



Parcel 42

7th St & Rhode Island Ave NW | Square 0442, Lot 0106 & 0803

Release Date: **April 20, 2012**

RFEI Proposal Submission Deadline: **July 26, 2012**

Responses are to be sent to the following address:

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



REQUEST FOR EXPRESSIONS OF INTEREST

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

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

PROJECT DESCRIPTION

The Opportunity

The Government of District of Columbia (the "District"), through the Office of the Deputy Mayor for Planning and Economic Development ("DMPED"), seeks to develop the following vacant lots 0106 and 0803 in Square 0442, located at the intersection of 7th Street and Rhode Island Avenue NW.

DMPED invites qualified Development Teams ("Respondents") to respond to this Request For Expressions of Interest ("RFEI") for the disposition and development of lots 0106 and 0803 in Square 0442 ("Development Parcels"), totaling 17,008 sq. ft. (see Figure 1 & 2 for Development Parcels Information in more detail) pursuant to a ground lease of no less than fifty (50) years or a fee simple transfer. As the Development Parcels are in an emerging neighborhood, it is critical that the proposed development plans reflect the important value of these sites to the surrounding community and embody the following characteristics:

- High architectural design quality that maximizes density,
- Economic viability,
- Mixed-income residential rental component that maximizes affordability based upon the District's contribution of land value,
- Local and small business neighborhood serving retail, and
- A transit oriented development that reflects the project's adjacency to the Shaw/Howard Metro Station.

The Development Parcels are zoned Arts/C-2-B and R-4. DMPED seeks a developer that will develop the lots in keeping with the goals set out in this RFEI, and will accept both matter-of-right and Planned Unit Development ("PUD") development proposals. However, DMPED encourages Respondents to submit PUD development proposals that maximize the density of the Development Parcels.

The Respondents that present the most innovative, comprehensive, and community supported solution may be "short listed" and/or a "best and final" proposal may be requested before a final selection is made.

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

Selection Process Timetable*

1. Issuance of RFEI Pre-Response Conference (2-3pm)	April 20, 2012
	May 9, 2012
2. RFEI Proposal Submission Deadline (5pm)	July 26, 2012
3. Selection Recommendation Panel Convenes	Summer, 2012
4. Notification of Short Listed Development Team Respondents (If Applicable) Community Presentation by Development Team Respondents Request for Best and Final Offer (If Applicable) Best and Final Submission Due Date (If Applicable)	Late Summer, 2012
	Fall, 2012
	TBD, 2012
	TBD, 2012
5. Final Selection of Development Team Submission of Disposition Agreement & Accompanying Legislation to District of Columbia Council	Late Fall, 2012
	TBD

***Subject to change**

Development Parcels Information



Figure 1: Development Parcels Map. Map not to scale.

Location	7th Street N.W. & Rhode Island Ave N.W.
Square	0442
Lots	0106 (15,317 sq. ft.) & 0803 (1,691 sq. ft.)
Total Square Footage	17,008 sq. ft.
Owner	District of Columbia (DMPED)
Status	Vacant
Zone	Lot 0106 (A/C-2-B, Commercial) & Lot 0803 (R-4 Residential)
2011 Tax Assessed Value	\$4,291,770
June 2010 Appraised Value "Existing Zoning-Matter of Right"	\$ 4,965,000
June 2010 Appraised Value "Under a PUD Allowing a 6.0 FAR with all units at Market Rate"	\$ 8,499,000
Adjacent Stakeholders/Property Owner	United House of Prayers for The People

Figure 2: Development Parcels Information.

Location: As shown in Figure 1, the Development Parcels are a compilation of two (2) lots located on the east side of 7th St NW and are bound by R St to the South, and Rhode Island Ave to the Southeast. The Development Parcels are identified as Square 0442, Lots 0106 and 0803 in the Shaw neighborhood in Washington, DC, and are split by a public alley.

Frontage, Size, and Shape: The Development Parcels have frontage on the East side of 7th St, the North side of R St, and the Northeast side of Rhode Island Ave. The Development Parcels consist of Lot 0106 (15,317 sq. ft.) and Lot 0803 (1,693 sq. ft.) for a total site are of 17,008 sq. ft.

Visibility/Access: The Development Parcels have good visibility from 7th St and Rhode Island Ave, and have public access at the rear and front.

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

Property Advantages:

- Located near south entrance of the Shaw/Howard Metro Station, allowing for dense development with access to public transportation and travel throughout the city.

- Located in the Shaw community, just below the revitalized U St corridor, both of which have surging housing and retail development markets.
- Near the new 2.3 million sqft Washington Convention Center, hosting major trade shows and public events attracting as many as 40,000 people per day, projected to generate \$1.4 billion in revenue over the next five (5) years. The center includes 44,000 sqft of retail space.
- Proximity to cultural, entertainment and sporting events at the Verizon Center, and in Chinatown and Penn Quarter, museums, theater and art galleries.
- Proximity to the new 300,000 sqft mixed-use project known as Progression Place/UNCF Headquarters that is currently under construction. Once built this project will be the new headquarters for United Negro College Fund, and include neighborhood serving retail and affordable housing units.
- Near the new 1 million sqft mixed-use project, City Market at O Street, that is under construction. Once built, this project will include a full service Giant grocery store, sit down restaurant, and senior housing units, among other amenities.

District of Columbia Policy Goals & Requirements

Planning and Zoning Framework

Lot 0106 and Lot 0803 have different zoning and Comprehensive Plan designations. Additionally, Development Parcels are separated by an open, public alley. The District does not anticipate closing the alley, as the alley system currently serves other properties in the square.

Lot 0106:

Comprehensive Plan: This lot is designated on the Comprehensive Plan Future Land Use Map for mixed “Medium Density Commercial/Residential” development, which anticipates residential, office, retail, hotel, or other commercial or mixed-use development. The Comprehensive Plan Generalized Policy Map places this site within a Main Street Mixed Use Corridor, which is a business corridor that typically features a pedestrian-oriented environment with traditional storefronts and upper story residential or office uses. The site is within the Shaw/Convention Center policy focus area of the Near Northwest Area Element.

Zoning: This lot is zoned ARTS/C-2-B. The ARTS Overlay was established to, among other things, encourage the provision of arts, and arts related, uses and to address scale of development. The ARTS Overlay includes use, Combined Lot Development, and bonus density provisions for preferred uses including arts uses and residential. Refer to Chapter 19 of DCMR Title 11, Zoning Regulations for the complete ARTS Overlay requirements, available on the Office of Zoning website: www.dcoz.dc.gov. C-2-B is a medium density zone that allows a broad range of residential, office, retail, hotel and other uses. Maximum by right density is 4.2 FAR (including Inclusionary Zoning bonus density) for residential or mixed use development, of which a maximum of 1.5 FAR may be non-residential. Maximum by-right height is sixty five (65) feet. Through a PUD, a density of up to 6.0 FAR, of which a maximum of 2.0 FAR can be utilized for non-residential, and a height up to ninety (90) feet may be permitted by the Zoning Commission, using guidance as provided by the ARTS Overlay provisions.

Lot 0803:

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

Zoning: This lot is zoned R-4, a low to moderate density residential zone allowing detached, attached, or row house dwellings, but not multi-family buildings. The zone does not permit retail, office, or many other forms of non-residential uses. Maximum height allowance for R-4 zoning is three (3) stories/forty (40) feet. Respondents should refer to the DCMR Title 11, Zoning Regulations, available on the Office of Zoning website: www.dcoz.dc.gov.

Both properties are also within the DUKE Plan and the Convention Center Area Plan boundaries. The DUKE Plan is a neighborhood revitalization plan which seeks to strategically guide future development by capitalizing upon the area’s historic context and emerging reputation as an arts and entertainment district, through the creation of a cohesive and memorable place with diverse sub-areas, and knitting new development with surrounding neighborhoods. The Convention Center Area Plan is intended to help guide private and public investment to strengthen neighborhood businesses; generate quality housing; and improve the public realm. The Comprehensive Plan map and text, the DUKE Plan, and the Convention Center Area Plan Maps and text can all be found at the Office

of Planning ("OP") website: <http://www.planning.dc.gov/>. Please contact Joel Lawson at the Office of Planning at 202.442.7600, joel.lawson@dc.gov, for more information.

Transportation Planning Framework

The site presents opportunities and challenges from a transportation perspective. Rhode Island Avenue is a Principal Arterial corridor in the District, and carries heavy volumes of vehicular traffic. The site has excellent multi-modal transportation access, as it is adjacent to the Shaw/Howard Metro Station and several bus routes, as well as an existing westbound bike lane on R Street. Because of this, the District Department of Transportation, ("DDOT"), anticipates many people accessing the site will do so via non-automobile modes. DDOT's commitment to building a safe and efficient transportation network will guide all review of transportation-related issues regarding development of the site. DDOT supports minimizing parking due to the constraints of site access (existing traffic) and the transit access which offers other transportation opportunities. Additional information can be located at DDOT's website: <http://www.ddot.dc.gov/>. Please contact Jamie Henson at the Policy, Planning, and Sustainability Administration Office, DDOT at 202.671.1324, jamie.henson@dc.gov.

Community & Stakeholder Outreach

The success of any development project hinges on the inclusion and support of the local community. Respondents are strongly encouraged to work with the Advisory Neighborhood Commission (ANC) 2C and the local community residents to understand how the community's goals can be met in the Respondents' responses. The ANC 2C issued a Resolution on 10 February, 2012 (reference Appendix A) discussing their vision of what they would like to see developed on Parcel 42. Responses must consider and incorporate stakeholder and community preferences, to the extent feasible and practical.

Green Building Requirement

The Development Parcels shall be developed in compliance with the District of Columbia's Green Building Act of 2006, DC Official Code § 6-1451.01 *et seq.* (2008 Repl.) and Respondents' responses shall contemplate the same.

First Source

Pursuant to Mayor's Order 83-265, DC Law 5-93, as amended, and DC Law 14-24, Respondents recognize that one of the primary goals of the District of Columbia government is the creation of job opportunities for District of Columbia residents. Accordingly, the Respondent selected by the District to negotiate a disposition agreement shall enter into a First Source Agreement, prior to execution of a disposition agreement, with the Department of Employment Services ("DOES") that shall, among other things, require the Respondent to: (i) use diligent efforts to hire and use diligent efforts to require its architects, engineers, consultants, contractors, and subcontractors to hire at least fifty one percent (51%) District of Columbia residents for all new jobs created by the development project, all in accordance with such First Source Employment Agreement and (ii) use diligent efforts to ensure that DMPED's goal of at least fifty one percent (51%) of apprentices and trainees employed are residents of the District of Columbia and are registered in apprenticeship programs approved by the DC Apprenticeship Council. Respondents must complete the Form of Acknowledgement attached as Appendix B and submit this form with their proposal. Please refer to the following website to find a copy of the First Source Agreement: <http://www.does.dc.gov/does/cwp/view,a,1232,q,537680.asp>. Please contact DeCarlo Washington, Contract Compliance Monitor, at DOES at 202.698.5772, decarlo.washington@dc.gov, for more information.

Certified Business Enterprises

The Respondent selected by the District to negotiate a disposition agreement shall enter into a Certified Business Enterprise ("CBE") Agreement with the District's Department of Small and Local Business Development ("DSLBD") prior to execution of a disposition agreement and closing. The CBE Agreement shall include a requirement to contract with CBEs for at least 35% of the adjusted development budget of the project as well as maintain at least 20% CBE equity and 20% CBE development participation. Respondents are encouraged to exceed the District's CBE participation requirements. Respondents must complete the Form of Acknowledgement attached as Appendix C and submit this form with their proposal. Please contact Tabitha McQueen, DSLBD's General Counsel, at 202.727.3900, tabitha.mcqueen@dc.gov for more information.

Local Hiring & Business Opportunities

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

Development Program and Affordable Housing Goals and Objectives

DMPED seeks proposals to build a mixed use development with ground floor retail and a mixed income residential rental component maximizing the number of affordable housing units at or below 80% Area Median Income (AMI) for the Washington DC Metropolitan Statistical Area (MSA). DMPED will accept all proposals that can be developed as a matter of right under the current zoning designation and/or proposals that maximize development density through a PUD. Based on the feedback from the Advisory Neighborhood Commission 2C, DMPED urges Respondents to consider submitting proposals that maximizes development density through a PUD. Additional information on District regulations pertaining to affordable housing can be found at the District Housing and Community Development (DHCD) website: <http://dhcd.dc.gov/> and/or by contacting Gilles Stucker at DHCD at 202.442.4569, gilles.stucker@dc.gov.

DMPED encourages proposal submissions that include the following:

- I. High quality and innovative architectural design. Proposals should incorporate an architectural image that complements the neighborhood character while accommodating necessary uses. Design layouts should produce a varied and interesting pedestrian environment by which to enhance the liveliness of the public sidewalk next to the site.
- II. Mixed use development, including retail use, which would serve the neighborhood and the broader areas. Proposals which include preferences for District-based businesses, and/or businesses that hire District residents, are strongly encouraged. Additionally, proposals are encouraged to include some retail space for local and emerging businesses.
- III. The residential rental, mixed income component should maximize affordability beyond the District's Inclusionary Zoning requirements, provide a mixture of unit types and sizes across multiple AMI levels, and should be comparable to the market rate units in the proposal. Affordable housing rent calculations should include all rent payments and utilities utilizing the most up-to-date Department of Housing and Urban Development (HUD) uncapped AMI data (reference Figure 3) and utilities data for high rise apartments (reference Appendix D). While Figure 3 presents the most current data, new AMI data is published annually, and all RFEI's must reflect the most current data. The rent calculation formula is provided in Figure 4, and the Occupancy Standard Factor is provided in Figure 5. Respondents will be given additional points or preference for maximizing affordability across multiple income levels. All affordable rent payments collected by the future property owner from the tenants or third parties on behalf of tenants may not exceed the Maximum Allowable Rent for an affordable unit (reference Figure 4). The affordable housing term will be subject to the requirements of the financial sources utilized, however the affordable term shall be not be less than 30 years.
- IV. The physical placement of the affordable units within the building must be proportional to the placement of the market rate units, so that affordable units are not clustered in one portion of the development. All affordable units will have set terms of affordability to be agreed upon by the District and selected Respondent in the disposition agreement, and other agreements as applicable.
- V. Respondents shall describe the strategy for marketing, operation and administration of their affordable housing units. Partnering with an organization that has demonstrated expertise in the administration, operation and management of affordable housing is encouraged, if Respondent does not already have this expertise.
- VI. Proposals are encouraged to include an appropriate amount of parking that reflects the project's adjacency to the Shaw/Howard Metro Station. All project amenities, including any rental of parking spaces, should be offered to affordable housing units on the same terms as offered to the market rate housing units.

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

Figure 3: AMI for Washington DC MSA as of December 2011

Affordable Housing Rent Calculation to Include Monthly Utilities ²	
MAR=(AMI*DAL*OSF*30%)/12-MU	
MAR	Maximum Allowable Rent
DAL	Designated Affordability Level
MU	Monthly Utilities (reference Appendix D)
AMI	Average Median Income at 100%
OSF	Occupancy Standard Factor (reference Figure 5)

Figure 4: Affordable Housing Rent Calculation to Include Monthly Utilities

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

Figure 5: Occupancy Standard Factor for Affordable Housing Calculations

Public Space

In partnership with the District Department of Transportation (DDOT), 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 impermanent activities. Physical features that impact the character of public space can include sidewalk paving material, fences and retaining walls, street trees and their spacing, vault spaces, other infrastructure like street lights or curb and gutters, and any building encroachments into the public space. Existing curb cuts may or may not be permitted to be retained and reused; access to on-site parking and loading is normally expected to be from the alley.

Davis Bacon

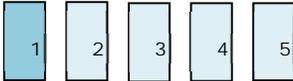
To the extent applicable, the selected Respondents shall be required to develop the Development Parcels in compliance with the provisions of the Davis-Bacon Act, 40 U.S.C. § 276(a), and the regulations promulgated therewith.

¹ Provided by DHCD 1 December 2011

² Provided by DHCD 29 February 2012

³ Provided by DHCD 29 February 2012

RESPONSE REQUIREMENTS & SELECTION PROCESS



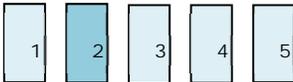
Release of RFEI

Issuance of RFEI

DMPED is releasing the RFEI to solicit proposals for development of the parcels. The RFEI is posted on the DMPED website: <http://dcbiz.dc.gov/>.

Pre-Response Conference

A pre-response conference will be held at the Waltha T Daniel Library, 1630 7th St NW Washington DC 20001, on May 9, 2012 at 2pm Eastern Time.



RFEI Proposal Submission Deadline and Submission Requirements

Proposals are due on **July 26, 2012 by 3:00 PM Eastern Time**. The District will determine, in its sole discretion, whether each response received in reply to the RFEI is responsive and acceptable. The decision of the District in this regard is final and any determination on non-responsiveness will be explained to the applicable Respondent(s) upon request. ***Responses that do not meet the following requirements will be deemed "Non-Responsive" and will not be considered for selection.***

Format

All responses must meet the following format requirements:

- I. Responses shall be prepared on 8½" x 11" letter-size paper, bound length-wise, with tabs to separate sections.
- II. Responses must respond to each RFEI item in the order outlined below in the "Response Contents" section. Each sub-section must be separated by tabs with sub-section headings.
- III. Responses must not exceed twenty-five (25) pages, excluding appendices.

Response Contents

Executive Summary

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

Respondent Team Identities & Details

Respondents shall identify the following key team entities:

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

Team Member Details

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

Name	<i>First and last name</i>
------	----------------------------

Address	<i>Business address</i>
Telephone Number	<i>Business telephone number</i>
Email Address	<i>Business email address</i>
Title	<i>Business title</i>

Statement Regarding Debarments, Suspensions, Bankruptcy, or Loan Defaults

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

Evidence Regarding Tax Liabilities

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

Evidence Regarding Litigation

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

Organization Status

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

Organizational Chart and Bios

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

Evidence Regarding Creation of Respondent

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

Qualifications and Experience

Respondent shall identify three (3) urban infill development projects comparable to Respondent’s proposed project, and with which Respondent or their key personnel have had primary involvement. Respondent should include past projects that have a comparable affordable housing component. For each relevant project, Respondent shall identify the following:

- I. Development Team name;
- II. Project name or title;
- III. Location or address of project;
- IV. The names and contact information for team members involved in the project, along with a description of each party’s role in the project;
- V. Description of project, including use(s), total square footage and number of units, keys, etc. (if applicable);
- VI. Period of performance;
- VII. Estimated total development costs, if project is not yet complete, OR actual total development costs, if project is complete;

- VIII. Projected groundbreaking and completion date, if project is not yet complete, OR actual groundbreaking and completion date, if project is complete;
- IX. Proposed OR actual financing structure of the project;
- X. Illustrative materials that will help the District evaluate the caliber, innovation and relevant experience of the Development Team; and
- XI. References (at least one per project), including names, mailing addresses, e-mail addresses, telephone numbers, and a letter authorizing each reference to respond to inquiries regarding the design, financing, development, disposition, or management of prior projects.

Design Vision

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

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

Project Concept

Respondents shall describe, in detail:

- I. The overall concept and vision for the Development Parcels; and describe how the vision will integrate with and enhance the surrounding community that borders the Development Parcels;
- II. Development plans (Respondents are strongly encouraged to provide conceptual design drawings that are sufficient in detail to be easily evaluated by the District, including elevations and project renderings);
- III. Evidence of market demand for Respondent's proposed uses;
- IV. Respondent's property rights in other parcels, if any, that may be accretive to the project; and
- V. If applicable, detailed phasing plan that describes Respondent's strategy and timing for delivering various components of the project.
- VI. The project's zoning strategies, including a detailed explanation and justification for any proposed zoning variance or PUD. If applicable, Respondents should provide a schedule that fully describes each step in the approval process necessary for entitlements assumed in the response. The affordability component of the project should meet or exceed the affordability requirements of the District's Inclusionary Zoning program.
- VII. The projects transportation and parking strategy, taking into account the Development Parcels' location close to a Metro station, multiple bus stops, bike route, and major transportation corridor.

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

Development Program

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

- I. Provide a project narrative indicating the scope of work, scale and character of the project.
- II. The estimated achievable gross floor area below and above grade (on-site FAR).
- III. Provide a visual representation of the proposed development and provide schematic plans that include basement plan, ground floor plan, typical floor plan and roof plan, elevations of front, side and rear views. Such visual representation need not be elaborate or costly, but should offer DMPED a clear picture of the proposed end result. If possible, provide color renderings or three dimensional graphics for better understanding of the project.
- IV. Provide the total number of residential units by unit mix, affordability, unit size, and the average net square footage for each unit type.
- V. Provide rent projections for each type of program use.

- VI. Gross square footage for all different types of program uses including all above and below grade parking space. For retail space, total gross square footage, the number of bays and the intended type of retail tenant must be specified.
- VII. Landscape plan showing the typical landscape materials planned to be used on the property and in the public realm, including street furnishings, lighting, landscape and streetscape elements.
- VIII. Provide a proposed project timeline for the design, construction and occupancy periods.
- IX. 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.
- X. For proposed rental housing and/or commercial space, a management plan must be included. Provide the name of the management company, a company profile and a description of services, to include experience in affordable housing.
- XI. Description of any proposed additional project or neighborhood related amenities.

Affordable Housing

Respondents shall provide a description of the following:

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

All proposed affordable units shall be provided in accordance with an affordability covenant to be entered into with the District along with the other disposition agreements and covenants. Respondents should use the most up-to-date AMI data in their responses.

Project Implementation

Respondents shall identify and describe the following:

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

Community & Stakeholder Benefits & Outreach

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

- I. A detailed description of the activities and strategies completed to date that demonstrate the Respondent's efforts to work with the local community and stakeholders to ensure their meaningful involvement in the submitted response;
- II. Letters of support for the submitted proposal from Council Members (if available), local Advisory Neighborhood Commission, community organizations and community residents; and

- III. A detailed description of the post-award approach and strategies to working with the local community and stakeholders to ensure their meaningful involvement in the development process.

Economic and Public Benefits Analysis

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

First Source

As part of their proposals, Respondents must complete and deliver the Form of Acknowledgement attached as Appendix B, hereto. Please refer to the "District of Columbia Policy Goals & Requirements" section of this RFEI for details regarding the First Source Agreement that the selected Development Team Respondent shall enter into with the District.

Certified Business Enterprises

As a part of their proposals, Respondents must complete the Form of Acknowledgement attached as Appendix C, hereto. Please refer to the "District of Columbia Policy Goals & Requirements" section of this RFEI for details regarding the Certified Business Enterprise Agreement that the selected Development Team Respondent shall enter into with the District.

Local Hiring & Opportunities

Respondents are encouraged to incorporate in their responses the following:

- I. **Employment and business opportunities for local residents and businesses:** - If included, Respondents are asked to submit detailed plans for apprenticeship programs that facilitate placing existing District residents into employment opportunities within the project. The commitment and strategy to develop and implement a local apprenticeship program shall be in accordance with DC Official Code §§ 32-1401 et seq. For more information on the District's DOES apprenticeship program, please visit the following website: www.does.dc.gov/does/cwp/view,a,1232,q,618747.asp. Please contact DOES at 202.698.5099 for more information.
- II. **Opportunities for District neighborhood-based businesses to participate in the project:** - If included, evidence of the inclusion of such businesses should be submitted in the form of written confirmation from such neighborhood-based businesses and shall include the scope and details of the said businesses' involvement in the project.

Statement of Minimum Terms, Ground Lease & Fee Simple Option

Respondents shall execute the non-binding Statement of Minimum Terms attached as Appendix G, and submit this non-binding Statement of Minimum Terms with their proposal. The non-binding Statement of Minimum Terms shall serve as the basis, but not be a limitation of, negotiations of a disposition agreement with the selected Development Team Respondent. Under the DMPED preferred ground lease option, at Closing per the disposition agreement, the District and the selected Development Team Respondent will enter into a long term ground lease for the Development Parcels, and any improvements and space related to its uses, for no less than a 50 year term. The District will seek \$1.00 per annum in ground lease payments payable to the District which is further described in the attached Statement of Minimum Terms. Under the fee simple option the purchase price for the Development Parcels shall be \$1.00.

Respondents' Financial Capacity and Capability

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

- I. Provide a narrative or tabular statement identifying the Respondent's members, team, shareholders, or partners ability and commitment to invest equity capital into the proposed project. Additionally, the Respondent shall show how financial capabilities are distributed among key participating entities.

- II. Evidence of the financial capacity of Respondents members, team, shareholders, or partners by providing the last three (3) years of audited (strongly preferred) or unaudited financial statements, annual reports, balance sheets, profit and loss statements, evidence of lines of credit and uncommitted discretionary sources of equity, and/or any other material financial information; and
- III. Newly formed entities, partnerships and joint ventures should provide deliverables from sub-paragraphs I and II for each of their entities members.

Respondents should reference the Reservation of Rights & Miscellaneous Provisions Section regarding Confidential & Disclosure Guidance.

Equity Financing

Respondents should include the following:

- i. Identification of all the various sources of the equity ***committed*** to the project and the timing/disbursement of that commitment; and
- ii. Provide a letter of commitment(s) from each equity investors for their proposal, stating the full terms and conditions under which such amounts will be provided to the Project. The schedule for the provision of the equity shall be consistent with the Bidder's requirement for construction and permanent financing.

Respondents are hereby put on notice that all sponsor equity and self-fund project predevelopment money expended is at the sole risk of the Development Team and under no circumstances shall the District be responsible to reimburse the same.

Debt Financing

Respondents shall submit a Letter of Interest(s) from the proposed lenders evidencing a review of the terms and conditions of the RFEI. In addition, this non-binding letter shall include a statement that the Respondent's lender is highly confident that the Respondent can finance the proposed project. If other methods of financing are intended, the Respondent shall provide appropriate evidence to support availability of funds for construction. In addition, the Respondent shall submit the intended method of construction financing and if a construction loan is intended, a letter from the construction lender stating that the proposed construction lender has reviewed the Respondent's concept and solicitation documents. The non-binding financing commitment letter shall also provide the following:

- I. Amount of the loan
- II. Interest rate
- III. Points and fees
- IV. Contingencies
- V. Required debt-coverage ratio
- VI. Loan maturity and loan amortization period (permanent loan only)

Proposed Financing Strategy

The District intends to contribute the value of the Development Parcels via a long term ground lease or fee simple disposition, in exchange for development programs which ***maximize*** the total number of affordable rental units in the project. In determining economic feasibility, Respondents should take into account the benefit of the value of the land and all available ***non-District*** sources of financing (e.g., low income housing tax credits, etc.) or other private or federal assistance that may benefit the project. Respondents should not rely on the District to provide any public subsidy or abatement of any kind to fill any funding gaps or shortfalls. Respondents proposing a project that maximizes the number of affordable housing units without seeking any District subsidy will be given preference and additional consideration. Respondents should identify how respective financial offers satisfy, and preferably exceed, the 30 year affordability term.

Project Financing Information

Respondents should provide:

- I. **Respondent Pro-Formas** - Respondents should provide a narrative statement explaining the economic feasibility of the proposed development. Additionally, they should provide full development pro-formas describing estimated development costs and projected project income. For rental units, retail and office space, the submission should include at a minimum fifteen (15) year operating pro-forma analysis demonstrating the project's operating costs, including net operating income, debt service requirements and

related coverage ratios. For residential, retail, and office units, the submission should include a lease-up schedule identifying the estimated absorption time.

- II. **Development Budget** - Respondents should provide a comprehensive development budget showing the project's total development costs, and itemizing the assumed value of the site, construction costs, architectural, engineering and related fees. The Respondent shall submit total project costs and the price per square foot. The submittal shall include but is not limited to:
 - hard and soft costs identified in detail (itemized) based on industry standards
 - all developer fees, general contractor fees and overhead costs separately identified, in detail
 - demonstration of how the equity contribution and the first and second mortgage debt or other methods of financing fully fund this project
 - detailed operating expenses analysis, detailed affordable housing rent calculation broken down by unit type, family size, and any other project-specific return metrics
 - include all the assumptions used in the financial model
- III. **Sources and Uses Statement** - Respondents should submit at least one Sources and Uses Statement. The sources statement should describe the expected equity sources, the anticipated sources of working capital, mezzanine debt financing (if applicable), and construction debt financing for the project. Respondents should also submit a detailed plan for the use of those funds.
- IV. **Return Analysis** - Respondents should submit a return analysis detailing the project's Internal Rate of Return (IRR), return on cost, return on equity (levered and unlevered), a detailed waterfall of profits to all capital accounts, and any other project-specific return metrics.
- V. Detailed description of which, if any, federal government funding sources the Respondent intends to attract to the project and detailed description of an alternate financing arrangement in the event the federal funding source does not materialize.
- VI. All financial models and pro-formas must be fully functional with active formulas in Microsoft Excel modeled out to fifteen (15) years or longer (if needed).

Respondents should reference the Reservation of Rights & Miscellaneous Provisions Section regarding Confidential & Disclosure Guidance.

Response Summary for Distribution to the Community

Respondents shall provide a summary of their response that may be shared with the local community and stakeholders. The summary should not exceed two (2) 8.5x11 pages and should include at a minimum, but not limited to, the following:

- Development team members introduction
- Development vision
- Development program
- Affordable housing breakdown
- Target levels of affordability in the project
- Other community benefits from the proposed project

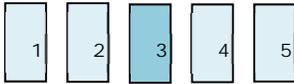
Development RFEI Deposit

Amount: \$50,000
Format: Standby, irrevocable letter of credit (See Appendix H for form.)
Due At: RFEI Proposal submission
Conditions: If a Respondent's response is not selected, the letter of credit shall be returned to the Respondent.
If a Respondent's response is selected, the letter of credit will be returned upon project stabilization.

Submission Directions

Ten (10) hard copies and two (2) electronic versions on CD-ROM in PDF and fully functional Microsoft Excel formats, of the response identified by "Parcel 42 – Development Team RFEI" on the envelope, must be submitted to and received by 5:00 P.M. Eastern Time on Thursday, July 26, 2012. Such responses must be delivered to the following address:

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



Selection Process

Selection Recommendation Panel

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

Evaluation Criteria

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

Attainment of District Policy Goals

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

- I. Maximizing affordable housing units to individuals and families at a variety of income levels, at and below 80% AMI
- II. Promoting a vibrant, walkable, mixed-use community
- III. Improving the quality of life for the surrounding neighborhood
- IV. Providing employment opportunities for local residents and businesses
- V. Contracting opportunities for the CBE certified businesses
- VI. Allowing retail opportunities for local and emerging business

Development Vision

Respondents should propose innovative, market-viable ideas for redevelopment of the Development Parcels, incorporating the District's policy goals and development program.

Qualifications and Experience of Respondents

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

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

Project Financial Feasibility and Development Team Financial Capacity

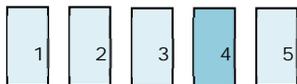
Respondents who satisfy the following criteria may be eligible for higher ratings by:

- i. Demonstrating that they possess the financial resources to develop the proposed project
- ii. Pursuing the ground lease option
- iii. Utilizing no District subsidies

- iv. Exhibiting a willingness to provide the District with a meaningful guarantee regarding project completion, and performance and payment bonds through final project completion.

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

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



Community Presentation & Short List and/or Best and Final Offer Submission (If Needed)

Announcement of Short List (If Needed)

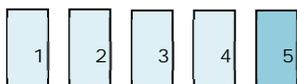
DMPED reserves the right to narrow the number of Respondents in the competitive range for reasons of efficiency or to exclude Respondents whose proposals are not among the most highly ranked. DMPED may down-select to a smaller group of Respondents into a "short-list" and has the sole and absolute discretion to conduct discussions with all, or some, of the Respondents on the short-list via "Best and Final Offer" submissions. Upon review of the initial RFEI proposals, DMPED may identify a short list of Development Team Respondents that will be considered for the final selection and advance to the next level. DMPED will contact all Respondents and inform them of the results.

Community Presentation by Development Team Respondents

Upon receipt of proposals from the Respondents, DMPED will hold a community meeting to obtain input from Advisory Neighborhood Commission 2C, local citizens and organizations, in which only the responsive Respondents will be asked to present their proposal to the community at large. If respondents are non-responsive, they will not be invited to present to the community.

Best and Final Offer Submission (If Needed)

If Respondents are asked to submit a "Best and Final Offer", Respondents are expected to adhere to the additional guidance provided by DMPED and submit a final revised proposal for DMPED's final consideration. Upon receiving the "Best and Final Offer" DMPED reserves the right to have additional rounds of requests for information, and conduct further discussions and negotiations if the Best and Final Offers lack adequate information to reach a final selection. At DMPED's sole discretion, the short list of Development Team Respondents may be asked to present their "Best and Final Offers" to the community to gain additional community feedback.



Final Selection of Development Team

DMPED will select the most outstanding development proposal, taking into account the Proposal Submission Requirements and Evaluation Criteria set forth in this RFEI. The evaluation criteria and areas of emphasis described above in the RFEI are intended as a guide to the DMPED's discretion in identifying a selected Respondent, but DMPED retains the ultimate discretion to identify and select the final development team respondent that offers the most outstanding proposal, taking into account the goals, objectives and requirements set forth in this RFEI.

Final Selection & Notice

Following receipt of all proposals and any additional information, if requested, DMPED will submit, in its sole and absolute discretion, one or more responses, as modified through any offer submissions and negotiations, to the Mayor as a recommendation. The Mayor, in his absolute discretion, may accept the recommendation. Upon acceptance of a recommendation by the Mayor, DMPED shall notify the selected respondent(s), if any. Ultimately,

the Mayor will submit the proposed transaction to the Council of the District of Columbia (“Council”) for its approval in accordance with applicable District law (see the “Disposition Agreement & Approval” section in this RFEI for more details).

Post-Selection Due Diligence

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

Disposition Agreement & Approval

If one Respondent is thereby chosen for commencement of negotiations, the selected Respondent may be requested by the District to proceed to negotiate a disposition agreement, ground lease, and related legal documents. If the District and selected Respondent are unable to reach an agreement on all the business terms and negotiate a disposition agreement, ground lease, and related legal documents in its final form within one hundred and twenty (120) days from the selection date, the District, in absolute and sole discretion, may terminate negotiations and select the next preferred Respondent who responded to the RFEI; re-issue the RFEI; issue a modified RFEI, or take such other measures as it deems reasonable, appropriate, or necessary. **All costs incurred by the Respondents in responding to this RFEI, during the disposition negotiation period, in performance of due diligence and predevelopment work shall be at Respondents’ sole cost and expense. Under no circumstances shall the District be responsible for the reimbursement of any such costs.**

The District, through DMPED, and the selected Respondent will negotiate a disposition agreement that will incorporate the requirements contained in this RFEI, the Statement of Minimum Terms, and subject to such other terms as may be required by DMPED or may be agreed to by DMPED and the selected Respondent. Upon completion of the parties’ negotiation, DMPED will recommend the Respondent and proposed business terms to the Mayor. If the Mayor agrees with DMPED’s recommendation, then the Mayor will submit the proposed transaction to the Council of the District of Columbia (“Council”) for its approval of the disposition of the Development Parcels in accordance with DC Official Code § 10-801 (2011 Supp). **In accordance with DC Official Code § 10-801, the District is not authorized to convey or ground lease the Development Parcels unless and until authorized by the Council.**

TRANSACTION TERMS

Development Parcels Condition

As-Is Condition

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

Soil or Subsurface Conditions

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

Environmental Remediation

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

Predevelopment and Development Costs

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

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

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

RESERVATION OF RIGHTS & MISCELLANEOUS PROVISIONS

Reservation of Rights

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

- I. Cancel, withdraw or modify the RFEI prior to or after the response deadline;
- II. Modify or issue clarifications to the RFEI prior to the response deadline; In the event the RFEI is modified it will be posted on DMPED’s website and all Respondents will be provided with a chance to modify their proposals;
- III. After review of one or more responses, the District may request submission of additional information from some or all Respondents;
- IV. The District may request one or more Respondents to modify its/their response(s), provide additional information, or provide a “Best and Final Offer” for the District’s review;
- V. Enter into negotiations with one or more Respondents based on responses submitted in response to the RFEI;
- VI. Begin negotiations with the next preferred Respondent, If the business terms and the disposition agreement, ground lease and related legal documents are not negotiated to final form within the allotted period of time for negotiations with the selected Respondent
- VII. Make and memorialize modifications to any response in the form of a Memorandum of Understanding between the District and Respondents during the course of best and final negotiations between the District and the Respondents;

- VIII. Reject any responses it deems incomplete or unresponsive to the RFEI requirements;
- IX. Reject all responses that are submitted under the RFEI;
- X. Terminate, in its sole and absolute discretion, negotiations with any Respondents if such Respondents introduce comments or changes to a development agreement that are inconsistent with its previously submitted response materials;
- XI. Modify the deadline for responses or other actions; and
- XII. (i) Reissue the original RFEI, (ii) issue a modified RFEI, or (iii) issue a new RFEI, whether or not any responses have been received in response to the initial RFEI.
- XIII. DMPED may mandate an alternative financial/transaction/disposition strategy or structure than the structure contemplated in this RFEI. In the event that such alternative structure is proposed, each Respondent will be provided a chance to modify their proposal as appropriate.
- XIV. DMPED at any time, for any reason whatsoever, may restructure the proposed development as a joint venture arrangement, in which District contributes the Development Parcels to a partnership in exchange for an ownership share. Under this scenario, Respondents will be provided a chance to modify their proposal to reflect their development as a joint venture.

Conflicts of Interest

Disclosure

Respondents must represent and warrant the following to the District:

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

On-going Reporting

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

Miscellaneous Provisions

Notice of Modifications

DMPED will post on its website (<http://dcbiz.dc.gov/>) any notices or information regarding cancellations, withdrawals, modifications to deadlines, and other modifications to this RFEI. Respondents shall have an obligation

to check the website for any such notices and information, and the District shall have no duty to provide direct notice to Respondents.

Change in Respondents' Information

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

Ownership and Use of Responses

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

Restricted Communications

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

Selection Non-Binding

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

Confidentiality

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

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

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

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

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

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

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

Non-Liability

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

Other Limiting Conditions

Withdrawal & Cancellation

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

“Stand-Alone” Projects

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

Disclosure of Fees

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

Restrictions

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

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

QUESTIONS

Any questions regarding this RFEI should be submitted via e-mail only to Ivan.Matthews@dc.gov. Respondents shall not direct questions to any other person within the District except as allowed elsewhere in this RFEI. Responses to Respondent questions will be aggregated and posted on the DMPED website: <http://dcbiz.dc.gov/>.



GOVERNMENT OF THE DISTRICT OF COLUMBIA

ADVISORY NEIGHBORHOOD COMMISSION 2C

ANC 2C01: Alexander M. Padro, *Chair*
ANC 2C02: Kevin L. Chapple, *Vice Chair, Treasurer*
ANC 2C03: Doris L. Brooks
ANC 2C04: Rachelle P. Nigro, *Secretary*

PO Box 26182, Ledroit Park Station
Washington, DC 20001

February 10, 2012

VICTOR HOSKINS
DEPUTY MAYOR FOR PLANNING AND ECONOMIC DEVELOPMENT
GOVERNMENT OF THE DISTRICT OF COLUMBIA
1350 PENNSYLVANIA AVE NW
WASHINGTON DC 20004

Dear Deputy Mayor Hoskins:

At its regularly scheduled February 1, 2012 public meeting, which was properly noticed and with a quorum present (three out of four members needing to be present to achieve a quorum), Advisory Neighborhood Commission 2C voted to approve a list of nine recommendations to be incorporated into the request for proposals for development of Parcel 42, and that said recommendations be communicated in writing to the Deputy Mayor for Planning and Economic Development. The vote was three in favor, one against and no abstentions.

These recommendations were the result of a meeting with the Deputy Mayor for Planning and Economic Development in 2011 and subsequent consultations with community residents and stakeholders.

The recommendations are as follows:

* Architectural Excellence: This is a major intersection in the city, anchored by the work of the architect of the University of Chicago's Gothic Revival buildings and an award-winning new all glass public library. The building at Parcel 42 should be iconic, making a strong statement about the neighborhood and its future that will be seen by thousands of people every day. Buildings with facades primarily consisting of visible concrete masonry units would not be acceptable at this location.

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* **Parking:** The maximum possible amount of parking must be included in responses to the RFP. A minimum of two levels of parking would be required to serve residents and retail needs, but more than two levels would be preferred.

* **Planned Unit Development:** The maximum possible number of units must be constructed at this very visible site. In order to achieve the highest possible density, all responses to the RFP must represent projects for which a Planned Unit Development will be applied for.

* **Affordability:** It is understood that due to current economic conditions, the original plan to develop Parcel 42 as an all affordable rental apartment building cannot be achieved. Nonetheless, the highest possible number of units affordable to households earning up to 60% of AMI should be encouraged. Other units in the building could be affordable up to 80% of AMI or market rate.

* **Unit Sizes:** A mix of studio, one, two and three bedroom units should be included in the building to encourage families of varying sizes to be attracted to and accommodated in the community.

* **LEED Certification:** The highest level of sustainability and environmental features must be included in the development of Parcel 42. LEED Silver or higher should be the goal.

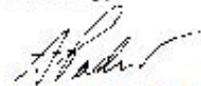
* **Retail:** Responses to the RFP must provide for the maximum amount of neighborhood serving retail that can be accommodated, in order to activate the ground floor of the building along both 7th and R Streets. The community will be consulted regarding the types of retail entities that will lease space in building, and the most recent surveys of new business development preferences in Shaw will be utilized in the retail leasing process. Leasing the entire available space to a retailer requiring a larger footprint, such as Trader Joe's, would be preferred, but subdividing the space into multiple bays would be acceptable.

* **Greening and Improvement of Streetscape:** Developers should propose working with the District Department of Transportation's Urban Forestry Administration to increase the permeability of the adjacent public space, especially the wide sidewalk on the R Street side of the property, through installation of planting strips and trees. Public art could also be installed in this space and would be a welcome public amenity.

* **Local Presence and Hiring:** Community-based developers who have demonstrated capacity by previously developing property in Shaw and developers who will commit to hiring residents who live in the Shaw community would be preferred.

ANC 2C urges that these recommendations be incorporated into the Request for Proposals for Parcel 42 and that the Commission's recommendations be accorded the Great Weight provided for in the ANC statute.

Sincerely,



Alexander M. Padro
Chair
ANC 2C

APPENDIX B | FORM OF ACKNOWLEDGEMENT

Pursuant to Mayor’s Order 83-265, DC Law 5-93, as amended, and DC Law 14-24, Respondents recognize that one of the primary goals of the District of Columbia government is the creation of job opportunities for District of Columbia residents. Accordingly, the Respondent selected by the District to negotiate a disposition agreement shall enter into a First Source Agreement, prior to execution of a disposition agreement, with the Department of Employment Services (“DOES”) that shall, among other things, require the Respondent to: (i) use diligent efforts to hire and use diligent efforts to require its architects, engineers, consultants, contractors, and subcontractors to hire at least fifty one percent (51%) District of Columbia residents for all new jobs created by the Project, all in accordance with such First Source Employment Agreement and (ii) use diligent efforts to ensure that DMPED’s goal of at least fifty one percent (51%) of apprentices and trainees employed are residents of the District of Columbia and are registered in apprenticeship programs approved by the DC Apprenticeship Council. Respondents must complete the Form of Acknowledgement attached as Appendix B and submit this form with their proposal. Please refer to the following website to find a copy of the First Source Agreement: <http://www.does.dc.gov/does/cwp/view,a,1232,q,537680.asp>.

Respondent hereby acknowledges that, if selected by the District to enter into a disposition agreement, ground lease and related legal documents, Respondent will enter into a First Source Employment Agreement with the District’s Department of Employment Services (“DOES”), pursuant to DC Official Code §10-801(b)(7).

Date: _____

Signature: _____

Print Name: _____

Affiliation: _____

Phone Number: _____

Email Address: _____

Business Address: _____

APPENDIX C | FORM OF ACKNOWLEDGEMENT

Respondent hereby acknowledges that, if selected by the District, the Respondent will need to enter into a Certified Business Enterprise (“CBE”) Agreement with the District’s Department of Small and Local Business Development (“DSLBD”) prior to execution of a disposition agreement and Closing. The CBE Agreement shall include a requirement to contract with CBEs for at least 35% of the adjusted development budget of the project as well as maintain at least 20% CBE equity and 20% CBE development participation. Respondents are encouraged to exceed the District’s CBE participation requirements.

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

- I. Identify the CBE partners
- II. The percentage of equity and development participation of each CBE partner
- III. A description of the role and responsibilities for each CBE partner
- IV. A description of the anti-dilution provisions for the benefit of the CBE partners that will be applied at all stages of the project

Date:

Signature:

Print Name:

Affiliation:

Phone Number:

Email Address:

Business Address:

APPENDIX D | UTILITIES DATA FOR AFFORDABLE HOUSING HIGH RISE APARTMENTS 2012

US Department of Housing and Urban Development Section 8 Existing Housing Allowances for Tenant Furnished Utilities and Other Services					1/27/2012	
Washington, DC			High Rise			
Utility or Service	Monthly Dollar Allowance					
	EFF.	1BR	2BR	3BR	4BR	5BR
Heating						
a. Natural Gas	\$27	\$37	\$46	\$55	\$64	\$73
b. Bottle Gas						
c. Oil	\$72	\$96	\$120	\$144	\$168	\$192
d. Electric	\$67	\$90	\$112	\$135	\$157	\$179
Air Conditioning						
	\$8	\$11	\$14	\$17	\$20	\$22
Cooking						
a. Natural Gas	\$11	\$12	\$16	\$18	\$20	\$22
b. Electric	\$15	\$17	\$23	\$27	\$30	\$33
c. Bottle Gas						
Other Electric: Lighting, Refrigeration, etc						
	\$25	\$33	\$42	\$50	\$58	\$67
Water Heating						
a. Natural Gas	\$9	\$16	\$21	\$27	\$33	\$45
b. Electric	\$12	\$22	\$32	\$41	\$50	\$69
c. Bottle Gas						
d. Oil	\$13	\$26	\$39	\$51	\$64	\$90
Water						
	\$13	\$26	\$38	\$51	\$64	\$89
Sewer						
	\$15	\$31	\$46	\$61	\$77	\$107
Trash Collection						
Excess Charges						
Window Air Conditioner	\$7	\$7	\$7	\$7	\$7	\$7
Washer	\$7	\$7	\$10	\$12	\$14	\$16
Freezer	\$5	\$5	\$5	\$5	\$5	\$5
Dryer	\$7	\$7	\$11	\$13	\$16	\$18
Dishwasher	\$4	\$4	\$4	\$5	\$5	\$6
Name of Family	Utility or Service			Per Month		
	Heating					
	Air Conditioning					
	Cooking					
	Other Electric					
	Water Heating					
	Water					
	Sewer					
	Trash Collection					
	Range					
	Refrigerator					
Address of Unit	Other (specify)					
Number Of Bedrooms	Total					

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

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

APPENDIX E | SCHEDULE OF PERFORMANCE

(To be completed and submitted with response)

Milestone	Completion Date	Party Responsible
Submission to DMPED of RFEI Response & RFEI Response Deposit	July 26, 2012	Respondent
Final selection & notice	Late Fall 2012	DMPED
Submission of final form of Disposition Agreement, Ground Lease, related legal documents and supporting exhibits		DMPED & Respondent
Submission of Disposition Agreement to DC Council		DMPED
Execution of Disposition Agreement, Ground Lease, related legal documents and supporting exhibits		DMPED & Respondent
Closing and submission of Closing Payment		DMPED & Respondent
Permit Drawing Submission to DCRA		Respondent
Building permit issuance		Respondent
Construction commences		Respondent
50% construction completion (on square foot basis)		Respondent
Substantial completion of construction		Respondent
Punch list item completion		Respondent
Certificate of Occupancy issued		DCRA & Respondent

APPENDIX F | STATEMENT OF MINIMUM TERMS

Ground Lease or Fee Simple Disposition of Lots 0106 and 0803 in Square 0442 – Development Parcels

Lessor/Seller	Government of the District of Columbia, acting by and through the Deputy Mayor for Planning and Economic Development (the “ District ”)
Respondent	To be determined
Description of Real Property	The parcels of land known for tax and assessment purposes as Lot 0106 and Lot 0803 in Square 0442 (the “ Development Parcels ”).
Conveyance/Disposition Structure	The Development Parcels may be conveyed by the District to the Respondent via a ground lease term of no less than 50 years under DC Official Code § 10-801(b)(8)(C), or The Development Parcels may be conveyed by the District to the Respondent in fee (via Special Warranty Deed) pursuant to DC Code § 10-801(b)(8)(F).
Development Program	Respondent shall develop, finance, and construct the proposed development program for the Development Parcels, as may be amended upon prior District approval.
Consideration	Monetary: At District’s option, a) The District may seek \$1.00 per annum in ground lease payments payable by the Respondent, or b) The Respondent may purchase fee simple title to the Development Parcels for \$1.00 from the District. Non-Monetary: Production of the affordable housing units in the proposed project in accordance with the mutually agreed terms by and between the Respondent and the District. Additionally, construction of the project in accordance with the proposed development program, as may be amended upon prior District approval.
Disposition Agreement(s)	Upon Council Approval, Respondent and the District will enter into either a) a Ground Lease and Development Agreement (“GLDA”), or b) a Land Disposition and Development Agreement (“LDDA”) along with other exhibits and attachments.
Development RFEI Deposit	Amount: \$50,000 Format: Standby, irrevocable letter of credit Due At: RFEI proposal submission by the Respondent Condition: The letter of credit will be returned upon project stabilization.
Conditions of Closing	In addition to the other District standard conditions of Closing, the District’s obligation to convey the Property is conditioned upon: <ul style="list-style-type: none"> • Respondent’s obtaining financing and equity to fund 100% of the development, • Respondent’s providing the District development and completion guarantees to the District’s satisfaction and in a form approved for legal sufficiency by OAG, and • Respondent’s receipt of planned unit development approval (“PUD”) by the Zoning Commission or other zoning relief necessary to accomplish the development of the Development Parcels.
Affordable Housing	The proposed project shall maximize affordability and provide affordable housing units across multiple income levels for families with incomes at or below 80% AMI. And the proposed project shall meet the affordable housing requirements pursuant to Inclusionary Zoning requirements.
Green Building Requirements	Respondent shall construct the improvements on the Development Parcels in accordance with the <i>Green Building Act of 2006</i> , DC Official Code § 6-1451.01, <i>et seq.</i> (2007 Supp.), as may be amended. Respondent shall also conduct a design charrett within 60 days of the execution of either a GLDA or a LDDA.
First Source Agreement	Respondent shall enter into a First Source Agreement with DOES prior to entering into either a GLDA or a LDDA with the District.

CBE Agreement Requirements	Respondent shall enter into a CBE Agreement with Department of Small and Local Business Development prior to entering into either a GLDA or a LDDA with the District.
Post-Closing Requirements	Respondent shall be bound by the requirements of the ground lease (if applicable), Special Warranty Deed (if applicable), the Affordable Housing Covenant, the Construction and Use Covenant, the First Source Agreement and the CBE Agreement to be attached to either the GLDA or the LDDA, which may be amended with the approval of the District, and any other documents required by the District.

INTENTION AND LIMITATIONS OF THIS STATEMENT OF MINIMUM TERMS

Respondent acknowledges that all approvals required of Council will be granted or withheld in the sole and absolute discretion of Council and that, absent Council approval under DC Code § 10-801(2011), the Deputy Mayor for Planning and Economic Development (“DMPED”) has no authority to convey the Development Parcels to Respondent. Respondent acknowledges that it is entering into this Statement of Minimum Terms prior to obtaining all necessary Council approvals. In the absence of such approvals, Respondent proceeds at its sole risk and expense with no recourse whatsoever against DMPED.

Respondent understands and agrees that upon receipt of all necessary Council approvals under DC Code § 10-801(2011), the Respondent and DMPED shall enter into negotiations of the disposition document(s) governing all of the terms and conditions of the disposition of the Development Parcels. Respondent agrees and understands that unless and until the Respondent and DMPED enter into the binding disposition agreement(s), Respondent shall have no rights to the Development Parcels.

RESPONDENT:

BY: _____

Name:

Title:

APPENDIX G | FORM IRREVOCABLE LETTER OF CREDIT

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

ISSUER:

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

[Name of bank]

[Bank address]

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

Beneficiary

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

Applicant

[Name of Respondent]
[Address of Respondent]

AMOUNT: \${Letter of credit amount}

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

PROJECT: Parcel 42 – Development Team

Ladies and Gentlemen:

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

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

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

If a drawing made by Beneficiary under this Letter of Credit reaches the address provided on this Standby Letter of Credit via Courier (FEDEX or DHL) on or prior to 1:00 PM (Eastern Time) on a Business Day (Defined below) and,

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

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

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

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

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

Truly Yours,

Authorized Signature

Name (printed)