



**TOWN OF LURAY
VIRGINIA**

REQUEST FOR CONCEPTUAL PROPOSALS

Pursuant to

**THE PUBLIC-PRIVATE EDUCATION FACILITIES
AND INFRASTRUCTURE ACT (PPEA)**

For the

**BROWNS BUILDING RENOVATION
(36 West Main Street)**

Issued
April 15, 2019

RFP No. : 19-002

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Executive Summary

The Town of Luray, Virginia (“Town”) is seeking a development partner for the renovation of the Browns Building located at 36 West Main Street in Luray, Virginia. The 16,658 sf building was constructed in 1921 and is located on a 0.88 ac parcel that is zoned B-1, Commercial Business District. The property is located within the Town’s Historic District, Enterprise Zone, and 100-year FEMA Flood Zone with frontage along Hawksbill Creek. Public parking is located adjacent to the rear of building with on-street building located at the front of the building. The building has historically served as a local theater for stage productions, a restaurant, and office space. The site is envisioned as a vibrant mixed-use development that incorporates compelling components, delivers significant economic value, and creates an exciting sense of place that anchors our Downtown Business District. The Town is seeking proposals that provide renovation and revitalization to the building. Development potential includes use as a theater, restaurant, offices, short-term or long-term residence, or other uses permitted within our Commercial Business District.

1.0 PROJECT GOALS AND OBJECTIVES

The Town has issued this Request for Conceptual Proposals (“RFP”) and is conducting this procurement pursuant to The Public-Private Education Facilities and Infrastructure Act of 2002, Section 56-575.1 *et seq.* of the *Code of Virginia* (“PPEA”), as amended, and the Town’s Guidelines for Submission and Consideration of Proposals for the Public-Private Education Facilities and Infrastructure Act.

The purpose of this RFP is to identify qualified teams (“Proposers”) and solicit project concepts to redevelop and revitalize a 16,658 sf building on a 0.88 ac parcel located at 36 West Main Street (Tax Map 42A11-A-14) that is currently owned by the Town.

The Town will evaluate the Conceptual Proposal based upon the evaluation criteria set forth in this RFP. Based upon the Town’s evaluation of the Conceptual Proposals, the Town may, in its sole discretion, invite one or more Proposers to submit detailed proposals in response to a Request for Detailed Proposals (“RFDP”). The objective of the Town is to enter into a comprehensive agreement under the PPEA and other applicable law with a private entity best suited to satisfy the Town’s requirements and desired features of the Project as described in Section 2.0. A more detailed Project milestone schedule is available in Section 3.2.

With respect to this PPEA procurement, the Town will serve as a responsible public entity. The Town adopted Guidelines for Submission and Consideration of Proposals for the Public-Private Education Facilities and Infrastructure Act on April 8, 2019 (“Guidelines”). A copy of the Guidelines is available at <http://www.townofluray.com/request-for-proposals.html> or at Town Hall located at 45 East Main Street, Luray, Virginia, 22835.

1.1 Project Background

The Town purchased the 0.88 acre parcel in 2014 due to right-of-way needs for the West Main Street Bridge Replacement project. A portion of the foundation for an addition to the building was integrated into the old bridge abutment. The building foundation does not connect with the new bridge foundation, but the foundation does extend beyond the parcel’s property limits.

Initially constructed in 1921, the Bridge Theater Building is a two-story (three level) building constructed of tile block with a concrete foundation and a front brick façade. The metal-sheathed roof is concealed by front and side parapets. The front parapet has an ornate pressed-metal cornice and decorative tie rod ends. Pressed-metal hood

moldings embellish the paired upper-story windows. The first story storefronts have been remodeled with paneling and plate glass windows. A one-story cinder block side addition for a restaurant was added in 1947.

The building became home to Brown’s Restaurant in 1940 and has become known locally as the “Browns Building” ever since. The restaurant transitioned menus and ceased operations as Brown’s Chinese and American Restaurant when the Town purchased the property.

A public parking lot with twenty-eight spaces is located directly behind the building for general use to the properties along West Main Street. An apartment building, a thrift store, and other business operations are located adjacent to this property.

Ruffner Plaza is located across the street from this property. Ruffner Plaza is a public park that hosts numerous events throughout the year including concerts, movies, and other gatherings. A forty-space public parking lot serves Ruffner Park.

The parcel is zoned B-1 Business District, is located within the designated FEMA 100 Year Flood Zone with a portion of the property located within the 100 Year Floodway, and is located within the Town’s Historic District.

The Town’s Historic Downtown area is also a designated Virginia Main Street Community. The Luray Downtown Initiative is our local Main Street Merchant Organization and is available to assist new businesses pursue opportunities through the Virginia Rehabilitation Tax Credit Program and the Federal Historic Preservation Tax Incentive Program.

The Town’s B-1 Business District permits the following commercial activities by right:

Bakeries	Theaters & Assembly Halls	Hotels & Motels
Office Buildings	Furniture Stores	Restaurants
Banks	Bookstores	General Retail Stores
Small Winery Operation	Microbrewery	Mixed-Use Development
Commercial Recreation & Tourist Attractions		

The B-1 Business District permits the following commercial activities with the issuance of a Special Use Permit:

Apartments	Billiard Parlors	Bowling Alleys
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There are no setback or area regulations for development within our B-1 Business District.

1.2 Location

The Browns Building is a prime redevelopment location in Page County. The Town of Luray is located at the crossroads of major routes of travel, approximately 90 miles west of Washington D.C., 45 miles south of Winchester, 35 miles east of Harrisonburg, and 63 miles north of Charlottesville. Interstate 81 is located just 15 miles to the west; and Interstate 66 is just 25 miles to the north.

Luray is located approximately 10 miles to the west of the Thornton Gap Entrance Station to Skyline Drive and the Shenandoah National Park.

Luray is also home to Luray Caverns the largest and most popular caverns in the eastern United States. Discovered in 1878, tourists can enjoy a 1.5 mile tour through various geologic formations in a designated National Natural Landmark.

Luray boasts nationally recognized ballfields at Ralph Dean Park, the best beach in the Shenandoah Valley at Lake Arrowhead, and an award winning recreational trail in the Hawksbill Greenway, a two mile trail that follows Hawksbill Creek for a relaxing stroll through the heart of Luray.

1.3 Accelerated Development Process

Upon completion of the RFP process and RFDP process, the Town will execute an Exclusive Rights Agreement (“ERA”) with the selected development team (“Selected Developer”). The ERA will commit the selected team to major business terms presented in the Selected Developer’s proposal, affirm the parties’ intent to enter into exclusive negotiation, and provide terms for access to the Site. While the ERA is in effect, the Selected Developer will coordinate closely with the Town to perform due diligence and planning; obtain necessary approvals based on B-1 zoning, and negotiate a Comprehensive Agreement (“CA”).

The Town intends for the Selected Developer to fund due diligence and planning work during the ERA period. Subsequently the Selected Developer and the Town will execute the CA, which will detail the development program; financial commitments to the Town and the timing of those commitments; construction milestone schedule, and rights and responsibilities of each party. CA execution is anticipated to occur prior to the commencement of construction of the renovations in September 2019.

The CA will provide that, during renovation of the Browns Building, the Selected Developer will prepare design documents, obtain final project plan approvals, and secure financing to construct the Project.

The Town anticipates maintaining fee simple ownership of the Site until the renovations are completed, with sale of the property occurring when the Selected Developer has demonstrated substantial completion of the renovations.

2.0 PROJECT REQUIREMENTS AND DESIRED FEATURES

While the Town hopes to receive Proposals that deliver all requirements and desired features contained herein, it recognizes that there may be competing priorities in completing the Project. Project requirements must be completed through design and delivery of the Project.

If Proposers do not believe that it is possible to deliver all Desired Features described in Section 2.2 of this RFP, they are nonetheless encouraged to submit a response addressing the goals they believe are achievable and state why they believe others are not achievable. Likewise, if a Proposer believes that the Town should be made aware of important tradeoffs that affect multiple requirements and goals, it should clearly describe those tradeoffs in the Proposal.

2.1 Project Requirements

The Selected Developer shall design, build, finance, operate, and maintain a vibrant mixed-use development project that meets the requirements below.

Financial & Structural Requirements

The Selected Developer will be required to:

- A. Execute a CA with the Town prior to the commencement of renovation of the Browns Building, and take possession of the Site from the Town following completion and occupancy of the renovated Browns Building.
- B. Provide a payment to the Town of the fair market value of the Site.
- C. Provide a meaningful non-refundable payment (estimated to be 15-25% of the land value) to the Town at the time of CA execution.
- D. Provide sources of capital to plan, design, and build the Project as described in Section 1.
- E. Finance and construct renovations on the Site.
- F. Maximize long-term positive net fiscal impact to the Town through high quality commercial uses. For these purposes, the net fiscal impact is the projected tax yield.

Financial Capacity Requirements

The Selected Developer shall:

- A. Have experience financing large, commercial development with development costs in excess of \$3 million. Tourism related projects, and projects located in historic districts will be considered most favorably by the Town.
- B. Have either (1) a minimum of \$500,000 in liquid assets not committed to other projects; (2) control over assets with a liquidated value of \$1 million; or (3) an in-place fund or credit facility with a minimum of \$3 million available, as evidenced by audited financial statements, confirmation of credit facilities from lenders, or other documentation acceptable to the Tow at its sole discretion.
- C. Provide expressions of interest from lenders or equity providers not intended to be part of the Selected Developer through a partnership or joint venture.
- D. Not be subject to financial risk that may impact its ability to successfully complete the Project.

Development Requirements

The Selected Developer shall propose and construct a Project that includes:

- A. Significant and compelling commercial and tourism uses as part of a conceptual plan.
- B. Outstanding planning, urban design, and architecture and creation of a sense of place.
- C. A prominent exterior façade renovation that can help shape the Project’s identity.
- D. Exterior façade and commercial uses that will blend and augment our Downtown Historic District.
- E. A communication process with the residents that includes strong community engagement.

Team Requirements

The Selected Developer shall propose the following team or teams:

Development Team

- A. Identify a Principal-in-Charge with experience managing projects of a similar size and scope, preferably mixed-use projects. The Principal-in-Charge shall have the ability to make legal commitments on behalf of the Selected Developer and shall be responsible for coordinating all aspects of the development team.
- B. Identify a Developer Senior Project Manager with experience managing projects of similar size and scope, preferably mixed-use projects, show shall be responsible for the day-to-day management of the project and who is committed to the project full-time from award through delivery.

Design Team

- A. The Selected Developer must include a professional architectural/engineering firm(s) (A&E Team) as a member of its team. The A&E Team will be contractually responsible for the Project design and for production of construction documents. The A&E Team must have served as a lead designer on mixed-use development projects, preferably at least 3 projects within the past 10 years.
- B. The Selected Developer should include representation from the commercial contracting community on the A&E Team to provide constructability review and development or review of probable construction costs.
- C. The A&E Team shall designate a Design Project Manager who shall be responsible for overseeing all aspects of the A&E Team’s performance. The Design Project Manager shall have experience managing projects of similar size and scope.

Construction Team

- A. The Selected Developer must include a licensed general contractor, in house or otherwise, as a member of the Construction Team (“Construction Team”). The Construction Team shall be contractually responsible for the construction of the Project.
- B. The Construction Team must have completed projects of similar size and scope within the last 10 years.
- C. The Construction Team shall designate a Construction Project Executive who has actively and personally performed a similar role on projects of a similar size and scope, preferably at least 3 projects. The Construction Project Executive shall be an officer of the Construction Firm, will be responsible for legally committing the Construction Firm, and will oversee all aspects of the Construction Team.
- D. The Construction Team shall designate a Construction Senior Project Manager who has actively and personally performed a similar role on projects of similar size and scope.
- E. The Construction Senior Project Manager will be responsible for the day-to-day management of the Construction Team from award through completion of the Project.

2.2 Desired Features

The Town hopes to receive Proposals that accomplish all of the desired features listed below. Proposers should, however, clearly describe important tradeoffs necessary to deliver multiple requirements and desired features. For example, Proposers should describe impact to upfront or long-term value as a result of providing multiple desire features. Desired features are shown in descending order of importance.

- A. Complete renovation and revitalization of the entire building area.
- B. Restaurant that compliments our community.
- C. Entertainment area to offer various performance opportunities.
- D. Transient lodging rooms.
- E. Office space.
- F. Space available for public/private use.
- G. Residential component.
- H. Exterior renovations focusing on the proximity to Hawksbill Creek and the Hawksbill Greenway.
- I. Future oriented development uses that will benefit the Town and surrounding community.

3. PROCUREMENT INFORMATION

3.1 Procurement Overview

As noted in Section 1, this procurement is being conducted pursuant to the PPEA, with (i) the Town serving as a responsible public entity and (ii) all references to the Guidelines in this RFP deemed to mean the Town’s

Guidelines for Submission and Consideration of Proposals for the Public-Private Education Facilities and Infrastructure Act.

Pursuant to subdivision 2 of Section 56-575.16 of the Code of Virginia, the Town has determined that it will proceed using competitive negotiation to pursue a comprehensive agreement for the Project.

Phase I:

This procurement process will be conducted in two phases, with this RFP commencing the first phase. The Town will review and evaluate the Conceptual Proposals to identify and select qualified Proposers (“Short-Listed Proposers”). Interviews and/or presentations by Proposers may be requested by the Town, and such requests may include the presence of representatives from a Proposer’s development, planning, financial, architectural, engineering, and/or construction teams. If requested, a Proposer shall make these representatives reasonably available to the Town for these purposes.

Following the review and evaluation of the Conceptual Proposals, the Town anticipates listing no more than four (4) of the highest rated Proposers as Short-Listed Proposers. The Town reserves the right to increase or decrease the number of Short-Listed Proposers after reviewing Conceptual Proposals.

Phase 2:

During the second phase of the procurement process, the Town will issue a request for detailed proposals (“Detailed Proposals”) only to the Short-Listed Proposers. Short-Listed Proposers will present their concepts at a public hearing. Interviews and/or presentations by those Short-Listed Proposers submitting Detailed Proposals may be requested by the Town.

3.2 Schedule

The Town anticipates conducting this procurement in accordance with the schedule set forth below. The schedule is subject to revision and the Town reserves the right to modify the schedule at any time as it deems necessary, in its sole discretion. At the time of the issuance of the RFDP, a more detailed schedule will be provided for that second phase of this process.

	MILESTONE	DATE
RFP	Issue RFP	April 15, 2019
	Deadline to Submit Questions on RFP	May 15, 2019
	Issue Response to RFP Questions	May 22, 2019
	Conceptual Proposal Submission Deadline	June 3, 2019
	Town Issues Shortlist of Proposers	June 12, 2019
RFDP	Issue RFDP	July 2019
	Detailed Proposal Submission Deadline	August 2019
	Public Hearing on Detailed Proposals	September 2019
	Approval of Selected Developer / Exclusive Rights Agreement	October 2019
	Negotiate Comprehensive Agreement	November 2019
	Execute Comprehensive Agreement	December 2019
CONST	Design	January 2020
	Permits	April 2020
	Construction	May 2020
	Property Transfer	December 2020

3.3 Point of Contact

The sole point of contact (“POC”) for matters related to the RFP, and the designated addressee of any responses, questions, or comments regarding this RFP, is the person designated below. In the interests of competition, transparency and openness in this procurement, the POC is the only individual authorized to communicate in relation to this RFP with any Proposers. All communications with the POC about the Project or this RFP shall be in writing, as required by applicable provisions of this RFP. The Town will not be bound by any oral communications. Any Proposer who violates the limits on communication described in this section will be disqualified and will not be considered for the Project.

Contact: Steve Burke, Town Manager
Address: 45 East Main Street
PO Box 629
Luray VA 22835
Phone: (540) 743-5511
Fax: (540) 743-1486
Email: sburke@townofluray.com

3.4 Posting of RFP

The RFP and Addenda, if any, will be posted on the Town’s website at www.townofluray.com. A Proposer shall be solely responsible for ensuring that it has the most current information regarding the RFP.

3.5 Conceptual Proposal Delivery Requirements

Conceptual Proposals must be delivered before 2:00 p.m. (Eastern Time) on Monday, June, 2019.

Conceptual Proposals must be physically delivered to the POC. Neither fax nor e-mail nor other electronic submissions will be accepted.

Proposers are responsible for effecting delivery by the deadline set forth above. Late submissions may be rejected without consideration or evaluation and may be returned unopened to the sender. The Town accepts no responsibility for misdirected or lost Conceptual Proposals.

Conceptual Proposals are to be sealed in mailing envelopes or packages bearing the Proposer’s name, address, and the words “PPEA Conceptual Proposal for RFP # 19-01” clearly written on the outside. Conceptual Proposals are to comply with the format requirements set forth in Section 3.9.

A Conceptual Proposal may be modified or withdrawn by a written document bearing an original signature (in ink) of an authorized representative of the Proposer, delivered to the POC prior to the date and time by which Conceptual Proposals must be delivered (as noted above).

3.6 Questions and Clarifications

To promote transparency and consistency as well as full and open competition, all questions and requests for clarification regarding this RFP shall be submitted to the POC through email. No requests for additional information, clarifications, or any other communication should be directed to any other individual.

All questions or requests for clarification must be submitted before 2:00 p.m. (Eastern Time) on Wednesday May 15, 2019. Questions or clarifications that are: (i) not submitted through email or (ii) requested after the date and time set forth herein will not be answered, unless the Town, in its sole discretion, elects to do so.

Responses to questions or requests for clarification shall be in writing, and any revisions to the RFP in response to questions or requests for clarification shall be accomplished via an addendum to the RFP. Responses, and any addenda to the RFP, will be posted on the Town's website at www.townofluray.com.

3.7 Certain Eligibility Requirements

No person or firm that is suspended or debarred from participation in Town procurement, conducting business or submitting proposals on contracts by any other local government, any agency of the Commonwealth of Virginia ("Commonwealth") or the federal government, or any other governmental entity, shall be eligible to submit a Conceptual Proposal pursuant to this RFP. If a Proposer experiences a material change in its debarment status after a Proposal is submitted and prior to the award of an interim or comprehensive agreement for the Project, the Proposer shall notify the POC of the change in writing at the time the change occurs or as soon thereafter as is reasonably practicable.

A firm organized or authorized to transact business in the Commonwealth pursuant to Title 13.1 or Title 50 of the *Code of Virginia* shall include in its Conceptual Proposal the identification number issued to it by the Virginia State Corporation Commission ("SCC"). The Proposer's SCC identification number shall be provided on the Cover Sheet on the line entitled "VA SCC Business Registration #." Any Proposer that is not required to be authorized to transact business in the Commonwealth as a foreign business entity under Title 13.1 or Title 50 of the *Code of Virginia* or as otherwise required by law shall include in its Conceptual Proposal a signed statement attached to the Cover Sheet describing why the Proposer is not required to be so authorized under Title 13.1 or Title 50 of the *Code of Virginia*.

3.8 Proposer Costs

A Proposer shall be responsible for all costs associated with its participation in this procurement.

3.9 Conceptual Proposal Overview

The Conceptual Proposal shall be prepared in as thorough, yet succinct manner to convey to the Town the plan and capabilities to complete the project. At a minimum, the Proposal shall be accompanied by a Cover Letter signed by an authorized representative of the Proposer and shall include 1) Executive Summary; 2) Team Summary; 3) Qualifications and Experience; 4) Project Approach; 5) Financial Approach; and 6) Project Benefits and Compatibility.

The Conceptual Proposal shall be submitted with ten (10), bound paper copies and one digital version on a digital storage flash drive in pdf format. Each Proposer shall submit one (1) original paper version of the Conceptual Proposal which must bear an original signature (in ink) of an authorized representative of the Proposer with "Original" identified on its front cover.

Information considered by the Proposer to be confidential and exempt from disclosure shall be securely bound and contained in a separate volume clearly marked "Confidential" on its cover and each individual page. Confidential information must conform to the Virginia Freedom of Information Act.

All submittal material in the Conceptual Proposal shall become the property of the Town.

4.0 CONCEPTUAL PROPOSAL CONTENTS

The Conceptual Proposal shall include all necessary information to convey to the Town the intended improvements associated with the project, team composition and experience, and the financial requirements to the Town for an informed assessment of proposals. The following requirements shall be included at a minimum, but do not necessarily preclude the Proposer from providing additional information.

4.1 Letter of Submittal

The Letter of Submittal shall be on the Proposer's letterhead and identify the full legal name and address of the Proposer (*i.e.*, the legal entity that will execute the comprehensive agreement with the Town). The Letter of Submittal shall be signed by an authorized representative of the Proposer. All signatures on the original Letter of Submittal shall be in ink.

In its Letter of Submittal, a Proposer shall identify the name, title, address, phone number, and e-mail address of the individual who will serve as the point of contact for the Proposer.

4.2 Executive Summary

A Proposer shall include in its Conceptual Proposal an executive summary ("Executive Summary"), which is expected to be available for public disclosure. Please see Section 8.0 regarding posting and disclosure of a Proposer's Executive Summary.

4.3 Team Description

- A. Identify the full legal name of the development, design, and construction firms or individuals who comprise the Proposer for the purposes of responding to this RFP.
- B. Identify the Proposer's type of corporate entity, and identify the team members who will undertake financial responsibility for the Project.
- C. Identify the organizational structure for the Project team, the project management approach, and how each participant in the structure fits into the overall team.
- D. Describe the length of time in business, and corporate background.
- E. Identify any persons known to the Proposer who would be obligated to disqualify themselves from participation in any transaction arising from or in connection with the Project pursuant to The Virginia State and Local Government Conflict of Interest Act, Chapter 31 (Section 2.2-3100, *et seq.* of the *Code of Virginia*), and state the basis on which such disqualification would be required.

4.4 Qualifications and Experience

- A. Describe the experience of the entities making the proposal, focusing on experience with design and construction of master planned, urban, transit oriented, and mixed-use commercial real estate developments of comparable size and complexity, including prior experience bringing similar projects to completion on budget and in compliance with design, land use, service and other standards.
- B. Provide a narrative summarizing the experience of all of the key principals and project managers listed in the team manager's section of section 2.1, Team Requirements. For each professional defined in 2.1 describe specific relevant projects and years of relevant experience and provide a resume.

- C. Describe experience that Proposer entities and/or key principals have successfully working together on similar projects.
- D. Describe up to five (5) complex, master planned, mixed-use developments, preferably with total project costs over \$1 million, that have been completed or substantially completed. At least one of these projects should have been completed by each of the Development, A&E Team, and Construction teams. For each project, provide total project costs, gross square feet of development, year completed, and key principals who played a role in the project.
- E. Provide a letter from A-rated and Treasury-listed surety affirming that Developer has the capacity to provide performance and payment bonds valued at \$1,000,000. In the event that an alternative to bonding is proposed, provide information on the alternative and explain how it better protects the Town's interests versus payment and performance bonds. (Will not count against page limitation if included in a tabbed appendix)
- F. Provide written statements of interest directly from all proposed lenders (including equity providers) which should confirm the level of interest obtained from the capital provider. (Will not count against page limitation if included in a tabbed appendix)
- G. Provide the current or most recent financial statements of the firm (audited financial statements to the extent available), and if the firm is a joint venture, limited liability company, partnership or entity formed specifically for this Project, provide financial statements (audited if available) for the firm's principal venturers, members, partners, or stockholders that show that the firm or its constituents have appropriate financial resources and operating histories for the Project. (Will not count against page limitation if included in a tabbed appendix)
- H. Provide information related to financial risks for each Proposer entity:
 1. Bankruptcy Information: provide a statement indicating whether the contracting and financially responsible entities, any controlling entities, any key principals or other proposed equity investors have declared bankruptcy during the past five (5) years, and briefly describe the bankruptcies;
 2. Pending Litigation: provide a statement indicating whether the contracting and financially responsible entities, any controlling entities, any key principals or other proposed equity investors are involved in any business-related litigation, liens or legal claims, and briefly describe such matters; and,
 3. Judgments: provide a statement indicating whether the contracting and financially responsible entities, any controlling entities, any key principals or other proposed equity investors have had a business-related, court-sanctioned financial judgment against it/them during the past five (5) years, and briefly describe each instance.

4.5 Project Approach

- A. Provide a project concept describing the general nature of all proposed uses and the approximate location and size (square footage) of all improvements. Conceptual design should address the Development Requirements described in section 2.1 of this RFP.
- B. Identify and fully describe any work you propose to be performed by the Town or any other public entity, and the timing and estimated cost of such work.
- C. Identify the estimated delivery dates for the project or project phases to allow the Town to evaluate the potential for tax revenue collection.
- D. Provide information relative to phased delivery, if any, of the proposed Project.
- E. Identify innovative ideas to improve the efficiency of the site, maximize revenue to the Town from the development, and offer a year-round community gathering space.
- F. Describe the proposer's plan for zoning, permits, and any other entitlements needed to prepare the Site for development.
- G. Identify the strategy and plans for community information and involvement in the development process.
- H. Describe any Desired Features (Section 2.2) your team has included in its project concept as well as any tradeoffs the Town should consider related to Desired Features.

- I. Provide conceptual site plan drawings and massing diagrams that portray the placement of each use in the building and on the site as well as relationships to surrounding properties, as relevant. Renderings, and construction materials descriptions are not required at this time and will not be evaluated, but are not precluded from the Proposal.

4.6 Financial Approach

The Town views the up-front land payments and generated tax revenue as the primary drivers of value. If the Proposer has other ideas that may generate value for the Town outside these two primary sources, it encourages the Proposer to discuss how these measures would work. The Town seeks to understand the Proposer's general approach to financing a Project of this size, and understands that financing terms are not final at this phase of the procurement.

A. Submit a financing plan consisting of:

1. Presumed financing structure with estimated percentages of debt, equity, and other sources of potential project funding;
2. Presumed sources of equity, including Proposer's, and amounts to be syndicated from other investors, as well as estimated return requirements;
3. Presumed sources of construction and permanent debt and general ranges of terms including leverage ratios to cost and value, interest rate spreads over appropriate benchmarks, debt service coverage requirements, amortization periods, acceleration terms, etc.; and
4. Financial phasing plan, if any.

B. Submit a narrative of how the Proposer will approach and mitigate project risks in order to ensure performance and timely delivery of the Project.

C. Detail the use of any public funds or subsidies, if any.

D. Submit a brief narrative describing any potential revenue generating opportunities for the Town beyond the initial or ongoing land payments and future tax revenue generated by the Project.

E. Submit a brief narrative of the impact (if any) on financing terms from both lenders and investors arising from the use of a long-term ground lease structure versus fee ownership.

5.0 EVALUATION PROCESS AND CRITERIA

For purposes of this RFP only, this Section 5.0 shall supersede the provisions of Section 9 of the Guidelines with respect to the evaluation of Conceptual Proposals.

5.1 Evaluation Team

The Town will appoint a team to evaluate the Conceptual Proposals. The evaluation team will provide recommendations to the Town Council, who will make final decisions related to the procurement. Technical, financial, legal, and other subject matter advisors will provide assistance to the Town and the evaluation team in evaluating the Conceptual Proposals.

5.2 Responsiveness and Responsibility Review

The Town may exclude from consideration any Proposer whose Conceptual Proposal contains a material misrepresentation, whose Conceptual Proposal is not materially responsive to this RFP, or who is determined not responsible.

The Town will review each Conceptual Proposal submitted by a Proposer for responsiveness to the requirements set forth in this RFP and conformance to the RFP instructions regarding organization and format. This initial review will also identify any items that may constitute minor non-conformities, irregularities, or apparent clerical mistakes that are unrelated to the substantive content sought by this RFP. Based on this review, the Town may determine that a Proposer is not responsible or responsive and is therefore ineligible for shortlisting.

5.3 Proposer’s Qualifications and Experience

- A. Key professionals’ qualifications
- B. Master planning experience
- C. Mixed-use development experience
- D. Placemaking experience
- E. Entity’s experience working together

5.4 Proposer’s Financial Capacity

- A. Access to capital
- B. Financial stability and liquidity
- C. Financial risks
- D. Performance and payment bonding capacity

5.5 Project Approach

- A. Reasonableness of Project approach
- B. Project concept’s alignment with Project Requirements
- C. Inclusion of Desired Features
- D. Innovation of project concept
- E. Entitlement approach
- F. Town and other public entity responsibilities
- G. Community information and involvement
- H. Team project management

5.6 Financial Approach

- A. Acceptance and ability to work with preferred transaction structure
- B. Reasonableness of financing plan
- C. Risk mitigation approach
- D. Additional opportunities for revenue generation for the Town
- E. Ability to anticipate and mitigate risk and approach to potential schedule default

6.0 SMALL, WOMEN-OWNED, AND MINORITY-OWNED BUSINESSES

The Town encourages small, women-owned, and minority-owned businesses to participate in business opportunities with the Town. Proposers are directed to the Virginia Department of Minority Business Enterprise for information regarding certification and certified businesses (www.dmb.e.virginia.gov).

7. RESERVATION OF RIGHTS

In addition to all rights reserved as specified by applicable law, the Town further reserves to itself, without limitation or with or without cause and with or without notice, the following:

- A. The right to cancel, withdraw, postpone, or extend this RFP in whole or in part at any time prior to the execution by the Town of an interim agreement and/or comprehensive agreement, without incurring any obligations or liabilities;
- B. The right to reject any and all submittals, responses, and proposals received at any time;
- C. The right to modify all dates set out in this RFP and to revise the schedule.
- D. The right to suspend and/or terminate the procurement process for the Project at any time;
- E. The right to revise and modify, at any time prior to the proposal submittal date, facts or matters they will consider in evaluating Conceptual Proposals and to otherwise revise their evaluation methodology;
- F. The right to issue addenda, supplements, and modifications to this RFP, including the right to seek clarification from Proposers;
- G. The right to hold meetings and conduct discussions and correspondence with the Proposers responding to this RFP to seek an improved understanding and evaluation of the Conceptual Proposals;
- H. The right to seek or obtain data from any source that has the potential to improve the understanding and evaluation of Conceptual Proposals, including the right to seek clarifications from Proposers;
- I. The right to permit Proposers to add or delete firms and/or key personnel;
- J. The right to use the assistance of outside technical, financial, and legal experts and consultants in the evaluation process;
- K. The right to waive deficiencies, informalities, and irregularities in a Conceptual Proposal, accept and review a non-conforming Conceptual Proposal, or seek clarifications or supplements to a Conceptual Proposal;
- L. The right to disqualify any Proposer that changes its submittal without prior approval or submits a Conceptual Proposal that does not comply with the requirements of this RFP;
- M. The right to respond to all, some, or none of the inquires, questions, and/or requests for clarifications received relative to this RFP;
- N. The right to use all or part of any unsuccessful Conceptual Proposal, whether or not the Proposer withdraws the Conceptual Proposal;
- O. The right to make determinations relative to potential conflicts of interest;
- P. The right to enter into one or more interim and/or comprehensive agreements with one or more Proposers as permitted by the PPEA, in furtherance of the development of the Project or any of its components, or to modify or abandon procurement, or a portion of procurement, of the Project; and
- Q. The right to short-list from among the highest-rated Proposers.

8.0 MISCELLANEOUS

8.1 Changes in Proposer Team

Any addition, removal, or other change in the identity or make-up of any Proposer or any other member of the Proposer’s team in relation to that set out in the Proposer’s submitted Conceptual Proposal shall be subject to the prior written consent of the Town, which consent may be withheld or granted in its sole discretion.

8.2 Conflicts of Interest

In an effort to make this procurement as transparent and open as possible, the Town will follow the procedures below if a potential conflict of interest is identified:

The Town, in its sole discretion, will make a determination relative to potential organizational conflicts of interest and the Proposer’s ability to eliminate or mitigate such conflict. An organization determined to have a conflict of interest relative to this procurement that cannot be eliminated or mitigated shall not be allowed to participate on a Proposer’s team for the Project. Failure to abide by the Town’s determination may result in a Conceptual Proposal being declared non-responsive and not reviewed or evaluated.

The following entities either provided or are providing services to the Town with regard to the Project and therefore will not be available to participate with any Proposer team:

1. Litten & Sipe

8.3 Ethics in Public Contracting

The Town may, in its sole discretion, disqualify any Proposer from further consideration for the award of an interim agreement or comprehensive agreement if it is found by the Town that there is a violation of the Ethics in Public Contracting Act (Section 2.2-4367 of the *Code of Virginia*), or any similar statute, involving the Proposer in this procurement.

8.4 Virginia Freedom of Information Act

All Conceptual Proposals and other records submitted to the Town are subject to the disclosure requirements of the Virginia Freedom of Information Act (“FOIA”) (Section 2.2-3700 *et seq.* of the *Code of Virginia*), the PPEA, and other applicable law. The information set forth below is intended to complement the information about FOIA included in the Guidelines. Proposers are advised to familiarize themselves with the provisions of such laws to seek to prevent materials properly identified as confidential from being subject to disclosure.

Proposers are hereby notified that the Town will post on its webpages all accepted Conceptual Proposals, in accordance with applicable law, including but not limited to Section 56-575.17 of the *Code of Virginia*.

Proposers are advised that portions of their Conceptual Proposal may be exempt from public disclosure under one or more provisions of FOIA. However, Proposer information may be lawfully excluded from public disclosure only upon the Proposer’s written request pursuant to applicable law, including but not limited to Section 2.2-3705.6 of the *Code of Virginia*.

If a Proposer has concerns about information it desires to include in its Proposal but it believes is exempted by law from disclosure, such Proposer shall, in its Letter of Submittal or in a prior written communication to the POC:

- A. Invoke such exemption upon the submission of the data or other materials for which protection from disclosure is sought;
- B. Identify with specificity the data or other materials for which protection is sought; and
- C. State the reasons why protection is necessary.

Failure to take such precautions prior to or at the time of submission of a Proposal may subject confidential information to disclosure under the FOIA.

Blanket designations that do not identify the specific information to be treated as exempt from disclosure shall not be acceptable and may be cause for the Town to treat the entire Proposal as public information.

Proposers are hereby notified that in no event shall a Proposer's Executive Summary be considered exempt from posting or disclosure.

In the event the Town receives a request for disclosure of a portion of a Proposal, the Town will determine whether the requested materials are exempt from disclosure. In the event the Town determines to disclose the requested materials, it will endeavor to provide notice to the Proposer of its intent to disclose.

Nothing contained in this provision shall modify or amend requirements and obligations imposed by applicable law, and applicable law shall control in the event of a conflict between the procedures described above and any applicable law.

In no event shall the Town be liable to a Proposer for the disclosure of all or a portion of a Conceptual Proposal submitted pursuant to this RFP.

8.5 Compliance with Law

All Proposers must at the time of their Conceptual Proposal submittal comply with all applicable law and nothing herein is intended to contradict or supersede any applicable state or federal law and regulations. Each Proposer must be eligible at the time of its Conceptual Proposal submittal to offer and provide all services proposed and related to the Project.

8.6 RFP Takes Precedence

In the event that any provision of this RFP conflicts with the Guidelines, the terms of this RFP shall control.