



St Elizabeths East

REQUEST FOR PROPOSALS

Phase I Master Developer

PRE-RESPONSE CONFERENCE
30 APRIL 2014

RESPONSE DEADLINE
27 JUNE 2014

Request for Proposals for a Master Developer

Phase I | St. Elizabeths East Campus

- 1. Executive Summary 1
- 2. Development Overview & Background 2
 - 2.1. Phase I Development Vision
 - 2.2. Campus Location
 - 2.3. Campus History
 - 2.4. Existing Site Conditions
 - 2.5. Land Conveyance
- 3. Land & Building Profiles 4
 - 3.1. Land & Building Summary
 - 3.2. Developable Parcels
 - 3.2.1. PARCELS 8, 9
 - 3.2.2. PARCEL 11
 - 3.2.3. PARCELS 12, 15
 - 3.3. Parcels for Interim Use
 - 3.3.1. PARCELS 7, 10, 14, 17
 - 3.3.2. PARCEL 3
- 4. RFP Process & Timeline 11
- 5. Selection Process & Developer Submission Requirements 12
- 6. Miscellaneous Provisions 17
- 7. Appendix I: RFP Submission Support Documents i
 - 7.1. Schedule of Performance
 - 7.2. Form of Acknowledgements
 - 7.3. Pre-Response Conference RSVP & Site Tour Waiver
- 8. Appendix II: Existing Planning & Conditions v
 - 8.1. District of Columbia Planning Documents & Considerations
 - 8.2. Phase I Assessment
 - 8.3. Building Condition Reports
 - 8.4. Infrastructure Improvements: Stage One & Stage Two
 - 8.5. Gateway DC
 - 8.6. St. Elizabeths East Innovation Hub

1. Executive Summary

The District of Columbia (the “District”) is seeking proposals from developers or development teams interested in serving as a Master Developer (“Respondents”) for the first phase of St. Elizabeths East (“Phase I”). Phase I is a 1.6 million square foot, mixed-use and technology-focused development opportunity at the East campus of the former St. Elizabeths Hospital in Southeast Washington, D.C. At 183-acres, St. Elizabeths East is the largest remaining undeveloped parcel in the country’s top real estate market and has flexible new zoning in place for approximately 5 million square feet of development. Redevelopment presents an unparalleled opportunity in the nation’s capital to create a new technology-focused community, combining business, research, higher education and residential uses in a collaborative environment. As envisioned, St. Elizabeths East will combine a modern “Innovation Hub” with the graceful pre-war buildings adaptively reused for convenient urban living, just an easy walk from the Congress Heights Metro Station.

Phase I offers the selected Master Developer the opportunity to own/lease and control a significant swath of land in the country’s top real estate market. To support and enhance this solicitation, to date the District has completed: a Master Plan that provides a preliminary vision and design guidelines for St. Elizabeths East; secured by-right zoning that permits up to 5 million square feet of academic, commercial, residential and retail uses; committed over \$100 million in needed infrastructure investments; stabilized Buildings 100, 94, 95 and 89 (constructed in 1902); and, completed construction of Gateway DC – an innovative pavilion and park area that provides a venue for dining, markets, entertainment, community and cultural events on the campus.

The role of the Phase I Master Developer will be to plan, design, develop, finance, construct and operate the principal components of Phase I. The purpose of this RFP is to select a Phase I Master Developer with the capability, vision and experience to deliver all of the components outlined in this RFP in a manner consistent with the District’s following objectives:

- **Create an Innovation Community:** Develop a technology-focused “Innovation Hub” that includes a collection of academic, office, and research spaces, with potential co-working and incubator facilities.
- **Provide a Mix of Uses:** Create a plan that accommodates a mix of uses, including residential, office, retail, and the Innovation Hub. If needed, the District will work with the Master Developer to refine the District’s Master Plan for

St. Elizabeths East.

- **Creatively Reuse Historic Structures:** Establish a reuse and preservation strategy for a unique and sustainable redevelopment.
- **Create Opportunities for DC-Based Businesses:** Develop business incubation and capacity-building opportunities for DC-based businesses. Preference will also be given to Respondents who assemble development teams that include Ward 8 and Certified Business Enterprise (CBE) developers, contractors, and/or equity partners.
- **Generate New Job and Educational Opportunities for DC Residents:** Create new employment and education opportunities for DC residents, particularly those of Ward 8.
- **Maximize Value to the District:** Through land-proceeds and long-term financial returns through increased tax revenues, maximize the value of the Phase I area.
- **Activate the Campus:** Manage and program Gateway DC, an interim-use pavilion and park.

Submissions to this RFP are due on June 27 at 3:00 PM. A pre-response conference and site tour will be held on April 30th at 12:00 PM at St. Elizabeths East. Respondents are requested to submit a notice indicating their intent to respond to this RFP by sending an email to StElizabethsEast.dc@dc.gov by May 30th. Please see Section 4 for a detailed RFP process and timeline.

2. Development Overview Background

2.1. Phase I Development Vision

The District is seeking a Master Developer with extensive experience in the renovation of historic structures, mixed-use development, and the operation of a successful urban innovation cluster. Developers may form an interdisciplinary team to accomplish the full program for Phase I, which includes housing, retail, tech space, an interim-use pavilion and park (Gateway DC), and office space. Developers without specific experience in the development and operation of technology or research parks should consider including an individual or firm on their team with such expertise. The role of each team member must be clearly identified in the response.

Based on initial work by the District, the principal components of Phase I are summarized below. The uses proposed for each Phase I parcel are presented as a base case for consideration by Respondents and may be modified.

The District will permit a phased approach to the redevelopment of Phase I. If phased, the District prefers development start with the historic structures and to proceed with as much ground-up development as quickly as possible. The District believes the creation of critical mass is necessary to support the Innovation Hub, and leverage the infrastructure schedule discussed further below.

In addition, the District may also work with the selected Master Developer to identify and secure leasing commitments from additional anchor tenants, including technology-related companies that have approached the District as well as potential governmental agencies or programs. Such anchors may be critical to providing the tenancy needed to spur office areas proposed near the Congress Heights Metro station. In addition, the District will work closely with the Master Developer to explore economic development incentives to help attract additional participants in the Phase I development of St. Elizabeths East.

As envisioned in the St. Elizabeths East Master Plan and Design Guidelines (June 4, 2012), the development of St. Elizabeths East will proceed as follows, starting with Phase I:

- **Stage One Public Infrastructure Improvements:** The District is investing significant capital dollars into the construction of roadways, water, gas, electric, telecommunications, streetscapes and street lighting, as described in greater detail below in the appendix portion of this document.

- **Interim Improvements:** The District recently completed the gateway pavilion called “Gateway DC”, an interim-use public improvement to provide food service and other amenities to local residents and the general public, including the 3,700 Coast Guard employees who recently relocated to St. Elizabeths West. The District is now also planning an interim technology and innovation “Demonstration Center” in the chapel on the campus perimeter.
- **Phase I Private Development:** This RFP comprises the Phase I development and the program is to include an Innovation Hub, the CT Campus, and Congress Heights Center. While the program is intended for illustrative purposes, the District believes it demonstrates an acceptable option.

It is anticipated that St. Elizabeths East will be built out in multiple phases and will eventually comprise a total of almost five million developable square feet. This includes:

- **Office:** 1.8 million square feet, including some office incubation and accelerator space as part of the Innovation Hub.
- **Academic:** an estimated 250,000 SF within the Innovation Hub and its expansion space.
- **Residential:** 1,300 units, in a mixture of for-sale, for-rent and workforce housing accommodated both in repurposed historic buildings and new construction.
- **Retail:** 206,000 GSF of leasable area, supported largely by meeting existing pent-up demand in the Congress Heights community, together with new demand generated by residents, workers, and visitors to St. Elizabeths East.
- **Hospitality:** 330,000 GSF in two planned hospitality spaces, providing first a limited service, business-class format and second an upscale conferencing hotel with significant ballroom and non-room revenue.

The District is interested in a long-term relationship with the selected Master Developer for Phase I. The District reserves the right to provide the Master Developer with a right of first offer on future development parcels or to offer such parcels through a subsequent solicitation process.

2.2. Campus Location

St. Elizabeths East is located at 2700 Martin Luther King Jr. Avenue SE in the Congress Heights neighborhood of Washington, D.C., approximately three miles from the U.S. Capitol, and is directly across the street from the historic St. Elizabeths West campus – the home of the U.S. Department

of Homeland Security's ("DHS") consolidated headquarters. St. Elizabeths East is positioned strategically along the Green Line, the North-South spine of the Washington, D.C. Metrorail. The Congress Heights Metrorail station provides residents and occupants of St. Elizabeths East with a direct link to downtown Washington, D.C., Howard University and the University of Maryland, as well as connections to Reagan National Airport, most federal agencies and labs, other regional business hubs, and local universities. St. Elizabeths East also provides excellent access to I-295, I-395, the Suitland Parkway and the Capital Beltway, linking it easily to the entire metro region.

In addition, the campus is located directly across the street from the St. Elizabeths West campus, home of the consolidated headquarters for DHS. The new U.S. Coast Guard headquarters accommodates 3,700 employees and is the first DHS component to open on the West campus. In the future, the St. Elizabeths West campus will be the headquarters of numerous DHS components, such as the National Operation Center, Customs, Border Patrol, and other offices that will be relocated from DHS facilities across the region. Once the consolidation is complete, St. Elizabeths West will host 16,000 federal workers.



2.3. Campus History

The St. Elizabeths Hospital was established by the United States Congress in the 1850s, largely as a result of the efforts

of mental health advocate Dorothea Dix – a national leader in developing treatments for those with mental illness. Over the last century, the buildings and landscape on the campus were developed to reflect advancements in mental health care and the functional demands of a 19th- and early 20th-century psychiatric institution.

The hospital's philosophy was innovative for its time and embodied the nation's evolving views towards the mentally ill. St. Elizabeths offered treatment in the hopes that patients could return to their previous lives, a significant departure from the widely held view that mental illness was incurable. This progressive thinking extended to the hospital's accommodation of African Americans and its pioneering use of new treatments, including psychoanalysis and hydrotherapy. Due to the hospital's rich history, the St. Elizabeths East and West campuses were added to the National Register of Historic Places in 1979, designated as a National Historic Landmark in 1990 and declared a local historic district in 2005. In 1987, the federal government transferred the 183-acre St. Elizabeths East campus to the District.

2.4. Existing Site Conditions

The parcels and structures will be conveyed (either through sale or ground lease) in "as-is" condition, without warranty by the District as to physical condition of the land and/or structures. Respondents should draw their own conclusions concerning conditions that may affect the method or cost of redevelopment. All assumed rehabilitation and remediation costs should be detailed in Respondents' submission.

2.5. Land Conveyance

The District expects to sell a fee interest (only available for new development parcels) or ground lease interest in the Phase I parcels to the Master Developer. The District envisions that it will not transfer the land to the Developer until the Master Developer is ready to commence construction and obtain all financing necessary for the construction; therefore, no real estate taxes will be due during the pre-construction phase. The Master Development Agreement will include a detailed take down schedule and payment formula for each of the Phase I parcels. Following execution of the Master Development Agreement, the District is interested in working with the Master Developer to create a Business Improvement District or similar entity to address common area planning, infrastructure, streetscape and open space design, maintenance, security, services, and shared amenities.

3. Land & Building Profiles

3.1. Land & Building Summary

Phase I of St. Elizabeths East is comprised of developable parcels as well as interim-use parcels. The “developable” parcels, five in total, can accommodate a total of 1.1 million square feet of residential, academic, retail and office uses in both repurposed historic buildings and new construction. The “interim-use” parcels, also numbering five in total, include Gateway DC, an interim-use pavilion and park, temporary surface parking with approximately 346 spaces, and a forthcoming interim Demonstration Center that will provide computer access to the local community on a temporary basis. The interim-use parcels are slated for an additional 500,000 SF of development once the initial Phase I developable parcels are complete and provide immediate opportunities for the Master Developer to activate the campus and have onsite parking.

3.2. Developable Parcels

The parcels of Phase I were identified because of their ability to most practically achieve a sense of place, leverage the activities of the proposed Innovation Hub, and establish a critical mass of tenants and activity at St. Elizabeths East to spur future development phases. The proposed Phase I parcels offer:

- Proximity to the Congress Heights Metro Station, allowing for the creation of a Transit-Oriented Development;
- Relatively condensed area allowing for proximity of diverse uses and pedestrian-oriented scale;
- Re-use of historic buildings that allows a possible distinctive residential component of Phase I that is within walking distance of the Congress Heights Metro Station;
- Ground-up development pads for potential office and retail uses adjacent to the Congress Heights Metro Station; and
- Opportunity to take full advantage of existing surface parking areas to serve Phase I until commencement of future development phases.

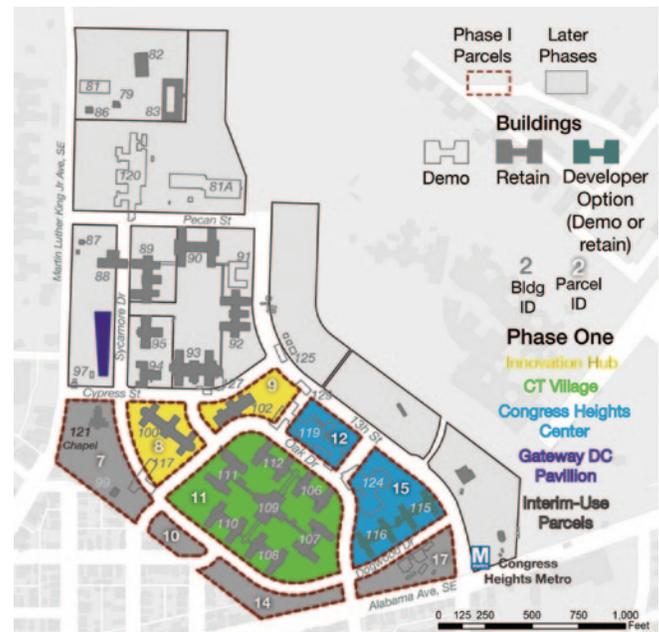
It is important to emphasize the square footages noted herein are not intended as hard caps on available space, but rather are estimates from the Master Plan and may be modified with the development of St. Elizabeths East.

The developable parcels for Phase I are identified in the **Chart and Map** below:

Innovation Hub:	174,561 SF
Innovation/Academic**	
CT Village:	335,392 SF
Residential Units**	Appx. 200 Units
Congress Heights Center:	603,688 SF
Office/Retail**	
Interim Use Parcels	490,051 SF Appx. 346 Parking Spaces
Gateway DC (Licensing & Management Rights)	41,000 SF
Total Phase I	1,644,692 SF

*All square footages are estimates. Respondents should conduct their own due diligence to confirm actual sizes.

**Programs are based on the Master Plan and demonstrate an acceptable option; however, Respondents may propose alternative plan(s) for the parcels. Respondents should carefully review the applicable zoning provisions to ensure compliance.



3.2.1. PARCELS 8, 9

PARCELS EIGHT & NINE			
Parcel 8	Building 100	39,099 SF Existing Building Size (Estimate)	47,208 SF St. Elizabeths Zone: Maximum By-Right Development
Parcel 9	Building 102	33,920 SF Existing Building Size (Estimate)	127,353 SF St. Elizabeths Zone: Maximum By-Right Development
Parcels 8 & 9			174,561 SF Total Permitted Development

A principal objective of St. Elizabeths East is to foster innovation and generate talent and research to help expand the District’s economy beyond its traditional sectors. Based on initial work done by the District, Parcels 8 and 9 have been identified as an ideal location for the St. Elizabeths East Innovation Hub. Completion of the Innovation Hub is the District’s first priority and significant milestones have been achieved toward this effort. The Innovation Hub is planned as an integrated applied technology center where research, education, training, entrepreneurship, demonstration projects and private sector commercial activities can all take place. Respondents should refer to the appendix for further information. While the District believes this proposed use demonstrates a compelling option for Parcels 8 and 9, Respondents may propose a different use with their submittals.

Parcels 8 and 9 include two existing historic buildings (Buildings 100 and 102), comprising 39,099 SF and 33,920 SF respectively. There is also an opportunity to construct a 8,109 SF addition on building 100 and a 93,433 SF addition to the 39,000 SF Building 102 to create a total development potential of approximately 174,561 SF on a 4.6-acre parcel. Please note that all square footages are estimates. Respondents should conduct their own due diligence to confirm actual sizes.

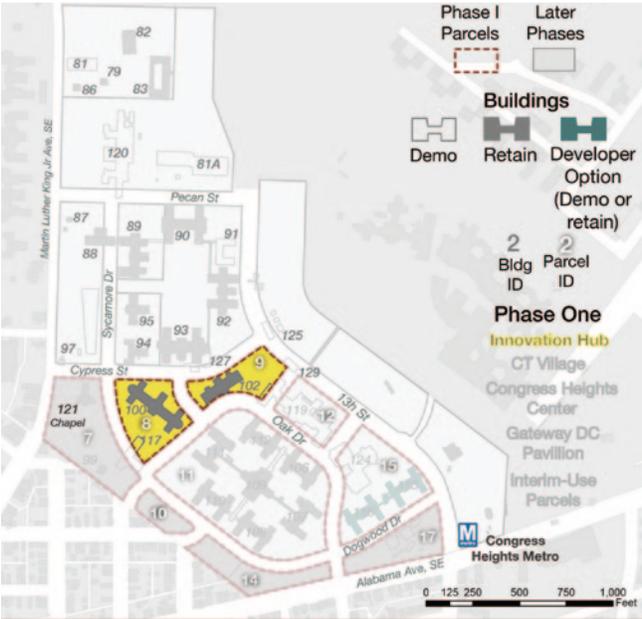
Building 100, located on Parcel 8, was constructed in 1902 and is a two-story masonry building comprising 39,099 SF. The building retains a number of historic features, including exterior masonry, cupolas, wood windows, red tile roofs, chimneys and porches, as well as interior sitting rooms and double-loaded corridors. Due to age and the weathering of the structure’s masonry envelope, roof, overhangs and drainage system, the building has general deterioration. To limit further decay, the District performed high priority hazmat remediation and abatement, as well as roof and other general repairs on Building 100 in the Summer of 2013. Please note that the building will be conveyed in “as-is” condition without warranty by the District as to its physical condition.

Building 102, located on Parcel 9, was also constructed in 1902 and shares many of the characteristics of Building 100, including masonry construction, symmetry in elevation and

plan, stone and brick detailing and ornamentation and one- and two-story porches. The building comprises 33,920 gross square feet.

In addition to Building 102, Parcel 9 includes a buildable lot to the northeast of the existing building that can accommodate up to 93,433 SF of newly constructed space. While zoning is flexible as to its use, it is proposed that this new development would be ideal for office, classroom, research and product assembly.

Ideally, Innovation Hub facilities at Buildings 100 and 102 will be flexibly designed and programmed to accommodate a range of uses, including office, classroom, assembly, dry laboratory and meeting and gathering spaces. Refer to the appendix for the possible inclusion of the anchor tenants, as well as Building 94 and 95 in the Phase I footprint.



3.2.2. PARCEL 11

PARCEL ELEVEN		
Parcel 11	Building 106	41,331 SF Existing Building Size (Estimate)
Parcel 11	Building 107	41,753 SF Existing Building Size (Estimate)
Parcel 11	Building 108	35,123 SF Existing Building Size (Estimate)
Parcel 11	Building 109	51,062 SF Existing Building Size (Estimate)
Parcel 11	Building 110	35,164 SF Existing Building Size (Estimate)
Parcel 11	Building 111	41,207 SF Existing Building Size (Estimate)
Parcel 11	Building 112	41,207 SF Existing Building Size (Estimate)
Parcel 11		335,392 SF St. Elizabeths Zone: Max. By-right Development / Total Permitted Development

Quality residential development is an essential ingredient of the District’s vision for creating a live-work-play community at St. Elizabeths East. Parcel 11 includes seven historic structures (Buildings 106 – 112) located on 10.9 acres that is recommended for residential use. These structures are from the former CT Campus and range from 35,200 to 51,000 SF.

The former “Continuing Treatment,” or CT Campus, forms the core of the southern section of St. Elizabeths East. Buildings 106, 107, 108, 109, 110, 111, and 112, all constructed between 1933 and 1940, are each two-story masonry buildings with basements that have a floor-to-floor height of 10’7”. Each of these buildings has a prominent central entrance and lobby area and is symmetrical in elevation and plan. The buildings also possess contributing historic features that include enclosed porches, hipped roofs with red ceramic roof tiles, stone and brick detailing and ornamentation, and ornamental window grills. The buildings are situated in an oval pattern with Building 109 in the center. This building, constructed in 1933, has approximately 25% more square footage than the other buildings and a larger footprint.

All of the CT Campus buildings are connected by windowed two-story corridor structures that may or may not be retained, depending on the preference of the developer and historic preservation restrictions (see the Master Plan for additional details).

While the flexible zoning at St. Elizabeths East allows for commercial uses on Parcel 11, and the District would entertain

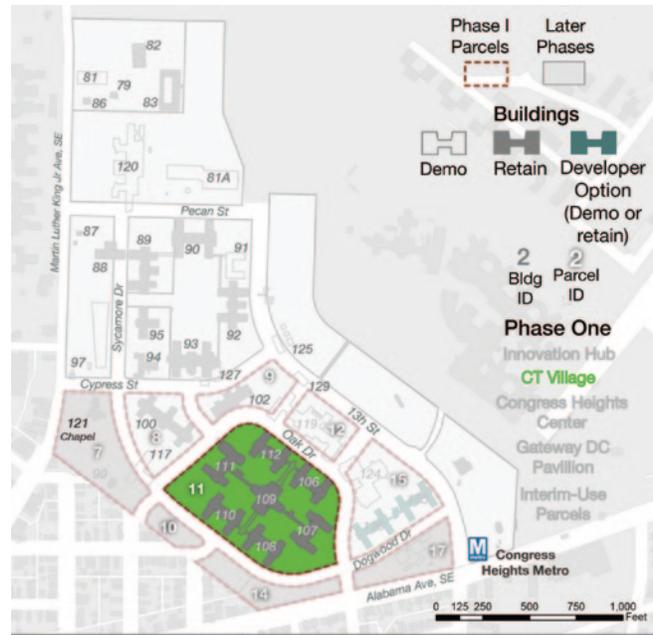
such proposals, the District believes residential uses for these buildings demonstrate an optimal option. With their graceful layout around the Dogwood/Oak Street Oval, floor-to-ceiling heights and floor plans designed to maximize daylight; the buildings lend themselves well to repurposing for residential use. The CT Campus is an essential component of the District’s vision for a 24-hour live-work community at St. Elizabeths East. The District’s initial studies of the CT Campus indicate that the buildings can accommodate a minimum of 182 – 196 residential units ranging from approximately 450 SF to 1,450 SF each. Surrounded by mature trees and lawns, these historic buildings lend themselves to the development of unique, transit-oriented housing preferred by tech-sector and other “creative class” employees. The buildings may utilize Historic Preservation Tax Credits, and there may be the possibility of adding additional new units subject to approval by the preservation and design review authorities. A summary of the potential residential program is included below:

Average units per floor	13 - 14
Average units per building	26 - 28
Total Units*	182 - 196
Basement-to-first-floor height	10’-7”
First-to-second floor height	11’-8”

*Additional units may be accommodated in windowed basements and/or by increasing density, concentrating amenities and building systems within the development and/or by providing a larger number of smaller units depending on the

developer's view of market demand and whether it is a rental or condominium project.

Respondents should be aware that the zoning code provides that any new or rehabilitated residential development of more than 10 residential units or any existing residential development whose gross floor area would be increased by 50% or more within the St. Elizabeths East District is required to reserve a portion of its residential gross floor area for inclusionary units (See 11 DCMR Chapter 26, Sections 2603.6 and 26.3.7). Further, 11 DCMR 26, Section 2603.3 requires that fifty percent (50%) of inclusionary units be reserved for eligible low-income households and fifty percent (50%) of inclusionary units be reserved for eligible moderate-income households. The affordable housing units may either be spread throughout the campus or located in a single building (e.g. seniors housing, teacher/workforce housing or artist/tech entrepreneur style housing) if exempted by 11 DCMR, Chapter 26, Section 2602.3. Depending on the Developer's proposed program, the Master Developer may utilize Low Income Housing Tax Credits and Historic Preservation Tax Credits for the buildings that qualify under the applicable federal requirements.



3.2.3. PARCELS 12, 15

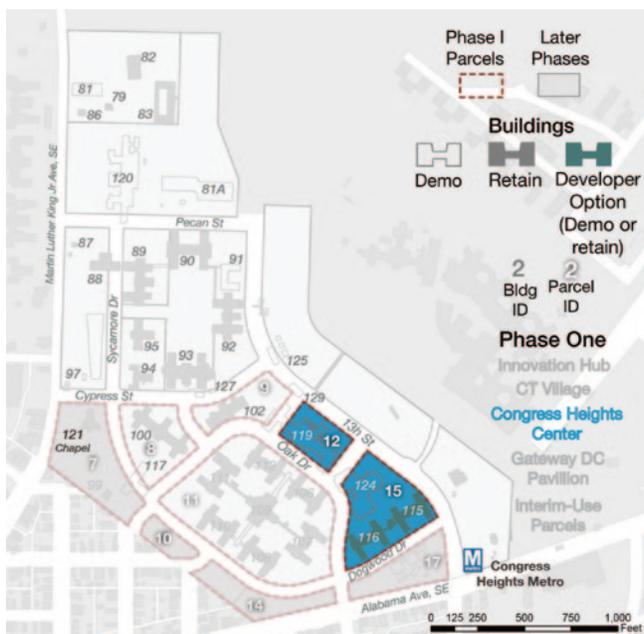
PARCELS TWELVE AND FIFTEEN			
Parcel 12	Building 119	230,000 SF Existing Building Size (Estimate)	Building to be demolished
Parcel 15	Building 115	44,013 SF Existing Building Size (Estimate)	Building may be retained or demolished
Parcel 15	Building 116	44,013 SF Existing Building Size (Estimate)	Building may be retained or demolished
Parcel 15	Building 124	284,974 SF Existing Building Size (Estimate)	Building to be demolished
Parcel 12			230,150 SF St. Elizabeths Zone: Maximum By-Right Development
Parcel 15			373,538 SF St. Elizabeths Zone: Maximum By-Right Development
Parcel 12 & 15			603,688 SF Total Permitted Development

For those arriving at St. Elizabeths East by Metro, Parcel 15 will serve as a gateway to this mixed-use and innovation-focused community. Parcel 15, adjacent to the Congress Heights Metro Station, comprises four acres and can accommodate new construction of up to 373,538 SF. Immediately adjacent to Parcel 15, Parcel 12 is a 1.7-acre development pad with zoning capacity for 230,150 SF of new development, plus underground parking.

The Master Plan contemplates that the Congress Heights Center will serve as a signature entrance to this mixed-use and innovation-focused community, offering tenants the opportunity to engage with researchers and faculty at the Innovation Hub nearby. The District envisions the Congress Heights Transit Center as flexible, Class A office and tech office space with underground parking and ground floor retail that serve both employees of building tenants and the local community.

The Congress Heights Center's position at the gateway to St. Elizabeths East, proximity to the Metro Station and prominence within the historic campus all provide opportunities for new buildings that exhibit design excellence and creativity. Redevelopment of this parcel should encourage pedestrian traffic and activity, particularly with ground floor retail, and take maximum advantage of its proximity to the Metro Station. The St. Elizabeths East Master Plan includes more detailed suggested design guidelines for these parcels.

While zoning requires some residential use on Parcels 12 and 15, the District envisions these parcels as appropriate for additional Class A technology-related or other office use, with ground floor retail and one or more levels of underground parking. As an alternative, either a part or all-residential building with ground floor retail is also permitted by zoning.



3.3. Parcels for Interim Use

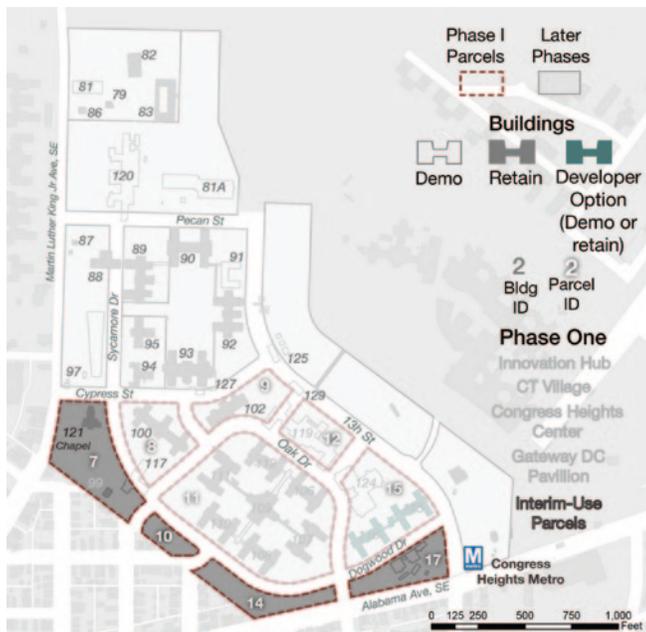
3.3.1. PARCELS 7, 10, 14, 17

PARCELS SEVEN, TEN, FOURTEEN, SEVENTEEN			
Parcel 7	Building 121	14,000 SF	Interim Use Demonstration Center
		Existing Building Size (Estimate)	
Parcel 7			246,118 SF St. Elizabeths Zone: Maximum By-Right Development
Parcel 10			53,847 SF St. Elizabeths Zone: Maximum By-Right Development
Parcel 14			135,413 SF St. Elizabeths Zone: Maximum By-Right Development
Parcel 17			54,673 SF St. Elizabeths Zone: Maximum By-Right Development
Parcels 7, 10, 14, 17			490,051 SF Total Permitted Development

Approximately 346 current parking spaces exist in the interim surface parking lots at Parcels 7, 10, 14 and 17 as part of the Phase I development parcels. Based on an analysis of the available square footage, the District has determined that the existing parking lots may accommodate a considerable number of additional spaces for interim-use. Additional parking may also be added in underground garages to Parcels 12 and 15. Any expansion of the surface parking areas would be subject to approval by the District, along with the relevant historic preservation authorities.

The District would lease these parcels to the Master Developer on an interim basis with an option to obtain development rights once Parcels 8, 9, 11, 12, and 15 are developed.

Please note that the community has expressed a strong interest in the preservation of the existing chapel located on Parcel 7. The chapel is not a protected historic structure although its reuse is strongly encouraged as demonstrated by the placement of the interim Demonstration Center, which the District plans to use on an interim basis of at least 10 years.



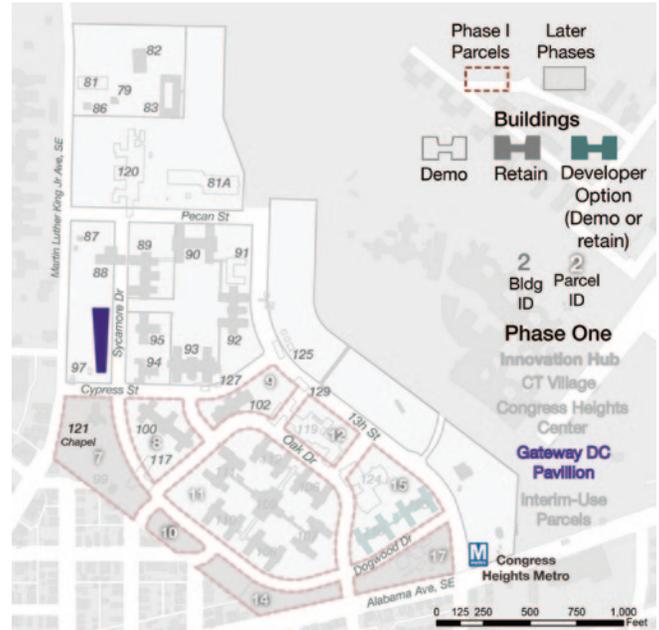
3.3.2. PARCEL 3

PARCEL THREE - "GATEWAY DC" PAVILION			
Parcel 3	Building 97	41,000 SF	New structure "Gateway DC" Licensing & Management Rights

The District has completed construction of a destination interim use pavilion, "Gateway DC," to provide amenities for local residents, visitors and the 3,700 Coast Guard employees who began the first phase of their relocation to the St. Elizabeths West campus in August 2013. Gateway DC features a 16,300 SF open air market with space for 40 vendors, 3,100 SF of enclosed, flexible space, storage areas, and a 21,000 SF green roof and raised park that accommodates concerts, festivals, and other large gatherings. Gateway DC opened to the public in October 2013 and, with its farmers market, concerts and food trucks, in addition to a winter ice slide, has quickly become a community hub for both US Coast Guard employees at St. Elizabeths West campus and neighborhood residents.

The DC Department of General Services currently provides facilities and security support for Gateway DC, though the District prefers to enter into a license and management agreement with the selected Master Developer for use of the pavilion until the parcel is utilized for future phases of St. Elizabeths East's development.

In its first six months, Gateway DC hosted over 10,000 visitors and serves as a major attraction to the campus. Gateway DC provides potential revenue opportunities to a licensee by way of sublicenses to food and crafts vendors, concerts and cultural events and other uses. The licensee would be responsible for maintaining Gateway DC and the adjacent public land in high quality condition, in addition to outreach and coordination with food trucks and other vendors, programming of community and cultural events, marketing and branding of the facility, and pursuing partnerships with technology companies, retailers, and non-profit and community organizations. Additional details of Gateway DC are found in the appendix portion of this document. Respondents to this RFP will be responsible to act as licensee for Gateway DC.



4. RFP Process & Timeline

SUMMARY OF 2014 MILESTONES		
April 30	Pre-Response Conference & Site Tour	12:00 PM EST Gateway DC 2700 Martin Luther King Jr. Avenue, SE To assist development teams seeking to respond to this RFP, a Pre-Response Conference and Site Tour will be held. See the appendix portion of this document for directions on how to RSVP.
May 30	Deadline: Notice of Intent to Respond	5:00 PM EST StElizabetsEast.dc@dc.gov Respondents are requested to submit a notice indicating their intent to respond to this RFP by sending an email to StElizabetsEast.dc@dc.gov. While this is not a disqualifying requirement, it is strongly encouraged.
June 27	Deadline: RFP Submission	3:00 PM EST Catherine Buell, Executive Director, St. Elizabeths East Office of the Deputy Mayor for Planning & Economic Development 1350 Pennsylvania Avenue NW, Suite 317 Washington, DC 20004 Ten (10) hard copies of the submission and one (1) electronic copy on either a USB flash drive or on a CD.
July 21 – July 25	Developer Interviews	TBD
September (Month of)	Community Presentations	TBD
November (Month of)	Selection of Master Developer Candidate (Date assumes no best-and-final-offer round.)	TBD

QUESTIONS

Respondents may submit questions regarding this RFP through May 30, 2014. Questions should be sent via email to StElizabetsEast.dc@dc.gov. Answers to the questions will be posted on the District's website at <http://www.stelizabethseast.com/news-and-events/>.

RESPONSE REVIEW AND EVALUATION

The District will review each submittal and may request additional information. Interviews with selected Respondents and their teams, including designers, will be scheduled in Washington, D.C. between July 21 – July 25, 2014. Should Respondents choose to respond with an academic institution, the District will request that senior representatives from the academic institution participate in the interview as well. The District reserves the right to accept or reject any and all proposals and to interview only those proposed development teams that it chooses.

5. Selection Process & Developer Submission Requirements

The District anticipates that development of all parcels included as part of Phase I will be financed, constructed, owned/ground leased, and operated by the Master Developer. The District expects to ground lease interest in the historic buildings and sell a fee interest or ground lease interest in the new development parcels to the Master Developer. Please note that the District is more likely to provide a subsidy for the rehabilitation of buildings that are ground leased, than those disposed in fee. Respondents are requested to provide a proposal that addresses the following topics and questions:

1. Cover Letter and Executive Summary

- a. Please include a cover letter and executive summary that highlights the key components of the submission, signed by an authorized representative

2. Developer and Team Information and Qualifications

- a. Please provide the name and contact information of firm or team representative to whom we should address subsequent communications.
- b. Please identify all team members, indicating their roles and responsibilities.
- c. For the Master Developer role, please provide 3 – 5 examples of mixed use, innovation and technology-related projects that best illustrate ability to accomplish the District’s goals for St. Elizabeth East. Provide an overview of the scale and scope of these projects, including development timeline, cost, total square footage, program, and key tenants. Please discuss the outcomes that these projects accomplished, including job creation and other economic development impacts, as well as any “lessons learned” that could be relevant to St. Elizabeths East. Please provide complete contact information for at least four references who can speak the firm’s accomplishments and performance with respect to the above-cited projects.
- d. Please discuss how the firm will manage the Master Developer function. Identify key personnel, describing their roles and responsibilities as they relate to each component of the Master Development proposal.

3. Master Development Project Scope and Narrative

- a. Please describe the scope of the project at St. Elizabeths East the development team proposes to undertake.
- b. If the proposed scope includes the Innovation Hub, please indicate inclusion of an academic institution in the development of this facility and provide a discussion of the nature of the collaboration, partnership, tenancy or other

relationship. Please describe any pre-leasing commitments secured and include a letter of interest from the institution. If interested, please also identify a potential operating partner for the Microsoft Innovation Center. Finally, please also indicate interest in including Building 94 and/or 95 with the Citelum lease as part of the proposal for the Innovation Hub.

- c. For each project component please provide a discussion of the following:
 - i. Development vision and concept;
 - ii. Overall development program, including proposed uses, amenities, unit types/mix, and square footage. Include a detailed discussion of academic, technology and/or innovation-related programs and uses related to the Innovation Hub;
 - iii. Target market and leasing strategy, including letters of interest from potential tenants if available, including any letters of interest;
 - iv. Anticipated development budget, equity and debt financing strategy;
 - v. Development timetable and phasing;
 - vi. Open space and parking strategy;
 - vii. Willingness to enter into a License and Management Agreement for the Gateway DC Pavilion; and
 - viii. Discussion of other issues that must be addressed.

4. Proposed Revisions to Phase I Parcels of Master Plan and Zoning Code

- a. Please indicate any proposed revisions to any or all components of the Phase I Master Plan that would contribute to improved development feasibility and market viability of Phase I.
- b. Please provide a description of the project’s response to applicable zoning and the project’s zoning strategy, including a detailed explanation and justification for any proposed variances or special exceptions.

5. Planning and Design Submission

- a. Please provide 3 to 5 examples of comparable projects designed within the last ten years that illustrate the lead designer’s approach to design and place-making.
- b. Please provide a Phase I master development/site plan and conceptual designs for the project components proposed development. The submission should provide a clear understanding of design intent with respect to circulation, streetscape, retail uses, and the intention to create a “sense

of place” at each phase of development at St. Elizabeths East.

- c. Provide an order-of-magnitude, conceptual cost estimate, including trade cost and allowances for mark-ups, escalation, and contingency, as well as tenant improvement budget for office/academic uses, as applicable, for the Phase I project components of the proposed development.
- d. Propose a management and programming plan for Gateway DC.

6. Project Schedule

- a. Please provide a timeline for predevelopment/ planning, parcel take-down, design, and construction for each component of the Phase I proposal.
- b. Please provide a timetable and milestones through project completion. Respondent is required to complete and submit with the response a “Schedule of Performance” attached in the appendix portion of this document. The Schedule of Performance should list each step in the redevelopment process through project completion and operation.

7. Proposed Business Deal and Transaction Structure

- a. At Closing under the disposition agreement, it is anticipated that the selected Development Team will either enter into a ground lease or purchase the parcel in fee simple.
- b. Please indicate the preferred acquisition method for the new development parcels, either ground lease structure or fee simple purchase.

8. Project Feasibility and Financial Plan

- a. Please discuss resources to guarantee the completion of construction of the components of a Phase I proposed development, including company's past history and current financial capability. Please note, if selected, the Respondent will be required to provide additional evidence of its or its third party guarantor's ability to guaranty the full completion of construction, including any cost overruns.
- b. Provide for each proposed component of Phase I, an itemized budget, including line items for hard, soft, and financing costs, together with any contingencies.
- c. Please discuss a financing strategy for Phase I project components. Provide a Sources and Uses of Funds detailing how the project will be financed through a combination of debt and equity, including:
 - i. Equity sources: specify the amount of equity to be invested by the Master Developer and identify potential equity providers, supported by a letter of interest, term sheet, or partnership agreement, if available.
 - ii. Construction financing: identify potential

lender(s) and provide a letter of interest, if available.

- iii. Permanent financing: identify potential lender(s) and include a letter of interest, if available.
 - iv. Subsidies sought, if any, from the District
- d. Provide a project pro forma to demonstrate project feasibility. The pro forma must be submitted as part of a proposal and in Excel format with formulas on a separate thumb drive. Include a 20-year cash flow projection, indicating all assumptions clearly, and specify:
- i. Projected rents for commercial and retail tenants
 - ii. Parking revenues, if any
 - iii. Gateway DC revenues, if any
 - iv. Ground rent, if any
 - v. Operating expenses
 - vi. Real estate taxes
 - vii. Net operating income
 - viii. Annual debt service
 - ix. Net cash flow
 - x. Equity returns
- e. Identify the entity that will provide a guarantee of completion to the District and provide evidence of that entity's financial capability.

9. First Source, Certified Business Enterprises and Local Hiring

- a. *First Source*: Respondents must complete the Form of Acknowledgement attached in the appendix portion of this document. Please refer to the “District of Columbia Policy Goals & Requirements” section of this RFP for details regarding the First Source Agreement that the selected Development Team Respondent shall enter into with the District.
- b. *Certified Business Enterprises*: Respondents must complete the Form of Acknowledgement attached in the appendix portion of this document. Please refer to the “District of Columbia Policy Goals & Requirements” section of this RFP for details regarding the Certified Business Enterprise Agreement that the selected Development Team Respondent shall enter into with the District.

10. Local Hiring & Opportunities

Respondents are encouraged to incorporate in their responses the following:

- a. Plan for meeting the District based employment and business opportunities as required under D.C. Code § 2-219.01 *et seq.*, with a focus on and Ward 8 residents and businesses.

- b. If required by DC Code § 32-1431 (receipt of \$1 million or more in District or certain federal subsidies), Respondents shall submit detailed plans for apprenticeship programs that facilitate placing existing District and Ward 8 residents into employment opportunities within the project. The commitment and strategy to develop and implement a local apprenticeship program shall be in accordance with D.C. Official Code §§ 32-1401 et seq.; 7 DCMR §§ 1100. 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.
- c. Opportunities for District and Ward 8 neighborhood-based business to participate in the project. If included, evidence of the inclusion of such businesses should be submitted in the form of written confirmation from such neighborhood-based businesses and shall include the scope and details of the said businesses' involvement in the project.

11. Community Engagement

- a. Discuss a proposed approach to community engagement. Outline how the team will interact with and seek input from the District, local elected officials, and members of the Ward 8 community.
- b. Respondents shall provide a summary of their response that may be shared with the local community and stakeholders. Summaries should not exceed 300 words.

DEPOSIT

A standby, irrevocable Letter of Credit in the amount of \$100,000 will be included with the Proposal. If a Respondent's Proposal is not selected, the Letter of Credit shall be returned to the Respondent. If a Respondent's Proposal is selected, the Letter of Credit will be considered a non-refundable deposit, only to be returned upon Project stabilization and additional Letter of Credits or assurances may be required by the District as a condition of the disposition agreement.

SUBMISSION DIRECTIONS

Ten (10) hard copies of the submission and one (1) electronic copies on either a USB flash drive or on a CD in searchable PDF and Excel format, identified by "St. Elizabeths East Master Developer RFP" and the name of the Respondent on the envelope must be submitted to and received by:

3:00 PM EST on Friday, June 27, 2014

Proposals must be delivered to:

Catherine Buell, Executive Director, St. Elizabeths East
Office of the Deputy Mayor for
Planning & Economic Development
1350 Pennsylvania Avenue NW, Suite 317
Washington, DC 20004

All questions about this RFP must be submitted via email only to stelizabethseast.dc@dc.gov. It is preferred that all questions be submitted by May 30, 2014. Respondents shall not direct questions to any other person within the District. Any questions discussed at the pre-conference meeting or received via email to the above-listed address will be posted on the website www.stelizabethseast.com.

SELECTION RECOMMENDATION PANEL

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

SELECTION PROCESS

The purpose of the RFP is to enable the District to select the Master Developer with the capability, vision and experience to deliver all of the project components outlined in this RFP in a manner consistent with the District's objectives for creating a mixed-use innovation community at St. Elizabeths East. The District will evaluate the proposals based on the following criteria:

- Strength of overall development team, including commitment and availability of key staff
- Evidence of specific experience in the design, development, and operation of mixed-use innovation clusters, technology parks, or similar projects
- Evidence of specific experience in the design, development, and operation of historic buildings
- Experience with public/private partnerships and collaboration with academic institutions and/or tech companies
- Ability to secure financing and provide required credit support, including completion guaranties
- Superior ability to execute/deliver on commitments
- Design quality
- Business terms and contribution required from District

- Achievement of the District's policy goals, including the ability to:
 - Create an Innovation Hub to diversify the DC economy;
 - Generate new job and educational opportunities for DC residents, including residents of Ward 8;
 - Maximize value to the District through land-proceeds and long-term financial returns through the increased tax revenues and economic development impact of this project;
 - Create opportunities for DC and Ward 8 businesses; and
 - Successfully manage the interim-use pavilion and park.

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

- Maximize the overall economic benefit to the District, including:
 - Achieving the District's policy goals;
 - Offer a licensing and management approach for the pavilion in which the Master Developer assumes responsibility for its marketing, management and operations; and
 - Maximizing community benefits: affordable housing, cultural and neighborhood-serving amenities, and job creation and/or apprenticeship programs for District residents, particularly for residents of Ward 8.
- Seek the least amount of District subsidy (either through a reduction in fair market value or through other District or federal public financing tools) to fill anticipated financing and/or investment gaps in the Project capital structure.
- Submit detailed apprenticeship programs that facilitate placing existing Ward 8 residents, particularly for residents within 1-mile of the property, into employment opportunities within the Project. The commitment and strategy to develop and implement a local apprenticeship program shall be in accordance with D.C. Official Code §§ 32-1401 et seq. For more information on the District's Department of Employment Services (DOES) apprenticeship program, please visit <http://www.does.dc.gov/does/cwp/view,a,1232,q,618747.asp> or contact DOES Office of Apprenticeship Information and Training.
- Provide Ward 8 businesses with opportunities to participate in the Project. Evidence of the inclusion of such businesses shall be in the form of written confirmation from such neighborhood-based businesses which shall include the scope and details of the said businesses' involvement in the Project.
- In addition, teams should propose innovative, market-viable ideas for redevelopment of the Phase I area. The District encourages teams to consider, in their vision, the District's

goals with respect to promoting vibrant, walkable, mixed-use neighborhoods and commercial corridors. Higher ratings will be given to Respondents who design development programs that:

- Comprehensively address stakeholder concerns and requirements;
- Accomplish the goals of the Innovation Hub;
- Stimulate pedestrian activity and include vibrant streetscapes; and
- Are sustainable developments that have minimal impact on the historic fabric, the environment and achieve LEED certifications.

Finally, each Respondent will be evaluated based on the financial feasibility of its proposal and the team's financial capacity. Teams whose responses satisfy the following criteria may be eligible for higher ratings:

- Demonstrate that they possess the financial resources to execute the project requirements;
- Provide funding plans, including sources and uses tables and multi-year pro-forma development budgets;
- Display a willingness to provide the District with fair consideration for its real property assets. Rental payments to the District will be strongly considered;
- Demonstrate significant investments of "at risk" capital during the pre-development and development process; and
- Exhibit a willingness to provide the District with a meaningful guarantee regarding payment and performance through final project completion.

While the District prefers that this Request for Proposals result in the selection of a single Master Developer entity for Phase I, Respondents may submit proposals with different team members being responsible for the residential uses, commercial office, retail and Innovation Hub components. Respondent teams should clearly identify the components each respective team member will be responsible for. In addition to the redevelopment of the Innovation Hub area, CT Campus and CT Transit Centers, Respondents may propose development in the designated parking areas within the proposed Phase I footprint and Buildings 94 and 95, which supplements the Phase I development.

It is anticipated that St. Elizabeths East will be built out in multiple phases and will eventually comprise a total of almost 5 million developable square feet. The District is interested in a long-term relationship with the selected Master Developer for Phase I. As such, the District may elect to provide selected Master Developer with rights to develop future development parcels or to offer such parcels through a subsequent solicitation process.

BEST AND FINAL OFFER SUBMISSION

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

FINAL SELECTION & NOTICE

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

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, the Letters of Credit submitted by all respondents will be refunded.

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

DISPOSITION AGREEMENT & APPROVAL

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

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

POST-SELECTION DUE DILIGENCE

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

6. Miscellaneous Provisions

Notice of Modifications

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

Change in Respondents' Information

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

Ownership and Use of Responses

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

Restricted Communications with District Employees

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

Communications with Media, Government Agencies, and Community

DMPED will lead any discussions with the media, government agencies (including federal government agencies) and/or the community regarding the development of the St. Elizabeths East. The Respondents shall not initiate or pursue any discussions or communications with the media, government agencies (including federal government agencies) and/or community without first coordinating with and receiving the approval of DMPED.

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 RFP. Further, Respondents acknowledge that the Mayor may not dispose of any interest in real property absent authorization of Council in accordance with D.C. Official Code § 10-801 or enter into any contract absent all applicable Council approvals.

Indemnification and District Limitations

The Respondents acknowledge that the District may not make any final decisions concerning the scope or nature of the specific project on St. Elizabeths East prior to compliance with all District and federal laws and regulations. In addition, the Respondents acknowledge that DMPED cannot enter into any financial obligations under this RFP without the lawful availability of funds and absent compliance with all other applicable District laws. The Respondents acknowledges and agrees that the obligation of the District to fulfill financial obligations of any kind pursuant to any and all provisions of this RFP relating to any public funds, or any subsequent agreement entered into pursuant to this RFP or referenced herein relating to any public funds are and will remain subject to the provisions of: (i) the Federal Anti-Deficiency Act, 31 U.S.C. §§1341,1342, 1349, 1351; (ii) D.C. Official Code § 47-105; (iii) the District of Columbia Anti-Deficiency Act, D.C. Official Code §§ 47-355.01 – 355.08, as the foregoing statutes may be amended from time to time; and (iv) §446 of the District of Columbia Home Rule Act. Any provision herein contained that violates the Anti-Deficiency Act shall render this RFP void *ab initio*. The Respondents further acknowledge and agree that it will hold the District, its officers, employees, agents, representatives, and consultants harmless from all claims, liabilities, and costs related to all aspects of this RFP.

Confidentiality

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

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

“THIS RESPONSE CONTAINS INFORMATION THAT IS EXEMPT FROM MANDATORY DISCLOSURE UNDER THE DISTRICT’S FREEDOM OF INFORMATION ACT.”

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

“THIS PAGE CONTAINS INFORMATION THAT IS EXEMPT FROM MANDATORY DISCLOSURE UNDER THE DISTRICT’S FREEDOM OF INFORMATION ACT.”

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

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

Non-Liability

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

Site Limitations

Any property conveyed to the Respondents 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. 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 any property on the St. Elizabeths East. Respondents will expected to be responsible for any environmental remediation that may be associated with removal or disturbance of existing improvements or other preparation of any parcels that it is selected to develop on St. Elizabeth East. Respondents are expected to comply with the historic preservation requirements in the development of any parcel on the St. Elizabeths East.

Interim Uses

The issuance of this RFP or the election to negotiation with one or more Respondents is not intended, nor should it be construed, to convey any right, title or claims to St. Elizabeths East or any other parcels within St. Elizabeths East, unless and until the District enter into a binding contract in

compliance with all applicable laws stating otherwise. The District shall retain the right to use, lease, or implement any other programmatic uses on St. Elizabeths East as it deems appropriate, as determined in its sole and absolute discretion.

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 St. Elizabeths East, all deposits will be returned to the Respondent and the District shall be released from any and all further liability.

“Stand-Alone” Projects

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

Disclosure of Fees

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

Restrictions

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

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

Community and Stakeholder Outreach

The success of any development project hinges on the inclusion and support of the local community. The desires of community stakeholders who live in and around Ward 8 generally are of critical importance to the District. Accordingly, DMPED has conducted community outreach with key stakeholders, including relevant ANC Commissioners and residents, to field the concerns and understand what the community would like development at St. Elizabeths East to achieve. Generally, the community stressed the need for an increase in public space, increased workforce development opportunities, small business opportunities and support, additional neighborhood retail amenities, and improved transportation access to and through St. Elizabeths East.

Additionally, community members have stressed a strong desire that the designs of the buildings be contextually relevant, and complement the urban form that already exists in the surrounding neighborhood. Responses must consider and incorporate stakeholder and community preferences, to the extent feasible. If selected, Respondents will be expected to work with local community members to understand how the community goals can be met. Despite the fact that the official planning process is complete for St. Elizabeths East, it is critically important that the local community members be involved with future plans and have a means of gaining access to information and interfacing directly with the project.

Sustainability and Green Building Requirements

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

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

D.C. Historic Preservation

It is the physical fabric of St. Elizabeths East that sets it apart from other opportunities and with that in mind, Historic Preservation is a key element of this effort. Right now, the District has invested \$4.5 million to stabilize four of the oldest buildings – built in 1902 – at St. Elizabeths East. St. Elizabeths East is a National Historic Landmark, listed in the National Register of Historic Places and is designated a local historic district in the District of Columbia Inventory of Historic Sites. The redevelopment of St. Elizabeths East is also subject to certain historic deed covenants set forth in a Quitclaim Deed dated September 30, 1987, and recorded among the land records as Instrument No. 8700056986 (“Historic Deed Covenants”).

As a result, the District has worked with Historic Preservation agencies, organizations and consultants to develop Design Guidelines contained within the Master Plan. The Design Guidelines, submitted to and accepted by the Advisory Council on Historic Preservation, should serve as guidance on all projects at St. Elizabeths East. Respondents will be expected to work with the District, District of Columbia State Historic Preservation Officer (“SHPO”), Historic Preservation Review Board (“HPRB”), and the ACHP to comply with the statutory and deed covenant requirements in the redevelopment of the historic structures and landscape at St. Elizabeths East. In addition to the deed requirements, all redevelopment St. Elizabeths East must comply with the District of Columbia Historic Landmark and Historic District Protection Act of 1978 (as codified in D.C. Code § 6-1101 *et seq.*; the “Historic

Protection Act”) by amendment effective November 16, 2006.

First Source

One of the primary goals of the District of Columbia government is the creation of job opportunities for District of Columbia residents. (See Mayor’s Order 83-265, D.C. Law 5-93, D.C. Official Code § 2-219-.01 et seq., and DC. Code § 10-801(b) (7)). 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 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 D.C. Apprenticeship Council as required under D.C. Official Code §§ 32-1401 et seq. Nonprofit organizations with 50 employees or less may be exempt from First Source hiring requirements. See Official Code § 2-219.03(f).

Certified Business Enterprises

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

Local Hiring and Opportunities

Within their responses, Respondents are encouraged to incorporate their plans to address: (1) Employment and business opportunities for local residents and businesses; (2) Opportunities for District neighborhood-based business to participate in the project; and (3) internship opportunities for local Ward 8 students.

Davis-Bacon

To the extent applicable, as determined by the Respondents, the selected Respondents will be required to comply with the provisions of the Davis-Bacon Act, 40 U.S.C. § 276(a), and the regulations promulgated therewith.

Hotel-Use

A Respondent whose response contemplates a hotel use on the St. Elizabeths East campus must demonstrate to the District that it has entered into a Labor Peace Agreement with any labor organization that seeks to represent employees involved in hotel operations on the applicable parcel as a condition precedent to the District’s consideration of the Respondent’s proposal. “Labor Peace Agreement” means a written agreement between the Respondent and the labor organization that contains, at a minimum, a provision prohibiting the labor organization and its members from engaging in any picketing, work stoppage, boycott, or other economic interference with the Respondent’s operations or the Project. The requirement above shall be included in any request for proposals or similar solicitations by the Respondent that pertains to hotel operations.

Minimum Ground Lease Terms

A ground lease with a term in excess of 20 years (inclusive of options) will require authorization of Council in accordance with D.C. Official Code § 10-801 prior to the District’s execution or contractual obligation to enter into the ground lease with the selected Respondent. Respondents should be aware that the Mayor’s request for Council authorization under D.C. Official Code § 10-801 must be accompanied by an appraisal, economic factors considered, and justification for the financial terms negotiated in the ground lease.

The Respondent shall be solely responsible for the costs of redevelopment, renovation, and future operation of the property. The Respondent shall be solely responsible for the payment of all utilities, permit fees, assessments and taxes relating to the property, including, if applicable, possessory interest tax assessed under D.C. Official Code § 47-1005.01. Upon the expiration or early termination of the ground lease, all present and future alterations, additions, renovations, improvements and installations located on or within the building shall be deemed to be the property of the District and, upon the tenant’s vacation or abandonment shall remain upon and be surrendered with the property. All movable goods, inventory,

office furniture, equipment, trade fixtures and any other movable personal property belonging to tenant that are not permanently affixed to the building shall remain the tenant's property. The District will not be providing any public subsidy to fill any funding gaps or shortfalls in rent payments.

Reservation of Rights

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

- i. Cancel, withdraw or modify the this RFP prior to or after the response deadline;
- ii. Modify or issue clarifications to the RFP prior to the response deadline;
- iii. Request the submission of more detailed offers or additional information from some or all of the Respondents;
- iv. Enter into negotiations with one or more Respondents based on responses submitted in response to the RFP;
- v. If Respondent is asked to submit a "Best and Final Offer," the Respondent is expected to adhere to the additional guidance provided by DMPED and submit a final revised proposal for DMPED's consideration;
- vi. DMPED may request Respondents to present their "Best and Final Offers" to the community to gain additional community feedback;
- vii. DMPED may condition the negotiation of future agreements on selected Respondents making a deposit;
- viii. Consider one or more proposals that are noncompliant with the RFP requirements
- ix. Begin negotiations with the next preferred Respondent in the event that a development agreement cannot be executed within the allotted period of time for negotiations with a prior selected Respondent;
- x. Reject any responses it deems incomplete or unresponsive to the RFP requirements;
- xi. Reject all responses that are submitted under the RFP;
- xii. 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;
- xiii. Modify the deadline for responses or other actions; and
- xiv. Reissue the original RFP, (ii) issue a modified RFP, or (iii) issue a new RFP, whether or not any responses have been received in response to the initial RFP.

Conflicts of Interest

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

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

On-going Reporting

Respondents shall report to the District directly and without undue delay any information concerning conduct which may involve:

- i. Corruption, criminal activity, conflict of interest, gross mismanagement or abuse of authority; or
- ii. Any solicitation of money, goods, requests for future employment or benefit of thing of value, by or on behalf of any government employee, officer or public official, any Respondent's employee, officer, agent, subcontractor, labor official, or other person for any purpose which may be related to the procurement of the RFP by Respondents, or which may affect performance in response to the RFP in any way.

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, environmental remediation costs and due diligence studies such as traffic, geotechnical, storm water management, historic preservation reviews, and other site preparations) and project development costs.
- ii. Respondents shall be solely responsible for all costs related to obtaining necessary permits, approvals, clearances, and licenses at the appropriate time, including, without limitation. The District 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 the appendix portion of this document. All funds expended on due diligence and pre-development work during negotiation with the District by Respondent shall be at their sole risk; under no circumstances shall the District be responsible for the reimbursement of any such costs even if the project is not successfully completed due to no fault of Respondent.

7. Appendix I: RFP Submission Support Documents

SCHEDULE OF PERFORMANCE		
Milestone	Completion Date	Responsible Party
Final Selection & Notice	TBD	DMPED
Submission of Disposition Agreement and supporting exhibits for Council approval	TBD	Developer
Execution of Disposition Agreement (Subject to Council approval of surplus and disposition legislation)	TBD	DMPED & Developer
Submission of Disposition Agreement Payment	TBD	Developer
Submission of application to the DC Historic Preservation Review Board; State Historic Preservation Officer; Commission on Fine Arts; Advisory Council for Historic Preservation	TBD	Developer
Permit Drawing Submission to DMPED	TBD	Developer
Permit Drawing Submission to DCRA	TBD	Developer
Building Permit Issuance	TBD	Developer
Closing and Submission of Closing Payment	TBD	Developer
Construction Commencement	TBD	Developer
Substantial Completion of Construction	TBD	Developer
Certificate of Occupancy Issued	TBD	Developer

Form of Acknowledgements

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

Respondent hereby acknowledges that, if selected by the District to enter into a disposition agreement, Respondent will enter into a Certified Business Enterprise ("CBE") Agreement with the District's Department of Small and Local Business Development ("DSLBD"). Pursuant to

D.C. Official Code §10-801(b)(6) and D.C. Official Code §§ 2-218.01 et seq., the selected Respondent will enter into an agreement that shall require the Respondent to, at a minimum, contract with Certified Business Enterprises for at least 35% of the contract dollar volume of the project, and shall require at least 20% equity and 20% development participation of Certified Business Enterprises.

The selected Respondent shall enter into a legally binding Letter of Intent ("LOI") or comparable legally binding agreement between the Master Developer and the CBE partners that demonstrate that the CBE partners meet or exceed the 20% participation goal established by DSLBD. The CBE partners must be certified by

DSLBD and documentation showing certification must be made available to the Deputy Mayor's Office for Planning & Economic Development upon request. LOIs should include the following:

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

Date:

Signature:

Print Name:

Affiliation:

Phone Number:

Email Address:

Business Address:

Pre-Response Conference RSVP & Site Tour Waiver

The District of Columbia will be hosting a pre-response conference and site tour on April 30, 2014 in connection with its Request for Proposals for a Phase I Master Developer. Attendees should meet at St. Elizabeths East, which is accessible by way of the Congress Heights metro station (green line) or by car using the entrance at 2700 Martin Luther King Jr. Avenue, SE, Washington D.C. Parking will be available on-campus in the surface parking lot located directly adjacent (to the left upon entering) to the site entrance. Please come prepared with sensible attire for a brief walking site tour of the Phase I area of the campus.

All attendees of the Pre-Response Conference and site visit must complete the enclosed site tour waiver, release, and indemnification form.

Please send completed forms and RSVP to StElizabethsEast.dc@dc.gov.

Location

St. Elizabeths East Campus
2700 Martin Luther King Jr. Ave., SE

Agenda and Schedule

12:00 PM: RFP
Pre-Response Conference
St. Elizabeths East, Gateway DC
2700 Martin Luther King Jr. Ave., SE.

1:00 PM: Walking Site Tour of
Phase I St. Elizabeths East

St. Elizabeths East Campus Site Tour Waiver, Release and Indemnification

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

1. I acknowledge that the District of Columbia (the “**District**”) is the owner of the real property known as St. Elizabeths East, located at 2700 Martin Luther King Jr. Avenue, SE, Washington D.C., together with all improvements located thereon (the “**Property**”).
2. I acknowledge and understand that the District has issued a Request for Proposals (“**RFP**”) for a Master Developer and that the District, acting by and through the Office of Deputy Mayor for Planning and Economic Development (“**DMPED**”), is offering potential Respondents to said RFP an opportunity to view the Property in which the potential applicant is interested at an “open house,” and, further, that the opportunity to view the Property does not constitute an offer, representation, warranty or any other agreement on the part of the District with regard to the Property viewed.
3. I represent that I am attending the tour for the Property at the date and time stated: April 30, 2014 from _____ AM / PM – _____ AM / PM
4. I hereby agree to abide by the orders and directions of the representative(s) of DMPED at the tour for the Property. If I fail to comply with such orders or directions, DMPED may, in its discretion, demand that I leave the Property in which event I agree to do so immediately and without causing a disturbance.
5. I hereby acknowledge that the Property may be, either entirely or in part, in a state of disrepair or otherwise hazardous. I hereby assume all risks and accept full responsibility for any and all damage to myself or others arising from or related to my presence on the Property in connection with the tour. I understand and agree that neither I, my heirs, personal representatives, successors, grantees, and assigns, or anyone claiming any interest through me, will bring any legal action whatsoever against the District, its officials, officers, employees, and agents as a result of any damage, injury, loss or death to myself or my property that arises out of my presence on the Property in connection with the tour.
6. I hereby indemnify and hold harmless the District, its officials, officers, employees, and agents from all liabilities, obligations, damages, penalties, claims, costs, charges, and expenses (including reasonable attorney’s fees), of whatsoever kind and for injury, including personal injury or death of any person or persons, and for loss or damage to any property caused by or occurring in connection with, or in any way arising out of my presence on the Property pursuant to this Release. If any action or proceeding as described in this paragraph is brought against the District, its officials, officers, employees, or agents for which I bear responsibility as expressly provided under this Release, upon written notice from the District, I shall, pay any fees, costs or expenses incurred by the District to resist or defend such action or proceeding.
7. I hereby acknowledge and agree that the assumption of risk, promise not to sue, waiver of liability, and indemnification provided for in this Release includes loss, injury or damage as a result of the negligent acts or omissions by the District, its officials, officers, employees, and agents.
8. I hereby agree that nothing in this Release shall be deemed to waive any rights of any kind that the District now has, or may hereinafter have, to assert any claim against me, including, without limitation, claims with respect to any and all past events or entry on the Property.
9. I hereby agree that if any provision of this Release is held to be illegal, invalid or unenforceable under present or future laws, such provision shall be fully severable and this Release shall be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part of this Release. The remaining provisions of this Release shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance from this Release.
10. I hereby agree that this Release shall be construed under the laws of the District of Columbia without reference to conflicts of laws principles;
11. I hereby waive (i) any objection to the venue of any action filed in any court situated in the jurisdiction in which the property is located, (ii) any right, claim, or power, under the doctrine of forum non conveniens or otherwise, to transfer any such action to any other court, and (iii) trial by jury in any action, proceeding, claim, or counterclaim brought in connection with any matter arising out of or in any way connected with this Release.
12. I hereby agree that this Release shall be binding upon my heirs, personal representatives, successors, grantees, and assigns.

St. Elizabeths East Campus Site Tour Waiver, Release and Indemnification

SIGNATORY

Date:

Signature:

Print Name:

Affiliation:

Phone Number:

Email Address:

Business Address:

WITNESS

Date:

Signature:

Print Name:

Affiliation:

Phone Number:

Email Address:

Business Address:

8. Appendix II: Existing Planning & Conditions

8.1. District of Columbia Planning Documents & Considerations

While each submitted proposal from Respondents will be evaluated based on the specific project objectives outlined in Section 5: Selection Process & Developer Submission Requirements, the submittals shall take into consideration the following planning documents for context of the redevelopment.

ZONING

The District's Zoning Commission approved the St. Elizabeths (St. E) zone district for St. Elizabeths East in Final Rulemaking published at 60 DCR 4834, 4842 (March 29, 2013.); 11 DCMR §§ 3301 et seq.. The zoning established 19 sub-districts within St. Elizabeths East and will allow up to approximately 5 million square feet of new construction and the reuse of historic buildings. This zone allows for "by-right" development with flexible uses across the campus, including all parcels included as part of Phase I. Per the Master Plan, it is anticipated that some limited zoning approvals may be required of the Master Developer.

Respondents are strongly encouraged to review *all applicable* District Zoning Regulations prior to preparing their responses. The zoning regulations for St. Elizabeths East can be located at 11 DCMR §§ 3301 et seq.:

MASTER PLAN & DESIGN GUIDELINES

The Master Plan for St. Elizabeths East provides guidelines for the redevelopment of the entire East campus. It was completed in June 2012 with significant community input and, because of the historic nature of the campus, was developed in coordination with the historic preservation community. The Master Plan is intended to inform Respondents' thinking about the Phase I development, not to constrain fresh ideas. The Master Plan allows for newly constructed offices and laboratories with larger footprints alongside the existing historic buildings, promoting interaction among all components of the development, from large and small firms to government

agencies and academic institutions. As part of Phase I, the Master Plan also envisions a transit-oriented "town center" of housing, retail, and other amenities serving the public. These uses are critical to providing the density and 24/7 activity needed to support the office, academic and research activities and are currently located in the area of the portion of the East campus closest to the Congress Heights Metro station. The Master Plan also contemplates the creation of both civic and tech space within specified historic structures, to create a gateway for local residents to the innovation economy.

The District believes that the Master Plan demonstrates an acceptable option for the East campus' redevelopment; however, proposed development plans are not required to mirror the Master Plan. The St. Elizabeths East Master Plan and Design Guidelines may be accessed via the following link:

<http://www.stelizabethseast.com/our-opportunity/master-plan/>

DC INNOVATION STRATEGY FOR ST. ELIZABETHS EAST DATED DECEMBER 2012

The District secured a grant from the Economic Development Administration ("EDA") of the U.S. Department of Commerce to undertake a comprehensive study of the homeland security economy in Washington, D.C. and the potential opportunities it presents for St. Elizabeths East, particularly considering the U.S. Department of Homeland Security's plans to consolidate its headquarters at the federally-owned St. Elizabeths West. The study includes a development and implementation plan for the creation of an innovation hub that may stimulate economic and community development in Ward 8 as well as promotes the city's innovation sector. The DC Innovation Strategy for St. Elizabeths can be viewed online at:

http://planning.dc.gov/DC/Planning/Publication%20Files/OP/Citywide/citywide_pdfs/DC%20Innovation%20Strategy%20December%2012%20Final.pdf

COMPREHENSIVE PLAN (CHAPTER 18: FAR SOUTHEAST/SOUTHWEST AREA ELEMENT)

The Comprehensive Plan identifies St. Elizabeths as a "policy focus area," and provides specific policy goals for its redevelopment. The District of Columbia Comprehensive Plan (Chapter 18: Far Southeast/Southwest Area Element) can be viewed online at the following link:

<http://dc.gov/DC/Planning/In+Your+Neighborhood/Wards/Ward+7/Comprehensive+Plan+Area+Elements/Fa+Southeast+Southwest+Area+Element>

ST. ELIZABETHS EAST REDEVELOPMENT FRAMEWORK PLAN

In 2008, the District refined and updated the St. Elizabeths East Campus Framework Plan to establish development principles. The St. Elizabeths East Redevelopment Framework Plan can be viewed online at the following link:

<http://planning.dc.gov/DC/Planning/In+Your+Neighborhood/Wards/Ward+8/St.+Elizabeths+East+Redevelopment+Framework+Plan>

8.2. Phase I Assessment

The District commissioned a Phase I Environmental Site Assessment completed March 1, 2012. A complete copy of the report can be found in the appendix portion of this document. The District makes no representation or warranties about the accuracy or the correctness of the information or assumptions contained in the report with respect to the character or extent of building, soil or subsurface conditions or the conditions that may be encountered during the course of any redevelopment. 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 Phase I area.

Refer to www.stelizabethseast.com for related documents.

8.3. Building Condition Reports

The District commissioned a number of building condition assessments on the historic buildings, including those included in the Phase I footprint. The surveys revealed that while the buildings range from good to fair condition, there is some structural and material deterioration in portions of the buildings, as well as the potential presence of hazardous materials. Copies of the building assessments reports can be found in the appendix portion of this document.

Refer to www.stelizabethseast.com for related documents.

8.4. Infrastructure Improvements: Stage One & Stage Two

As a result of a comprehensive planning effort, the District secured \$113.5 million in capital budget dollars for St. Elizabeths East through 2016. The District has allocated the large majority of these funds to designing and building the public infrastructure improvements needed to support all planned future development at St. Elizabeths East, including roadways, water, gas, electric, telecommunications, streetscapes and street lighting, in addition to demolition of certain non-contributing structures at the campus.

The District is currently procuring Design-Build services for the first two stages of infrastructure construction to occur within St. Elizabeths East. The Saint Elizabeths East Campus Stage One Infrastructure and Utility Improvement project will:

- Provide connectivity within the East Campus and between the campus and adjacent neighborhoods,
- Upgrade and replace existing utility infrastructure to support the planned development, and
- Provide multi-modal transportation options (public transit, bicycle and pedestrian) to support the redevelopment of the East Campus.

The DC Department of Transportation issued a formal Request for Qualifications for a design-build firm for Stage One infrastructure improvements in August 2012 and three firms have been

short-listed – Lane Construction/STV, Corman Construction/AMT and Fort Myer Construction/Parsons Brinkerhoff. DDOT selected these highly-qualified teams from a pool of six organizations. A draft Request for Proposals (RFP) is scheduled to be released to these short-listed teams in Spring 2014. The design-build process is scheduled to begin in 2014 and be complete in 2016.

Stage One of the improvements will be sufficient to support approximately 60% of the proposed development at full-build, including all of Phase I. As part of the Stage One infrastructure improvements, the District will be undertaking the demolition of certain non-contributing buildings on the campus.

Stage Two of the infrastructure improvements, sufficient to support 100% of the proposed development, will be procured in 2016 when the remainder of the capital budget allotment becomes available.

Refer to www.stelizabethseast.com for related documents.

8.5. Gateway DC

GATEWAY DC: INNOVATIVE AND DYNAMIC GATHERING SPACE

The District intends to use the pavilion and associated open space known as “Gateway DC” as an innovative urban park with dynamic programming, special events, food, and marketplace opportunities available throughout the year. The pavilion and its associated open space has fantastic amenities and utilities that allow for a wide range of magnetic events to consistently draw groups from the immediate area and the entire city.

Gateway DC is intended to be a local gathering place and a perfect venue for schools, churches, and community organizations to hold meetings or classes, partner to host cultural events, plan neighborhood gatherings or even put on a school play. The more people coming to Ward 8’s Gateway DC and enjoying its facilities means more positive recognition and revenue for the community at large.

MISSION

- *A community hub:* From a gathering place to a market to a community stomping ground, Gateway DC is a home away from home, the community’s outdoor living room. Come hang out!
- *A place for breakfast, lunch, snack or dinner:* Gateway DC intends to offer delicious food and fresh ingredients available to the public.
- *A place for fun:* Gateway DC classes and activities may range from movie nights to concerts; when the public comes to Gateway DC it will be fun.
- *A tourist destination:* Gateway DC draws people from all over the city and the world to experience St. Elizabeths East’s architecture, our culture, and our history.
- *Aspirational:* Gateway DC will set the stage for the future and the exciting redevelopment of St. Elizabeths East.
- *An innovation center:* Gateway DC in the center of DC’s innovation hub, surrounded by some of the world’s top technology companies. St. Elizabeths is crackling with inspiration. Come and innovate or be inspired.
- *A community developer:* Gateway DC is vested in its community and Gateway DC is always looking to develop and assist. From community service and education to employment opportunities and development, Gateway DC hopes to do its best to help develop our community.

WHAT HAPPENS AT GATEWAY

Gateway DC, the first project to kick off the redevelopment of St. Elizabeths East, provides space for community events, including farmers’ markets and food vendors for Ward 7 and 8 residents, visitors from across the City and region, neighboring employees at St. Elizabeths Hospital, the new U.S. Coast Guard headquarters, the Department of Homeland Security, the Unified Communications Center, and the neighboring communities.

Gateway DC strives to build programming that attracts the community and showcases creativity, from annual large-scale events like Fall Festival, Cozy Christmas, movie nights and concerts to smaller weekly

events such as fitness classes, food trucks, and educational classroom-like events.

HOW DOES GATEWAY DC OPERATE?

The selected Master Developer in partnership with the District, could manage Gateway DC. There are many avenues that must be considered, including: communications, marketing, financials and data, facility upkeep, and more. The Master Developer may assume responsibility and/or support the following roles:

- **Facility Operations:** Safety, security, sanitation, and maintenance of Gateway DC, which is currently being handled by the Department of General Services.
- **Day-to-Day Operations:** Responsibility for the day-to-day operations, which include on-site support for coordination of use of the space, managing the calendar and responding to public inquiries.
- **Events Operations:** Responsibility for hosting events at Gateway DC. Please note that the District will reserve the right to host additional public events at Gateway DC and the associated open space and such use will be coordinated with the Master Developer.
- **Financial Operations:** Responsibility for internal bookkeeping protocols, financial compliance reporting, banking, and revenue management.
- **Communications Operations:** Marketing and outreach responsibilities, which include community engagement for Gateway DC, marketing the facility through a range of outlets (including social media outlets such as Twitter and Facebook) to share information and educate the public to events and happenings.
- **Programming Development Operations:** Responsibility for developing programs and creating events at Gateway DC.

Gateway DC has established direct communication paths with the Coast Guard, the St. Elizabeths Hospital staff, other government agencies as well as direct community members and the District will work with the Master Developer to keep them well-informed of current and upcoming events through email blasts and targeted follow up.

8.6. St. Elizabeths East Innovation Hub

The development of the Innovation Hub is a key component of Mayor Gray's Five Year Economic Development Strategy, which identifies the creation of a shared campus for academic institutions and technology firms as a key initiative for this administration. The District of Columbia's objectives in developing an Innovation Hub at St. Elizabeths East are to spur the creation of new technology-related businesses and jobs, to create economic opportunity at all skill levels for residents of both Ward 8 and the city as a whole, and to accelerate the diversification of Washington D.C.'s economy, reducing reliance on the federal government.

Respondents are encouraged to develop such creative concepts that bolster the Innovation Hub as part of Phase I and allow St. Elizabeths East to:

- Become a preferred location for the innovation-focused, high-tech facilities needed by Federal agencies, academic institutions, and private sector firms, especially to enable collaborative research and development, technology transfer and commercialization
- Support entrepreneurship and small business development, targeting both private-sector markets and Federal contracting opportunities
- Serve as a focal point for networking and deal making interactions among individuals and organizations that are part of the broader region's most important innovation clusters
- Leverage existing relationships with pre-identified technology anchor tenants
- For the anchor technology companies, the District requests that respondents not contact the companies directly, but rather note in their responses how each technology company would be included in the Phase I

Plans for the development of the Innovation Hub feature creative ideas such as the development of an "innovation marketplace" that provides flexible, shared conference and classroom space and infrastructure to support research and technology development, business and entrepreneurship

development, as well as product demonstration and commercialization activities. Activities could include business incubation and early business expansion facilities, product prototyping, small scale assembly, storage and distribution, and light manufacturing, all of which can take place within either newly constructed facilities or renovated historic buildings on St. Elizabeths East. In addition, Respondents may identify business incubators, proof-of-concept and prototyping centers, or tenants which occupy space for a showcase and demonstration facility in the Innovation Hub.

Respondents are encouraged to develop proposals that highlight creative approaches to the development of the Innovation Hub. The District's work towards ensuring the presence of key anchors and components for the Innovation Hub is described below:

ACADEMIC ANCHOR

Attracting a university that offers educational programs and research aligned with the skills and technology needs of Washington, D.C.'s industry sectors is viewed as a crucial element in the development of a successful Innovation Hub. The responses to the Request for Expressions of Interest ("Academic RFEI") for an Academic Anchor issued in the Spring of 2013 confirm that St. Elizabeths East offers an exceptional venue for a university or consortium of academic institutions to develop partnerships and interdisciplinary programs that build upon rapidly expanding sectors such as national security, urban resilience and sustainability, in addition to regulated industries such as energy, telecommunications, transportation, and food and drugs.

Information on interested institutions can be found here: <http://dmped.dc.gov/release/deputy-mayor-hoskins-announces-respondents-st-elizabeths-east-request-expressions-interest>

Respondents are encouraged to consider responding with one or more academic institutions that responded to the Academic RFEI and are interested in operating programs and occupying space at the Innovation Hub. Please note that the District may release a separate solicitation

to identify a qualified “Academic Anchor” for the campus. Once identified, the Master Developer will be expected to coordinate any planning efforts with the Academic Anchor.

ANCHOR TECHNOLOGY COMPANIES

The District of Columbia is working with three technology-related companies within the St. Elizabeths East Innovation Hub as “programmatically anchored” tenants or partners. Please note, the exact square footages noted below have not been agreed-upon and are simply provided as an estimate. Respondents are encouraged to indicate how their proposal might accommodate each of these proposed programs.

Microsoft Innovation Center: An important component of the Innovation Hub will be the Microsoft Innovation Center (“MIC”), one of the first such facilities in North America. MICs are state-of-the-art technology facilities designed specifically to allow the District to form partnerships with local companies and provide opportunities for local technology firms and entrepreneurs to share resources and ideas, collaborate on projects, and translate these projects into commercial applications. Currently, there are over 100 MICs in 45 countries around the world; MICs are operated by local stakeholders, which may be local companies, universities or government agencies. The MIC will be branded by Microsoft, but is not a Microsoft business, subsidiary or corporate affiliate. It will be owned and operated by a non-Microsoft entity. Microsoft’s sole role in the RFP process will be to assist the District with “identifying” partners that will be able to meet the requirements detailed in the RFP.

The District and Microsoft are committed to making the MIC a reality as part of the first phase of the Innovation Hub. The MIC at St. Elizabeths East is intended to support a community of entrepreneurs, small and medium-sized enterprises to successfully create and market tech-based business solutions. The District would like to work with the selected Master Developer to tap into the District’s robust tech community and help identify an operational partner to operate the MIC. The District intends that the MIC will occupy approximately 10,000-12,000 SF in Building 100. The

next step in developing the MIC is to identify an operating partner that will be responsible for leasing the MIC space from the Master Developer and for the on-going operations of the MIC, as well as any supplemental business-incubation and tech programming out of the MIC. Microsoft will provide operational support on Microsoft technologies in the form of training to the operational partner selected by the District and offer Microsoft development programs centered on innovation and entrepreneurship, including Microsoft curriculum and software at the Innovation Hub. Respondents that are interested in working with the District on the MIC should identify a potential operating partner in their proposals and details on how it would incorporate the MIC in Phase I. The District, and not Microsoft, in its sole discretion, will choose the Master Developer and the operating partner for the purposes of operating the MIC. Microsoft may participate in any pre-award conferences, as may be requested by the District, to help facilitate a prospective partner’s understanding of what is required to operate an MIC. This RFP does not contemplate the purchase of Microsoft products or services; nor is Microsoft seeking to bid/submit a proposal for this RFP.

Citelum US: Citelum US is a division of Citelum Group, a global leader in sustainable urban lighting. It operates 2.5 million streetlights in 22 countries on five continents. Citelum Group is a subsidiary of two Fortune 500 companies, Électricité de France (EDF) and Veolia Environment. Citelum has proposed establishing its U.S. headquarters and innovation center at the St. Elizabeths East Innovation Hub with a focus on developing cutting edge initiatives in LED lighting technology and energy efficient lighting. Citelum’s innovation center at St. Elizabeths East would also pursue academic partnerships, testing centers, workforce development programs and apprenticeship opportunities in lighting quality control and smart technology design.

The District is currently in negotiations with a private tenant, Citelum, for a ground lease of Building 94, which is a 13,869 SF building. It is expected that the lease term will be less than 20 years. While the District is prepared to retain ownership of

the land and improvements for the term of the tenant’s ground lease, the District may also consider including this property as part of the Phase I disposition with the stipulation that the Master Developer honor the terms of the lease negotiated between the District and Citelum. Respondents should indicate their interest in Buildings 94 and 95 (the adjacent property) as part of their response.

VIMTrek: SmartBIM transferred its interest in serving as an anchor tenant at St. Elizabeths East to its sister company, VIMTrek, this year. VIMTrek is a company that utilizes Visual Information Modeling (“VIM”) to translate Building Information Modeling (“BIM”) into 3D visuals. VIMTrek, and its partner, Treasury Advisory Services, are interested in working with the District and the selected Master Developer to create a 30,000 SF Innovation Center in Building 102 to provide office and demonstration facilities at St. Elizabeth East for BIM and VIM technologies as well as programs to train and educate students, District residents, and others in the building trades on how to use visualization tools to meet energy and security needs.

For the anchor technology companies, the District requests that respondents not contact the companies directly, but rather note in their responses how each technology company would be included in the Phase I.

DEMONSTRATION CENTER

The District is leading efforts to transform the St. Elizabeths East chapel into a Demonstration Center. The “R.I.S.E.” (REL8.INOV8.STIMUL8.ELEV8) Demonstration Center will bridge the gap between the innovation field and local community until the development of permanent Innovation Hub space is possible. The purpose of the Demonstration Center is to build interest in the campus redevelopment by immediately drawing the surrounding community into the campus and begin to create bonds with the residents and the Innovation Hub efforts. The utilization of the chapel presents a particularly unique opportunity to kick-off the Innovation Hub efforts, as it allows the District to leverage the local community’s affinity for the chapel and simultaneously build on the excitement and interest from the Gateway DC efforts.

The completion of the redevelopment of the chapel is scheduled for Summer 2014. While the permanent MIC is in development, The District's tech partners, including the University of the District of Columbia's Community College and Microsoft, will provide programming at the Demonstration Center. The Demonstration Center will also provide flexible conference space that can be used as temporary space and/or demonstration areas for the campus' anchor technology tenants.



St Elizabeths East

ISSUED BY:

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