

Malcolm X

Square 5914, Portion of Lot 806

Release Date: July 30, 2020

Submission Deadline: October 1, 2020

*Only electronic proposals accepted, please send to stacy.meyer@dc.gov
Stacy Meyer ("Project Development Manager")*



REQUEST FOR PROPOSALS

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

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DMPED is releasing this Request for Proposals ("RFP") on behalf of the Government of the District of Columbia (the "District"). The RFP is posted on DMPED's website at dmped.dc.gov/page/MalcolmX (the "Project Website"). Questions regarding this RFP shall be submitted via e-mail only to stacy.meyer@dc.gov. Individuals and/or teams submitting proposals in response to this RFP (each a "Respondent" and collectively "Respondents") shall not direct questions to any other person within the District except as specified elsewhere in this RFP. Responses to Respondent questions will be aggregated and posted on the Project Website.

INTRODUCTION

The District, through the Office of the Deputy Mayor for Planning and Economic Development (“DMPED”), seeks to redevelop a portion of Lot 0806 in Square 5914, a parcel of land located at 1351 Alabama Avenue SE (the “Development Parcel”) (see Figure 1 for Development Parcel Map). The Development Parcel is approximately 45,000 square feet. in size and sits within the Congress Heights area of Washington, D.C.

DMPED seeks responses (each a “Proposal” and collectively “Proposals”) that encompass the goals set out in this RFP and shall consider both Proposals that rely on matter-of-right development and Proposals that assume pursuit of a Planned Unit Development (“PUD”). DMPED shall also consider Proposals that include nearby public or private parcels. Conveyance of the Development Parcel shall be via a ground lease of 99 years; a fee simple conveyance shall only be considered for that portion of the Development Parcel for which a Proposal offers for sale residential units. Each proposed development plan shall further reflect the important value of this site to the surrounding community and embody the following characteristics:

- Maximize affordable housing;
- Maximizes equity ownership and majority control opportunities for Disadvantaged Business Enterprises;
- Uses that are compatible with and leverage surrounding neighborhood development;
- Responsiveness to community and stakeholder preferences;
- Sustainable and energy efficient buildings;
- High architectural design quality;
- A transit-oriented development (“TOD”) that reflects the project’s adjacency to multiple public transit options; and
- Includes opportunities for teacher and/or educator housing.

The District’s Department of General Services (“DGS”) will be issuing a design/build request for proposals (“DGS RFP”) for the portion of Lot 806 that includes the physical school building, to be renovated or replaced for a new high school, and is exclusive of the Development Parcel. Respondents may submit an alternate Proposal for the entirety of Lot 806. Only in the event that a Respondent is awarded the DGS RFP will DMPED consider such alternate Proposal.

The Timeline

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

| <i>Selection Process Timetable (subject to change)</i> | |
|---|---------------------------------|
| 1. Issuance of RFP | July 30, 2020 |
| Pre-Response Question & Answer Period ¹ | July 30, 2020 – August 20, 2020 |
| 2. RFP Proposal Submission Due Date (3:00 PM ET) | October 14, 2020 |
| 3. Selection Recommendation Panel Interviews | Fall 2020 |
| Community Presentation by Respondents | Fall 2020 |
| Request for Best and Final Offer (“BAFO”) (If Applicable) | Fall 2020 |
| BAFO Submission Due Date (If Applicable) | Fall 2020 |
| 4. Final Selection of Respondent | Winter 2020 |

¹ Due to the COVID-19 pandemic, DMPED will have an online question and answer portal from July 20, 2020 to August 13, 2020 and post responses by August 20, 2020 in lieu of an information session and introductory site visit.

Submission Directions

All Proposals must be submitted electronically by 3:00 PM on the RFP Submission Due Date. Hand delivered or mailed Proposals shall not be accepted. Adherence to the deadline is essential. Incomplete applications or those submitted after the deadline shall not be accepted.

A copy of the \$50,000 deposit in the form of an executed, irrevocable standby letter of credit ("Letter of Credit") is required to be uploaded with a Respondent's electronic Proposal, with the original hardcopy provided to DMPED by close of business on the RFP Proposal Submission Due Date.

Development RFP Deposit

Amount: \$50,000
Format: Standby, irrevocable letter of credit (See Appendix D for form.)
Due At: RFP Proposal submission

Additional deposits will be required if selected and upon execution of the disposition agreement.

Conditions: If a Respondent's Proposal is not selected, the letter of credit shall be returned to the Respondent. If a Respondent's Proposal is selected, the letter of credit will only be returned upon the Respondent's successful completion of Closing as determined by the District through the terms of the disposition agreement.

PROJECT DESCRIPTION

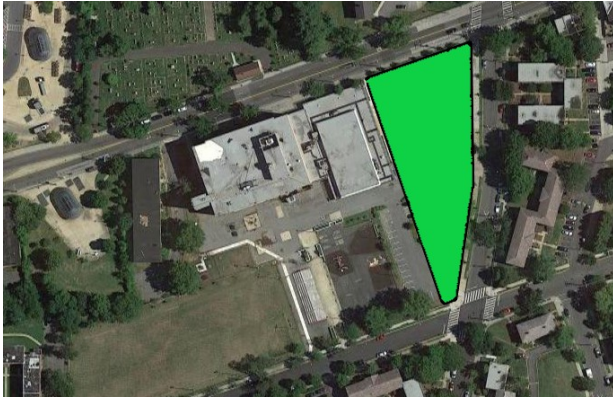


Figure 1: Development Parcel Map (not to scale)

| | |
|--------------------------------------|--|
| Location | 1351 Alabama Ave SE |
| Square | 5914 |
| Lot | Portion of 0806 |
| Total Square Footage | 45,000 sq. ft. (approximate) |
| Owner | District of Columbia |
| Status | Field |
| Zone | RA-1 |
| Adjacent Stakeholders/Property Owner | Congress Heights Metro Station (WMATA), Former Malcom X Elementary School (DC), 1331-1333 Alabama Ave SE (CityPartners 5914 LLC), 3232 - 3242 13 th St SE (Savannah Preservation Partners LLC), 1325 - 1345 Savannah St SE (Southeast Washington Development Associates LP) |

Location: The Development Parcel is located in Ward 8 and bounded by Alabama Avenue SE to the North, Congress Street SE to the East, Savannah Street SE to the South and 13th Street SE to the West. The Development Parcel is identified as a portion of Lot 0806 in Square 5914.

Frontage, Size, and Shape: The Development Parcel has frontage along Alabama Avenue SE, Congress Street SE and Savannah Street SE. The Development Parcel consists of approximately 45,000 square feet. The parcel is an unimproved lot and is largely triangular in shape as depicted in Figure 1.

Visibility/Access: The Development Parcel has good visibility from Congress Street SE and is adjacent to the Congress Heights Metro Station. See the Transportation Planning Framework section below regarding access. The Development Parcel may be over or within the zone of influence of above-grade and below-grade Metro improvements.

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

Property Advantages: The Development Parcel is located within the Congress Heights neighborhood and has excellent multi-modal transportation access due to proximity to the Congress Heights Metro Station and multiple bus and circulator lines. The Development Parcel is located within a developing area of the city, with by-right RA-1 zoning. The Development Parcel is within blocks of St. Elizabeths' Entertainment and Sports Arena.

Neighborhood Context: The Development Parcel is on a portion of the former Malcolm X Elementary School campus. The campus includes the 110,000 square foot school building, a field, basketball courts, a playground, and a parking lot. The school was closed in 2013 and is now the home to the District Department of Parks and Recreation's Opportunity Center, a District Department of Human Services hypothermia center, and various community-based organizations. The Development Parcel is in Ward 8, within Advisory Neighborhood Commission ("ANC") 8E, and in the Congress Heights neighborhood. The Development Parcel is adjacent to the Congress Heights Metro Station (green line) and in close proximity to the St Elizabeths' Entertainment and Sports Arena. Congress Heights Community Association, Destination Congress Heights Main Street,) and Congress Heights Community Training and Development Corporation are examples of active community stakeholder groups.

EQUITABLE DEVELOPMENT FOCUS

Equitable Development Process

Mayor Bowser has charged her entire Administration with ensuring every Washingtonian gets a fair shot. The Mayor recognizes that the District is a powerful tool for investing in the economic vitality of residents and neighborhoods. As the District of Columbia continues to grow and change, the District's investments and decisions will continue to play an important role in shaping the future of our city and providing opportunity to those who have historically been locked out of prosperity. Building the District of Columbia into a more inclusive and equitable city will not happen by chance, it will be the result of intentional decisions that are designed to overcome long-standing inequities, that reflect our shared DC values, and that provide Washingtonians across all eight wards every opportunity to rise.

In the interest of advancing access to opportunities to manage meaningful development activities, DMPED has designated this project as an instance to serve the dual purpose of promoting economic activity and facilitating equitable access to the opportunities afforded by development projects. Equitable access to meaningful opportunities for development project management and delivery is a critical pathway towards ensuring that the District's growth reflects diverse needs and equitably benefits residents.

The District intends to take deliberate steps to assist small, local, and disadvantaged businesses and people to not just participate in larger opportunities but build the capacity necessary to lead and manage them in the future.

Equitable Inclusion Preferences

DMPED will prioritize Respondents that maximize by leadership and/or inclusion:

- Racial and ethnic minorities
- Other persons who are members of historically disadvantaged groups

Team Composition Priority

DMPED will prioritize Proposals that maximize, by percentage of ownership and control, entities designated as Disadvantaged Business Enterprise ("DBE") and Residence Owned Business ("ROB"), or any entities (including non-profits and community institutions) led by or majority controlled by individuals designated as socially disadvantaged under the Small Business Administration ("SBA") definition².

For projects with multiple parcels or components, the above prioritization can be met if the Proposal includes a parcel or component set aside, within the larger development plan, for a team lead by and majority owned by one of the persons described in the first paragraph of this section.

² 13 C.F.R. §124.103 - https://www.ecfr.gov/cgi-bin/text-idx?SID=e1ec97fa9394bf2190b27e524d4d03a1&mc=true&node=se13.1.124_1103&rgn=div8

DISTRICT POLICY GOALS AND REQUIREMENTS

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

Development Program

DMPED encourages proposals that include the following:

- i. Opportunities for teacher and/or educator housing
- ii. If a Proposal includes a residential mixed-income component, maximize affordability (at a minimum, affordability levels must be compliant with the District's Inclusionary Zoning and D.C. Official Code §10-801, as amended, affordable housing requirements). Residential development shall provide a mixture of unit types and sizes across multiple MFI (as defined below) levels and affordable units must be comparable to market rate units;
- iii. An appropriate amount of parking that reflects the Development Parcel's proximity to a Metrorail station and other transportation infrastructure. All project amenities, including any rental of parking spaces, shall be offered to affordable housing units on the same terms as offered to the market rate housing units;
- iv. A commitment to build to the highest density allowable on-site;
- v. Architectural images of the proposed project to show how it complements the neighborhood character while accommodating necessary uses;
- vi. In addition to the "Equitable Development Focus" section, preferences for CBE's and/or businesses that hire District of Columbia residents.
- vii. High level of streetscape design, including building features that directly link to the sidewalk level, promote a pedestrian-friendly and walkable neighborhood character, and a high degree of visual continuity along street corridors;
- viii. Retail that serves the neighborhood and broader areas, if the Proposal includes a retail component. Proposals that include preferences for District-based businesses, and/or businesses that hire District of Columbia residents, are strongly encouraged. Additionally, Respondents are encouraged to include in their Proposals retail space for local and emerging businesses
- ix. Any other additional goals identified throughout this RFP.

Planning and Zoning Framework

Comprehensive Plan

The Comprehensive Plan Future Land Use Map designates the western portion of the Site for mixed-use Medium-Density Commercial and Medium-Density Residential; the easternmost portion of the Site is designated as Local Public Facilities. Mixed-use Medium-Density Commercial allows for retail, office, and service businesses while Medium Density Residential allows for mid-rise apartment buildings (4–7 stories). The Comprehensive Plan Policy Map identifies the Site as part of a Neighborhood Enhancement Area that is adjacent to the Congress Heights Metro Station. The Neighborhood Conservation Area designation presents an opportunity for compatible infill development, including new, dense housing types and mixed-use buildings.

The Development Parcel is located within the Far Southeast and Southwest Area Element of the Comprehensive Plan within the Congress Heights Metro Station Policy Focus Area. Targeted policy guidance for the Site includes the following:

- **Policy FSS-1.1.11: Workforce Development Centers**
Support the development of additional vocational schools, job training facilities, and workforce development centers. Encourage the retention of existing job training centers, and the development of new centers on such sites as the St. Elizabeths' Campus and DC Village to increase employment opportunities for local residents. (Comprehensive Plan citation 1808.12); and
- **Policy FSS-2.4.1: Congress Heights Metro Station Mixed Use**
Encourage reuse of the Congress Heights Metro Station site and its vicinity with mixed use medium density residential and commercial development through the use of planned unit developments that promote new economic development. Development on the site should be cognizant of the adjacent lower density neighborhood to the west and south, provide a connection to the future development on the St. Elizabeth's Campus, and create a stronger sense of identity and gateway for the Congress Heights neighborhood. Medium density development on the portions of the northwest quadrant of Square 5814 would be compatible with the adjacent lower density a neighborhood to the west and south with appropriate design review through a PUD process. Strongly encourage WMATA to make its land available for joint development around the Congress Heights Metro Station. (Comprehensive Plan citation 1814.3).

In spring 2016, the Office of Planning (“OP”) launched the second amendment cycle of the 2006 Comprehensive Plan (“Comp Plan”) for the National Capital: District Elements. The Comp Plan was last amended in 2011 and is being amended again to ensure that the plan is responsive to the dynamic changes in DC’s population, demographics, and policy priorities. While the Comp Plan amendment process is ongoing, the 2006 Comp Plan language still applies.

Zoning

The Development Parcel is currently zoned RA-1. The purpose of the RA-1 zone is to permit flexibility of design by permitting all types of urban residential development. The RA-1 zone provides for areas predominantly developed with low-to moderate-density development including detached dwellings, rowhouses, and low-rise apartments.

The Future Land Use Map (FLUM) designation of mixed-use Medium Density Residential / Medium Density Commercial could accommodate a higher density zone such as the MU-6, MU-8 or MU-10, with densities between a 5.0 Floor Area Ratio (“FAR”) and height of 90 feet as a matter of right to 8.6 FAR with a PUD.

Information on the Comprehensive Plan and Zoning may be found at the OP website: planning.dc.gov. For additional information regarding land use and zoning please contact Valecia Wilson at OP by e-mail at Valecia.Wilson@dc.gov.

Transportation Planning Framework

The District’s Department of Transportation’s (“DDOT”) commitment to building a safe and efficient transportation network will guide all review of transportation-related issues regarding the development of the Development Parcel. The Development Parcel has excellent multimodal transportation access as it is located immediately adjacent to the southern entrance to the Congress Heights Metrorail Station and a short distance from DC Circulator service. DDOT anticipates a sizable share of people accessing the Development Parcel will do so via non-automobile modes of travel. As such, DDOT expects the amount of vehicle parking provided on-site to be as close to zero as possible. DDOT’s preferred maximum parking rates based on distance to transit can be found in the 2019 Guidance for Comprehensive Transportation Review. Improved pedestrian and roadway connectivity will be critical components of this project. Since DDOT views this project as a TOD, Respondent Proposals should include new direct pedestrian connections to the Congress Heights Metro Station and other amenities on adjacent properties. DDOT would find a new north-south roadway connection between Alabama Avenue and Savannah Street SE and/or an east-west road along the northern edge of the site highly desirable. This may require coordination with and obtaining easements from other property owners, coordinating with the approved PUD to the north (ZC 13-08), and potentially dedicating right-of-way to DDOT. Aside from a potential new north-south street connection, no other new curb cuts will be permitted on the north side of Savannah Street SE. Vehicle and loading access to the Development Parcel must be from the new north-south street, east-west street, or other private driveways surrounding the Development Parcel.

Depending on the development program proposed and type of approval process the development goes through (i.e., Zoning Commission review), DDOT may require a Comprehensive Transportation Review (“CTR”) study to determine the impacts on the transportation network. Respondents should have a basic understanding of the projected number of trips by transportation mode generated by the proposed development program during the RFP process.

DDOT is committed to robust Transportation Demand Management (“TDM”) that encourages non-automobile travel. Respondent should discuss any proposed TDM measures aimed at reducing single-occupant vehicle travel to and from the Development Parcel. It is expected that the final development will meet or exceed zoning requirements for all bicycle parking and locker/changing facilities. Information regarding TDM can be found in the 2019 Guidance for Comprehensive Transportation Review (<https://ddot.dc.gov/node/470382>), on the goDCgo webpage <https://ddot.dc.gov/service/godcgo>, or by contacting info@godcgo.com.

Public Space Framework

DDOT, in partnership with OP, 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 non-permanent 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 streetlights or curb and gutters, and any building encroachments into the public right-of-way.

Restoration of the public space is expected as part of the redevelopment of the Development Parcel, including installation of missing street trees and sidewalks (minimum 6-foot clear path on Savannah Street SE). All sidewalks and curb ramps surrounding and within the Development Parcel must be upgraded to comply with Americans with Disabilities Act (“ADA”) guidance. Trash storage must be

accommodated on-site and not in DDOT-controlled public space. Designs for loading areas must allow front-in/front-out access from any public street.

Within the Savannah Street SE public right-of-way, DDOT anticipates power lines will be relocated underground, fences and retaining walls removed or relocated, and multi-space parking meters installed. Additionally, the selected team should coordinate with DDOT safety and capital projects to improve pedestrian, cyclist, and vehicular safety along Alabama Avenue SE as part of the District's Vision Zero effort.

Respondents may refer to Chapters 11, 12A, and 24 of the District of Columbia Municipal Regulations ("DCMR"), DDOT's Design and Engineering Manual ("DEM"), and the Public Realm Design Manual for public space design guidance. For further information on DDOT's development review process, please contact Aaron Zimmerman in DDOT's Planning and Sustainability Division ("PSD") at 202.671.2356 or aaron.zimmerman@dc.gov.

Evaluation Criteria

Responsive Proposals shall demonstrate that the Respondent has (i) a proposed use or uses for the Development Parcel that is consistent with the "District's Policy Goals and Requirements" section of this RFP, (ii) the financial capacity and ability to successfully close the transaction, and (iii) offered an attainable redevelopment timeline to convert the Development Parcel to its optimal utility.

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

Attainment of District Goals

The District shall prioritize Proposals that:

- i. Include opportunities for teacher and/or educator housing;
- ii. Maximize equitable development opportunities in line with the "Equitable Development Focus" section;
- iii. Maximize affordable housing in line with the "District Policy Goals and Requirements" section;
- iv. Maximize the economic value to the District;
- v. Respond to the goals and objectives of the Comp Plan;
- vi. Improve the quality of life for the surrounding neighborhood;
- vii. Address stakeholder concerns and requirements;
- viii. Provide employment opportunities for local residents and businesses;
- ix. Provide contracting opportunities for CBE certified businesses; and
- x. Address any additional goals identified in the "District Policy Goals and Requirements" section and any other District policy documents.

Additionally, the District shall prioritize Respondents whose Proposal indicates it shall achieve and exceed the above District policy goals by:

- i. Maximizing the overall economic benefit to the District, including:
 - Maximizing the development envelope such as through assemblage of adjacent land parcels or modification of current zoning;
 - Maximizing value to the District through land value proceeds (paid by Respondent to the District) and incremental property and sales taxes; and
 - Maximizing community benefits, including affordable housing and job creation and/or apprenticeship programs for District of Columbia residents, particularly for residents within 1-mile of the Development Parcel.
- ii. 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; and
- iii. Providing District and 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.

Development Vision

Respondent shall propose innovative, market-viable ideas for redevelopment of the Development Parcel. DMPED encourages Respondent to consider, in its development vision, the District's goals of:

- i. Promoting social equity;
- ii. Promoting a vibrant, walkable, community;
- iii. Developing mixed use neighborhoods and commercial corridors;
- iv. Achieving high architectural design quality to this important gateway site while maximizing density;

- v. If appropriate, creating strong retail activity on the Development Parcel; and
- vi. Providing a sustainable development that has minimal impact on the environment and achieves higher LEED certifications than required by DOEE.

Qualifications and Experience of Respondent

Proposals that satisfy the following criteria shall be prioritized:

- i. Demonstrating through Respondent entity experience and expertise of proposed key personnel that Respondent is qualified to execute the proposed development plan;
- ii. Having successfully served in lead developer roles for completed projects of a similar scale and scope to the project proposed by Respondent; and
- iii. Providing evidence of sufficient organizational and financial capability to ensure successful and timely delivery of the project.

Project Financial Feasibility and Team's Financial Capacity

Proposals that satisfy the following criteria shall be prioritized:

- i. Demonstrating that Respondent possesses the financial resources to execute the project requirements;
- ii. Providing an estimated construction budget prepared by a third-party general contractor or cost estimator;
- iii. Providing realistic and achievable funding plans, including sources and uses tables and multi-year pro-forma development budgets (pre-development through 18 years post-stabilization);
- iv. Providing a pro forma utilizing only non-competitive, by-right financing sources;
- v. Displaying a willingness to provide the District with fair consideration for its real property assets. Land payment(s) to the District shall be strongly considered;
- vi. Demonstrating significant investments of "at risk" capital during the pre-development and development process; and
- vii. Exhibiting a willingness to provide the District with a meaningful guarantee regarding payment and performance through final project completion.

COMMON ELEMENTS & REQUIREMENTS

Community & Stakeholder Outreach

The success of any development project hinges on the inclusion and support of the local community. Respondent is strongly encouraged to work with ANC 8E, local community groups and area residents to understand how the community's goals can be met in Respondent's Proposals. All proposed building designs should demonstrate architectural excellence, consistent with the surrounding buildings, and should be open and inviting as a complement to the existing and new developments in the surrounding area. Proposals should consider and incorporate stakeholder and community preferences, to the extent feasible and practicable.

Affordable Housing

In the District's efforts to provide a greater number of Affordable Dwelling Units (each an "ADU" and collectively "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 Median Family Income ("MFI") levels that are required by the Inclusionary Zoning ("IZ") provisions of the District of Columbia Zoning Regulations (11-C DCMR §1000 *et seq.*), as applicable, and D.C. Official Code §10-801 (code.dccouncil.us/dc/council/code/sections/10-801.html). Under §10-801, Proposals that include multi-family residential units are required to reserve 30% of the units as affordable in perpetuity in the case of a fee simple proposal or for the term of the ground lease in the case of a long-term ground lease proposal. Respondent must ensure its Proposal complies with all applicable District laws including, but not limited to §10-801 and the specific affordability requirements set forth in §10-801(b-3). The District requires that all proposed ADUs be income restricted by recording an affordable housing covenant ("ADU Covenant") on the Development Parcel in order to be considered ADUs.

Affordable rental and for sale units administered in accordance with an ADU Covenant will provide that any buildings containing residential units shall have a proportional distribution of unit types and sizes across multiple MFI levels, so that ADUs are not clustered in any portion (floor, section, or tier) of the development. All project amenities, including any rental of parking spaces, shall be offered to ADUs on the same terms as offered to the market rate housing units.

As part of the Proposal, Respondent shall use the then-current Inclusionary Zoning Maximum Income, Rent, and Purchase Price Schedule that is published by the D.C. Department of Housing and Community Development ("DHCD") at dhcd.dc.gov. If Respondent is selected and ultimately purchases the Development Parcel, the initial maximum purchase price or rent for an ADU shall be the greater of: (a) the purchase price or rent set forth in the then-current Inclusionary Zoning Maximum Income, Rent, and Purchase Price Schedule on the date of the consummation of the transactions involving the conveyance of the Development Parcel ("Closing"), or (b) the purchase price or rent set forth in the then-current Inclusionary Zoning Maximum Income, Rent, and Purchase Price Schedule on the date the Development Parcel receives its final certificate of occupancy. All 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. The initial sales price for an ADU may not exceed the Maximum Allowable Sales Price for ADUs. For more information, please contact Gene Bulmash, DHCD's Inclusionary Zoning Program Manager at (202) 442-7168 or gene.bulmash@dc.gov.

Respondent should conduct its own research into sub-market residential for sale prices and rental rates to ensure its estimated ADU rent or purchase prices are well below the market rates. If Respondent contemplates using a federal or local source of gap financing, such as Housing Production Trust Fund ("HPTF") or Low Income Housing Tax Credit ("LIHTC"), Respondent should propose rents or purchase prices that are no more than the lowest applicable income limit. HPTF program limits are published by DHCD at dhcd.dc.gov.

Respondent's financing proposals should seek to cross-subsidize any ADUs proposed with income generated from other uses in the project, such as market rate units or commercial development. If Respondent's Proposal has a financing gap due to the ADUs, Respondent should conduct a residual land value analysis and reduce its proposed ground lease payments for the Development Parcel to an amount that will allow the project budget to absorb the cost of the ADUs, without the need for additional subsidy or direct investment from the District.

If Respondent proposes more than the minimum amount of required ADUs or determines that the minimum ADU requirement is not financially feasible even after reducing its proposed ground lease payments, Respondent may submit a financing plan that assumes: (a) 9% LIHTC financing from the DHCD, (b) 4% LIHTC and Tax Exempt Bond financing from the D.C. Housing Finance Agency ("DCHFA"), or (c) HPTF. **Notwithstanding the forgoing, any pro forma included as part of Respondent's Proposal may only include non-competitive, by-right financing sources.**

DCHFA accepts applications for 4% LIHTC financing on a rolling basis, and the 4% LIHTC financing is a by-right program available to any project that meets the Threshold Eligibility Requirements of the District's Qualified Allocation Plan ("QAP"), the most current version of which is available on dhcd.dc.gov. At a minimum, 20% of a project's residential units and residential square footage must be reserved as affordable housing to qualify for 4% LIHTC financing. Accordingly, all Proposals that include a rental residential component, and meet the requirements of this RFP, will be eligible for 4% LIHTC financing. If Respondent proposes a rental residential component that requires gap financing, Respondent is strongly encouraged to utilize 4% LIHTC financing to reduce or eliminate the need for additional District subsidy.

DHCD accepts applications for HPTF and 9% LIHTC financing through competitive, Consolidated Requests for Proposals ("DHCD Consolidated RFP") at established intervals, approximately once every nine months. The DHCD Consolidated RFP is highly competitive (approximately 1 in 3 applications is selected for further underwriting); therefore, if Respondent assumes an award of HPTF or 9% LIHTC financing, Respondent should factor this uncertainty and timeline into its Proposal.

The amount of HPTF and 9% LIHTC financing available to a project is limited to the minimum amount necessary for the financial feasibility of the income eligible units. DHCD financing cannot be used to fund or offset a financing gap on uses that are not eligible for these sources of financing, such as workforce housing units (81-120% of MFI), market rate units, or non-residential units. If Respondent intends to later apply for DHCD financing through the DHCD Consolidated RFP, Respondent must become familiar with the selection criteria and underwriting guidelines contained in the most recent DHCD Consolidated RFP, available on dhcd.dc.gov. Respondent's Proposal must demonstrate a financing plan that will be competitive for DHCD funding and adheres to all applicable DHCD underwriting guidelines.

Additional District resources for affordable housing, such as Local Rent Supplement Program ("LRSP") operating subsidy from the D.C. Housing Authority ("DCHA"), case management supportive services funding from the Department of Human Services ("DHS"), and grant funding from the Department of Behavioral Health ("DBH") are also made available through the DHCD Consolidated RFP.

Separate from the DHCD Consolidated RFP, DHCD occasionally makes available Community Development Block Grant (CDBG) funding for Community Facilities. The last Community Facilities RFP was released in 2016, and, due to expected cuts to the federal budget, DHCD does not have immediate plans to make additional CDBG funds available for this purpose. If Respondent proposes a non-residential use, Respondent should not assume CDBG financing as part of its Proposal.

Sustainability and Green Building Requirements

The Development Parcel shall be developed in compliance with the District's Green Building Act of 2006, as amended, codified in D.C. Official Code §6-1451.01, *et seq.*, and the storm water management regulations published in [Chapter 5 of Title 21](#) of the DCMR and [Chapter 31 of Title 20](#) of the DCMR. Proposals shall be based on these regulations. Specific design criteria are stated in the Storm Water Guidebook which is available online at doee.dc.gov/publication/stormwater-guidebook.

The Sustainable DC 2.0 Plan establishes goals and targets to ensure that the District of Columbia is the healthiest, greenest, most livable city for all District of Columbia residents. It encompasses 167 actions and 36 goals across 13 separate topics. The Sustainable DC 2.0 Plan is found at sustainabledc.org/in-dc/sdc2/ Respondent should review the Sustainable DC 2.0 Plan and highlight its qualifications and experience in developing sustainable projects, if any, in its Proposal.

Clean Energy DC is the District's energy and climate action plan. It identifies what actions need to be taken between now and 2032 in our buildings, our energy infrastructure, and our transportation system to meet the District's ambitious greenhouse gas ("GHG") reduction targets. Included in the list of 57 proposed actions is the adoption of net-zero energy construction codes by 2026 for all new construction. Respondent should review the plan at doee.dc.gov/cleanenergydc and demonstrate how it has considered pursuing deep energy efficiency or net-zero energy performance in its Proposal.

Climate Ready DC is the District's strategy for making the city more resilient to climate change. It recommends adaptation strategies across four sectors: Transportation & Utilities, Buildings & Development, Neighborhoods & Communities, and Governance & Implementation. Buildings across the city are at risk from climate related hazards such as flooding, extreme weather, and heat. Respondent should review the Climate Ready DC plan at doee.dc.gov/climateready and demonstrate how they have evaluated the risks that climate change may pose to its project and designed its Proposal to mitigate those risks.

To meet the Green Building Act of 2006 and allow flexibility for Respondent to program the Development Parcel for uses beyond residential, the project shall be developed to LEED Silver or above. This is the substantially similar standard to Enterprise Green Communities.

In addition to the Green Building Act of 2006, Respondent is encouraged to demonstrate that it incorporates solar photovoltaics in its project and maximizes its rooftop generation potential to the extent allowable by District codes and regulations. Respondent is

also encouraged to consider coupling battery storage with solar photovoltaics to provide resilient backup power to the project. Any future Solar Renewable Energy Certificate ("SREC") income streams should be included as a revenue source in the project budget.

The existing laws and regulations, including the Green Building Act of 2006, the DC Green Construction and Energy Conservation Codes, and the updated stormwater regulations, among others, provide a strong foundation for the broader sustainability goals of the District. However, to achieve the targets set forth in the Sustainable DC Plan, the District plans to lead by example and give special consideration for projects that exceed the basic legal requirements and strive to achieve deeper levels of energy efficiency, greenhouse gas emissions reductions, and climate resilience.

Therefore, Respondent is encouraged to:

- i. Exhibit a commitment to environmental performance beyond the requirements set forth in existing laws and regulations, including commitments to LEED certification at the Platinum level or higher, OR
- ii. Surpass basic LEED certification by one or more of the following strategies:
 - o designing to be net zero energy "ready" (deep energy efficiency with energy use intensities below 30 kBtu/square foot/year);
 - o achieve net positive energy (either produced on-site and/or from the purchase of power from newly installed renewable energy in the region);
 - o zero waste (meaning above 90% diversion of waste both during construction and operation);
 - o retain stormwater volume for the 1.7-inch rain event, and collect and reuse rainwater and greywater on-site; and/or
 - o design and construct the project to achieve either full or partial certification under the International Living Future Institute's Living Building Challenge program.

There are strong financial incentives available in the District for deep energy efficiency, stormwater management, and renewable energy. These incentives include: DC Sustainable Energy Utility (dcseu.com/about), DC PACE Program (<http://dcpace.com/>), RiverSmart Communities (doee.dc.gov/service/riversmart-communities), RiverSmart Rewards (<https://doee.dc.gov/riversmartrewards>), RiverSmart Rooftops (doee.dc.gov/greenroofs), Stormwater Retention Credits (<https://doee.dc.gov/service/src-price-lock-program>), and the pending Green Bank (dcgreenbank.org/) programs.

For more information, please contact Casey Studhalter with the Department of Energy and Environment's Urban Sustainability Administration at (202) 535-2460 or casey.studhalter@dc.gov.

First Source

Pursuant to D.C. Official Code §10-801(b)(7), 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, one of the primary goals of the District is the creation of job opportunities for District of Columbia residents. Accordingly, Respondent selected by the District to negotiate a disposition agreement shall, prior to execution of a disposition agreement, enter into a First Source Employment Agreement ("First Source Agreement") with the Department of Employment Services ("DOES"). Collective bargaining agreements shall not be a basis for the waiver of these requirements. Respondent must complete the Form of Acknowledgement attached as Appendix A.

Please contact DOES to obtain a copy of the First Source Agreement. For more information on the District's DOES apprenticeship program, please visit the following website: does.dc.gov/service/apprenticeships. For more information, please contact Terry Kenner with DOES at 202-698-5849 or terry.kenner2@dc.gov.

Certified Business Enterprises

The selected Respondent shall, if the District and selected Respondent shall successfully negotiate a disposition agreement, 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"), including entering into a CBE Agreement with the District prior to execution of a disposition agreement. Pursuant to D.C. Official Code §10-801(b)(6) and the CBE Act, Respondent shall subcontract to Small Business Enterprises ("SBEs"). The District's Department of Small and Local Business Development ("DSLBD") determines which entities qualify as SBEs, CBEs, Small Investors, Disadvantaged Investors, and Certified Equity Participants pursuant to the CBE Act. Respondent is encouraged to exceed the District's SBE/CBE subcontracting and participation requirements. Respondents must sign, and submit with their Proposals, the Acknowledgement Form attached as Appendix A.

Davis Bacon

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

Hotel Uses

If Respondent's Proposal contemplates a hotel use, then Respondent shall be required to enter into a written agreement between Respondent and any labor organization that seeks to represent employees involved in hotel operations at the Development Parcel as a part of its Proposal, which agreement shall contain, 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 Respondent's operations or the project ("Labor Peace Agreement") as required under Hotel Development Projects Labor Peace Agreement Act of 2002, D.C. Official Code §32-851, *et seq.*. The requirement above shall be included in any Proposal by Respondent that pertains to hotel operations at the Development Parcel.

Minimum Ground Lease Terms

The District has provided more information about the disposition structure in the "RFP Process" section of this RFP. A ground lease with a term in excess of 15 years (inclusive of options) shall require authorization of the Council of the District of Columbia ("Council") in accordance with D.C. Official Code §10-801, as amended, prior to the District's execution or contractual obligation to enter into the ground lease with the selected Respondent. Respondent should be aware that the Mayor's request for Council authorization must be accompanied by an appraisal, economic factors considered, and justification for the financial terms negotiated in the ground lease.

The selected Respondent shall be solely responsible for any and all costs of redevelopment, remediation, and future operation of the Development Parcel. The selected Respondent, upon execution of a disposition agreement, shall be solely responsible for the payment of all utilities, permit fees, assessments and taxes relating to the Development Parcel, including, if applicable, possessory interest tax assessed under D.C. Official Code §47-1005.01. DMPED shall not provide any public subsidy to fill any funding gaps or shortfalls.

SOLICITATION PROCESS

RFP Submission Requirements

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

Format (Only Proposals submitted electronically will be accepted)

All Proposals must meet the following format requirements:

- i. Proposals shall be formatted to fit 8.5" x 11" letter-size paper, with labeled separator pages between sections;
- ii. Proposals must respond to each RFP item in the order outlined below in the "Proposal Contents" section. Each sub-section must be separated by a separator page labeled with the sub-section heading;
- iii. Proposals must not exceed a total of forty pages, excluding appendices;

Proposal Contents:

Section 1: Transmittal Letter

Respondent shall provide a separate transmittal letter with its Proposal. The transmittal letter shall highlight the following key components of Respondent's Proposal (i) articulate the vision for the Development Parcel, including identifying any proposed uses and tenant(s); (ii) discuss how the District and surrounding neighborhood shall benefit from the proposed project (i.e., economic impact, job creation, etc.); and (iii) describe how the proposed project fits within the existing neighborhood fabric. The transmittal letter shall not exceed two 8.5x11 pages.

Section 2: Respondent

Respondent Identities & Details

Respondent shall provide an introduction and description of each member of its team, including but not limited to, lead developer, CBE partner, tenant partner, financial/capital sources partner, design team partner, and any other team members Respondent identifies for consideration by the District.

Respondent shall identify the following key member entities:

| | |
|--|--|
| Development Partners | 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 shall be available to respond to questions or requests for additional information. |
| CBE Partners | Identify all CBE partners for the project. Please provide one of the following: (a) executed CBE partnership agreement, (b) executed CBE term sheet, (c) executed letter(s) of commitment by CBE partners, businesses and entities, or (d) any other firm commitments from the CBE partners. |
| Tenant Partners | If applicable, identify any proposed tenant(s) for the project. |
| Financial Partners/ Capital Sources | If applicable, identify any construction and permanent lenders, major investors, and other key consultants, if any, included in the financing plan. |
| Design Team | If applicable, identify any architects, engineers, consultants, etc. |

For each entity identified in the section above, Respondent shall provide the following information for the primary point-of-contact:

- i. First and last name
- ii. Title
- iii. Address
- iv. Telephone Number
- v. Email Address

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

Section 3: Litigation and Liabilities

Statement Regarding Debarments, Suspensions, Bankruptcy, or Loan Defaults

Respondent shall provide a statement regarding any debarments, suspensions, bankruptcy, or loan defaults on real estate development projects and/or government contracts of any of Respondent members' entities or affiliates listed above in "Respondent Identities & Details".

Evidence Regarding Tax Liabilities

Respondent shall provide a statement regarding any tax liabilities and other government impositions that are not current for any of Respondent members' entities listed above in "Respondent Identities & Details. "

Evidence Regarding Litigation

Respondent shall provide a statement regarding any ongoing, or knowledge of any potential or threatened, litigation in which the District is a party that relates to any Respondent member, affiliate, or to any other entity or individual having a controlling interest in the entity (or entities) that comprise Respondent. If such litigation exists, Respondent shall provide the name and civil or criminal action number of such litigation and a description of the subject matter of such litigation. If potential or threatened litigation could exist, Respondent shall summarize the facts and actionable claims that could exist in such litigation. Should Respondent not make complete disclosures, Respondent shall be disqualified from this RFP.

Section 4: Organizational Documents

Organization Status

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

Organizational Chart and Bios

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

Evidence Regarding Creation of Respondent

Respondent, if not an individual, shall provide a copy of any written agreements or documents evidencing the creation of, or the intent to create, Respondent or the primary entities comprising Respondent; however, it is not necessary to have a project-specific legal entity formed in advance of submitting a Proposal. The principals, partners, or joint-venture partners who are part of Respondent must be eligible to transact business in the District of Columbia.

Section 5: Qualifications and Experience

Respondent shall exhibit its ability to deliver an economically viable project by identifying three urban infill development projects comparable to the scale and program of Respondent's proposed project, with which Respondent or its key members 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. Names and contact information for Respondent 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. (as 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 financing structure of the project; if project is not yet complete, OR actual financing structure, if project is complete;
- x. If applicable, highlight experience in obtaining LEED or Green Communities certifications. Highlight expertise in the areas of energy efficiency, on-site clean energy generation, green roofs, and/or environmentally friendly technologies;
- xi. Illustrative materials that shall help the District evaluate the caliber, innovation, and relevant experience of the Respondent members; 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.

Section 6: Project Concept

Respondent shall identify and describe in detail the elements of its proposed development. Respondent must submit a development program along with a construction schedule. Respondent is encouraged to describe in detail how it believes the development program meets or exceeds the District's goals and objectives. Respondent shall include the following:

- i. A project narrative indicating the scope of work, scale and character of the project, proposed solutions to any potential obstacles to development discovered while researching title, and Respondent's due diligence investigations of the Development Parcel;
- ii. Respondent's zoning strategies for the project, including a detailed explanation and justification for any proposed zoning variance or PUD. If applicable, Respondent should provide a schedule that fully describes each step in the approval process necessary for entitlements assumed in the Proposal;
- iii. The estimated maximum gross on-site FAR above and below grade;
- iv. A visual representation of the proposed development and schematic plans that include basement plan, ground floor plan, typical floor plan and roof plan, elevations of front, side and rear views. Such visual representation need not be elaborate or costly but should offer DMPED a clear picture of the proposed end result. If possible, provide color renderings or three-dimensional graphics for better understanding of the project;
- v. The total number of residential units by unit mix, affordability, unit size, and the average net square footage for each unit type;
- vi. Evidence of market demand and rent/sales projections for each type of program use;
- vii. Gross square footage for all different types of program uses including all above and below grade parking. For retail space, include the total gross square footage, number of bays and intended type of retail tenant(s);
- viii. Parking and loading plans, including access points;
- ix. The project's transportation strategy, taking into account the Development Parcel's location close to multiple Metrorail Stations, bus stops, and transportation corridors;
- x. Landscape plan showing the typical landscape materials planned to be used on the Development Parcel and in the public realm, including street furnishings, lighting, landscape and streetscape elements;
- xi. A proposed project timeline for the design, construction and occupancy periods, including any phasing of the development;
- xii. A proposed development schedule (see "Reservation of Rights & Miscellaneous Provisions") and related contingencies, if any, given DMPED's stated desire to deliver a quality project within the shortest amount of time;
- xiii. For proposed housing and/or commercial space, a management plan, including but not limited to the name of the management company, a company profile and a description of services, as well as experience in affordable housing; and
- xiv. Description of any proposed additional project or neighborhood related amenities.

Respondent may submit more than one but not more than two project concepts and visions for the Development Parcel.

Section 7: 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 ADU covenant to be entered into with DHCD. Among other provisions, the ADU covenant shall provide that any building containing residential units shall have a proportional distribution of unit types and sizes across multiple MFI levels, so that ADUs are not clustered in any portion (floor, section, or tier) of the development. Market rate units 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, Respondent shall provide a description of the following:

- i. The project's impact on the District's affordable housing goals and economic development goals;

- ii. 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, if any;
- iii. The rent projections for each ADU unit type. All ADU 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 as published in the most recent DHCD Inclusionary Zoning Maximum Income, Rent and Purchase Price Schedule;
- iv. The number and total percentage of ADUs by MFI and unit size type as well as the amount and percentage of square footage devoted to ADUs; and
- v. Respondent's proposed strategy for the marketing, operating, and administering of ADUs in its project.

Each Respondent shall use the most current published DHCD Inclusionary Zoning Maximum Income, Rent and Purchase Price Schedule that is published annually.

Section 8: Project Budget Sources and Uses

Respondent shall provide a balanced "Sources and Uses" analysis. The Sources and Uses analysis shall include the following, at a minimum:

- i. **Sources:** A breakdown of all funds (including equity, debt, fundraised capital, non-District funding, etc.) to be obtained including predevelopment, construction, and permanent financing and the assumptions used to size them (including interest rates, amortization type, period and debt coverage ratio, LIHTC amounts and pricing, and all other relevant source information) for the payment of the uses in the project; and
- ii. **Uses:** A detailed project budget that breaks down all costs to be incurred to construct new improvements on the Development Parcel, 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.), historic rehabilitation costs, and acquisition and financing costs.

Section 9: Project Development and Operating Pro Forma

To prove the economic viability of the construction and operation of the proposed project, Respondent shall provide a detailed, line-item, fully functional Microsoft Excel development and operating pro forma for all income-producing uses proposed to be operated out of the proposed improvement from pre-development through stabilization and for 18 years beyond the projected stabilization year. At a minimum, the Microsoft Excel pro forma shall include a summary sheet, a detailed development budget, and a cash flow sheet.

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

Respondent shall submit the detailed development and operating pro forma in a live Microsoft Excel version and shall provide all linked Microsoft Excel files, with all original formulas (i.e., no hard coding), and it shall have no hidden or locked sheets.

Section 10: Proposed Financing Strategy

In determining economic feasibility, Respondent shall take into account all available sources of financing (e.g., LIHTC financing) or other private or federal assistance that may benefit the project. DMPED shall not guarantee any public subsidy to fill any funding gaps or shortfalls, and Respondent shall be evaluated in part on the size of such funding gaps. **Any pro forma included as part of Respondent's Proposal may only include non-competitive, by-right financing sources.** Respondent shall provide:

- i. Respondent's equity commitment to the project and the timing/disbursement of that commitment;
- ii. A proposed project financing strategy, including a listing of all anticipated sources of construction and permanent financing (including interest rates; amortization type and period; ex-ante return on assets and equity, and internal rate of return; covenants; coverage ratios; and all other relevant information);
- iii. Detailed description of which, if any, federal government funding sources Respondent intends to attract to the project; and
- iv. Satisfactory evidence of Respondent's ability to secure project debt and equity, including commitment letters from prospective investors.

Section 11: Financial Capacity

The District seeks to evaluate Respondent's ability and willingness to invest sponsor equity and self-fund project predevelopment costs. ***(Respondent is hereby put on notice that all such money expended is at the sole risk of Respondent and under no***

circumstances shall the District be responsible to reimburse the same.) Therefore, Respondent shall include the following items:

- i. A description of the financial capacity of Respondent's 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 redevelopment of the Development Parcel.

Section 12: Project Schedule

Respondent shall identify and describe a timetable and milestones from award through project completion. Respondent is required to complete and submit with its Proposal a completed "Schedule of Performance" in the form attached as Appendix B.

Section 13: Statement of Minimum Business Terms

Respondent shall complete the Statement of Minimum Business Terms (the "Term Sheet") attached as Appendix C, which Term Sheet shall serve as the basis for negotiations of a disposition agreement with the selected Respondent. Respondent may propose both or either a ground lease and/or the purchase of a fee interest of the Development Parcel for the District's consideration. **If Respondent would like to provide minimum terms in excess of the Term Sheet, Respondent shall attach to the Term Sheet all additional minimum terms.**

Section 14: Community & Stakeholder Outreach

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

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

Section 15: First Source, Certified Business Enterprises, and Local Hiring

First Source & Certified Business Enterprises

Respondent must complete the Form of Acknowledgement attached as Appendix A. Please refer to the "District Policy Goals & Requirements" section of this RFP for details regarding the First Source Agreement and the CBE Agreement that the selected Respondent shall enter into with the District prior to execution of a disposition agreement.

Local Hiring & Opportunities

Respondent is encouraged to incorporate in its Proposal the following:

- i. Employment and business opportunities for local residents and businesses. If included, Respondent shall submit detailed plans for apprenticeship programs that facilitate placing existing District of Columbia 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.
- ii. Opportunities for District of Columbia neighborhood-based business to participate in the project. If included, Respondent shall submit evidence of the inclusion of such businesses 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.

Section 16: Hotel Uses (if applicable)

A Respondent whose Proposal 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 Development Parcel as a part of its Proposal. Respondent shall provide a copy of the executed Labor Peace Agreement.

Section 17: Proposal Summary for Distribution to the Community

Respondent shall provide a summary of its Proposal that may be shared with the local community and stakeholders. The summary shall not exceed two 8.5x11 pages and shall include at a minimum, but not limited to, the following:

- i. Respondent members' introduction;

- ii. A visual representation of the proposed development; and
- iii. A description of the development program; to include planned retail use, and residential mix and unit size if applicable.

Section 18: Completed Matrix Appendices E and F

Respondent shall complete and submit:

- i. Appendix E – Project summary matrix; and
- ii. Appendix F – Residential detail matrix.

Fillable Microsoft Word/Microsoft Excel versions of Appendix E and F are available for download on the Project Website.

Section 19: Economic and Public Benefits Analysis

Respondent must provide a detailed, but concise, overall description as to how its Proposal shall benefit the economy of the District of Columbia. Respondent shall at a minimum provide the following (but not limited to):

- i. New real property taxes generated on an annual basis;
- ii. New construction period taxes generated based on construction schedule;
- iii. New sales taxes generated;
- iv. Estimate of new construction jobs created (including District of Columbia residents);
- v. Estimate of new full-time and part-time jobs created (including District of Columbia residents);
- vi. Opportunity for food access; and
- vii. Any multiplier effects.

EVALUATION PROCESS

Selection Recommendation Panel

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

Announcement of Short List

Upon review of the Proposals, DMPED may, at its sole discretion, identify a short list of Respondents, and DMPED has the sole and absolute discretion to conduct discussions with all, or some, of Respondents on the short-list via BAFO submissions. DMPED shall contact all Respondents and inform them of the results of the selection review process.

Final Selection & Notice

Following receipt of any additional information, if requested, DMPED may submit, in its sole and absolute discretion, one or more Proposals, 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, of Respondent's selection by the District to negotiate for the development of the Development Parcel ("Selection").

DMPED reserves the right, in its sole and absolute discretion, to reject any Proposal it deems incomplete or unresponsive to the submission requirements. DMPED also reserves the right, in its sole and absolute discretion, to reject all Proposals and re-advertise at a later date. If Respondent's Proposal is deemed incomplete or if Respondent is not selected, then DMPED shall return Respondent's Letter of Credit.

DMPED reserves the right to make the final Selection on the basis of initial Proposals without discussions with Respondent. Accordingly, Respondents' initial Proposals shall contain its 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 Respondents and solicit revised Proposals in order to make the Selection on the basis of such revised Proposals.

Post-Selection

Due Diligence

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

Disposition Agreement & Approval

Upon notification to Respondent of Selection, if the District and selected Respondent are unable to execute a disposition agreement within 120 days after the date of Selection, the District, in its absolute and sole discretion, may terminate negotiations and select a different Respondent's Proposal; re-issue the RFP; issue a modified RFP; or take such other measures as the District deems reasonable, appropriate, and/or necessary. **All costs incurred by Respondent in responding to this RFP and in performance of due diligence and predevelopment work shall be at Respondent's 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 shall attempt to negotiate in good faith a disposition agreement which shall incorporate the requirements contained in this RFP, the Term Sheet (see Appendix C), 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 shall recommend such Respondent and proposed business terms to the Mayor. If the Mayor agrees with DMPED's recommendation, then the Mayor shall submit the proposed transaction to 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 Council.**

TRANSACTION TERMS

Site Conditions

As-Is Condition

The Development Parcel 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

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 upon or occupancy of the Development Parcel.

Environmental Remediation

The selected Respondent shall be responsible at its sole cost and liability for any environmental remediation that may be associated with removal or disturbance of existing conditions during due diligence performed by Respondent, or any other activity undertaken or performed by Respondent on the Development Parcel.

Pre-development and Development Costs

Respondent shall draw independent conclusions concerning conditions that may affect the methods or cost of development.

- Respondent shall be solely responsible for all pre-development (including possible 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.
- Respondent shall be solely responsible for all costs related to obtaining necessary permits, approvals, clearances, and licenses at the appropriate time.

DMPED expects the selected Respondent to proceed immediately with predevelopment work upon execution of a right of entry agreement in order to meet the dates in the Schedule of Performance submitted as part of its Proposal. All funds expended by Respondent on due diligence and pre-development work during negotiation with the District shall be at its sole cost and risk; under no circumstances shall the District be responsible for the reimbursement of any such costs even if the parties do not execute a disposition agreement or the project is not successfully completed.

RESERVATION OF RIGHTS & MISCELLANEOUS PROVISIONS

Reservation of Rights

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

- i. Cancel, withdraw, or modify the RFP prior to or after the response deadline for Proposals;
- ii. Modify or issue clarifications to the RFP prior to the Submission Due Date for Proposals;
- iii. Request submission of additional information from one, some, or all Respondents after review of one or more Proposals;
- iv. Request Respondent modify its Proposal or provide a BAFO for the District's review;
- v. Enter into negotiations with one or more Respondent based on Proposals submitted in response to the RFP;
- vi. Begin negotiations with a different Respondent in the event that a disposition agreement cannot be executed within the allotted period of time for negotiations with the prior selected Respondent;
- vii. Make and memorialize modifications to any Proposal in the form of a Memorandum of Understanding between the District and Respondent during the course of negotiations between the District and Respondent;
- viii. Reject any Proposals it deems incomplete or unresponsive to the RFP requirements;
- ix. Reject all Proposals that are submitted;
- x. Terminate negotiations with a Respondent if such Respondent introduces comments or changes to a disposition agreement or any other documents the District and Respondent negotiate that are inconsistent with its previously submitted Proposal materials; and
- xi. Modify the deadline for Proposals or other actions; and (a) reissue the original RFP, (b) issue a modified RFP, or (c) issue a new RFP, whether or not any Proposals have been received in response to the initial RFP.

Conflicts of Interest

Disclosure

By responding to this RFP, Respondent is 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 Respondent or potential Respondent 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 retained by the District in connection with this RFP: (a) has provided any information to Respondent that was not also available to all Respondents; (b) is affiliated with or employed by Respondent or has any financial interest in Respondent; (c) has provided any assistance to Respondent in responding to the RFP; or (d) shall benefit financially if Respondent is selected in response to the RFP; and
- iii. Respondent has 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 Respondent has not taken any action to induce any District officer or employee to violate the rules of ethics governing the District and its employees. Respondent has 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

Respondent 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 Respondent or which may affect performance in response to the RFP in any way.

Notice of Modifications

DMPED shall post on the Project Website any notices or information regarding cancellations, withdrawals, and modifications to this RFP (including modifications to the deadlines included herein). Respondent shall have an obligation to periodically check the website for any such notices and information, and the District shall have no duty to provide direct notice to Respondent.

Change in Respondent's Information

If after a Respondent has submitted a Proposal to the District, information provided in such Proposal changes (e.g., deletion or modification to any of Respondent's team members or new financial information), Respondent 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 Proposal, eliminate Respondent from further consideration, or take other action as the District may deem appropriate. The District shall require similar notification and approval rights to any change in Respondent's Proposal or team following award, if any.

Ownership and Use of Proposals

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

Restricted Communications

Upon release of this RFP and until final selection, Respondent shall not communicate with DMPED, its staff, or any other District staff about the RFP or matters 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 Respondent. Respondent, therefore, agrees and acknowledges that it is 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

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

If Respondent provides information that they believe is exempt from mandatory disclosure under FOIA ("Exempt Information"), Respondent shall include the following legend on the title page of the Proposal:

"THIS PROPOSAL 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 Respondent believes is exempt from mandatory disclosure under FOIA, Respondent 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, Respondent shall also specify the exempt information and shall state the exemption category within which it is believed the information falls.

Although DMPED shall generally endeavor not to disclose information designated by Respondent as exempt information, DMPED shall independently determine whether the information designated by Respondent 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, each Respondent 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 or the Development Parcel.

Other Limiting Conditions

Withdrawal & Cancellation

If, at any time after the District selects a Respondent and executes a disposition agreement with such Respondent, Respondent does not proceed with the project, then Respondent must notify the District in writing and provide reasons for its decision. The 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 Parcel for any reason, all deposits shall be returned to Respondent and the District shall be released from any and all further liability.

Stand-Alone Project

Respondent is prohibited from cross collateralizing and cross defaulting the Development Parcel, or any portion thereof, with any other assets ("Stand-Alone Project"). Moreover, Respondent is prohibited from assigning, pledging, hypothecating, or otherwise transferring its interest in the net cash flows or ownership in the Development Parcel and project in part, or in whole, without prior District approval. Any additional debt shall require prior written District approval.

Disclosure of Fees

Respondent shall disclose all development management fees, general contracting fees, construction management fees, property management fees, and other fees that are paid to Respondent 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 Respondent or terminating the project.

Disclosure of Submissions

Respondent shall provide the District with any and all financial and other submissions provided to prospective and actual lenders and equity providers related to the project.

Disclosure of Final Development Costs

Respondent shall provide the District with the actual costs and fees incurred to develop the Development Parcel as a condition of receiving the certificate of final completion.

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. Respondent, and its members, agents, and employees, are prohibited from: (a) making offers of employment, (b) conducting any negotiations for employment, (c) employing, or (d) entering into contracts of any sort, with current employees, consultants, or contractors of the District who are personally and substantially involved in any aspect of this RFP;
- ii. Respondent must disclose in its initial Proposal the names of any member, employee, or agent who were District employees, consultants, or contractors to the District within the three years prior to the publication of this RFP. On a continuing basis, Respondent shall 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 days of any such hire;
- iii. This provision shall apply to Respondent during the conduct of this competition, and shall subsequently apply to the selected Respondent until such time as final completion of the development of the project; and
- 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 a Respondent's disqualification from consideration under this RFP, the rescission of a Respondent's selection, and/or termination of any agreement between a Respondent and the District.

QUESTIONS

All questions regarding this RFP must be submitted via e-mail only to Project Development Manager. Respondent 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 Project Website prior to the Submission Due Date.

APPENDIX A | FORM OF ACKNOWLEDGEMENT

Respondent hereby acknowledges that, if selected by the District to negotiate a disposition agreement, Respondent shall, prior to execution of a disposition agreement, enter into a First Source 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 shall, prior to execution of a disposition agreement, 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, as amended, and D.C. Official Code §2-218.01 *et seq.*, the selected Respondent shall enter into an agreement that shall require 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, prior to execution of a disposition agreement, 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 shall 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 shall be applied at all stages of the project.

Date: _____

Signature: _____

Print Name: _____

Affiliation: _____

Phone Number: _____

Email Address: _____

Business Address: _____

APPENDIX B | SAMPLE SCHEDULE OF PERFORMANCE

(To be completed and submitted with Proposal)

| Milestone | Completion Date | Party Responsible |
|---|------------------------|--------------------------|
| Final Selection of Development Team & Notice | | DMPED |
| Submission of Disposition Agreement and supporting exhibits for Council approval | | DMPED & Developer |
| Execution of Disposition Agreement (following Council surplus & disposition approval) | | DMPED & Developer |
| Submission of Application(s) for All Entitlement Approvals (if applicable) | | Developer |
| Permit Drawing Submission to DMPED | | Developer |
| Permit Drawing Submission to DCRA | | Developer |
| Building Permit Issuance | | Developer |
| Closing (maximum of two years after Council approval) | | Developer |
| Construction Commencement | | Developer |
| Substantial Completion of Construction | | Developer |
| Certificate of Occupancy Issued | | Developer |

APPENDIX C | STATEMENT OF MINIMUM BUSINESS TERMS

Disposition of
(Square 5914, portion of Lot 809)

| | |
|--|---|
| Lessor/Seller | 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: _____ (" Developer ") |
| Description of Real Property | The parcels of land known for tax and assessment purposes as Square 5914, portion of Lot 806 (the " Development Parcel "). |
| Disposition Structure | The Development Parcel may be conveyed by the District to the Developer via a ground lease term of no less than 15 years under D.C. Official Code § 10-801(b)(8)(C), or The Development Parcel may be conveyed by the District to the Developer in fee (via Quitclaim Deed) pursuant to D.C. Official Code §10-801(b)(8)(F). Developer proposes the following conveyance structure: _____ |
| Disposition Timeline | The disposition timeline must be consistent with DC Official Code §10-801 and is to occur within two years of the Council of the District of Columbia's authorization of the disposition. |
| Disposition Agreement Payment | Upon execution of a Land Disposition and Development Agreement (" LDDA "), Developer shall deliver to District a letter of credit in a form acceptable to the District in the amount of \$_____ (the " Disposition Agreement Deposit "). The Disposition Agreement Deposit is not a payment on account of and shall not be credited against the purchase price or ground rent. Rather, the Disposition Agreement Deposit shall be held by District to be used as security to ensure Developer's compliance with the LDDA and may be drawn on by District in accordance with the terms of the LDDA. |
| Purchase Price (If fee simple acquisition) | Developer shall pay to District \$_____ for fee simple conveyance of the Development Parcel at closing. |
| Annual Base Rent (If ground lease) | Developer shall pay to District \$_____ in annual base rent for a ground lease conveyance of the Development Parcel. |
| 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. |
| Fair Market Value (FMV) Annual Ground Rent Recalculations | Annual base rent shall be recalculated on every 10 th anniversary of the commencement date of the ground lease during the term of the ground lease. Each recalculation shall be based on the then-current fair market value of the Development Parcel, determined by appraisal, which shall be equal to the product of (i) 100% of the appraised value, determined as if the Development Parcel were (1) encumbered by the ground lease, (2) unimproved by any improvements, and (3) to be used for the actual uses in place, multiplied by (ii) _____ [enter a market rent factor]; provided that the annual base rent resulting from each recalculation shall not be greater than 120% or less than 100% of the preceding year's annual base rent. |
| Development and Operational Costs | The Developer shall be solely responsible for the costs of development and future operation of the Development Parcel. The Developer shall be solely responsible for the payment of all utilities, permit fees, assessments and taxes relating to the Development Parcel, including, if applicable, possessory interest tax assessed under D.C. Official Code § 47-1005.01. |

| | |
|---|---|
| <p>Conditions of Closing</p> | <p>In addition to the other District standard conditions of closing, the District's obligation to convey the Development Parcel via quitclaim deed, ground lease, or combination thereof is conditioned upon:</p> <ul style="list-style-type: none"> • The District's approval of the Developer's design, budget and project financing plan; • Developer's obtaining financing and equity to fund 100% of the development; • Developer's providing the District development and completion guaranties to the District's satisfaction; • Developer having received all necessary zoning approvals, or any zoning relief deemed necessary to accomplish the project. • Developer having received all necessary permits and other approvals required for commencing construction of the project. |
| <p>Developer Financing</p> | <p>Developer shall be responsible for obtaining financing and equity to fund 100% of the project. The District agrees to cooperate with Developer in connection with Developer's proposed financing of the project 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 project by Developer, and the District shall incur no liability whatsoever should Developer fail to obtain or close on financing for the Project.</p> |
| <p>Affordable Housing</p> | <p>In the event the Development Parcel is being developed to include a residential component, Developer shall comply with the requirements of the Inclusionary Zoning program, as applicable, and D.C. Official Code §10-801 and DMPED's Affordable Housing Covenant (the "ADU Covenant") shall be recorded on the Development Parcel at closing. Under §10-801, the term of affordability shall be in perpetuity in the case of a fee simple transfer or for the term of the ground lease in the case of a long-term ground lease transfer. Further, affordable units that are offered in addition to those required under the aforementioned laws shall also be subject to DMPED's ADU covenant for the same affordability term, unless additional minimum business terms are attached hereto.</p> |
| <p>Green Building Requirements</p> | <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: Developer proposes to deliver a project with the following sustainability considerations/green building level (indicate whether 'designed to' or 'certified as'):</p> <p>_____</p> |
| <p>Design Review</p> | <p>District shall have the right to approve project plans and drawings related to the design, development, and construction of the improvements on the Development Parcel to ensure the quality and compatibility of the proposed improvements.</p> |
| <p>Post-Closing Requirements</p> | <p>Developer shall be bound by the requirements of a Construction and Use Covenant, ADU Covenant, Guaranty, and Ground Lease and/or Deed (as applicable) to be attached to the LDDA, which may be amended with the approval of the District.</p> |
| <p>Disclosures</p> | <p>Developer shall irrevocably consent to provide the District with any and all financial and other submissions provided to prospective and actual lenders and equity providers related to the project and shall provide the District with the actual total development costs incurred to develop the Development Parcel as a condition of receiving the certificate of final completion.</p> |

Respondent will include additional minimum business terms: ___ (yes) or ___ (no). If yes, the attached additional minimum business terms are incorporated herein and made a part hereof.

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

RESPONDENT:

By: _____
Name:
Title:

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, Suite 317
 Washington D.C. 20004
 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: [Project Name]

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 [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 Letter of Credit. [Letter of Credit 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 one 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 Letter of Credit via courier (FEDEX or DHL) on or prior to 1:00 PM (Eastern Time) on a Business Day (as 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 of Credit [Letter of Credit number] 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 No. [Insert Letter of Credit Number].

Truly Yours,

Authorized Signature

Name (printed)

APPENDIX E | PROJECT SUMMARY MATRIX (FOR EACH DEVELOPMENT PROPOSAL, IF APPLICABLE)

| | |
|--|---|
| | Total NNN rent net Square Feet ("SF") (retail or other) |
| | Total Full Service ("FS") or modified FS rent net SF (commercial office) |
| | Total FS or modified FS rent net SF (institutional) |
| | Total gross floor area of project (exclusive of parking) |
| | Lot occupancy |
| | Total levels below grade parking |
| | Total parking spaces |
| | Total development cost of each parking space |
| | Total gross residential SF (please note if any residential is below ground) |
| | Total net residential SF |
| | Total project hard costs including construction contingency |
| | Total project soft costs including developer fee and all interest |
| | Total project development costs ("TDC") |
| | Total developer fee at closing (excluding deferred developer fee) |
| | Total deferred developer fee (if applicable) |
| | Discount rate to calculate net present value ("NPV") of deferred developer |
| | Total LIHTC equity (if applicable) |
| | Total LIHTC price and rate (if applicable) |
| | Total developer equity (sponsor equity) |
| | Total mezzanine equity (non-sponsor equity) |
| | Total construction loan |
| | Construction loan to equity ratio (i.e. 65/35, 60/40) |
| | Years to stabilization (construction start to end of lease/sale period) |
| | Annual stabilized cash flow available for debt service pre-tax ("NOI") |
| | Capitalization rate for residential |
| | Capitalization rate for commercial/office (if applicable) |
| | Capitalization rate for retail (if applicable) |
| | Capitalization rate for institutional (if applicable) |
| | Capitalization rate for hotel (if applicable) |
| | Minimum required debt service coverage ratio ("DSCR") |
| | Modeled DSCR |
| | Minimum required internal rate of return ("IRR") |
| | Modeled IRR |
| | Minimum required equity multiple |
| | Modeled equity multiple |
| | Total development costs per rental residential unit |
| | Total development costs per for sale residential unit |
| | Total development costs of the retail component only |
| | Total net retail SF |
| | Total development costs of the commercial office component only |
| | Total net commercial office SF |
| | Total development costs of the hotel unit component only |
| | Total hotel keys |
| | Total development costs of the institutional unit component only |
| | Total net institutional SF |

APPENDIX F | RESIDENTIAL MATRIX

| | |
|--|------------------------------------|
| | Type of units (rental or for sale) |
| | Total project residential units |
| | Total market units |
| | Total ADU units |
| | |
| | Studio @ market |
| | 1BR @ market |
| | 2BR @ market |
| | 3BR @ market |
| | 4BR @ market |
| | |
| | Studio @30% MFI |
| | 1BR @30% MFI |
| | 2BR @30% MFI |
| | 3BR @30% MFI |
| | 4BR @30% MFI |
| | |
| | Studio @50% MFI |
| | 1BR @50% MFI |
| | 2BR @50% MFI |
| | 3BR @50% MFI |
| | 4BR @50% MFI |
| | |
| | Studio @60% MFI |
| | 1BR @60% MFI |
| | 2BR @60% MFI |
| | 3BR @60% MFI |
| | 4BR @60% MFI |
| | |
| | Studio @80% MFI |
| | 1BR @80% MFI |
| | 2BR @80% MFI |
| | 3BR @80% MFI |
| | 4BR @80% MFI |