

The Respondent shall be solely responsible for the costs of redevelopment, renovation, and future operation of the property. The Respondent shall be solely responsible for the payment of all utilities, permit fees, assessments and taxes relating to the property, including, if applicable, possessory interest tax assessed under D.C. Official Code § 47-1005.01. Upon the expiration or early termination of the ground lease, all present and future alterations, additions, renovations, improvements and installations located on or within the building shall be deemed to be the property of the District and, upon the tenant’s vacation or abandonment shall remain upon and be surrendered with the property. All movable goods, inventory, office furniture, equipment, trade fixtures and any other movable personal property belonging to tenant that are not permanently affixed to the building shall remain the tenant’s property. The District will not be providing any public subsidy to fill any funding gaps or shortfalls.

RFP PROCESS

DMPED is releasing this Request for Proposals (RFP) on behalf of the Government of the District of Columbia. The RFP is posted on DMPED's website: <http://dcbiz.dc.gov/>.

Team Site Visits

Each of the Respondents will be invited to attend a more detailed tour of the building during the week of August 19th through August 23rd on an exclusive basis ("Site Visit"). Respondents may bring as many members of their team as they would like and will be offered two hours to tour the building.

A representative of the District will contact each Respondent with a specific date and time. The Site Visit will not include a question and answer session. Instead, all questions must be submitted in writing prior to August 28th. Respondents should complete the Site Tour Waiver, Release, and Indemnification form, included as Appendix B, for all members of the team who intend to attend the Site Visit.

Phase II: Submission of Proposals

The District will determine, in its sole discretion, whether each response received is responsive to the RFP and acceptable. The decision of the District in this regard is final and any determination on non-responsiveness will be explained to the applicable Team(s) upon request. **Responses that do not meet the following requirements will be deemed "Non-Responsive" and will not be considered for selection.**

Format

All responses must meet the following format requirements:

- Response shall be prepared on 8 1/2" x 11" letter-size paper, bound length-wise, with tabs to separate sections.
- Responses must respond to each RFP item in the order outlined below in the "Response Contents" section. Each sub-section must be separated by tabs with sub-section headings.
- Responses must not exceed a total of one hundred pages, including appendices, on fifty sheets of double-sided paper.

Proposal Contents

Tab 1: Transmittal Letter

Respondents shall provide a Transmittal Letter with their response. The Transmittal Letter should highlight key components of the Respondent Team's response. In particular it should articulate (1) the vision for the building which concretely identifies a proposed tenant(s) and their use(s); (2) how the proposed project will address the Historic Landmark Designation for the building; (3) how the District and surrounding neighborhood will benefit from the proposed project (i.e., economic impact, job creation, etc.); and (4) how the proposed project fits within the existing neighborhood fabric.

Tab 2: Project Team

Respondent Team Identities & Details

The Respondent's Project Team should be re-introduced and described. The "Project Team" is defined as the lead developer plus any other developers, tenants, and key team members, such as architects, engineers, contractors, lenders, attorneys, historians, etc. who are critical for consideration by the District. Respondents should provide an organization chart and information that clearly explains the relationship, as well as the management structure among team members, Certified Business Enterprise entities, their respective roles and contributions to the Project, and the structure of team decision-making.

New Additions to Project Team – Experience and Background (OPTIONAL)

While a respondent cannot replace members of their team included in the RFQ submission without prior written approval from the District, they may make additions to include tenant(s) and ancillary members as part of its proposal.

For each newly added team entity only. Respondents shall identify the following for the point-of-contact at each newly added entity:

Name	<i>First and last name</i>
Address	<i>Business address</i>
Telephone Number	<i>Business telephone number</i>

Email Address	<i>Business email address</i>
Title	<i>Business title</i>

Organization Status of New Additions to Project Team (OPTIONAL)

Respondents shall provide the status of any newly added tenant only (whether each entity is a corporation, a non-profit or charitable institution, a partnership, a limited liability corporation, a business association, joint venture, or other) indicating under which laws they are organized and operating, including a brief history of each organization and its principals. For any newly added tenant required to file reports in the jurisdiction of its formation, include a certificate of good standing for such jurisdiction and a certificate of good standing showing that it is registered in the District.

For each of the following three documents, Respondents shall provide an updated statement only if there has been a change since the submission of the Respondent's RFQ response:

Statement Regarding Debarments, Suspensions, Bankruptcy, or Loan Defaults

Respondents shall provide a statement regarding any debarments, suspensions, bankruptcy, or loan defaults on real estate development projects and/or government contracts of any of the bidding team's entities or affiliates (listed above in "Respondent Team Identities & Details").

Evidence Regarding Tax Liabilities

Respondents shall provide a statement regarding any tax liabilities and other government impositions that are not current for any of the bidding team's entities (listed above in "Respondent Team Identities & Details").

Evidence Regarding Litigation

Respondents shall provide a statement regarding any ongoing or knowledge of threatened litigation in which the District is a party that relates to any team member, affiliate or to any other entity or individual having a controlling interest in the entity (or entities) that comprise Respondents. If such litigation exists, Respondents shall provide the name and civil or criminal action number of such litigation and a description of the subject matter of such litigation.

Tab 3: Project Concept

Respondents shall describe, in detail:

- i. The overall concept and vision for the building; and describe how the vision will integrate with and enhance the surrounding community that borders the building;
- ii. Each proposed use for the building and the following for each use:
 - a. Name of tenant or operator;
 - b. Current form of agreement with tenant or operator;
 - c. Approximate square footage and location of the use in the building;
 - d. Proposed hours of operation; and
 - e. Whether or not the use will be accessible at any time to the public.
- iii. Evidence of market demand for each of Respondent's proposed uses;
- iv. Respondent's property rights in other parcels, if any, that may be accretive to the project;
- v. The project's zoning strategies, including a detailed explanation and justification for any proposed variance from the residential requirements. If applicable, Respondents should provide a schedule that fully describes each step in the approval process necessary for entitlements assumed in the response; and
- vi. If applicable, the phasing plan that describes Respondent's strategy and timing for delivering various components of the project.

Respondents may submit more than one project concept and vision for the building.

Tab 4: Proposed Rehabilitation Work

Respondents should provide the following in order to describe the proposed rehabilitation work:

- Detailed floor plans for each floor;
- Elevations, sections, and perspective views of the proposed rehabilitation. Notes should be provided either on plans or separately indicate any alterations of floor, wall, or roof structures; and
- Photographs, drawings, photo montages, and written specifications to explain and describe the proposed materials to be used throughout the building.

Tab 5: Affordable Housing (If Applicable)

If residential housing is a component of a response, Respondents should be aware that the Inclusionary Zoning provisions of the District of Columbia Zoning Ordinance (11 DCMR §§ 2600 *et seq.* (2012)) do NOT apply for the

current zoning of the property. If a Respondent's proposal includes a residential component, the provision of affordable housing is **optional**.

For a proposal that includes affordable dwelling units ("ADUs"), all proposed ADUs shall be provided in accordance with an affordability covenant to be entered into with the District along with the other disposition agreements and covenants. Among other provisions, the affordability covenant will provide that any building containing residential units shall have a proportional distribution of unit types and sizes across multiple area median income ("AMI") levels, so that ADUs are not clustered in any portion (floor, section, or tier) of the development. Market rate and/or Affordable Dwelling Units targeting senior citizens are considered an eligible residential use and must conform to the same affordability standards applicable to other residential unit types.

Regarding the **optional** provision of Affordable Dwelling Units, Respondents shall provide a description of the following:

- I. The project's impact on the District's affordable housing goals and other economic development objectives.
- II. How the project integrates ADUs within their proposed design and plans. ADUs must be dispersed, not clustered, throughout the residential component(s) and mixed with market-rate units.
- III. Provide rent projections (if applicable) for each type of affordable housing unit type. All affordable rent payments collected by the future property owner from the tenants or third parties on behalf of tenants may not exceed the Maximum Allowable Rent for an affordable unit.
- IV. Additional data to incorporate on ADUs - the number and total percentage of ADUs by type, the amount and percentage of square footage devoted to affordable housing, the income level(s) at which the affordable units will be aimed.
- V. The Respondent's proposed strategy for the marketing, operation and administration of ADUs in the project.

Each Respondent should use the most up-to-date Department of Housing and Urban Development (HUD) uncapped AMI data (reference Chart 1). While Chart 1 presents the most current data, new AMI data is published annually. The rent calculation formula is provided in Chart 2, the Occupancy Standard Factor used to price each affordable unit is provided in Chart 3, and the sale price formula is provided in Chart 4. All affordable rent payments collected by the future property owner from the tenants or third parties on behalf of tenants may not exceed the Maximum Allowable Rent for an Affordable Dwelling Unit (reference Chart 2). Appendix E ("HUD Rent Calculation Table") may be updated periodically by the District of Columbia Housing Authority. The initial sales price for an affordable unit may not exceed the Maximum Allowable Sales Price for affordable units (reference Chart 4).

Chart 1: AMI for Washington DC MSA as of December 2011

Household Size	120% AMI	100% AMI	80% AMI	60% AMI	50% AMI	30% AMI
1	\$ 90,300	\$ 75,250	\$ 60,200	\$ 45,150	\$ 37,625	\$ 22,575
2	\$ 103,200	\$ 86,000	\$ 68,800	\$ 51,600	\$ 43,000	\$ 25,800
3	\$ 116,100	\$ 96,750	\$ 77,400	\$ 58,050	\$ 48,375	\$ 29,025
4	\$ 129,000	\$ 107,500	\$ 86,000	\$ 64,500	\$ 53,750	\$ 32,250
5	\$ 141,900	\$ 118,250	\$ 94,600	\$ 70,950	\$ 59,125	\$ 35,475
6	\$ 154,800	\$ 129,000	\$ 103,200	\$ 77,400	\$ 64,500	\$ 38,700

Chart 2: Affordable Housing Rent Calculation to Include Monthly Utilities

Affordable Housing Rent Calculation to Include Monthly Utilities			
MAR=(AMI*DAL*OSF*30%)/12-MU			
MAR	Maximum Allowable Rent	AMI	Average Median Income at 100%
DAL	Designated Affordability Level	OSF	Occupancy Standard Factor (reference Figure 5)
MU	Monthly Utilities (reference Appendix E)		

Chart 3: Occupancy Standard Factor for Affordable Housing Calculations

Occupancy Standard Factor		
Size of Affordable Unit	Occupancy Pricing Standard (Average Occupancy per Unit)	Occupancy Standard Factor
Efficiency/Studio	1	.7
1 Bedroom	2	.8
2 Bedroom	3	.9
3 Bedroom	5	1.1

Chart 4: Affordable Housing Sale Price Calculation

Affordable Housing Sale Price Calculation	
1. Determine the Maximum Monthly Payment:	
Maximum Monthly Payment = ((AMI * DAL * OSF * 30%) / 12) – FEES	
MSP	Maximum Sales Price
AMI	Area Median Income at 100% for a 4 person household
DAL	Designated Affordability Level
OSF	Occupancy Standard Factor (reference Figure 5)
FEES	Condominium Fees (\$0.50 per Square Foot), Homeowners Association Fees (\$0.10 per Square Foot), Real Property taxes at current real property tax rates assuming Homestead Deduction, and Monthly Hazard Insurance Fees for Single Family Homes = \$91.00
2. Use Maximum Monthly Payment to Determine the Affordable Mortgage assuming a conventional thirty (30) year, fixed-rate, fully amortizing mortgage at the national average mortgage rate as published by the Federal Housing Finance Agency at www.fhfa.gov plus a one percent (1%) cushion to protect for future interest rate increases:	
3. Determine the Sale Price assuming a 5% Down Payment	
Maximum Sales Price = Affordable Mortgage / 95%	

Additional information on District regulations pertaining to affordable housing can be found at the District of Columbia Department of Housing and Community Development (DHCD) website: <http://dhcd.dc.gov/> or by contacting Gilles Stucker at 202.442.4569 or gilles.stucker@dc.gov.

Tab 6: Project Budget Sources and Uses

Respondents shall provide a “Sources and Uses” analysis that shall include the following, at a minimum:

- **Uses:** A detailed project budget that breaks down all costs to be incurred to rehabilitate the building including hard costs (including base building costs, contingencies, furniture, fixture, and equipment costs, etc.); softs costs (including architecture fees, engineering fees, professional service fees, development fees, etc.); and acquisition and financing costs.
- **Sources:** A breakdown of all funds to be obtained (including equity, debt, fundraised capital, non-District grants, etc.) for the payment of the Uses in the project.

Sources and Uses should not show any gaps or shortfalls. The District will not be providing any public subsidy to fill any funding gaps or shortfalls.

Tab 7: Project Development and Operating Pro Forma

Respondent shall provide a detailed, line-item, fully functional Microsoft Excel development and operating pro forma for all income-producing uses proposed to be operated out of the building from pre-development through stabilization and for 10 years beyond the projected stabilization year.

The pro forma shall be inclusive of the following calculations: return on cost, return on equity (levered and unlevered); a detailed waterfall of profits to all capital accounts; internal rates of return; and any other project-specific return metrics. All assumptions used in the financial model should be clearly stated.

Tab 8: Proposed Financing Strategy

In determining economic feasibility, Respondent should take into account all available **non-District** sources of financing (e.g., tax credits) or other private or federal assistance that may benefit the project. The District will not be providing any public subsidy to fill any funding gaps or shortfalls. Respondents should provide:

- i. Respondents' equity commitment to the project and the timing/disbursement of that commitment;
- ii. A proposed project financing strategy, including a listing of all anticipated sources of construction and permanent financing (including interest rates; amortization type and period; ex-ante return on assets and equity, and internal rate of return; covenants; coverage ratios; and all other relevant information)
- iii. Detailed description of which, if any, federal government funding sources the Respondent intends to attract to the project.
- iv. Satisfactory evidence of Respondent's ability to secure project debt and equity, including commitment letters from prospective investors.
- v. Detailed description of fund raising plan (including details of similar past efforts, specific goal or milestone amounts to be raised and the timing of goals or milestones to be achieved) if Respondent intends to raise funds through donors to support the rehabilitation and/or operation of the project; and contingency plans, if any, if fundraising milestones are not met.

Tab 9: Financial Capacity

The District seeks to evaluate Respondents' ability and willingness to invest sponsor equity and self-fund project predevelopment costs (***Respondents are hereby put on notice that all such money expended is at the sole risk of the Respondent and under no circumstances shall the District be responsible to reimburse the same***). Therefore, Respondents should include the following items:

- i. A description of the financial capacity of Respondent's team members (**including proposed tenants**), in the form of annual reports, balance sheets, profit and loss statements, evidence of lines of credit and uncommitted discretionary sources of equity, and/or any other material financial statements; and
- ii. A description of the amount of sponsor equity **committed** to the acquisition and rehabilitation of the building.

Tab 10: Project Schedule

Respondents shall identify and describe a timetable and milestones from award through project completion. Respondent is required to complete and submit with the response the "Schedule of Performance" attached in Appendix C.

Tab 11: Statement of Minimum Terms

Respondents shall complete the Term Sheet attached as Appendix D, which Term Sheet shall serve as the basis for negotiations of a disposition agreement with the selected Respondent. At Closing under the disposition agreement, it is anticipated that the selected Development Team will enter into a ground lease for the building.

Tab 12: Community & Stakeholder Benefits & Outreach

The District is committed to maximizing community benefits for its residents and expects Respondents to consider and incorporate stakeholder and community preferences into their project, to the extent practical. In view of this commitment, Respondents must present:

- i. A detailed description of the activities and strategies **completed to date** that demonstrate the Respondent's efforts to work with the local community and stakeholders to ensure their meaningful involvement in the submitted response; and
- ii. A detailed description of the **post-award** approach and strategies to working with the local community and stakeholders to ensure their meaningful involvement in the development process.

Tab 13: First Source, Certified Business Enterprises, and Local Hiring**First Source**

Respondents must complete the Form of Acknowledgement attached as Appendix B. Please refer to the "District of Columbia Policy Goals & Requirements" section of this RFP for details regarding the First Source Agreement that the selected Development Team Respondent shall enter into with the District.

Certified Business Enterprises

Respondents must complete the Form of Acknowledgement attached as Appendix B. Please refer to the "District of Columbia Policy Goals & Requirements" section of this RFP for details regarding the Certified Business Enterprise Agreement that the selected Development Team Respondent shall enter into with the District.

Local Hiring & Opportunities

Respondents are encouraged to incorporate in their responses the following:

- i. Employment and business opportunities for local residents and businesses.

If included, Respondents are asked to submit detailed plans for apprenticeship programs that facilitate placing existing District residents into employment opportunities within the project. The commitment and strategy to develop and implement a local apprenticeship program shall be in accordance with D.C. Official Code §§ 32-1401 et seq. For more information on the District's DOES apprenticeship program, please visit the following website: www.does.dc.gov/does/cwp/view,a,1232,q,618747.asp. Please contact DOES at 202.698.5099 for more information.

- ii. Opportunities for District neighborhood-based business to participate in the project.
If included, evidence of the inclusion of such businesses should be submitted in the form of written confirmation from such neighborhood-based businesses and shall include the scope and details of the said businesses' involvement in the project.

Tab 14: Hotel Uses (if applicable)

A Respondent whose response contemplates a hotel use within the building shall enter into a Labor Peace Agreement as required under "Hotel Development Projects Labor Peace Agreement Act of 2002", D.C. Official Code §§ 32-851 et seq. with any labor organization that seeks to represent employees involved in hotel operations at the property as a part of its response to the RFP. Respondents shall provide a copy of the executed Labor Peace Agreement.

"Labor Peace Agreement" means a written agreement between the Respondent and the labor organization that contains, at a minimum, a provision prohibiting the labor organization and its members from engaging in any picketing, work stoppage, boycott, or other economic interference with the Respondent's operations or the Project.

Tab 15: Response Summary for Distribution to the Community

Respondents shall provide a summary of their response that may be shared with the local community and stakeholders. Summaries should not exceed 300 words.

Deposit

Respondents have submitted a standby, irrevocable Letter of Credit in the amount of \$100,000 with their RFQ response. No additional deposit is required for the Proposal. If a short-listed Respondent elects not to proceed with submitting a response to the Phase II RFP, the letter of credit shall be returned to the Respondent. Further, if a short-listed Respondent's response is not selected after Phase II, the letter of credit or check shall be returned to the Respondent.

If a Respondent's response is selected after Phase II, the letter of credit or check will be considered a non-refundable deposit, only to be returned upon the Respondent's successful completion of Closing as determined by the District through the terms of the disposition agreement.

Submission Directions

Ten (10) hard copies and one (1) electronic version on CD-ROM in PDF and Excel formats, of the response and the Deposit, must be submitted by 3:00 P.M. on Wednesday, October 2, 2013. Such responses must be identified by "The Franklin School – RFP" on the envelope and delivered to the following address:

Office of the Deputy Mayor for Planning and Economic Development
The John A. Wilson Building
1350 Pennsylvania Avenue, NW
Suite 317
Washington, D.C. 20004
Attn: Reyna Alorro, Project Manager

Evaluation Process

Selection Recommendation Panel

A multi-agency Selection Recommendation Panel ("Panel") may be established to review and evaluate the responses. If established, the composition of the Panel will be determined by the District, in its sole discretion. DMPED and/or the Panel may consult with professional consultants, advisors, and other stakeholders for technical assistance. DMPED and/or the Panel will evaluate each response, taking into account the information provided in response to the RFQ and the best interests of the District.

Evaluation Criteria

Successful proposals will demonstrate that the Respondent has (i) a proposed use that is suitable with the building's historic character and is consistent with District's overall policy goals and requirements and (ii) the financial capacity and ability to successfully close the transaction and offer an attainable redevelopment timeline to convert the leased premise to its optimal utility.

Among other factors, responses will be evaluated for completeness, market feasibility, innovative ideas, strength of community benefits, and the strength of the financial response. The basis upon which Respondents will be measured includes, but is not limited to, the following:

Attainment of District Policy Goals

The District will more highly rate Teams who achieve and exceed the following District policy goals:

- i. Maximize economic value to the District;
- ii. Improve quality of life for the surrounding community; and
- iii. Advance opportunities for local residents and businesses.

More specifically, higher ratings will be given to Respondents who:

- i. Maximize the overall economic benefit to the District, including:
 - Maximizing the development envelope such as through assemblage of adjacent land parcels or modification of current zoning;
 - Maximizing value to the District through land value proceeds (paid by Respondent to the District) and incremental property and sales taxes; and
 - Maximizing community benefits: affordable housing, cultural and neighborhood-serving amenities, and job creation and/or apprenticeship programs for Ward 2 residents, particularly for residents within 1-mile of the property.
- ii. Seek the least amount of subsidy (either through a reduction in fair market value or through other District or federal public financing tools) to fill anticipated financing and/or investment gaps in the Project capital structure.
- iii. Submit detailed apprenticeship programs that facilitate placing existing Ward 2 residents, particularly for residents within 1-mile of the property, into employment opportunities within the Project. The commitment and strategy to develop and implement a local apprenticeship program shall be in accordance with D.C. Official Code §§ 32-1401 *et seq.* For more information on the District's Department of Employment Services (DOES) apprenticeship program, please visit <http://www.does.dc.gov/does/cwp/view,a,1232,q,618747.asp> or contact DOES Office of Apprenticeship Information and Training.
- iv. Provide Ward 2 businesses with opportunities to participate in the Project. Evidence of the inclusion of such businesses shall be in the form of written confirmation from such neighborhood-based businesses which shall include the scope and details of the said businesses' involvement in the Project.

Development Vision

Teams should propose innovative, market-viable ideas for redevelopment of the building. The District encourages Teams to consider, in their vision, the District's goals with respect to promoting vibrant, walkable, mixed-use neighborhoods and commercial corridors.

Higher ratings will be given to Respondents who design development programs that:

- i. Comprehensively address stakeholder concerns and requirements;
- ii. Stimulate pedestrian activity and include vibrant streetscapes; and
- iii. Are sustainable developments that have minimal impact on the environment and achieve LEED certifications.

Project Financial Feasibility and Team's Financial Capacity

Teams whose responses satisfy the following criteria may be eligible for higher ratings:

- i. Demonstrate that they possess the financial resources to execute the project requirements with no District-based subsidy;
- ii. Provide funding plans, including sources and uses tables and multi-year pro-forma development budgets;
- iii. Display a willingness to provide the District with fair consideration for its real property assets. Rental payments to the District will be strongly considered;
- iv. Demonstrate significant investments of "at risk" capital during the pre-development and development process; and

- v. Exhibit a willingness to provide the District with a meaningful guarantee regarding payment and performance through final project completion.

Best and Final Offer Submission

Upon review of the responses, DMPED and/or the Panel may, at its sole and absolute discretion, conduct discussions with all, or some, of the Respondents via “Best and Final Offer” submissions. If Respondents are asked to submit a “Best and Final Offer”, Respondents are expected to adhere to the additional guidance provided by DMPED and submit a final revised proposal for DMPED’s final consideration. Upon receiving the “Best and Final Offer”, DMPED reserves the right to have additional rounds of requests for information, and conduct further discussions and negotiations if the Best and Final Offers lack adequate information to reach a final selection. At DMPED's sole discretion, Respondents may be asked to present their "Best and Final Offers" to the community to gain additional community feedback.

Final Selection & Notice

Following receipt of any additional information, if requested, DMPED may submit, in its sole and absolute discretion, one or more responses, as modified through any negotiations, to the Mayor as a recommendation. The Mayor, in his absolute discretion, may accept the recommendation. Upon acceptance of a recommendation by the Mayor, DMPED shall notify the selected respondent(s), if any. Ultimately, the Mayor will submit the proposed transaction to the Council of the District of Columbia (“Council”) for its approval in accordance with applicable District law (see the “Disposition Agreement & Approval” section in this RFP for more details).

DMPED reserves the right, at its sole and absolute discretion, to reject any proposal it deems incomplete or unresponsive to the submission requirements. DMPED also reserves the right, at its sole and absolute discretion, to reject all proposals and re-advertise at a later date. If a submission is deemed incomplete, that Respondents’ letter of credit will be returned. In the event that DMPED determine that it should reject all submissions, all deposits will be refunded.

DMPED reserves the right to make the final development selection on the basis of initial Proposals without discussions with the Respondents. Accordingly, Respondents’ initial Proposals should contain their best terms from the standpoint of the evaluation factors identified in this RFP. However, DMPED also reserves the right, in its sole and absolute discretion, to conduct discussions with all, or some, of the Respondents and solicit revised Proposals and "Best and Final" offers in order to make the final selection on the basis of such revised Proposals.

Post-Selection Due Diligence

Following receipt of notification from the DMPED of the selection, the selected Respondent shall execute a right of entry agreement with the District to allow the selected Respondent to begin due diligence and studies on the property.

Disposition Agreement & Approval

If one Respondent is thereby chosen for commencement of negotiations, the selected Respondent may be requested by the District to proceed to negotiate a disposition agreement. If the District and selected Respondent are unable to execute a disposition agreement within one hundred and twenty (120) days, the District, in its absolute and sole discretion, may terminate negotiations and select a different Respondent who responded to the RFP; re-issue the RFP; issue a modified RFP, or take such other measures as it deems reasonable, appropriate, or necessary. **All costs incurred by the Respondents in responding to this RFP and in performance of due diligence and predevelopment work shall be at Respondents’ sole cost and expense. Under no circumstances shall the District be responsible for the reimbursement of any such costs.**

The District, through DMPED, and the selected Respondent will negotiate a disposition agreement which shall incorporate the requirements contained in this RFP, the Term Sheet (see Appendix D), and such other terms as may be required by DMPED or may be agreed to by DMPED and the selected Respondent. Upon completion of the parties’ negotiation, DMPED will recommend such Respondent and proposed business terms to the Mayor. If the Mayor agrees with DMPED’s recommendation, then the Mayor will submit the proposed transaction to the Council of the District of Columbia (“Council”) for its approval of the disposition of the property in accordance with D.C. Official Code § 10-801 (2008 Supp.). **In accordance with D.C. Official Code § 10-801, the District is not authorized to convey or lease any real property unless and until authorized by the Council.**

TRANSACTION TERMS

Site Condition

As-Is Condition

The property shall be conveyed in “as-is” condition, without representation or warranty by the District as to physical or environmental condition of the land or any existing structures.

Soil or Subsurface Conditions

Notwithstanding prior studies available for Respondents' review, the District makes no representations regarding the character or extent of soil or subsurface conditions or the conditions and existence of utilities that may be encountered during the course of any work, development, construction or occupancy of the building.

Environmental Remediation

Respondents will be responsible at their sole cost and liability for any environmental remediation that may be associated with removal or disturbance of existing improvements or other preparation of the site.

Predevelopment and Development Costs

Respondents should draw independent conclusions concerning conditions that may affect the methods or cost of development.

- **Respondents shall be solely responsible for all pre-development (including demolition of existing improvements, environmental remediation costs and due diligence studies such as traffic, geotechnical, storm water management, historic preservation reviews, and other site preparations) and project development costs.**
- Respondents shall be solely responsible for all costs related to obtaining necessary permits, approvals, clearances, and licenses at the appropriate time, including, without limitation.

The District expects Respondents to proceed immediately with predevelopment work upon selection, in order to meet the dates in Appendix C (Schedule of Performance). All funds expended on due diligence and predevelopment work during negotiation with the District by Respondent shall be at their sole risk; under no circumstances shall the District be responsible for the reimbursement of any such costs even if the project is not successfully completed due to no fault of Respondent.

RESERVATION OF RIGHTS & MISCELLANEOUS PROVISIONS

Reservation of Rights

The District reserves the right, in its sole discretion and as it may deem necessary, appropriate, or beneficial to the District with respect to the RFP, to:

- Cancel, withdraw or modify the RFP prior to or after the response deadline;
- Modify or issue clarifications to the RFP prior to the response deadline;
- After review of one or more responses, the District may request submission of additional information from some or all Respondents;
- The District may request one or more Respondents to modify its response(s), provide additional information, or provide a "Best and Final Response" for the District's review;
- Enter into negotiations with one or more Respondents based on responses submitted in response to the RFP;
- Begin negotiations with the next preferred Respondent in the event that a development agreement cannot be executed within the allotted period of time for negotiations with a prior selected Respondent;
- Make and memorialize modifications to any response in the form of a Memorandum of Understanding between the District and Respondents during the course of best and final negotiations between the District and the Respondents;
- Reject any responses it deems incomplete or unresponsive to the RFP requirements;
- Reject all responses that are submitted under the RFP;
- Terminate, in its sole and absolute discretion, negotiations with any Respondents if such Respondents introduce comments or changes to a development agreement that are inconsistent with its previously submitted response materials;
- Modify the deadline for responses or other actions; and (i) Reissue the original RFP, (ii) issue a modified RFP, or (iii) issue a new RFP, whether or not any responses have been received in response to the initial RFP.

Conflicts of Interest

Disclosure

By responding to this RFP, Respondents are representing and warranting the following to the District:

- i. The compensation to be requested, offered, paid or received in connection with this RFP has been developed and provided independently and without consultation, communication, or other interaction with any other competitor for the purpose of restricting competition related to this RFP or otherwise;
- ii. No person or entity currently or formerly employed by the District or otherwise involved in preparing this RFP on behalf of the District: (i) has provided any information to Respondents that was not also available to all entities responding to the RFP; (ii) is affiliated with or employed by Respondents or has any financial interest in Respondents; (iii) has provided any assistance to Respondents in responding to the RFP; or (iv) will benefit financially if Respondents are selected in response to the RFP; and
- iii. Respondents have not offered or given to any District officer or employee any gratuity or anything of value intended to obtain favorable treatment under the RFP or any other RFP, or contract, and Respondents have not taken any action to induce any District officer or employee to violate the rules of ethics governing the District and its employees. Respondents have not and shall not offer, give, or agree to give anything of value either to the District or any of its employees, agents, job shoppers, consultants, managers, or other person or firm representing the District, or to a member of the immediate family (i.e., a spouse, child, parent, brother, or sister) of any of the foregoing. Any such conduct shall be deemed a violation of this RFP. As used herein, "anything of value" shall include but not be limited to any (a) favors, such as meals, entertainment, and transportation (other than that contemplated by this RFP, if any, or any other contract with the District) which might tend to obligate a District employee to Respondent, and (b) gift, gratuity, money, goods, equipment, services, lodging, discounts not available to the general public, offers or promises of employment, loans or the cancellation thereof, preferential treatment, or business opportunity. Such term shall not include work or services rendered pursuant to any other valid District contract.

On-going Reporting

Respondents shall report to the District directly and without undue delay any information concerning conduct which may involve: (a) corruption, criminal activity, conflict of interest, gross mismanagement or abuse of authority; or (b) any solicitation of money, goods, requests for future employment or benefit of thing of value, by or on behalf of any government employee, officer or public official, any Respondent's employee, officer, agent, subcontractor, labor official, or other person for any purpose which may be related to the procurement of the RFP by Respondents, or which may affect performance in response to the RFP in any way.

Miscellaneous Provisions

Notice of Modifications

DMPED will post on its website (<http://dcbiz.dc.gov/>) any notices or information regarding cancellations, withdrawals, modifications to deadlines, and other modifications to this RFP. Respondents shall have an obligation to check the website for any such notices and information, and the District shall have no duty to provide direct notice to Respondents.

Change in Respondents' Information

If after Respondent has provided a response to the District, information provided in a response changes (e.g., deletion or modification to any of Respondents' team members or new financial information), Respondents must notify the District in writing and provide updated information in the same format for the appropriate section of the RFP. The District reserves the right to evaluate the modified response, eliminate Respondents from further consideration, or take other action as the District may deem appropriate. The District will require similar notification and approval rights of any change to Respondents' response or Development Team following award, if any.

Ownership and Use of Responses

All responses shall be the property of the District. The District may use any and all ideas and materials included in any response, whether the response is selected or rejected.

Restricted Communications

Upon release of this RFP and until final selection, Respondents shall not communicate with DMPED or District staff about the RFP or issues related to the RFP except as permitted under this RFP.

Selection Non-Binding

The selection by the District of a Respondent indicates only the District's intent to negotiate with a Respondent, and the selection does not constitute a commitment by the District to execute a final agreement or contract with the Respondent. Respondents therefore agree and acknowledge that they are barred from claiming to have detrimentally relied on the District for any costs or liabilities incurred as a result of responding to this RFP.

Confidentiality

Responses and all other information and documents submitted in response to this RFP are subject to the District's Freedom of Information Act (D.C. Official Code § 2-531 et seq.) ("FOIA"), which generally mandates the disclosure of documents in the possession of the District upon the request of any person, unless the content of the document falls within a specific exemption category (e.g., trade secrets and commercial or financial information obtained from outside the government, to the extent that disclosure would result in substantial harm to the competitive position of the person from whom the information was obtained).

If Respondents provide information that they believe is exempt from mandatory disclosure under FOIA ("exempt information"), Respondents shall include the following legend on the title page of the response:

"THIS RESPONSE CONTAINS INFORMATION THAT IS EXEMPT FROM MANDATORY DISCLOSURE UNDER THE DISTRICT'S FREEDOM OF INFORMATION ACT."

In addition, on each page that contains information that Respondents believe is exempt from mandatory disclosure under FOIA, Respondents shall include the following separate legend:

"THIS PAGE CONTAINS INFORMATION THAT IS EXEMPT FROM MANDATORY DISCLOSURE UNDER THE DISTRICT'S FREEDOM OF INFORMATION ACT."

On each such page, Respondents shall also specify the exempt information and shall state the exemption category within which it is believed the information falls.

Although DMPED will generally endeavor not to disclose information designated by Respondents as exempt information, DMPED will independently determine whether the information designated by Respondents is exempt from mandatory disclosure. Moreover, exempt information may be disclosed by DMPED, at its discretion, unless otherwise prohibited by law, and the District shall have no liability related to such disclosure.

Non-Liability

By participating in the RFP process, Respondents agrees to hold the District, its officers, employees, agents, representatives, and consultants harmless from all claims, liabilities, and costs related to all aspects of this RFP.

Other Limiting Conditions**Withdrawal & Cancellation**

If at any time after the District selects a specific Respondent and executes a disposition agreement with the Respondent, and the Respondent does not proceed with the project, then the Respondent must notify the District in writing and provide reasons for its decision. The selected Respondent wishing to withdraw may be subject to the loss of part or all of any deposits previously provided to the District and may be responsible for certain costs previously waived by the District, in addition to any other remedies available to the District under the disposition agreement, or by law. If the District is unable to ground lease the property for any reason, all deposits will be returned to the Respondent and the District shall be released from any and all further liability.

"Stand-Alone" Projects

The development of the property is expected to be a "stand alone" project, in that Respondents are prohibited from cross collateralizing and cross defaulting the property, or any portion thereof, with any other assets. Moreover, Respondents are prohibited from assigning, pledging, hypothecating, or otherwise transferring its interest in the net cash flows or ownership in the property and project in part, or in whole, without prior District approval. Any additional debt shall require prior written District approval. This limitation shall apply until final completion of the project.

Disclosure of Fees

Respondents shall disclose all development management fees, general contracting fees, construction management fees, property management fees, and other fees that are paid to Respondents or affiliated parties during the life of the project. Failure to do so may result in the District terminating, in its sole and absolute discretion, negotiations with a Respondent or terminating the project.

Restrictions

The District is subject to various laws, rules, policies and agreements that impose legal and ethical constraints upon current and former District employees and consultants with regard to post-employment restrictions vis-a-vis such employee's or consultant's involvement in District-led projects. In particular, restrictions include but are not limited to the following guidelines:

- i. All Respondents, its members, agents, or employees, are prohibited from: (i) making responses of employment, (ii) conducting any negotiations for employment, (iii) employing or, (iv) entering into contracts of any sort, with current employees, consultants, or contractors to the District who are personally and substantially involved in any aspect of this RFP;
- ii. Respondents must disclose in their initial responses the names of any member, employee, or agent who within three (3) years prior to the publication of this RFP were District employees, consultants, or contractors to the District. On a continuing basis, Respondents will be required to provide the District with regular and periodic notices of any and all new hires of employees, contracted agents, or consultants within five (5) days of any such hire;
- iii. This provision shall apply to all Respondents during the conduct of this competition, and will subsequently apply to the selected Respondent until such time as final completion of the development of the project;
- iv. Required disclosures and notices notwithstanding, failure to comply with any obligation described in this provision may result, in the District's sole and absolute discretion, in Respondents' disqualification from consideration under this RFP, the rescission of a Respondent's award, and/or termination of any agreement between a Respondent and the District.

QUESTIONS

All questions regarding this RFP must be submitted via e-mail only to Reyna.Alorro@dc.gov by August 21st 2013. Respondents shall not direct questions to any other person within the District except as allowed elsewhere in this RFP. Responses to Respondent questions will be aggregated and posted on the DMPED website: <http://dcbiz.dc.gov/>.

APPENDIX A | FORM OF ACKNOWLEDGEMENT

Respondent hereby acknowledges that, if selected by the District to enter into a disposition agreement, Respondent will enter into a First Source Employment Agreement with the District's Department of Employment Services ("DOES"), pursuant to D.C. Official Code §10-801(b)(7) and D.C. Official Code § 2-219.03 and Mayor's Order 83-265.

Respondent hereby acknowledges that, if selected by the District to enter into a disposition agreement, Respondent will enter into a Certified Business Enterprise ("CBE") Agreement with the District's Department of Small and Local Business Development ("DSLBD"). Pursuant to D.C. Official Code §10-801(b)(6) and D.C. Official Code §§ 2-218.01 *et seq.*, the selected Respondent will enter into an agreement that shall require the Respondent to, at a minimum, contract with Certified Business Enterprises for at least 35% of the contract dollar volume of the project, and shall require at least 20% equity and 20% development participation of Certified Business Enterprises.

The selected Respondent shall enter into a legally binding Letter of Intent ("LOI") or comparable legally binding agreement between the master developer and the CBE partners that demonstrate that the CBE partners meet or exceed the 20% participation goal established by DSLBD. The CBE partners must be certified by DSLBD and documentation showing certification must be made available to the Deputy Mayor's Office for Planning & Economic Development upon request. LOIs should include the following:

- i. Identify the CBE partners;
- ii. The percentage of equity and development participation of each CBE partner;
- iii. A description of the role and responsibilities for each CBE partner; and
- iv. A description of the anti-dilution provisions for the benefit of the CBE partners that will be applied at all stages of the project.

Date:

Signature:

Print Name:

Affiliation:

Phone Number:

Email Address:

Business Address:

APPENDIX B | SITE TOUR WAIVER, RELEASE, AND INDEMNIFICATION

I, _____,
(print name)

hereby affirm that I have carefully read this (the “**Release**”) in its entirety. By my signature below, I agree to each and every term and condition of this Release.

1. I acknowledge that the District of Columbia (the “**District**”) is the owner of the real property known as Lot 0808 in Square 0285, together with all improvements located thereon (the “**Property**”).

2. I acknowledge and understand that the District has issued a Request for Qualifications (“**RFQ**”) for the Property and that the District, acting by and through the Office of Deputy Mayor for Planning and Economic Development (“**DMPED**”), is offering potential Respondents to said RFQ an opportunity to view the Property in which the potential applicant is interested at an “open house,” and, further, that the opportunity to view the Property does not constitute an response, representation, warranty or any other agreement on the part of the District with regard to the Property viewed.

3. I represent that I am attending the tour for the Property at the date and time stated:

_____, 2013 from _____ AM / PM – _____ AM / PM

4. I hereby agree to abide by the orders and directions of the representative(s) of DMPED at the tour for the Property. If I fail to comply with such orders or directions, DMPED may, in its discretion, demand that I leave the Property in which event I agree to do so immediately and without causing a disturbance.

5. I hereby acknowledge that the Property may be, either entirely or in part, in a state of disrepair or otherwise hazardous. I hereby assume all risks and accept full responsibility for any and all damage to myself or others arising from or related to my presence on the Property in connection with the tour. I understand and agree that neither I, my heirs, personal representatives, successors, grantees, and assigns, or anyone claiming any interest through me, will bring any legal action whatsoever against the District, its officials, officers, employees, and agents as a result of any damage, injury, loss or death to myself or my property that arises out of my presence on the Property in connection with the tour.

6. I hereby indemnify and hold harmless the District, its officials, officers, employees, and agents from all liabilities, obligations, damages, penalties, claims, costs, charges, and expenses (including reasonable attorney’s fees), of whatsoever kind and for injury, including personal injury or death of any person or persons, and for loss or damage to any property caused by or occurring in connection with, or in any way arising out of my presence on the Property pursuant to this Release. If any action or proceeding as described in this paragraph is brought against the District, its officials, officers, employees, or agents for which I bear responsibility as expressly provided under this Release, upon written notice from the District, I shall, pay any fees, costs or expenses incurred by the District to resist or defend such action or proceeding.

7. I hereby acknowledge and agree that the assumption of risk, promise not to sue, waiver of liability, and indemnification provided for in this Release includes loss, injury or damage as a result of the negligent acts or omissions by the District, its officials, officers, employees, and agents.

8. I hereby agree that nothing in this Release shall be deemed to waive any rights of any kind that the District now has, or may hereinafter have, to assert any claim against me, including, without limitation, claims with respect to any and all past events or entry on the Property.

9. I hereby agree that if any provision of this Release is held to be illegal, invalid or unenforceable under present or future laws, such provision shall be fully severable and this Release shall be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part of this Release. The remaining provisions of this Release shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance from this Release.

10. I hereby agree that this Release shall be construed under the laws of the District of Columbia without reference to conflicts of laws principles;

11. I hereby waive (i) any objection to the venue of any action filed in any court situated in the jurisdiction in which the property is located, (ii) any right, claim, or power, under the doctrine of forum non conveniens or otherwise, to transfer any such action to any other court, and (iii) trial by jury in any action, proceeding, claim, or counterclaim brought in connection with any matter arising out of or in any way connected with this Release.

12. I hereby agree that this Release shall be binding upon my heirs, personal representatives, successors, grantees, and assigns.

Date: _____

Signature: _____

Print Name: _____

Affiliation: _____

Phone Number: _____

Email Address: _____

Business Address: _____

WITNESS:

Date: _____

Signature: _____

Print Name: _____

Affiliation: _____

Phone Number: _____

Email Address: _____

Business Address: _____

APPENDIX C | SCHEDULE OF PERFORMANCE

(To be completed and submitted with Proposal)

Milestone	Completion Date	Party Responsible
Final Selection & Notice	December 2013	DMPED
Submission of Disposition Agreement and supporting exhibits for Council approval		Developer
Execution of Disposition Agreement (subject to Council approval of surplus and disposition legislation)		DMPED & Developer
Submission of Disposition Agreement Payment		Developer
Submission of application to the DC Historic Preservation Review Board		Developer
Permit Drawing Submission to DMPED		Developer
Permit Drawing Submission to DCRA		Developer
Building Permit Issuance		Developer
Closing and Submission of Closing Payment		Developer
Construction Commencement		Developer
Substantial Completion of Construction		Developer
Certificate of Occupancy Issued		Developer

**APPENDIX D | STATEMENT OF MINIMUM BUSINESS TERMS
DISPOSITION OF FRANKLIN SCHOOL PROJECT PROPERTY
(925 13TH STREET, NW)**

Lessor	Government of the District of Columbia, acting by and through the Deputy Mayor for Planning and Economic Development (the “ District ”)
Lessee/Developer	Entity Name: _____
Description of Real Property	The parcel of land known for tax and assessment purposes as Lot 0808 in Square 0285, and the existing improvements (the “ Property ”).
Disposition Structure	The Property will be conveyed by the District to the Developer via a _____-year unsubordinated ground lease (<i>enter number of years between 20 and 50</i>) under D.C. Official Code § 10-801(b)(8)(F).
Disposition Agreement Payment	In consideration of the District entering into the disposition agreement, Developer shall pay to District \$ _____ at the time of executing the disposition agreement (the “ Disposition Agreement Payment ”). The Disposition Agreement Payment shall be placed in escrow until Closing but shall not be refundable, except in event of District default under the Disposition Agreement.
Closing Payment	In partial consideration of the District’s ground leasing the Property to the Developer, Developer shall pay to District \$ _____ at the time of Closing (the “ Closing Payment ”). The Closing Payment shall not be refundable.
Annual Base Rent	Developer shall pay to District \$ _____ in annual base rent.
Annual Base Rent Escalation	<i>Developer to propose terms:</i>
Rent Start Date	Commences at Closing. <i>Developer to propose rent start date and payment terms on an annual basis:</i>
Redevelopment and Operational Costs	The Developer shall be solely responsible for the costs of redevelopment, renovation, and future operation of the Property. The Developer shall be solely responsible for the payment of all utilities, permit fees, assessments and taxes relating to the Property, including, if applicable, possessory interest tax assessed under D.C. Official Code § 47-1005.01.
Ownership of Improvements	All present and future alterations, additions, renovations, improvements and installations located on or within the Property shall be deemed to be the property of the District and, upon the tenant's vacation or abandonment shall remain upon and be surrendered with the Property. All movable goods, inventory, office furniture, equipment, trade fixtures and any other movable personal property belonging to tenant that are not permanently affixed to the Property shall remain the tenant's property. The District will not be providing any public subsidy to fill any funding gaps or shortfalls.
Conditions of Closing	In addition to the other District standard conditions of Closing, the District’s obligation to convey the Property is conditioned upon: <ul style="list-style-type: none"> • The District’s approval of the Developer’s design, budget and project financing plan; • Developer’s obtaining financing and equity to fund 100% of the development; and

	<ul style="list-style-type: none"> Developer's providing the District development and completion guaranties and land note guaranties to the District's satisfaction.
Developer Financing	Developer shall be responsible for obtaining financing and equity to fund 100% of the Development Program. The District agrees to cooperate with Developer in connection with Developer's proposed financing of the Development Program pursuant to a project funding plan (approved by the District). The District shall not be obligated to extend any additional loan to Developer or grant any funds to Developer in connection with the financing of the Development Program by Developer, and the District shall incur no liability whatsoever should Developer fail to obtain or close on financing for the Project.
Affordable Housing	In the event that the Property is being rehabilitated as a residential project, the District requires that the applicable Inclusionary Zoning affordable housing requirements for the Property be met.
Green Building Requirements	Developer shall construct the project improvements in accordance with the <i>Green Building Act of 2006</i> , D.C. Official Code § 6-1451.01, <i>et seq.</i> (2007 Supp.) and DC's Stormwater Management Program stated in 21 DCMR, Chapter 5. In addition, Developer must submit with its building permit application a LEED checklist indicating that the Improvements are designed to include sustainable design features such that the Improvements meet the standards for certification as a "LEED-Certified" building. Developer must also register the building with the U.S. Green Building Council, must construct the Improvements in accordance with the building permit, and must use commercially reasonable efforts to obtain LEED certification at the "Certified" level for the Improvements once construction has been completed.
Design Review	District shall have the right to approve project plans and drawings related to the design, development, and construction of the improvements on the Property to ensure the quality and compatibility of the proposed improvements.
Post Closing Requirements	Developer shall be bound by the requirements of a Construction & Use Covenant and the Land Note to be attached to the Disposition Agreement, which may be amended with the approval of the District.

The Respondent hereby acknowledges its agreement to be bound to the provisions of this Statement of Minimum Business Terms in the event the Respondent is selected to negotiate for the development and disposition of the Property. The terms of the disposition and ground lease shall be consistent with the terms of this Statement unless the District otherwise agrees in writing, in its sole and absolute discretion.

RESPONDENT:

BY: _____

Name:

Title: