



REQUEST FOR PROPOSALS

Capitol Vista (2nd & H Streets, N.W.)

Square 0563N, Lots 0002-0006 & 0800-0805

Issuance Date: **April 17, 2015**

RFP Response Due Date: **June 05, 2015 (3 pm EST)**

Proposals 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, DC 20004
Attn: Lee Goldstein, Project Manager

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

PROJECT DESCRIPTION

The Opportunity

The Government of the District of Columbia (the “District”), through the Office of the Deputy Mayor for Planning and Economic Development (“DMPED”), seeks to develop Lots 0002 through 0006, and Lots 0800 through 0805, in Square 0563N (the “Development Parcel,” see Figures 1 & 2 for Development Parcel Map). The Development Parcel is located near the intersection of 2nd and H Streets, N.W. and totals approximately 9,653 sq. ft. DMPED will consider proposals that include either a ground lease of no less than thirty (30) years or a fee simple transfer.

DMPED previously issued a Request for Expressions of Interest (“RFEI”) for the Development Parcel and the air rights to an adjacent parcel, on June 20, 2014. However, the District, in its sole discretion, has canceled the previously issued RFEI. ***This Request for Proposals (“RFP”) is a new solicitation, and does not originate from the previous RFEI issued on June 20, 2014. Any and all development teams are eligible to respond to the current solicitation.***

The Development Parcel lies within the Mount Vernon Triangle / Convention Center neighborhood and is currently zoned C-2-A. A monthly license in the form of a right of entry agreement for the operation of parking lots exists on the Development Parcel.

Public records indicate that the area may have been subject to an Urban Renewal Plan for the Northwest Urban Renewal Area from 1968 until 1993 (“1963-1993 Urban Renewal Plan”).¹ Although the 1963-1993 Urban Renewal Plan expired, the plan’s Highway Use Provisions and Residential Use Provisions may continue to be referenced in the title² history of the properties in the area and, if applicable to the Development Parcel, may or may not require negotiating releases of the provisions with the District of Columbia or federal agencies such as the U.S. Department of Housing and Urban Development. In addition, given the proximity of the I-395 Highway to the Development Parcel, development proposals may also require notification to and review by the U.S. Department of Transportation’s Federal Highways Administration, and the D.C. Department of Transportation.

DMPED seeks proposals that encompass the goals set out in this RFP, and will consider both matter-of-right and Planned Unit Development (“PUD”) development Proposals. DMPED will also consider development Proposals that include nearby public or private parcels. The proposed development plans should further reflect the important value of this site to the surrounding community and embody the following characteristics:

- Economic viability,
- Uses that are compatible with and leverage surrounding neighborhood development,
- Responsiveness to community and stakeholder preferences,
- Sustainable and Energy Efficient buildings,
- High architectural design quality,
- Innovative Landscape and Streetscape designs,
- Limited Phases to redevelopment, and
- A transit oriented development that reflects the project's adjacency to multiple public transit options including DDOT’s preferred alternative route for the premium transit/streetcar line extension from Union Station to Georgetown along K Street NW.

DMPED 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 DMPED’s sole discretion and without prior notice.

¹ The 1963-1993 Urban Renewal Plan for the Northwest Urban Renewal Area, approved by the Board of Commissioners of the District of Columbia on October 10, 1963, recorded on October 22, 1963, in Liber 12091 at folio 359.

² 1979 Deed of Conveyance, recorded on October 19, 1979, Instrument Number 35887.

Selection Process Timetable*

1. Issuance of Request for Proposals	April 17, 2015
2. <u>Pre-Response Information Session and Site Visit</u> Day/Time: May 06, 2015 at 1 pm Location: Northwest One Library, 155 L St NW, Washington, D.C. 20001	May 06, 2015
2. RFP Response Due Date (3pm)	June 05, 2015
4. Request and Submissions of Best and Final Offers (If Applicable)	June 2015
5. Final Selection of Short Listed Respondent Team	Summer 2015

*Subject to change

Development Parcel Information

Figure 1: Development Parcel Map. Map not to scale. Parcel location lines approximate.



Figure 2: Development Parcel Information.

	<i>Capitol Vista (2nd and H St, NW)</i>
<i>Location</i>	<i>Lots are bounded by 2nd Street N.W. to the west, H Street N.W. to the south, and New Jersey Avenue N.W. to the northeast.</i>
<i>Square</i>	<i>0563N</i>
<i>Lots</i>	<i>0002-0006 and Lots 0800-0805</i>
<i>Total Square Footage</i>	<i>9,653 sq. ft.</i>
<i>Owner</i>	<i>District of Columbia (DMPED)</i>
<i>Zone</i>	<i>C-2-A</i>
<i>2014 Tax Assessed Value</i>	<i>\$1,447,950</i>
<i>Known-Adjacent Stakeholders/Property Owners</i>	<i>Carmel Plaza North Associates, LLP, 251 Massachusetts Avenue LLC, GRA Properties Limited Partnership, District of Columbia, Jemal's Darth Vadar LLP</i>

Location: As shown in Figure 1, the Development Parcel is located near the intersection of 2nd and H Streets NW. The Development Parcel is identified as Lots 0002-0006 and Lots 0800-0805 in Square 0563N.

Frontage, Size, and Shape: The Development Parcel is generally triangular in shape and has frontage on 2nd Street N.W., New Jersey Avenue N.W., and H St N.W and has a total size of 9,653 sq. ft.

Existing Uses: The Development Parcel is subject to a monthly license in the form of a right of entry agreement for the operation of a parking lot.

Visibility/Access: The Development Parcel has good visibility/access from 2nd Street, N.W., New Jersey Avenue, N.W. and H St, N.W.

Soil and Environmental: The Development Parcel is offered “as-is”. DMPED makes no representations or warranties as to any soil or environmental conditions at the site.

Property Advantages:

Public transit in the form of multiple stops, bus and circulator lines, have made the Development Parcel a prime real estate location. Additionally, the Development Parcel is situated in between the NoMa and Mt. Vernon Triangle neighborhoods, blocks from the United States Capitol Building, Union Station, and the Downtown Business District.

- **NoMa:**

Located just northwest of Union Station and only a few blocks from the Capitol, NoMa is rapidly transforming into one of the District’s most exciting mixed use centers. As each new building in NoMa is constructed, the neighborhood’s emergence as a vibrant mixed-use center comes closer to reality. A few blocks east, First Street, NE, is fast becoming NoMa’s central boulevard — a walkable, tree-lined main street complete with bike lanes, retail and pedestrian amenities anchored by DC’s largest Harris Teeter. A former industrial area, this 35-block neighborhood will soon be home to more than 20 million square feet of high density, mixed use development, including thousands of new residential units interspersed with high rise office buildings and new hotels, restaurants, shops, and cafes. Many well-known private companies, nonprofits and government agencies call NoMa home, including CareFirst, Kaiser Permanente, American Medical Association, Mathematica, ATF, EEOC, the Department of Justice and the U.S. Department of Education. NoMa is also a growing hub for media companies with CNN, Sirius XM Radio, CQ-Roll Call and NPR’s new headquarters.

NoMa is rapidly transforming into a bustling, vibrant neighborhood with \$5 billion in development investment since 2001, more than 3,900 apartments under construction or recently delivered and modern office towers, three hotels and new destination retail space in the pipeline. The neighborhood has 22 LEED and Energy Star Certified buildings, the eight-mile Metropolitan Branch bicycle trail connecting NoMa to Silver Spring, Maryland, and state-of-the-art biking amenities. Landscaping, beautification and public art projects currently underway will further enhance the neighborhood. There are 45,000 employees in NoMa, with 24 shops and restaurants having opened in the past three years.

- **Mount Vernon Triangle:**

Mount Vernon Triangle is downtown’s hottest emerging neighborhood offering an exciting mix of new places to live, work, shop, and dine. Location is everything for this 15-square block neighborhood on the East End of downtown within walking distance of the Washington Convention Center, Verizon Center and the Capitol. With 6,300 residential units, 1.2 million square feet of office space, and 150,000 square feet of retail space, Mount Vernon Triangle is now a destination to live. Furthermore, with 973 additional residential units, 1.8 million square feet of additional office space, and another 157,000 square feet of new retail offerings planned over the next few years, the Triangle is on the fast track. CityVista, a large mixed-use project with 685 residential units and 117,000 square feet of retail space, is the draw at 5th and K Streets, NW, as is the newly completed City Center DC. Perennial DC favorites, such as Busboys & Poets restaurant, Taylor Gourmet, Kushi, Mandu, Chipotle, Sweetgreen, an urban lifestyle Safeway, 5th Street Ace Hardware and Vida Gym draw a dynamic urban population. Mount Vernon Triangle is easily walkable and accessible. Public transit is abundant with four Metrorail stations (Mount Vernon Square -Convention Center, Gallery Place - Chinatown, Judiciary Square, and

Union Station) ringing the neighborhood and extensive bus service, including the popular DC Circulator. Major roads serving The Triangle include K Street, Massachusetts Avenue, New York Avenue, and I-395.

- **Union Station**

One of the largest and most important transportation hubs in the nation, Union Station sits just to the east of both parcels along Massachusetts Avenue NW. An expansive multi-modal facility, Union Station serves as a primary access point for intercity/commuter rail and bus services, Metrorail and Metrobus services, as well as taxis, cars, pedestrians, bicycles and a future streetcar line. The station sees as many as 100,000 rail and transit passengers per day, and it is set to triple its capacity within the next two decades through ongoing renovation as a part of its Second Century Master Plan. A major goal of this master plan is to connect Union Station to all three of the region's major airports (Dulles, Reagan-National, and BWI) directly by rail without the need for transfers.

Development Program

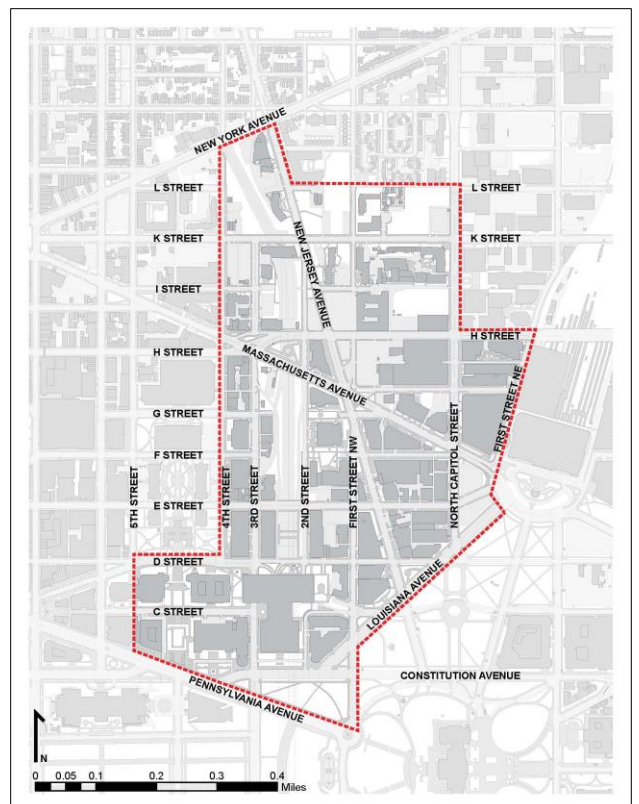
DMPED encourages proposals that include the following:

- I. High quality and innovative architectural design. Proposals should incorporate architectural images of the proposed project to show how it complements the neighborhood character while accommodating necessary uses.
- II. High level of streetscape design, including building features that directly link to the sidewalk level, promote a pedestrian-friendly and walkable neighborhood character, and a high degree of visual continuity along street corridors.
- III. Mixed-use development, including retail that would serve the neighborhood and broader areas. Proposals that include preferences for District-based businesses, and/or businesses that hire District residents, are strongly encouraged. Additionally, Respondents are encouraged to include in their Proposals retail space for local and emerging businesses.
- IV. A residential mixed-income component should maximize affordability (at a minimum, affordability levels must be compliant with the District's Inclusionary Zoning and the Disposition of District Land for Affordable Housing Amendment Act of 2014). Residential development should provide a mixture of unit types and sizes across multiple AMI levels and affordable units should be comparable to the market rate units
- V. Respondents are encouraged to include in their Proposals an appropriate amount of parking that reflects the project's proximity to a Metro Station and other transportation infrastructure. All project amenities, including any rental of parking spaces, should be offered to affordable housing units on the same terms as offered to the market rate housing units.
- VI. A commitment to build to the highest density allowable on site.

District of Columbia Policy Goals & Requirements

Downtown East Re-Urbanization Strategy

The parcels lie in the vicinity of an area that has received and is expected to receive considerable investment. Major projects such as the recently opened H Street Walmart and 77 H Residences and the recent groundbreaking of the Capitol Crossing air-rights development and the upcoming expansion of Union Station/Burnham Place development all seek to solidify this area's status as a central and vital component of the city's downtown fabric. To better understand the opportunities and challenges to development in the area, the DC Office of Planning (OP) is working closely with area stakeholders to develop a framework strategy for the Downtown East neighborhood. This area generally spans the path of the I-395 Center Leg Freeway through Downtown Washington, from Pennsylvania Avenue NW to New York



Avenue NW, bordering both Judiciary Square and Union Station.

The purpose of the Downtown East project is threefold: (1) to convene area stakeholders in a dialogue on the role public and private entities can play in leveraging additional investment to the area, (2) to develop planning recommendations on the topics of transportation, accessibility, parks/open space, economic development, infrastructure needs, urban design, and sustainability for the area; and (3) to draft an investment strategy that details specific steps and resources necessary to achieve the recommendations for both the short-term and long-term timelines.

As a part of this project, OP has conducted an economic/market analysis detailing the current and projected demand for office, residential, hotel and potential niche commercial uses within the project area. OP is also in the process of identifying a series of opportunity sites where targeted investment can best be used to transform under-utilized sites and bring overall improvements to the area. The final report of the Downtown East Re-Urbanization Strategy is set to be released in September 2015.

For further information, please contact Timothy Maher, Community Planner for the Office of Planning at 202.442.7704 or at timothy.maher@dc.gov.

Planning and Zoning Framework

The Development Parcel has a base zoning of C-2-A. It is not within a Historic District.

Comprehensive Plan

The Comprehensive Plan Future Land Use Map designates all of Square 563N for a mixture of High Density Commercial/Residential. The designation anticipates residential, office, retail, hotel, or other commercial or mixed-use development. The Comprehensive Plan Generalized Policy Map places this site within a Land Use Change Area, intended to identify areas where change to a different land use is anticipated.

Zoning

The Development Parcel is zoned C-2-A. C-2-A allows by right moderate density development of a broad range of uses, including office, hotel, retail, and mixed use. The C-2-A Zone permits a 2.5 FAR of development (3.0 FAR through the District's mandatory Inclusionary Zoning program for affordable housing), although non-residential development is limited to an FAR of 1.5, and a 50 foot height limit by-right. Because the Development Parcel is less than 15,000 square feet, utilization of the Planned Unit Development (PUD) process would require a waiver pursuant to 11 DCMR § 2401.2.

Information on the Comprehensive Plan and Zoning can all be found at the Office of Planning ("OP") website: <http://www.planning.dc.gov/>. Please contact Patricia Zingsheim at the Office of Planning at 202.442.8965, patricia.zingsheim@dc.gov or Joel Lawson at 202.442.8802, joel.lawson@dc.gov for more information.

Transportation Planning Framework

The District Department of Transportation's (DDOT)'s commitment to building a safe and efficient transportation network will guide all review of transportation-related issues regarding development of the Development Parcel. The Development Parcel has excellent multi-modal transportation access, as it is near multiple Metro stations and several high capacity bus routes. Because of this, DDOT anticipates many people accessing the Development Parcel via non-automobile modes. The Development Parcel is adjacent to two planned transportation projects and one active construction project:

- the conversion of New Jersey Avenue from one-way to two-way operations between H Street NW and N Street NW (http://ddot.dc.gov/sites/default/files/dc/sites/ddot/publication/attachments/recommended_multi-modal_alternative_november-30-2012.pdf). This project is fully funded and is expected to begin construction in FY15.
- DDOT has completed an initial planning study that focuses on a streetcar alignment along K Street, New Jersey Ave, and H Street connecting Union Station to Georgetown (<http://www.dcstreetcar.com/wp-content/uploads/2013/10/USGT-AA-NoAppendices.pdf>). An Environmental Assessment is underway to

- determine if there are any potential impacts resulting from the proposal. DDOT has not yet identified potential ancillary needs such as vehicle storage facilities or power needs (<http://www.unionstationtogeorgetown.com/>).
- ongoing changes associated with the Capitol Crossing project (<http://www.i395ea.com>), including the ongoing reconfiguration of surface streets at Massachusetts Avenue, 2nd Street and H Street NW and the new I-395 freeway entrance ramp from 3rd Street NW to Massachusetts Avenue NW. This project is currently beginning a complex construction process.

Applicants should also review DDOT's MOVEDC document, the District's comprehensive and long-range transportation plan.

Applicants should coordinate closely with DDOT to ensure that Proposals work within and support the changes to the transportation network. Proposed changes impacting the District's transportation infrastructure must be consistent with the DDOT Design and Engineering Manual (DEM) and would require close coordination on construction-related transportation issues and a Maintenance of Traffic (MOT) plan. Additionally, Proposals that affect the existing I-395 right of way or any structures related to the roadway may be subject to federal environmental review, which would require additional coordination with DDOT and other local, regional, and federal stakeholders. Vehicle site access for development is expected to be consistent with District standards, guidelines, and policies to site access, and the Development Parcel is expected to be accessed from either New Jersey Avenue or 2nd Street, as there will likely be concerns with approving driveway access from H Street. DDOT encourages minimizing vehicular parking spaces due to site access constraints, existing traffic volumes in the area, and excellent transit access, which offers other transportation opportunities. Additional information on DDOT's policies regarding development review guidelines can be located at DDOT's website: <http://ddot.dc.gov/page/development-review>. For further information, please contact Jonathan Rogers at DDOT's Policy, Planning, and Sustainability Administration Office at 202.671.3022, jonathan.rogers2@dc.gov.

Public Space

The District Department of Transportation (DDOT) in partnership with the Office of Planning works to ensure the design of public space is of high quality and meets minimum requirements. To this end, the District has in place streetscape standards, guidelines, and policies to guide changes to public space. Uses that impact the character of public space include sidewalk cafes, vending, street festivals, and other impermanent activities. Physical features that impact the character of public space can include sidewalk paving material, fences and retaining walls, street trees and their spacing, vault spaces, other infrastructure like street lights or curb and gutters, and any building encroachments into the public space. Existing curb cuts must be permitted to be retained and reused, and there will likely be concerns with approving new or existing curb cuts from H Street. Further, vault uses are expected to be accommodated on private property. Full restoration of the public space is expected, and must be consistent with the planned changes to the right-of-way associated with ongoing and planned DDOT projects in the vicinity. The Development Parcel falls within the Mount Vernon Triangle design guideline area, and respondents should refer to the Mount Vernon Triangle Transportation and Public Realm Design Manual for additional information. Further information is available here: www.planning.dc.gov/node/598852. Applicants should work within existing public space design guidelines to create additional public amenities that further serve to activate and improve the existing streetscape. The Applicant may also refer to the District of Columbia Municipal Regulations and DDOT's Design and Engineering Manual for specific controls of public space. A summary can be found in DDOT's Public Realm Design Manual.

Community & Stakeholder Outreach

The success of any development project hinges on the inclusion and support of the local community. Respondents are strongly encouraged to work with the Advisory Neighborhood Commission (ANC) 6E and the local community residents to understand how the community's goals can be met in the Respondents' Proposals. The building design should demonstrate architectural excellence, consistent with the surrounding buildings, and be open and inviting as a compliment to the existing and new developments in the surrounding area. Proposals should consider and incorporate stakeholder and community preferences, to the extent feasible and practical.

Sustainability and Green Building Requirements

The Development Parcel 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 be based on these regulations. Specific design criteria are stated in the Storm Water Guidebook which is available online at <http://ddoe.dc.gov/publication/stormwater-guidebook>.

The Sustainable DC Plan has been established to ensure that 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 developing sustainable projects, if any, in their response.

Furthermore, as outlined in the Sustainable DC Plan, the District of Columbia has committed to improving the performance of existing buildings and ensuring the highest standards of green building design for new construction. By 2032, the city has committed to retrofit 100% of existing commercial and multi-family buildings to achieve net-zero energy standards and meet net-zero energy use standards with all new construction projects. The existing laws and regulations, including the Green Building Act of 2006, the DC Green Construction Code, and the updated stormwater regulations, among others, provide a strong foundation for the broader sustainability goals of the District. However, in order to achieve the targets set forth in the Sustainable DC Plan, the DC government plans to lead by example and give consideration for projects that are exceeding the basic legal requirements and forging a path towards true sustainability. Therefore, in this RFP, preference may be given to projects that:

- Exhibit a commitment to environmental performance beyond the requirements set forth in existing laws and regulations, including commitments to LEED certification at the Gold level or higher and/or a commitment to follow LEED v4, the newest version of the LEED rating system.
- Surpass basic LEED certification by designing to achieve net zero energy "ready" buildings (deep efficiency with energy use intensities below 30 kBtu/square foot/year), net zero energy (either produced onsite and/or from newly installed renewable energy in the region), net zero waste (meaning above 90% diversion of waste both during construction and when occupied), and / or the processing of stormwater for the 1.7 inch stormwater or higher, and a collection and reuse of rainwater and greywater onsite, or full Living Building Challenge certification.

DC-specific market analysis reveals that there are strong financial incentives for building deeply green, utility efficient buildings with renewable energy systems. The Net Zero and Living Building Challenge Financial Study: A Cost Comparison Report for Buildings in the District of Columbia found a 3-year simple payback for typical multifamily or office new construction when incorporating deep energy efficiency and then achieving net zero energy by deploying renewables. A national study of solar financial incentives also lists DC as one of the top cities to invest in solar photovoltaics.

To build capacity for this type of deep green building, the DC government has a range of initiatives that include financial assistance resources for potential project teams. These include the DC Sustainable Energy Utility, DC PACE Program, RiverSmart Communities, RiverSmart Rewards, RiverSmart Rooftops and the Stormwater Retention Credit Trading programs.

First Source

Pursuant to D.C. Official 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.), the rules and regulations promulgated thereunder and Mayor's Order 83-265, Respondents recognize that one of the primary goals of the District 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 Employment 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 A. A copy of the First Source Employment Agreement may be found at the following website: <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 DeCarlo Washington, Contract Compliance Monitor, at DOES at 202.698.5772, decarlo.washington@dc.gov, for more information.

Certified Business Enterprises

The Respondent selected by the District to enter into a disposition agreement shall comply with the requirements of the Small and Certified Business Enterprise Development and Assistance Act of 2005, D.C. Official Code §§ 2-218.01 *et seq.* ("CBE Act"). Pursuant to D.C. Official Code §10-801(b)(6) and the CBE Act, the selected Respondent shall subcontract to Small Business Enterprises ("SBEs") at least 35% of the total development budget. If there are insufficient qualified SBEs to fulfill the 35% requirement, the requirement may be satisfied by subcontracting 35% to qualified Certified Business Enterprises ("CBEs"). Pursuant to §2-218.49a of the CBE Act, Small Investors, Disadvantaged Investors, or Certified Equity Participants shall invest at least 20% of the total sponsor equity, excluding debt financing, mezzanine financing, or other equity contributions by limited or institutional investors; and, in addition to complying with the general 35% SBE subcontracting provisions, at least 20% of the dollar volume of non-construction development goods and services shall be subcontracted to SBEs. 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 above. The District's Department of Small and Local Business Development ("DSLBD") determines which entities qualify as SBEs, CBEs, Small Investors, Disadvantaged Investors, and Certified Equity Participants pursuant to the CBE Act. Respondents are encouraged to exceed the District's SBE/CBE subcontracting and participation requirements. Respondents must sign the Acknowledgement Form attached as Appendix A and return to DSLBD prior to executing a disposition agreement.

Labor Peace Agreement for Hotel Uses

A Respondent whose Response contemplates a hotel use on the Development Parcel will demonstrate to DMPED that it has entered into a Labor Peace Agreement with any labor organization that seeks to represent employees involved in hotel operations on the Development Parcel as a condition precedent to DMPED's consideration of the Response. "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 RFP or similar solicitations by the Respondent that pertains to hotel operations.

Davis Bacon

To the extent applicable, the selected Respondent shall be required to develop the Development Parcel in compliance with the provisions of the Davis-Bacon Act, 40 U.S.C. § 276(a), and the regulations promulgated therewith.

Local Hiring & Business Opportunities

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

Affordable Housing

In the District's efforts to provide a greater number of Affordable Dwelling Units (ADUs), if a Respondent's proposed development plan includes a residential component, then Respondent's proposal must include, at a minimum, the number of ADUs at AMI (defined below) levels that are required by the Inclusionary Zoning provisions of the District of Columbia Zoning Regulations (11 DCMR §§ 2600 *et seq.*), as applicable, and the Disposition of District Land for Affordable Housing Amendment Act of 2014 (D.C. Act 20-485) ("**ADU Act**").

Affordable rental and for-sale units shall be delivered and administered in accordance with an affordability covenant to be entered into with the District and recorded against the Development Parcel. Among other provisions, the affordability covenant will provide that any buildings 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 ADUs targeting senior citizens are considered an eligible residential use and must conform to the same affordability standards applicable to other residential unit types. The term of the affordable housing requirements shall be the longer of: (a) the term required by the financial sources utilized by the Developer to construct the ADUs, (b) the term required by the Inclusion Zoning laws, if the same is applicable, (c) the term required by the ADU Act, or (d) thirty years, and will be agreed upon by the District and selected Respondent in the disposition agreement and affordability covenant. All project amenities, including any rental of parking spaces, shall be offered to ADUs on the same terms as offered to the market rate housing units.

As part of the response, each Respondent shall use the below Chart 1 as the maximum ADU purchase and rental price assumptions. While the maximum prices and rental rates for 2015 are identified in Chart 1 below, each Respondent should conduct its own research into sub-market residential for sale and rent prices to ensure their estimated affordable unit rent or purchase prices are well below the market rates.

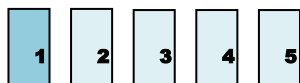
Chart 1: Affordable Housing Maximum Purchase and Rental Prices as of January 21, 2015.
(Chart for 2015 anticipated in Spring 2015)

Unit Type	30% AMI		50% AMI	
	Rent*	Purchase Price	Rent*	Purchase Price
Studio	\$ 573	\$ 53,300	\$ 956	\$ 120,800
1 Bedroom	\$ 614	\$ 46,700	\$ 1,024	\$ 119,600
2 Bedroom	\$ 737	\$ 38,500	\$ 1,229	\$ 126,500
3 Bedroom	\$ 860	\$ 44,900	\$ 1,433	\$ 146,100

Unit Type	60% AMI		80% AMI	
	Rent*	Purchase Price	Rent*	Purchase Price
Studio	\$ 1,147	\$153,600	\$ 1,529	\$ 219,100
1 Bedroom	\$ 1,229	\$154,800	\$ 1,638	\$ 225,000
2 Bedroom	\$ 1,474	\$168,600	\$ 1,966	\$ 252,900
3 Bedroom	\$ 1,720	\$195,300	\$ 2,293	\$ 293,600

The ADU Act can be found on the DC Council website at lims.dccouncil.us.

PROPOSAL REQUIREMENTS AND SELECTION PROCESS



Stage 1: Issuance Date of Request for Proposals

Issuance of RFP

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

Information Session and Site Visit

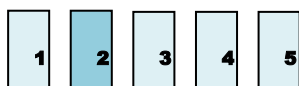
DMPED will conduct an information session and site visit of the Development Parcel on May 06, 2015. The information and Q&A session will be at Northwest One Library, 155 L St NW, Washington, D.C. 20001 and the site visit will continue to the Development Parcel.

The tentative schedule for the Information Session and Site Visit is as follows:

1:00 – 1:15 pm: Check-in
1:15 – 2:00 pm: Information and Q&A Session
2:00 – 3:00 pm: Tour of Development Parcel

Respondents should RSVP by Monday, May 4th, by emailing lee.goldstein@dc.gov with the name, organization, phone number, and email address of the attendee.

ALL ATTENDEES SHOULD COMPLETE THE SITE TOUR WAIVER, RELEASE, AND INDEMNIFICATION FORM THAT HAS BEEN ATTACHED AS APPENDIX C. WAIVER FORMS WILL BE COLLECTED PRIOR TO ADMITTANCE TO THE INFORMATION SESSION & SITE VISIT. THOSE THAT HAVE NOT COMPLETED THE WAIVER, RELEASE, AND INDEMNIFICATION FORM WILL NOT BE PERMITTED ON-SITE.



Stage 2: Submission of Request for Proposals

Proposals are due by June 05, 2015 at 3:00 PM Eastern Standard Time. DMPED will determine, in its sole discretion, whether each proposal received in reply to the RFP is responsive and acceptable. The decision of DMPED, in its sole and absolute discretion, shall be final. ***Proposals that do not meet the following requirements will be deemed “Non-Responsive” and will not be considered. Further, proposals will be deemed “Non-Responsive” if they are contingent on future site control of additional parcels, closure of streets, roadways, or public rights of way, or any conditions or demands made upon the District.***

Format

All Proposals must meet the following format requirements:

- I. Proposals shall be prepared on 8½” x 11” letter-size paper, bound length-wise, with tabs to separate sections.
- II. Proposals 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.
- III. Proposals must not exceed twenty-five (25) pages, excluding appendices.

Response Contents

Executive Summary

Respondents shall provide an Executive Summary of their Response. The Executive Summary should highlight key components of the Respondent’s Response. In particular the Executive Summary should (1) articulate the vision for the Development Parcel; (2) discuss how the District and surrounding neighborhood will benefit from the proposed project (i.e., economic impact, job creation, etc.); and (3) describe how the proposed project fits within the existing neighborhood fabric. The summary should not exceed two (2) 8.5x11 pages.

Respondent Team Identities & Details

Respondents shall identify the following key team entities:

Development Partners	<i>Identify any and all development partners for the project. Please identify (a) the decision making individual for the entity and, if different, (b) the day-to-day lead individual who will be available to respond to questions or requests for additional information.</i>
Capital Sources	<i>If applicable, construction and permanent lenders, major investors, and other key consultants, if any, included in the financing plan.</i>
Design Team	<i>If applicable, any architects, engineers, consultants, etc. included as part of the proposed team.</i>
Other relevant team members	<i>If applicable, please identify.</i>

Team Member Details

For each team entity identified in the section above, Respondents shall identify the following for the point-of-contact at each 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>

Finally, Respondents shall provide information that explains the relationship among team members, CBE entities, their respective roles and contributions to the project, and the overall management of the team.

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.

Organization Status

Respondents shall provide the status of the primary entities (developers, tenants, etc., and 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 entity 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.

Organizational Chart and Bios

Respondents shall provide an organizational chart of the development team and brief commentary, clearly illustrating the project ownership. Additionally, Respondents shall provide a complete, detailed narrative clearly identifying each principal, partner and/or co-venturer proposing to participate in the project including ownership percentages. For each principal, partner, co-venturer or known major subcontractor, Respondents shall identify discipline or specialty (e.g., community planning, A/E design, development, construction and property management). Respondents shall provide brief bios of all the key personnel from the Respondent's Team who will be working on the project and outlining relevant experience.

Evidence Regarding Creation of Respondent

Respondents shall provide a copy of any written agreements or documents (e.g. articles of incorporation, operating documents, etc.) evidencing the creation of Respondent's entity; however, it is not necessary to have a project-specific legal entity formed in advance of submitting a Response. The principals, partners, or joint-venture partners who are part of Respondents' teams must be eligible to transact business with the District and in the District of Columbia.

Qualifications and Experience

Respondent shall identify three (3) urban infill development projects comparable to Respondent's proposed project, and with which Respondent or their key personnel have had primary involvement. Respondent should include past

projects that have a comparable mixed use component. For each relevant project, Respondent shall identify the following:

- I. Development team name;
- II. Project name or title;
- III. Location or address of project;
- IV. The names and contact information for team members involved in the project, along with a description of each party's role in the project;
- V. Description of project, including use(s), total square footage and number of units, keys, etc. (if applicable);
- VI. Period of performance;
- VII. Estimated total development costs, if project is not yet complete, OR actual total development costs, if project is complete;
- VIII. Projected groundbreaking and completion date, if project is not yet complete, OR actual groundbreaking and completion date, if project is complete;
- IX. Proposed OR actual financing structure of the project;
- X. Illustrative materials that will help DMPED evaluate the caliber, innovation and relevant experience of Respondent's development team; and
- XI. References (at least one per project), including names, mailing addresses, e-mail addresses, telephone numbers, and a letter authorizing each reference to respond to inquiries regarding the design, financing, development, disposition, or management of prior projects.

Design Vision

DMPED seeks high quality architecture for this development. Proposals are expected to have a signature design, which complements the neighborhood character, and creates a pedestrian friendly environment. Respondents shall include a narrative (no more than 2 pages), which describes the rationale for the particular architectural solution proposed including:

- I. Building placement/site planning;
- II. Building configuration and active street frontages;
- III. Elevations with a description of the materials; and
- IV. Building mass/volume.

Project Concept

Respondents shall describe, in detail:

- I. The overall concept and vision for the Development Parcel; and how the vision will integrate with and enhance the surrounding community;
- II. Development plans (Respondents are strongly encouraged to provide conceptual design drawings that are sufficient in detail to be easily evaluated by DMPED, including elevations and project renderings);
- III. Evidence of market demand for Respondent's proposed uses;
- IV. If applicable, evidence of Respondent's property rights in other parcel(s) (in the form of a binding agreement or contract that allows Respondent to unilaterally control such other parcel(s) that may be accretive to the project;
- V. If applicable, detailed phasing plan that describes Respondent's strategy and timing for delivering various components of the project.
- VI. Respondents' zoning strategies for the project, including a detailed explanation and justification for any proposed zoning variance or PUD. If applicable, Respondents should provide a schedule that fully describes each step in the approval process necessary for entitlements assumed in the Response.
- VII. The project's transportation and parking strategy, taking into account the Development Parcel's location close to multiple Metro Stations and bus stops, and major transportation corridor.

Development Program

Respondents shall identify and describe in detail the elements of their proposed development. The Respondent must submit at least one development program along with the construction schedule and the primary Sources and Uses Statement. This development scenario (or an alternate scenario if provided) will serve as the basis for evaluation. Respondents are encouraged to describe in detail how they believe the development program meets or exceeds the Districts and RFP's goals and objectives. Respondents should include the following:

- I. Provide a project narrative indicating the scope of work, scale and character of the project.
- II. The estimated achievable gross floor area below and above grade (on-site FAR).
- III. Provide a visual representation of the proposed development and provide schematic plans that include basement plan, ground floor plan, typical floor plan and roof plan, elevations of front, side and rear views. Such visual representation need not be elaborate or costly, but should offer DMPED a clear picture of the proposed end result. If possible, provide color renderings or three dimensional graphics for better understanding of the project.
- IV. Provide the total number of residential units by unit mix, affordability, unit size, and the average net square footage for each unit type.
- V. Provide rent/sales projections for each type of program use.
- VI. Gross square footage for all different types of program uses including all above and below grade parking space. For retail space, total gross square footage, the number of bays and the intended type of retail tenant must be specified.
- VII. Parking and loading plans, including access points.
- VIII. Landscape plan showing the typical landscape materials planned to be used on the property and in the public realm, including street furnishings, lighting, landscape and streetscape elements.
- IX. Provide a proposed project timeline for the design, construction and occupancy periods, including any phasing of the development.
- X. Proposed development schedule (see Reservation of Rights & Miscellaneous provisions) and related contingencies, if any, given DMPED's stated desire to deliver a quality project within the shortest amount of time.
- XI. For proposed housing and/or commercial space, a management plan must be included. Provide the name of the management company, a company profile and a description of services, to include experience in affordable housing.
- XII. Description of any proposed additional project or neighborhood related amenities.

Affordable Housing (If Applicable)

Any proposal that includes a development plan with a residential component shall include ADUs. The ADUs shall be constructed, rented and/or sold in accordance with an affordability covenant to be entered into with the District. 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 AMI levels, so that ADUs are not clustered in any portion (floor, section, or tier) of the development. Market rate and/or ADUs targeting senior citizens are considered an eligible residential use and must conform to the same affordability standards applicable to other residential unit types.

1. Regarding the provision of ADUs, Respondents shall provide a description of the following:
2. The project's impact on the District's affordable housing goals and other economic development objectives.
3. The integration of the ADUs within Respondent's proposed development plan. ADUs must be dispersed, not clustered, throughout the residential component(s) and mixed with market-rate units.
4. The rent [and/or sale] projections for each ADU 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 ADU.
5. The number and total percentage of ADUs by AMI and unit size type and the amount and percentage of square footage devoted to ADUs.
6. The Respondent's proposed strategy for the marketing, operating and administering of ADUs in its project.

Each Respondent should use the most current 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 ADU 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 ADU (reference Chart 2). Appendix H ("HUD Housing Allowance Tables") 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 ADUs (reference Chart 4).

Project Implementation

Respondents shall identify and describe the following:

- I. The amount of sponsor equity immediately available to be committed to predevelopment activities upon selection (***Respondents are hereby put on notice that all predevelopment expenses and costs are at the sole risk of the Respondents and under no circumstances shall the District be responsible to reimburse the same***);
- II. The design and construction timetable and milestones through project completion. Respondent is required to complete and submit with the Response the "Schedule of Performance" attached in Appendix B. The Schedule of Performance should list each step in the redevelopment process through project completion and operation.

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 response, 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.

Economic and Public Benefits Analysis

Respondents must provide a detailed, but concise, overall description as to how their response will benefit the economy of the District of Columbia. In particular, Respondents should provide the estimated number of new construction and permanent jobs to be created for District residents, all new tax revenue to be generated on an annual basis upon stabilization (e.g. construction period taxes, property taxes, sales taxes, etc.), and contracting opportunities for CBE businesses, as well as any additional community benefits that the response offers. Respondents should list the number of full-time jobs and full-time equivalent jobs by type.

First Source

As part of their Proposals, Respondents must complete and deliver the Form of Acknowledgement attached as Appendix A, hereto. 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

As a part of their Proposals, Respondents must complete the Form of Acknowledgement attached as Appendix A, hereto. 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 Proposals 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 businesses 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.

Respondents' Financial Capacity and Capability

DMPED seeks to evaluate Respondents' ability and willingness to invest sponsor equity and self-fund project predevelopment costs. Therefore, regardless of the status of the Respondent's organization (whether a corporation, a non-profit or charitable institution, a partnership, a limited liability corporation, a business association, joint venture, faith based or other), they should include the following items:

- I. Provide a narrative or tabular statement identifying the Respondent's members', team's, shareholders', or partners' ability and commitment to invest equity capital into the proposed project. Additionally, the Respondent shall show how financial capabilities are distributed among key participating entities.
- II. Evidence of the financial capacity of Respondents members, team, shareholders, or partners by providing the last three (3) years of audited (strongly preferred) or unaudited financial statements, 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 information; and
- III. Newly formed entities, partnerships and joint ventures should provide deliverables from sub-paragraphs I and II for each of their entities members.

Proposed Financing Strategy

The District seeks to **maximize** the cash proceeds or in kind consideration from the ground lease or disposition of the Development Parcel. In determining economic feasibility, Respondents may take into account all available **non-District** sources of financing or other private or federal assistance that may benefit the project. The District will **not** provide any public subsidy or abatement to fill any funding gaps or shortfalls.

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. The summary should not exceed two (2) 8.5x11 pages and should include at a minimum, but not limited to, the following:

- Development team members introduction
- Design
- Development program; to include planned retail use, and residential mix and unit size if applicable

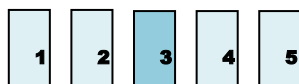
Development RFP Deposit

Amount: \$50,000
Format: Standby, irrevocable letter of credit (See Appendix B for form.)
Due At: RFP Response submission
Conditions: If a Respondent's Response is not selected, the letter of credit shall be returned to the Respondent. If a Respondent's Response is selected, the letter of credit will be considered a non-refundable deposit, only to be returned upon project stabilization.

Submission Directions

Seven (7) hard copies, either bound or in ringed binders, and two (2) electronic versions on CD-ROM in PDF and fully functional Microsoft Excel formats, of the Response identified by "2nd and H Sts NW – Development Team RFP" on the envelope, must be submitted to and received by 3:00 P.M. Eastern Time on June 05, 2015. Please clearly indicate any original documents with the submission package. Such Response must be 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, DC 20004
Attn: Lee Goldstein, Project Manager



Stage 3: Short List Recommendation Panel

Selection Recommendation Panel

A multi-agency Selection Recommendation Panel (“Panel”) may be established to review and evaluate the Proposals at DMPED’s sole and absolute discretion. If established, the composition of the Panel will be determined by DMPED, in its sole and absolute 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 RFP and the best interests of the District.

Evaluation Criteria

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

Attainment of District Policy and Community Stakeholder Goals

Respondents whose Proposals satisfy the following criteria may be eligible for higher ratings by:

- I. Maximizing the economic value to the District;
- II. Responding to the goals and objectives of the Comprehensive Plan;
- III. Improving the quality of life for the surrounding neighborhood;
- IV. Addressing stakeholder concerns and requirements;
- V. Providing employment opportunities for local residents and businesses;
- VI. Contracting opportunities for the CBE certified businesses;

Development Vision

Respondents should propose innovative, market-viable ideas for redevelopment of the Development Parcel. DMPED encourages Respondents to consider, in their development vision, the District’s goals with respect to promoting vibrant, walkable, mixed-use neighborhoods and commercial corridors with a high quality of building and site design. Respondents whose Proposals satisfy the following criteria may be eligible for higher ratings by:

- I. Promoting a vibrant, walkable, mixed-use community;
- II. Achieving high architectural design quality that maximizes density;
- III. Creating strong retail activity on the parcel;
- IV. Providing a sustainable development that has minimal impact on the environment and achieves higher LEED certifications;

Qualifications and Experience of Respondents

Respondents whose Proposals satisfy the following criteria may be eligible for higher ratings by:

- I. Demonstrating, thorough entity experience and expertise of proposed key personnel, they are qualified to execute the proposed development plan;
- II. Having successfully served in lead developer roles for completed projects of a similar scale and scope to the project proposed by Respondents; and
- III. Providing evidence of sufficient organizational and financial capability to ensure successful and timely delivery of the project.

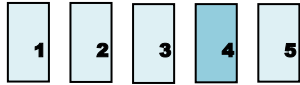
Project Financial Feasibility and Development Team Financial Capacity

Respondents who satisfy the following criteria may be eligible for higher ratings by:

- I. Demonstrating that the Respondent team possesses the financial resources to execute the project requirements with no District-based subsidy;
- II. Displaying a willingness to provide the District with fair consideration for its real property assets;
- III. Exhibiting a willingness to provide the District with a meaningful guarantee regarding payment and performance through final project completion.

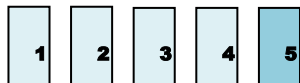
DMPED reserves the right, at its sole and absolute discretion, to reject any Response it deems incomplete or unresponsive to the submission requirements. DMPED also reserves the right, at its sole and absolute discretion, to reject any or all Proposals and re-advertise through a new RFP at a later date. If a submission is deemed incomplete, that Respondents’ letter of credit will be returned.

DMPED reserves the right to narrow the number of Respondents in the competitive range for reasons of efficiency or to exclude Responses that are not among the most highly ranked. DMPED may down-select to a smaller group of Respondents (i.e., a “short-list”) and has the sole and absolute discretion to conduct discussions with all, or some, of the Respondents on the short-list. Accordingly, Respondents’ RFP 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 in order to make the final short list selection on the basis of such revised RFP Proposals.



Stage 4: Announcement of Short List

Upon review of the responses, the District and/or the Panel may identify a short list of Respondents that may advance to a Best and Final Offer (“BAFO”). DMPED will contact all Respondents and inform them of the results.



Stage 5: Selection of Development Team

DMPED anticipates the selection of a development team to occur in the Summer of 2015.

TRANSACTION TERMS

Development Parcel Condition

As-Is Condition

The Development Parcel shall be conveyed or leased in “as-is” condition, without warranty by the District as to physical or title condition of the land or any existing structures. DMPED makes no representations in this RFP regarding the exact measurements of the parcel, and as to the exact location or existence of easements, rights of access and egress, covenants running with the land, or any other restrictions on development. Respondents are advised to research all records available for the parcel when preparing Proposals.

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 Development Parcel.

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 Development Parcel.

Predevelopment and Development Costs

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

- I. **Respondents shall be solely responsible for all pre-development (including demolition of existing improvements and due diligence studies such as traffic, geotechnical, storm water management and other development preparations) and project development costs.**
- II. Respondents shall be solely responsible for all costs related to obtaining necessary permits, approvals, clearances, and licenses at the appropriate time. **District will not waive or abate any District fees.**

The District expects Respondents to proceed immediately with predevelopment work upon selection. 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 District and the Respondent is unable to reach an agreement on the terms of the Disposition Agreement or if the project is not successfully completed due to no fault of Respondent.

RESERVATION OF RIGHTS & MISCELLANEOUS PROVISIONS

Reservation of Rights

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

- I. Cancel, withdraw or modify the RFP prior to or after the Response deadline;
- II. Modify or issue clarifications to the RFP prior to the Response deadline; In the event the RFP is modified it will be posted on DMPED's website and all Respondents will be provided with a chance to modify their Proposals;
- III. After review of one or more Proposals, DMPED may request submission of additional information from some or all Respondents;
- IV. DMPED may request one or more Respondents to modify its/their Response(s) or provide additional information for the District's review;
- V. Reject any Proposals it deems incomplete or unresponsive to the RFP requirements;
- VI. Reject all Proposals that are submitted under the RFP;
- VII. 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 materials;
- VIII. Modify the deadline for Proposals or other actions; and
- IX. (i) Reissue the original RFP, (ii) issue a modified RFP, or (iii) issue a new RFP, whether or not any Proposals have been received in response to the initial RFP.
- X. DMPED may mandate an alternative financial/transaction/disposition strategy or structure than the structure contemplated in this RFP. In the event that such alternative structure is proposed, each Respondent will be provided a chance to modify their Proposal as appropriate.
- XI. DMPED at any time, for any reason whatsoever, may restructure the proposed development as a joint venture arrangement, in which the District conveys the Development Parcel to a partnership in exchange for an ownership share. Under this scenario, Respondents will be provided a chance to modify their Proposal to reflect their development as a joint venture.

Conflicts of Interest

Disclosure

Respondents must represent and warrant 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 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; 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, RFP or other 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 that may be related to the procurement of the RFP by Respondents, or that may affect performance in response to the RFP in any way.

Miscellaneous Provisions

Notice of Modifications

DMPED will post on its website (<http://dmped.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 DMPED shall have no duty to provide direct notice to Respondents.

Change in Respondents' Information

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

Ownership and Use of Proposals

All Proposals 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 DMPED of a Respondent indicates only DMPED's intent to negotiate with the 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 DMPED or the District for any costs or liabilities incurred as a result of responding to this RFP.

Confidentiality

Proposals 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 agree 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 DMPED 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 deliver the Development Parcel, all deposits (minus the RFP Deposit) will be returned to the Respondent and the District shall be released from any and all further liability.

Affordable Housing

In the event that the Development Parcel is being redeveloped with a residential component, the project shall comply with the affordable housing requirements contained in the Inclusionary Zoning laws and the Disposition of District Land for Affordable Housing Amendment Act of 2014 (D.C. Act 20-485).

“Stand-Alone” Projects

The development of the Development Parcel is expected to be a “stand alone” project, in that Respondents are prohibited from cross collateralizing and cross defaulting the Development Parcels, 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 Development Parcel 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 DMPED 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 offers 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.

Costs

All costs incurred by Respondents in responding to this RFP, in performance of due diligence and predevelopment work and in any other action associated with the acquisition or development of the Development Parcel shall be at each Respondents' sole cost and expense. Under no circumstances shall the District be responsible for the reimbursement of any such costs.

QUESTIONS

Any questions regarding this RFP should be submitted via e-mail only to lee.goldstein@dc.gov. Respondents shall not direct questions to any other person within the District government except as allowed elsewhere in this RFP. Responses to questions will be aggregated and posted on the DMPED website: <http://dmped.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).

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), 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 Office of the Deputy Mayor 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 | FORM IRREVOCABLE LETTER OF CREDIT

Office of Attorney General for the District of Columbia Form Letter of Credit

ISSUER:

[Name of bank]

[Bank address]

Date of Issue: [Month, day, and year of issue]

IRREVOCABLE STANDBY LETTER OF CREDIT NO. [Letter of credit number]

Beneficiary

District of Columbia, by and through
The Office of Deputy Mayor for
Planning and Economic Development
1350 Pennsylvania Avenue, NW. Ste 317
Washington DC 20007
Attention: Deputy Mayor for Planning
and Economic Development

Applicant

[Name of Respondent]
[Address of Respondent]

AMOUNT: \$[Letter of credit amount]

EXPIRY DATE: [Letter of Credit month, day, and year of expiration] subject to renewal provisions herein

PROJECT: 2nd and H Sts NW – RFP Development Team

Ladies and Gentlemen:

We hereby establish our Irrevocable Standby Letter of Credit [Letter of credit number] ("Letter of Credit") in favor of Beneficiary for the account of Applicant up to an aggregate amount of _____ U.S. DOLLARS (U.S. \$ [Letter of credit amount]) available for payment when accompanied by the following three items:

1. A draft at sight drawn on [Name of bank] duly endorsed on its reverse thereof by a duly authorized representative of the Beneficiary, specifically referencing this Letter of Credit Number [Letter of credit number];
2. The original of this Letter of Credit; and
3. A dated statement issued on the letterhead of Beneficiary, stating: "The amount of this drawing is \$_____, drawn under Irrevocable Standby Letter of Credit No. [Insert Number] and represents funds due and owing to the District of Columbia." Such statement shall be conclusive as to such matters and Issuer will accept such statement as binding and correct. Issuer shall have no right, duty, obligation or responsibility to evaluate the performance or nonperformance of any underlying agreement between Applicant and Beneficiary before performing under the terms of this Letter of Credit.

This Letter of Credit shall automatically renew for a two year term upon the Anniversary of the expiry date set forth above (The "Anniversary Date") until [insert date] unless (i) earlier released by Beneficiary in writing or (ii) Issuers delivers written notice to both Applicant and Beneficiary that this Letter of Credit will not be renewed on the Anniversary Date upon which this Letter of Credit will no longer be renewed. Notwithstanding any terms and/or conditions to the contrary, this Letter of Credit will expire no later than [Letter of Credit month, day, and year of expiration].

If a drawing made by Beneficiary under this Letter of Credit reaches the address provided on this Standby Letter of Credit via Courier (FEDEX or DHL) on or prior to 1:00 PM (Eastern Time) on a Business Day (Defined below) and, provided that such drawing and the statement presented in connection therewith conform to the terms and conditions hereof, payments shall be made to Beneficiary in the amount specified, in immediately available funds, on the same Business Day. If a drawing is made by Beneficiary under this Letter [Letter of credit number] of Credit

after 1:00 pm (Eastern Time) on a Business Day and, provided that such drawing and the statement presented in connection therewith conform to the terms and conditions hereof, payments shall be made to Beneficiary in the amount specified, in immediately available funds on the next Business Day. If requested by Beneficiary, payment under this Letter of Credit may be deposit of immediately available funds into an account designated by Beneficiary. As used herein, the term "Business Day" shall mean any day other than a Saturday, Sunday or a day on which banking institution in the District of Columbia are authorized or required by law to close.

Drafts drawn under and in compliance with the terms of this Letter of Credit will be duly honored if presented by the Mayor, City Administrator, Deputy Mayor for Planning and Economic Development, or one of their duly authorized representatives, on or before the Expiry Date to Issuer's office at the address of Issuer set forth above.

This undertaking is issued subject to the International Standby Practices 1998 ("ISP98"). As to matters not expressly governed by ISP98, this Letter of Credit is governed by and shall be construed in accordance with the laws of the District of Columbia.

This Letter of Credit set forth in full terms of our undertaking. This undertaking shall not in any way be modified, amended, amplified or incorporated by reference to any document, contract or other agreement, without the express written authorization of Issuer, Beneficiary and Applicant.

Should you have occasion to communicate with us regarding the Letter of Credit, kindly direct your communication to the attention of Letters of Credit Dept. to the address aforementioned stating as reference our Standby Letter of Credit Number [Insert Letter of Credit Number].

Truly Yours,

Authorized Signature

Name (printed)

APPENDIX C | 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 Lots 0002 through 0006, and Lots 0800 through 0805, in Square 0563N, together with all improvements located thereon (the "**Property**").

2. I acknowledge and understand that the District has issued a Request for Proposals ("**RFP**") 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:

_____, 2015 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: