



## MLK Gateway Community

1909 Martin Luther King Jr. Avenue, SE  
VACANT PARCEL: Square 5770, Lot 0829

1201 – 1215 Good Hope Road, SE  
VACANT STOREFRONTS: Square 5769, Lots 1017, 0847, 0867, 0866, 0864

## A Grand Entrance to Historic Anacostia DC

Release Date: Tuesday, May 31, 2016  
Submission Due Date: Friday, August 26, 2016

Responses are to be sent to the following address:

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

# REQUEST FOR PROPOSALS



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

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

## INTRODUCTION

The Government of the District of Columbia ("District"), through the Office of the Deputy Mayor for Planning and Economic Development ("DMPED") and the Department of Housing and Community Development ("DHCD"), seeks to develop the vacant parcel 1909 Martin Luther King Jr. Avenue SE Lot 0829 in Square 5770 ("MLK Site") and vacant lot and storefronts at 1201 – 1215 Good Hope Road SE Lots 1017, 0847, 0867, 0866, and 0864 in Square 5769 ("GHR Site"), located at the intersection of Martin Luther King Jr Avenue SE and Good Hope Road SE (together "the Sites").

DMPED and DHCD invite qualified Development Teams ("Respondents") with experience in small to medium scaled commercial and/or mixed-use development to respond to this Request for Proposals ("RFP") for the disposition and development of both the MLK Site and GHR Site into the MLK Gateway Community. The partnership between DMPED and DHCD creates a unique opportunity for the Development team to work with both agencies on realizing the economic development potential of this retail corridor. The agency partnership seeks a proposed development that will transform this intersection into a vibrant neighborhood gateway spurring additional private development in Historic Anacostia.

A high priority has been placed on aiding the redevelopment efforts of the Sites to serve as the gateway into historic Anacostia, as well as the gateway to downtown via the new 11th Street Bridge. The Sites sit along an existing "Great Streets" corridor and will anchor a new Martin Luther King Jr. Street Initiative whereby the street will act as a living memorial to reflect the dignity and valor Martin Luther King Jr stood for.

The District will only consider proposals that provide development schemes for **both** the GHR Site and MLK Site in order to realize and introduce a true Gateway to Anacostia. The Respondents that present the most innovative, comprehensive, and community supported solution may be "short listed" for interviews and/or a "best and final" proposal may be requested before a final selection is made.

### The Timeline

<i>Selection Process Timetable*</i>	
1. Issuance of RFP	Tuesday, May 31, 2016
*Pre-Response Information Session and Site Visit	
10:00:00 AM	Wednesday, June 15, 2016
Department of Housing and Community Development: Housing Resource Center Conf Rm 1800 Martin Luther King Avenue SE	
2. RFP Response Submission Deadline (3:00pm)	Friday, August 26, 2016
3. Selection Recommendation Panel Convenes	September 2016
Interviews (if applicable)	September 2016
Community Presentation by Respondents (if applicable)	October 2016
Request for Best and Final Submission (if applicable)	TBD
Best and Final Submission Due (if applicable)	TBD
4. Final Selection of Development Team	Fall 2016

*\* Subject to change*

## PROJECT DESCRIPTION

Anacostia is one of Washington's oldest and most famous communities. Comprised of both the historic downtown as well as the traditional residential neighborhood to the east of the retail area, the district was listed in the National Register of Historic Places in 1978. The historic neighborhood includes the commercial main streets of Good Hope Road SE and Martin Luther King Jr. Avenue SE, the National Park Service sites of Anacostia Park East and the Frederick Douglass Home. Martin Luther King, Jr. Avenue SE is a prominent arterial street that connects several east-of-the-river areas, including Anacostia, Barry Farm, Bolling Air Force Base, and Congress Heights.

**Location, Frontage, Size:** As shown on Figure 1 below, the GHR Site is a compilation of five (5) adjacent lots fronting Good Hope Road SE and the MLK Site is a single lot fronting Martin Luther King Jr. Avenue SE.

The GHR site has a land area of 13,287 square feet with approximately 141 feet of street frontage. It includes five (5) parcels- four vacant retail masonry structures and one lot of unimproved land. DHCD is in the process of stabilizing the four vacant buildings. The building stabilization scope includes:

- Structural repairs to the roof or other structural systems
- Remediation of all hazardous materials, including but not limited to mold, lead based paint, asbestos and radon containing materials
- Removal of any façade that is not part of the original buildings
- Restoration of the original storefront design to the building.

The MLK Site is a rectangular lot of unimproved land containing 5,400 square feet of land area with approximately 54 feet of street frontage.

FIGURE I



**Soil & Environmental:** The Development Parcels are offered "as-is". Phase 1 studies of both Sites are available on the DMPED website. DMPED makes no representations or warranties as to any soil or environmental conditions at the Sites.

	<b>MLK Site</b> DMPED Parcel	<b>GHR Site</b> DHCD Parcels
<b>Location</b>	1909, 1911, 1913 Martin Luther King Jr. Avenue, SE	1201-1215 Good Hope Road SE
<b>Square</b>	5770	5769
<b>Lots</b>	0829	1017,0847,0867,0866,0864
<b>Square Footage of Land</b>	5,400 sq ft	13,287 sq ft
<b>Zone (Current Zoning Regulations)</b>	C-3-A (Commercial Mixed Use)	C-3-A (Commercial Mixed Use)
<b>Zone (pending new Zoning Regulations, effective September 6, 2016)</b>	MU-7 (Mixed Use)	MU-7 (Mixed Use)
<b>Historic District</b>	Anacostia Historic District	Anacostia Historic District
<b>Adjacent Property owner and usage</b>	West and South: Jemals 1110 U Street NE LLC, vacant land zoned industrial	East: Calvary Women's Services, social service agency
	North: MLK Commercial Dev LLC, vacant land	South: single story retail store

#### Property Advantages:

- Located ½ mile from Anacostia Metro station (Green Line), near the Anacostia Freeway I-295, I-395 and Suitland Parkway. Metro bus access is along both MLK Jr. Ave SE and Good Hope Road SE.
- The MLK Site is across the street from a proposed Busboys and Poets and the new headquarters of the Far Southeast Family Support Collaborative.
- The MLK Site is on the same corner at as a new Walgreens Pharmacy that is currently under construction.
- Two new developments along the 2200 block of Martin Luther King Jr. Avenue are in the pipeline: Chapman Development LLC's 'Big K' project comprises 114 multifamily units and Four Points LLC Reunion Square comprises 130 multifamily units.
- The Sites are located within walking distance of the planned 11<sup>th</sup> Street Bridge Park
- GHR Site is across the street from the Anacostia Gateway Office Building, 63,000 sqft commercial property that houses DHCD.
- Anacostia's proximity to the Anacostia River waterfront provides favorable access for future redevelopment and recreational opportunities.
- Located near Anacostia National Park, which includes playgrounds, wildlife, boating, fishing and sports activities.
- Close proximity to Capitol Hill, Waterfront and Navy Yard neighborhoods.

# DISTRICT OF COLUMBIA POLICY GOALS AND REQUIREMENTS

First and foremost, the District requires that any proposed development program be economically viable to construct and operate. Additional District of Columbia goals and requirements are explained below.

## Zoning and Planning Framework

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### Zoning

Both the GHR Site and MLK Site are zoned C-3-A which is designed to accommodate major business and employment centers and mixed uses along arterial streets. C-3-A zoning permits medium density development, for a broad range of uses, including retail, office, and residential. The maximum Floor Area Ratio ("FAR") permitted is 4.0, of which a maximum of 2.5 may be used for non-residential uses, and the maximum height of 65 feet. Both FAR and height may be limited by other site factors, including historic restrictions on new construction additions to the GHR Site.

On September 6, 2016 the existing zoning code will be replaced with a new one, the result of the eight-year Zoning Regulations Review process. Under the new zoning code, the zoning of the sites will be MU-7; the general use and building provisions are similar to the current C-3-A and building height and FAR are unchanged.

The MLK Site is not large enough for a Planned Unit Development (PUD). The GHR Site also does not meet the minimum lot size requirement for a PUD, but is large enough that the Zoning Commission may grant a request to waive the requirement for a primarily residential development pursuant to Section 2401.2 of the zoning regulations. **However, DMPED and DHCD have a strong preference for the GHR Site to be primarily commercial.**

Respondents should review all applicable District of Columbia Zoning regulations. Respondents should refer to the DCMR Title 11, Zoning Regulations, available on the Office of Zoning website: [www.dcoz.dc.gov](http://www.dcoz.dc.gov). The new ZR-16 regulations are also available on the same website.

Respondents shall detail zoning strategy for the Sites in their proposals. For additional information regarding zoning for the Site, please contact Joel Lawson at OP at 202-442-8802, or email [joel.lawson@dc.gov](mailto:joel.lawson@dc.gov).

### Planning

#### GHR Site:

**Comprehensive Plan:** This site is designated on the Comprehensive Plan Future Land Use Map for mixed "Medium Density Commercial/Residential" development, which anticipates residential, office, retail, hotel, or other commercial or mixed-use development. The Comprehensive Plan Generalized Policy Map places this site within a Main Street Mixed Use Corridor, which is a business corridor that typically features a pedestrian-oriented environment with traditional storefronts and upper story residential or office uses. The site is within the Far Southeast/Southwest Area Element. The east end of the site is designated for low density commercial.

#### MLK Site

**Comprehensive Plan:** This lot is designated on the Comprehensive Plan Future Land Use Map for mixed "Moderate Density Residential" development, which anticipates rowhouse or low rise multi-family development. The Comprehensive Plan Generalized Policy Map places this site within a Neighborhood Enhancement Area, where small scale infill development is anticipated.

Both sites are located within a Main Street Mixed Use Corridor designation on the Comprehensive Plan Generalized Land Use Map.



Several planning initiatives have taken place in or adjacent to Anacostia. The primary goal of these plans is to revitalize the housing and commercial stock and to improve the neighborhood amenities within Anacostia. These plans include:

- 1) ULI Washington-Anacostia Gateway Panel Report of 2010:  
[http://washington.uli.org/wp-content/uploads/sites/56/2011/06/Anacostia-Gateway\\_TAP\\_FINAL.pdf](http://washington.uli.org/wp-content/uploads/sites/56/2011/06/Anacostia-Gateway_TAP_FINAL.pdf)
- 2) CHASE Action Agenda and Implementation Blueprint (Completed in 2014)  
<http://planning.dc.gov/publication/chase-action-agenda>
- 3) Anacostia Transit Area Plan  
<http://planning.dc.gov/publication/status-anacostia-transit-area-plan>

### **Historic Preservation & Rehabilitation**

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The two sites are located in the Anacostia Historic District and are therefore subject to Historic Preservation Office review and Historic Preservation Review Board approval for any new construction and/or additions. Alterations, additions and new construction should be compatible with the character of the Historic District and reference the context of the both the site and nearby historic buildings.

Respondents should be aware that DHCD is the process of restoring the existing façades along the GHR Site and these facades will need to be maintained. New construction on both sites will have to be compatible with the character of the historic district and the immediate context of historic buildings, taking into consideration their heights, massing, materials and proportions.

The MLK Site was formerly improved with a brick and stucco commercial building of two stories constructed in 1905. The building originally contained approximately 8,263 square feet of gross building area and was designed as three distinct commercial units with separate store front entrances. After decades of neglect and a massive fire, both the roof and upper floors collapsed.

Respondents are encouraged to consult with the Historic Preservation Office within the Office of Planning early in their project planning so they may provide guidance and direction on the preservation review process. New construction will require review by the Historic Preservation Review Board. For guidance on redevelopment, please contact Tim Dennee of the Historic Preservation Office for information on the historic preservation process at 202-442-8847, or email [timothy.dennee@dc.gov](mailto:timothy.dennee@dc.gov).

Respondents are also strongly encouraged to take advantage of the federal rehabilitation tax credit, eligible for qualified expenses related to the renovation of designated historic property. Please contact Steve Callcott at the Office of Planning ("OP") at 202-741-5247, or email [steve.callcott@dc.gov](mailto:steve.callcott@dc.gov) for more information.

### **Transportation and Public Space**

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The District Department of Transportation ("DDOT") is committed to achieving an exceptional quality of life in the District through more sustainable travel practices, safer streets, and outstanding access to goods and services. In this process, DDOT works with project sponsors to minimize the impacts to the transportation network through the creation of an appropriate site plan that addresses site access, loading, and public space and a transportation demand management plan that minimizes vehicular trips and provides for adequate non-motorized facilities.

It is noted that if vehicular site access is sought for the GHR Site, preference would be for it to be provided via sharing of the adjacent driveway on Good Hope Road. Any new proposed curb cuts would require Public Space Committee approval, and must abide by all DDOT standards, which do not allow driveway entrances within 60' of an intersection and 32' from any adjacent driveway or alley. Overall, DDOT seeks to minimize the number of curb cuts, and site design should be closely coordinated with DDOT. All loading must be accommodated with front-in/front-out maneuvers within public space. Utility vaults should be within private space. Full restoration of the public space is expected, including planting additional street trees, and upgrading street lights as necessary. Additional information on DDOT's policies regarding development review guidelines can be located at DDOT's website: <http://ddot.dc.gov/page/development-review>.

This site provides access to a robust existing transportation network. Currently, there is a Capital Bikeshare station at the intersection of Martin Luther King Jr. Ave., SE and Good Hope Road, SE. Future stations are planned along Martin Luther King Jr. Ave., SE and Pleasant Street, SE. Multiple bus routes traverse nearby this location, and it is within walking distance of the Anacostia Metro Station. In addition, DDOT could in the future propose a streetcar alignment on Martin Luther King Jr. Ave.

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.

The Applicant may refer to the District of Columbia Municipal Regulations and DDOT's Design and Engineering Manual (<http://ddot.dc.gov/page/design-and-engineering-manual>) for specific controls of public space. A summary can be found in DDOT's Public Realm Design Manual (<http://ddot.dc.gov/PublicRealmDesignManual>).

For further information from DDOT, please contact Ryan Westrom of DDOT's Policy, Planning, and Sustainability Administration at 202.671.2041, [ryan.westrom@dc.gov](mailto:ryan.westrom@dc.gov).

## **Affordable Housing**

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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 the Area Median Income (AMI) levels that are required by both the Disposition of District Land for Affordable Housing Amendment Act of 2014 (D.C. Act 20-485) ("ADU Act") and the Inclusionary Zoning provisions of the District of Columbia Zoning Regulations (11 DCMR §§ 2600 *et seq.*), as applicable. Under the ADU Act, proposals with residential components are required to provide 30% of the units to be affordable for the life of the building. Respondents are encouraged to propose more affordable housing than the minimum requirements.

Among other provisions, an 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, as well as being similarly sized to market units of the same type, have similar in-unit amenities, and access to all common area building amenities. 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.

Each Respondent should use the most current Department of Housing and Urban Development (HUD) uncapped AMI data (reference Appendix E, Chart 1 on page 34). While Chart 1 presents the most current 2016 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 may not exceed the Maximum Allowable Rent for an ADU (reference Appendix E, Chart 2). Developer should perform a market study of Anacostia and ensure that their proposed affordable unit rent or purchase prices are below the market. Rents or Sales Prices estimated by the developer for ADUs shall not exceed those on the current Maximum Purchase price and Rent Schedule for the Inclusionary Zoning Program and all utility costs should be added in the proposed rental rates in determining allowable maximum rent. The current District of Columbia Housing Authority 2016 Utility Allowances is contained on Appendix G and should be used in project underwriting.

The initial sales price for an affordable unit may not exceed the Maximum Allowable Sales Price for ADUs (reference Appendix D, Chart 4).

Respondents shall describe the strategy for marketing, operation and administration of their affordable housing units. Partnering with an organization that has demonstrated expertise in the administration, development, operation and management of affordable housing is encouraged, if Respondent does not already have this expertise.

### **Community & Stakeholder Outreach**

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The success of any development project hinges on the inclusion and support of the local community. Respondents must consider and incorporate stakeholder and community preferences, to the extent feasible. As such, Respondents are strongly encouraged to work with local representatives and organizations to understand how the community's goals can be met in the Respondent's proposal. Entities Respondents are encouraged to consult include the Advisory Neighborhood Commission (ANC) 8A and SMD 8A06, Historic Anacostia Block Association (HABA) and the Historic Anacostia Preservation Society (HAPS). Respondents are encouraged to engage in a meaningful community outreach process to address community concerns.

### **Sustainability and Green Building Requirements**

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The MLK/Gateway Site 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. Specific design criteria are stated in the District's Storm Water Guidebook which is available online at <http://doee.dc.gov/publication/stormwater-guidebook>.

The Sustainable DC Plan was established to ensure that the District become 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://www.sustainabledc.org/about/sustainable-dc-plan/>. 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 that retrofits of existing commercial and multi-family buildings and all new construction projects meet net-zero energy use standards. The existing laws and regulations, including the Green Building Act of 2006, the DC Green Construction and Energy Conservation Codes, and the 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 additional 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 v4 certification at the Platinum level or higher.

- Surpass basic LEED certification by designing to be net zero energy “ready” (deep efficiency with energy use intensities below 30 kBtu/square foot/year), achieve net positive 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 retain stormwater volume for the 1.7 inch rain event or higher, and collect and reuse rainwater and greywater onsite; OR
- Design and construct to achieve either full or petal certification under the Living Building Challenge program. The Living Building Challenge is the world’s most rigorous building performance standard. Projects achieving full certification demonstrate a connection to nature and place, net-positive energy generation, net-zero water use, healthy and active design, integration of ecologically responsible material, and equitable development strategies.

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, commercial retrofits, 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 District 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.

For more information, contact Jay Wilson of DOEE’s Urban Sustainability Administration at 202.535.2460, [jay.wilson@dc.gov](mailto:jay.wilson@dc.gov).

### First Source

Respondents recognize that one of the primary goals of the District of Columbia government is the creation of job opportunities for District of Columbia residents. Accordingly, the Respondent selected by the District to enter into a disposition agreement shall enter into a First Source Agreement with the Department of Employment Services (“DOES”) pursuant to DC Code § 10-801(b)(7) and the Workforce Intermediary Establishment and Reform of the First Source Amendment Act of 2011 (D.C. Law 19-84, D.C. Official Code §§ 2-219.01 et seq.) and the rules and regulations promulgated thereunder and Mayor’s Order 83-265. This agreement 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. For more information on the District’s DOES apprenticeship program, please visit the following website: <http://does.dc.gov/service/apprenticeships>. 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.

Please contact DeCarlo Washington, Contract Compliance Monitor, at DOES at 202.698.5772 and [decarlo.washington@dc.gov](mailto:decarlo.washington@dc.gov) if you require additional information.

### Certified Business Enterprises

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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"). A CBE Respondent selected is not required to comply with the 35% SBE subcontracting requirement if the entire development project is performed using its own organization and resources. 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, and if there are insufficient qualified SBEs to fulfill this requirement, then the requirement may be satisfied by contracting 20% of that dollar volume to any qualified CBEs. 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, pursuant to §2-218.49a of the CBE Act, set forth above. The District's Department of Small and Local Business Development ("DSLBD") determines which entities are certified 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 complete the Form of Acknowledgement attached as Appendix A.

Please contact Malik Edwards, Interim General Counsel, at DSLBD [malik.edwards@dc.gov](mailto:malik.edwards@dc.gov), if you require additional information regarding the CBE Act requirements.

### Davis Bacon

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

### Hotel Uses

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

# SOLICITATION PROCESS

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

## Pre-Responses Information Session and Site Visit

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DMPED will conduct an information session and introductory site visit of MLK/Gateway at DHCD, Housing Resource Center Conference Room, on **Wednesday, June 15, 2016**. This session is strongly recommended for all Respondents.

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

9:45 – 10:00am: Arrive and Check-in

10:00 – 11:00am: Information and Q&A Session

11:00 – 11:30pm: Site Walk

Respondents can RSVP by Friday, June 13th, by emailing [aimée.mchale@dc.gov](mailto:aimée.mchale@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 B. WAIVER FORMS WILL BE COLLECTED PRIOR TO ADMITTANCE TO THE PRE-RESPONSE INFORMATION SESSION & SITE VISIT. THOSE THAT HAVE NOT COMPLETED THE WAIVER, RELEASE, AND INDEMNIFICATION FORM WILL NOT BE PERMITTED ON-SITE.***

## RFP Proposal Submission Requirements

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

### Format

All responses must meet the following format requirements:

- Be prepared on 8 ½" x 11" letter-size paper, bound length-wise, with tabs to separate sections.
- Each RFP item must be responded to in the order outlined below in the "Proposal Contents" section. Each sub-section must be separated by tabs with sub-section headings.
- Must not exceed a total of one hundred pages, including appendices, on fifty sheets of double-sided paper.
- Eight (8) hard copies required
- One (1) electronic copy on flash/thumb drive

### Proposal Contents:

#### Tab 1: Transmittal Letter with Executive Summary

Respondents shall provide a Transmittal Letter with their response. The Transmittal Letter should highlight key components of the Respondent Team's response. In particular it should (1) describe the type of commercial, retail and/or residential uses proposed for each of the MLK/Gateway Community Sites; (2) net square footage of each of the MLK/Gateway Community Sites; (3) number of residential units by type and affordability for each of the MLK/Gateway Community Sites; (4) any additional adjacent land parcels the

Respondent has site control over; (5) Total Development Cost of MLK/Gateway Community; (6) how the District and surrounding neighborhood will benefit from the proposed project (i.e., economic impact, job creation, public access, etc.); and (7) how the proposed project fits within the existing neighborhood fabric.

## **Tab 2: Project Team**

### **Respondent Team Identities & Details**

The Respondent's Project Team should be introduced and described. The "Project Team" is defined as the lead developer plus any other developers, tenants, and key team members, such as architect, engineers, general contractor, consultants, property manager, lenders, attorneys, historians, etc. who are critical for consideration by the District.

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>
Tenant Partners	<i>If applicable, identify any proposed tenant(s) for the project.</i>
Financial Partners	<i>Identify construction and permanent lenders, major investors, and other key consultants, if any, included in the financing plan.</i>
Design and Construction Team	<i>Identify the architects, general contractor, engineers, consultants, etc. included as part of the proposed team.</i>
Other relevant team members	<i>If applicable, please identify.</i>

For each team entity identified in the section above, Respondents shall provide the following information 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, Certified Business Enterprise entities, their respective roles and contributions to the project, and the overall management of the team.

## **Tab 3: Legal Submittals**

### **Statement Regarding Debarments, Suspensions, Bankruptcy, or Loan Defaults**

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

### **Evidence Regarding Tax Liabilities**

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

#### **Evidence Regarding Litigation**

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

#### **Tab 4: Organizational Documents**

##### **Organizational Chart and Bios**

Respondents should provide an organization chart depicting the ownership structure identifying each principal (entities and individual names) along with a narrative that clearly explains the relationship, management structure among team members, and the structure of team decision-making. With regards to Certified Business Enterprise entities, provide an explanation of their respective roles and contributions to the Project. The Org Chart should also include the percentage interest of each entity in the ownership structure.

Respondents shall provide bios for key personnel from the primary entities and/or joint venture partners who will be working on the project outlining relevant experience.

##### **Evidence Regarding Creation of Respondent**

Respondents shall provide a copy of any Operating Agreements, Articles of Organization, Certificate of Formation or other documents evidencing the creation of Respondent, or the primary entities comprising the Respondent. 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' team must be eligible to transact business with the District and in the District.

##### **Organization Status**

Respondents shall provide the status of the primary entities 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.

#### **Tab 5: Previous Experience and Qualification**

Respondent shall exhibit their ability to deliver an economically viable project by identifying three (3) urban infill development projects comparable to the scale and program of Respondent's proposed project, with which the 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. If applicable, highlight experience in obtaining LEED or Green Communities certifications. Highlight in particular expertise in the areas of energy efficiency, on-site clean energy generation, green roofs, and/or environmentally friendly technologies.
- xi. Illustrative materials that will help the District evaluate the caliber, innovation and relevant experience of the Development Team; and
- xii. 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.

**Tab 6: Project Concept and Development Plans**

Respondents shall describe, in detail:

- i. Narrative description of the concept and vision for each of the MLK/Gateway Sites. Describe how the vision will integrate with and enhance the surrounding community that borders the Sites;
- ii. Site Plan and Architectural Design plans including:
  - a. Proposed development square footage (gross and net, including basement(s), if applicable) broken down by use/type;
  - b. Floor plans and location of commercial units/uses
  - c. Residential units broken down by affordability, homeownership/rental and unit distribution;
  - d. Description and location of all public improvements, including open space and landscaping, if applicable;
  - e. Building height and massing diagram/plan, showing the relationship of the Project to surrounding buildings;
  - f. Zoning diagrams demonstrating compliance with FAR, height, bulk, yard, setback, and lot coverage requirements;
  - g. Site plan/street level floor plan showing all components of the Project and the relationship between the propose structure and immediately adjacent lots.

Hard copies should be included in the binder as well as be provided in electronic format on flash/thumb drive.

- iii. For each proposed retail/commercial use the following should be provided:
  - a. Name of tenant or operator;
  - b. Current form of agreement with tenant or operator and Letter of Intent (LOI);
  - c. Approximate square footage and location of the use in the building;
  - d. Proposed hours of operation;
  - e. Whether or not the use will be accessible at any time to the public; and
- iv. The project's zoning strategies, including a detailed explanation and justification for any proposed variance from the zoning requirements 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; and

***Respondents may submit more than one project concept and vision for the Development Parcels.***

### **Tab 7: Proposed Financing Strategy and Project Budget**

Respondents shall provide a detailed development and operating pro forma for all income-producing uses proposed to be operated out of the project from pre-development through stabilization and for 10 years beyond the projected stabilization year. Respondents shall use the Developer's Kit, which can be found online at <http://dmped.dc.gov/publication/developers-kit>. Please carefully review the instructions contained in the first tab of the Kit.

Hard copies of each budget should be included in addition electronic versions. All Excel files must be in original formatting, contain all original formulas (i.e. no hard coding) and have no hidden or locked sheets.

Respondent should take into account all available sources of financing (e.g., Federal Historic Tax Credits, Low Income Housing Tax Credits, New Markets Tax Credits, DHCD gap funding) or other private or federal assistance that may benefit the project.

DHCD 2016 Spring Notice of Funding Availability can be found at <https://octo.quickbase.com/db/bjc34b76f>.

DMPED may provide limited capital (under \$1M) through the sale of Transfer Development Rights.

Respondents should provide:

- i. Narrative on proposed financing strategy which includes a detailed description of sources Respondent proposes to attract to the project.
- ii. Summary Source and Use.
- iii. Detailed Project Budget that breaks down all costs to be incurred to construct new improvements on the Sites including hard costs (including base building costs, contingencies, furniture, fixture, and equipment costs, etc.); softs costs (including architecture fees, engineering fees, professional service fees, development fees, etc.); and acquisition and financing costs.
- iv. Detailed Sources including Predevelopment, Construction, and Permanent Financing and the assumptions used to size them (including interest rates, amortization type, period and debt coverage ratio; tax credit amounts and pricing; and all other relevant source information)
- v. Operating pro forma for all income-producing uses proposed for 10 years beyond the projected stabilization year. The pro forma shall be inclusive of the following calculations: return on cost, return on equity (levered and unlevered); a detailed waterfall of cash flow; internal rates of return; and any other project-specific return metrics. All assumptions used in the financial model should be clearly stated.
- vi. Detailed Income Assumptions and Operating Expenses
- vii. Satisfactory evidence of Respondent's ability to secure project debt and equity, including preliminary commitment letters from prospective investors matching assumptions used on the financial projections.

### **Tab 8: Evidence of Site Control of Additional Properties (if applicable)**

Site control of any accretive properties assumed in the project concept must be in place and the Respondent must submit evidence of exclusive control of the real estate. Documentation to evidence this control can be in the following forms:

- i. Sole fee simple ownership by the Respondent evidenced by Deed.
- ii. Right to acquire or lease the site pursuant to a valid and binding written option or contract between Respondent and fee simple owner.

The site control documentation for Respondents containing agreements with more than one seller must be controlled by one entity, and the buyer named in each agreement must be the same entity.

#### **Tab 9: Market Study**

Evidence of market demand for the Respondents' proposed development including a factual description of the market population and likely demand for the developed units is required. The Market Study must either be completed by an independent third party market analyst or utilize available 3<sup>rd</sup> party data. The assumptions used in the Market Study (e.g. use type, unit number and mix, projected rents, income targeting) must precisely reflect the information contained in the Respondents' proposal. The Market Study should be no more than 6 months old the time of submission.

#### **Tab 10: 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, unit size, 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.

Regarding the provision of ADUs, Respondents shall provide a description of the following:

- The project's impact on the District's affordable housing goals and other economic development objectives.
- 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.
- The rent and/or sale projections for each ADU unit type compared to the market rent and/or sale price for the same 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 (For calculations, see Appendix D).
- The number and total percentage of ADUs by AMI and unit size type and the amount and percentage of square footage devoted to ADUs.
- The Respondent's proposed strategy for the marketing, operating and administering ADUs in its project.

#### **Tab 11: Respondent Financial Capacity**

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

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

#### **Tab 12: Project Schedule**

The timetable and milestones through project completion. Respondents are required to complete the template "Schedule of Performance" attached in Appendix C. The Schedule of Performance should list each step in the redevelopment process through project completion and operation. If Respondents wish to provide a more detailed schedule in addition to Appendix C, they are welcome too, but must complete Appendix C.

#### **Tab 13: Statement of Minimum Terms**

Respondents shall complete the Term Sheet attached as Appendix D, which Term Sheet shall serve as the basis for negotiations of a disposition agreement with the selected Respondent. The Development Team may propose both or either a ground lease and/or the purchase of a fee interest of the Development Parcels for the District's consideration.

#### **Tab 14: Community & Stakeholder Outreach**

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

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

#### **Tab 15: First Source, Certified Business Enterprises, and Local Hiring Form of Acknowledgment**

##### **First Source & Certified Business Enterprises**

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

##### **Local Hiring & Opportunities**

Respondents are encouraged to incorporate in their responses the following:

- i. *Employment and business opportunities for local residents and businesses.*  
If included, Respondents are asked to submit detailed plans for apprenticeship programs that facilitate placing existing District residents into employment opportunities within the project. The commitment and strategy to develop and implement a local apprenticeship program shall be in accordance with D.C. Official Code §§ 32-1401 et seq. Please contact DOES at 202.698.5099 for more information.
- ii. *Opportunities for District neighborhood-based business to participate in the project.*

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

**Tab 15: Hotel Uses-Labor Peace Agreement (if applicable)**

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

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

**Tab 16: Response Summary for Distribution to the Community**

Respondents shall provide a summary of their response that may be shared with the local community and stakeholders. Summaries should not exceed 300 words or one page handout (both sides allowed).

**Deposit**

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Amount:	\$50,000
Format:	Standby, irrevocable letter of credit (See Appendix F 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 the Respondent's successful completion of Closing as determined by the District through the terms of the disposition agreement.

**Submission Directions**

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Six (6) hard copies and one (1) electronic version on a flash/thumb drive with PDF and Excel formats, of the response and the Deposit, must be submitted by 3:00 P.M. on **Friday, August 26, 2016**. Such responses must be identified by "MLK/Gateway Community – RFP" on the envelope and delivered to the following address:

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



# EVALUATION PROCESS

## Selection Recommendation Panel

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

## Evaluation Criteria

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Successful proposals will demonstrate that the Respondent has (i) proposed use(s) for the Sites that are consistent with District's Policy Goals and Requirements; and (ii) the financial capacity and ability to successfully close the transaction within an attainable redevelopment timeline to convert the Sites to their optimal utility.

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

### ***Attainment of District Policy Goals***

The District will more highly rate Development Teams who:

- i. Maximize economic value to the District;
- ii. Demonstrate, through entity experience and expertise of proposed key personnel, that they are qualified to execute a high-quality project of this scale;
- iii. Provide evidence of sufficient organizational and financial capability to ensure timely delivery of the Project on budget; and
- iv. Improve the quality of life for the surrounding neighborhood by incorporating the District's goals with respect to promoting vibrant, walkable, mixed-use neighborhoods and commercial corridors.

More specifically, higher ratings will be given to Respondents who achieve and exceed the following District policy goals by:

- i. Assembling nearby private parcels into the development proposal.
- ii. Maximizing the overall economic benefit to the District, including:
  - Maximizing the development envelope; such as through assemblage of adjacent land parcels and modification of current zoning;
  - Maximizing value to the District through incremental property and sales taxes and/or land value proceeds (paid by Respondent to the District) and;
  - Maximizing community benefits, including affordable housing and job creation and/or apprenticeship programs for District residents, particularly for residents within 1-mile of the property.
- iii. Seeking the least amount of subsidy (either through a reduction in fair market value or through other District or federal public financing tools) to fill anticipated financing and/or investment gaps in the Project's capital structure.
- iv. Providing Ward 8 residents and businesses with opportunities to participate in the Project. Evidence of the inclusion of such businesses shall be in the form of written confirmation from such neighborhood-based businesses which shall include the scope and details of the said businesses' involvement in the Project.

### ***Project Financial Feasibility and Team's Financial Capacity***

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

- i. Demonstrate that they possess the financial resources to execute the project requirements;
- ii. Provide realistic and achievable funding plans, including sources and uses tables and multi-year pro-forma development budgets;
- iii. Display a willingness to provide the District with fair consideration for its real property assets. Land payment(s) to the District will be strongly considered;

- iv. Demonstrate significant investments of "at risk" capital during the pre-development and development process; and
- v. Exhibit a willingness to provide the District with a meaningful guarantee regarding payment and performance through final project completion.

#### ***Announcement of Short List***

Upon review of the responses, DMPED and/or the Panel may, at its sole discretion, identify a short list of Respondents and has the sole and absolute discretion to conduct discussions with all, or some, of the Respondents on the short-list via "Best and Final Offer" submissions. DMPED will contact all Respondents and inform them of the results of the selection review process.

#### ***Best and Final Offer Submission***

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

#### **Final Selection & Notice**

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

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

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

#### **Post-Selection Due Diligence**

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

#### ***Disposition Agreement & Approval***

If one Respondent is thereby chosen for commencement of negotiations, the selected Respondent may be requested by the District to proceed to negotiate a disposition agreement. If the District and selected Respondent are unable to execute a disposition agreement within one hundred and twenty (120) days after the date of selection, the District, in its absolute and sole discretion, may terminate negotiations and select a different Respondent who responded to the RFP; re-issue the RFP; issue a modified RFP, or take such other measures as it deems reasonable, appropriate, or necessary. **All costs incurred by the Respondents in responding to this RFP and in performance of due**

**diligence and predevelopment work shall be at Respondents' sole cost and expense. Under no circumstances shall the District be responsible for the reimbursement of any such costs.**

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

# TRANSACTION TERMS

## Site Condition

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### **As-Is Condition**

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

### **Soil or Subsurface Conditions**

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

### **Environmental Remediation**

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

## Predevelopment and Development Costs

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

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

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

# RESERVATION OF RIGHTS & MISCELLANEOUS PROVISIONS

## Reservation of Rights

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

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

## Conflicts of Interest

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### Disclosure

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

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



cancellation thereof, preferential treatment, or business opportunity. Such term shall not include work or services rendered pursuant to any other valid District contract.

#### **On-going Reporting**

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

### **Miscellaneous Provisions**

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#### **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 the District shall have no duty to provide direct notice to Respondents.

#### **Change in Respondents' Information**

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

#### **Ownership and Use of Responses**

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

#### **Restricted Communications**

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

#### **Selection Non-Binding**

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

#### **Confidentiality**

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

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

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

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

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

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

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

#### **Non-Liability**

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

### **Other Limiting Conditions**

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#### **Withdrawal & Cancellation**

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

#### **"Stand-Alone" Projects**

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

#### **Disclosure of Fees**

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

#### **Restrictions**

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

- i. All Respondents, its members, agents, or employees, are prohibited from: (i) making responses of employment, (ii) conducting any negotiations for employment, (iii) employing or, (iv) entering into contracts of any sort, with current employees, consultants, or contractors to the District who are personally and substantially involved in any aspect of this RFP;
- ii. Respondents must disclose in their initial responses the names of any member, employee, or agent who within three (3) years prior to the publication of this RFP were District employees, consultants, or contractors to the District. On a continuing basis, Respondents will be required to provide the District with regular and periodic notices of any and all new hires of employees, contracted agents, or consultants within five (5) days of any such hire;

- iii. This provision shall apply to all Respondents during the conduct of this competition, and will subsequently apply to the selected Respondent until such time as final completion of the development of the project;
- iv. Required disclosures and notices notwithstanding, failure to comply with any obligation described in this provision may result, in the District's sole and absolute discretion, in Respondents' disqualification from consideration under this RFP, the rescission of a Respondent's award, and/or termination of any agreement between a Respondent and the District.

## QUESTIONS

All questions regarding this RFP must be submitted via e-mail on [Aimee.Mchale@dc.gov](mailto:Aimee.Mchale@dc.gov) . Respondents shall not direct questions to any other person within the District except as allowed elsewhere in this RFP. Responses to Respondent questions will be aggregated and posted on the DMPED website: <http://dmped.dc.gov/>.

## APPENDIX A | FORM OF ACKNOWLEDGEMENT

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

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

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

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

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Print Name: \_\_\_\_\_

Affiliation: \_\_\_\_\_

Phone Number: \_\_\_\_\_

Email Address: \_\_\_\_\_

Business Address: \_\_\_\_\_  
\_\_\_\_\_

APPENDIX B | SITE TOUR WAIVER, RELEASE, AND INDEMNIFICATION

I, \_\_\_\_\_,  
(print name)

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

1. I acknowledge that the District of Columbia (the "District") is the owner of the real property known as Square 5770, Lot 0829 and Square 5769, Lots 1017, 0847, 0867, 0866, 0864, 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 RFP 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:

\_\_\_\_\_, 2016 from \_\_\_\_\_ AM / PM – \_\_\_\_\_ AM / PM

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

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

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

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

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

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

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

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

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

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Print Name: \_\_\_\_\_

Affiliation: \_\_\_\_\_

Phone Number: \_\_\_\_\_

Email Address: \_\_\_\_\_

Business Address: \_\_\_\_\_

\_\_\_\_\_

**WITNESS:**

Date: \_\_\_\_\_

Signature: \_\_\_\_\_

Print Name: \_\_\_\_\_

Affiliation: \_\_\_\_\_

Phone Number: \_\_\_\_\_

Email Address: \_\_\_\_\_

Business Address: \_\_\_\_\_

\_\_\_\_\_



## APPENDIX C | SCHEDULE OF PERFORMANCE

(To be completed and submitted with Proposal)

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

**APPENDIX D | STATEMENT OF MINIMUM BUSINESS TERMS**

Disposition of MLK/Gateway  
(Square 5770, Lot 0829 and Square 5769, Lots 1017, 0847, 0867, 0866, 0864)

Lessor	Government of the District of Columbia, acting by and through the Deputy Mayor for Planning and Economic Development (the "District")
Lessee/Purchaser/Developer	Entity Name: _____
Description of Real Property	The parcels of land known for tax and assessment purposes as Square 5770, Lot 0829 and Square 5769, Lots 1017, 0847, 0867, 0866, 0864 (the "Development Parcels").
Disposition Structure	<p>The Development Parcels may be conveyed by the District to the Respondent via a ground lease term of no less than 20 years under DC Official Code § 10-801(b)(8)(C), or</p> <p>The Development Parcels may be conveyed by the District to the Respondent in fee (via Special Warranty Deed) pursuant to DC Code § 10-801(b)(8)(F).</p> <p>Respondent proposes the following Conveyance Structure:</p> <p>_____</p>
Disposition Agreement Payment	In consideration of the District entering into the disposition agreement, Developer shall pay to District \$ _____ at the time of executing the disposition agreement (the "Disposition Agreement Payment"). The Disposition Agreement Payment shall be placed in escrow until Closing but shall not be refundable, except in event of District default under the Disposition Agreement.
Closing Payment	In partial consideration of the District's conveyance of the Development Parcels to the Developer, Developer shall pay to District \$ _____ at the time of Closing (the "Closing Payment"). The Closing Payment shall not be refundable.
Purchase Price (If fee simple acquisition)	Developer shall pay to District \$ _____ for fee simple conveyance of the property.
Purchase Price Payment	<i>Developer to propose payment structure of Purchase Price:</i>
Annual Base Rent (If ground lease)	Developer shall pay to District \$ _____ in annual base rent.
Annual Base Rent Escalation	Annual base rent shall increase by ____% on (i) the ____ anniversary of the Closing date and (ii) shall increase ____% every subsequent ____ anniversary of the initial rent escalation date during the term of the ground lease.
Rent Payment Terms	Rent payments shall commence at Closing. <i>Developer to propose annual payment terms:</i>
Redevelopment and Operational Costs	The Developer shall be solely responsible for the costs of redevelopment and future operation of the Development Parcels. The Developer shall be solely responsible for the payment of all utilities, permit fees, assessments and taxes relating to the Property, including, if applicable, possessory interest tax assessed under D.C. Official Code § 47-1005.01.
Conditions of Closing	<p>In addition to the other District standard conditions of Closing, the District's obligation to convey the Property is conditioned upon:</p> <ul style="list-style-type: none"> <li>• The District's approval of the Developer's design, budget and project financing plan;</li> <li>• Developer's obtaining financing and equity to fund 100% of the development;</li> <li>• Developer's providing the District development and completion guaranties and land note guaranties to the District's satisfaction;</li> <li>• Developer having received all necessary zoning approvals or any zoning relief deemed necessary to accomplish the Project.</li> <li>• Developer having received all necessary permits and other approvals required for</li> </ul>

	commencing construction of the project.
<b>Developer Financing</b>	Developer shall be responsible for obtaining financing and equity to fund 100% of the Development Program. The District agrees to cooperate with Developer in connection with Developer's proposed financing of the Development Program pursuant to a project funding plan (approved by the District). The District shall not be obligated to extend any additional loan to Developer or grant any funds to Developer in connection with the financing of the Development Program by Developer, and the District shall incur no liability whatsoever should Developer fail to obtain or close on financing for the Project.
<b>Affordable Housing</b>	<p>In the event that the Development Parcels are being developed as a residential project, the District requires that the development team comply with the applicable Inclusionary Zoning affordable housing requirements, and the requirements of the Disposition of District Land for Affordable Housing Amendment Act of 2014 (D.C. Act 20-485) ("ADU Act").</p> <p>Complete per Proposal: Respondent proposes ____% of the housing units will include affordable units, with ____% at ____% AMI; ____% at ____% AMI; ____% at ____% AMI.</p>
<b>Green Building Requirements</b>	<p>Developer shall construct the project improvements in accordance with the <i>Green Building Act of 2006</i>, D.C. Official Code § 6-1451.01, <i>et seq.</i> (2007 Supp.) and DC's Stormwater Management Program stated in 21 DCMR, Chapter 5. In addition, Developer must submit with its building permit application a LEED checklist indicating that the Improvements are designed to include sustainable design features such that the Improvements meet the standards for certification as a LEED building the appropriate LEED certification level per to the requirements of the Green Building Act. Developer must also register the building with the U.S. Green Building Council, must construct the Improvements in accordance with the building permit, and must use commercially reasonable efforts to obtain LEED certification at the appropriate LEED certification level per to the requirements of the Green Building Act for the Improvements once construction has been completed.</p> <p>Complete per Proposal: Respondent proposes to deliver a project with the following sustainability considerations/green building level: _____</p>
<b>Design Review</b>	District shall have the right to approve project plans and drawings related to the design, development, and construction of the improvements on the Property to ensure the quality and compatibility of the proposed improvements.
<b>Post-Closing Requirements</b>	Developer shall be bound by the requirements of a Construction & Use Covenant and the Land Note to be attached to the Disposition Agreement, which may be amended with the approval of the District.

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

RESPONDENT:

BY: \_\_\_\_\_  
Name:  
Title:

## APPENDIX E | AFFORDABLE HOUSING REFERENCE CHARTS

**Chart 1: Income Limits based on the AMI for Washington DC MSA as of March 2016**

Household Size	100% AMI	80% AMI	60% AMI	50% AMI	30% AMI
1	76,020	60,816	45,612	38,010	22,806
2	86,880	69,504	52,128	43,440	26,064
3	97,740	78,192	58,644	48,870	29,322
4	108,600	86,880	65,160	54,300	32,580
5	119,460	95,568	71,676	59,730	35,838
6	130,320	104,256	78,192	65,160	39,096

**Chart 2: Affordable Housing Rent Calculation Includes Monthly Utilities**

Affordable Housing Rent Calculation	
<b>MAR = ((AMI*DAL*OSF*30%)/12) - MU</b>	
MAR	Maximum Allowable Rent
DAL	Designated Affordability Level
MU	Monthly Utilities (reference Appendix F)
AMI	Area Median Income at 100% for a 4 person household
OSF	Occupancy Standard Factor (reference Chart 3)

**Chart 3: Occupancy Standard Factor for Affordable Housing Calculations**

Occupancy Standard Factor		
Size of Affordable Unit	Occupancy Pricing Standard (Average Occupancy per Unit)	Occupancy Standard Factor
Efficiency/Studio	1	.7
1 Bedroom	1.5	.75
2 Bedroom	3	.9
3 Bedroom	4.5	1.05

**Chart 4: Affordable Housing Sale Price Calculation**

Affordable Housing Sale Price Calculation	
<p><b>1. Determine the Maximum Monthly Payment:</b></p> <p style="text-align: center;"><b>Maximum Monthly Payment = ((AMI*DAL*OSF*30%)/12) - FEES</b></p> <p>MSP            Maximum Sales Price  AMI            Area Median Income at 100% for a 4 person household  DAL            Designated Affordability Level  OSF            Occupancy Standard Factor (reference Chart 3)  FEES            Condominium Fees (\$0.61 per Square Foot), Homeowners Association Fees (\$0.10 per Square Foot),  Real Property taxes at current real property tax rates assuming Homestead Deduction, and Monthly  Hazard Insurance Fees for Single Family Homes = \$125.00</p> <p><b>2. Use Maximum Monthly Payment to Determine the Affordable Mortgage</b> assuming a conventional thirty (30) year, fixed-rate, fully amortizing mortgage at the national average mortgage rate as published by the Federal Housing Finance Agency at <a href="http://www.fhfa.gov">www.fhfa.gov</a> plus a one and a half percent (1.5%) cushion to protect for future interest rate increases.</p> <p><b>3. Determine the Sale Price assuming a 5% Down Payment</b>  Maximum Sales Price = Affordable Mortgage / 95%</p>	

**APPENDIX F | FORM IRREVOCABLE 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 D.C. 20007  
Attention: Deputy Mayor for Planning  
and Economic Development

**Applicant**

[Name of developer]  
[Address of developer]

AMOUNT:           \$[Letter of credit amount]

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

PROJECT:       MLK/Gateway

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 G | 2016 DCHA UTILITY ALLOWANCES-HIGHRISE**

US Department of Housing and Urban Development Section 8 Existing Housing Allowances for Tenant Furnished Utilities and Other Services					4/1/2016	
Washington, DC			High Rise			
Utility or Service	Monthly Dollar Allowance					
	EFF.	1BR	2BR	3BR	4BR	5BR
Heating						
a. Natural Gas	\$24	\$32	\$40	\$48	\$56	\$64
b. Bottle Gas						
c. Oil	\$52	\$69	\$86	\$103	\$121	\$138
d. Electric	\$72	\$96	\$121	\$145	\$169	\$193
Air Conditioning	\$9	\$12	\$15	\$18	\$21	\$24
Cooking						
a. Natural Gas	\$11	\$12	\$15	\$17	\$19	\$20
b. Electric	\$12	\$15	\$21	\$26	\$30	\$33
c. Bottle Gas						
Other Electric: Lighting, Refrigeration, etc	\$27	\$36	\$45	\$54	\$63	\$72
Water Heating						
a. Natural Gas	\$9	\$15	\$21	\$26	\$31	\$41
b. Electric	\$10	\$20	\$30	\$40	\$50	\$70
c. Bottle Gas						
d. Oil	\$9	\$18	\$28	\$37	\$46	\$65
Water	\$13	\$26	\$39	\$52	\$65	\$90
Sewer	\$17	\$35	\$52	\$70	\$87	\$122
Trash Collection						
Excess Charges						
Window Air Conditioner	\$7	\$7	\$7	\$7	\$7	\$7
Washer	\$7	\$7	\$10	\$12	\$14	\$16
Freezer	\$5	\$5	\$5	\$5	\$5	\$5
Dryer	\$7	\$7	\$11	\$13	\$16	\$18
Dishwasher	\$4	\$4	\$4	\$5	\$5	\$6
Name of Family	Utility or Service			Per Month		
	Heating					
	Air Conditioning					
	Cooking					
	Other Electric					
	Water Heating					
	Water					
	Sewer					
	Trash Collection					
	Range					
Address of Unit	Refrigerator					
	Other (specify)					
Number Of Bedrooms	Total					

\* Cost per appliance per month based on an annualized cost derived from data from the U.S. Department of Energy's Efficiency and Renewable Energy Clearinghouse and the General Services Administration

\*\* Washer and dishwasher charges will not be assessed until further notice.