

United States Department of the Air Force

Air Force Materiel Command Air Force Real Property Agency (AFRPA)



Enhanced Use Leasing Kirtland Air Force Base

RFQ No. AFRPA-07-0002

REQUEST FOR QUALIFICATIONS

**PROPOSALS ARE DUE NO LATER THAN
5:00 P.M. ET April 24, 2007 AT:**

JONES LANG LASALLE
200 E. RANDOLPH DRIVE, 46TH FLOOR
CHICAGO IL 60601

Voice: (312) 228-2309

Fax: (312) 416-8106

Email: warren.durbin@am.jll.com

Web site: <http://www.jllpress.com>

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SECTION 1.0 EXECUTIVE SUMMARY

1.1 AUTHORITY

Enhanced Used Leasing (“EUL”) is provided under the authority of Title 10, United States Code, Section 2667, as amended. This authority allows for military installations to lease land and facilities to private or public entities. Pursuant to this authority, the Department of the Air Force is soliciting proposals from qualified entities interested in entering into an Enhanced Use Lease (EUL) with the Government, the Request for Qualifications (“RFQ”).

The authority can be accessed at: <http://thomas.loc.gov/> (enter “Public Law 106-398”).

1.2 EUL GOAL

The Air Force has identified a 92 acre underutilized asset (“EUL Asset”) on Kirtland AFB for lease. Kirtland AFB has served as the Air Force’s leading location in supporting research, development, and training of Government personnel in air rescue operations. The installation is home to the 377th Air Base Wing, Kirtland AFB's host organization. The mission of the wing is to provide world-class munitions maintenance, readiness and training, and base operating support to approximately 76 Federal government and 384 private sector tenants and associate units. A commercial development of the EUL Asset that includes office, research, industrial, retail, hotel or senior citizen housing would be compatible with operations on the installation.

The Air Force is seeking a prospective Lessee (hereafter “Offeror”) to develop the EUL Asset consistent with the compatible uses described above. Upon selection, the Offeror will finalize a Business and Leasing Plan for development and operation of the EUL Asset in a manner that is acceptable to the Air Force.

The goals of the EUL Project (“Project”) are to identify a Lessee who can:

- Develop a successful, long-term, mutually beneficial business relationship with the Air Force;
- Maximize the value of the EUL Asset within the constraints and restrictions identified by the Air Force;
- Design and develop the EUL Asset in a manner that is compatible with adjacent Air Force uses;
- Execute, operate and manage the development consistent with best commercial practices;
- Deliver the in-kind consideration identified in Section 3.0 of the RFQ; and
- Maintain positive relations with local governmental authorities and the communities adjacent the property;

1.2.1 **Project Concept**

The project involves a non-Federal Acquisition Regulation (FAR) real estate transaction with the Lessee under which the Government proposes to lease the EUL Assets as described in Sections 1.2.1.1 and 1.2.1.2 to the Lessee ‘as is’ for a term in line with the approved development. The Lessee shall obtain necessary financing; and plan, operate and manage the approved development for the term of the lease. The Lessee will provide the Air Force consideration that is not less than the fair market value of the leasehold value of the EUL Asset.

1.2.1.1 **Existing Improvements**

At the closing of the transaction and contingent upon satisfaction of the requirements herein, the Government will lease certain land or improvements, described in Section 1.2.1.1 and 1.2.1.2, including one existing facility located in Sub-Parcel B as further described in Section 2.0, Existing Conditions. Restrictions specific to individual facilities will be identified in Sections 2.0 and 3.0.

Table 1 below provides a list of the facilities to be leased to the Lessee.

Table 1 – Existing Improvements by Area

FACILITY	SQUARE FOOTAGE	ESTIMATED YEAR BUILT
Building 509	872	1960's
TOTAL	872	

1.2.1.2 Leased Land

At the closing of the transaction, the Government will lease approximately 92 acres of land to the Lessee. All of the EUL Asset will be leased to the Lessee. As set forth in Section 3.0 below, the Government will not accept an offeror that proposes leasing less than the entire parcel, but the Air Force also realizes that there may be a phased development of the parcels. The terms of the phased development will be included in the initial lease at closing. Reference the following table:

Table 2 – Size of Leased Land Area

LAND AREA	APPROXIMATE ACRES
Sub-Parcel 2A	71
Sub-Parcel 2B	21
TOTAL	92

1.2.1.3 Development Activities

The Lessee will be required to perform all development activities in accordance with the approved Business and Leasing Plan (see Section 3.0).

1.2.1.4 Operation of Improvements

Except as noted herein, the Lessee will be required to operate and maintain all improvements in good condition in accordance with the approved Business and Leasing Plan (see Section 3.0).

1.2.1.5 Additional Improvements

The parties recognize that market demand may support the construction of additional improvements in the future. Accordingly, the parties may modify the lease to allow for additional improvements to be constructed, provided the Government and Lessee are able to negotiate mutually satisfactory terms and conditions.

1.3 PROPOSAL SUBMITTALS AND SELECTION OF LESSEE

Existing conditions, project requirements and additional information are included in Sections 2.0 and 3.0. Although Offerors shall use this information when developing their proposals, not all items specified in Sections 3.0 are required to be submitted. Specific proposal submittal and evaluation requirements are outlined in Sections 4.0 and 5.0. After evaluating all Offerors' proposals, the government will determine the "most advantageous" proposal and identify the Highest Ranked Offeror (HRO) using the factors and subfactors described in Sections 4.0 and 5.0. The Air Force will then enter into exclusive negotiations with the HRO to address all of the requirements established in Sections 3.0 and 6.0.

1.4 SMALL BUSINESS

The Air Force encourages small business concerns to compete for opportunities relating to leasing projects. The Air Force also encourages Offerors to affirmatively promote small business participation on their project teams.

1.5 PROJECT DOCUMENTS

The AFRPA EUL Website (<http://www.afarpa.hq.af.mil.com>) contains template legal documents that reflect terms and conditions important to the Government. Offerors are encouraged to familiarize themselves with those templates to gain an understanding of these terms and conditions. Absent Government agreement to the contrary during negotiations with the HRO, (i) such terms and conditions will be included in the final Project Documents and (ii) the format of the final Project Documents will be substantially identical to the template legal documents. The Project Documents necessary to implement the Project shall include, but are not necessarily limited to the following:

- Lease
- Operating Agreement
- Project Owner Counsel Opinion Letter

SECTION 2.0 EXISTING CONDITIONS

2.1 EXISTING CONDITIONS

This section describes existing conditions of the EUL Asset. All existing utility systems including mains and laterals are currently owned and operated by the Government. Detailed information regarding the environmental conditions may be found in the Environmental Baseline Surveys (EBS) at Kirtland AFB dated 2004 and 2007. The parties shall prepare and execute a Physical Condition Report setting forth the agreed physical appearance and condition of the improvements on the EUL Asset found in Exhibit B to the Lease Agreement. Additional detailed information may be found in the appendices and templates as follows:

- Appendix B – Description and Map of Leased Premises
- Appendix C – Non-Exclusive List of Outgrants
- Appendix F – Technical References

The Air Force has made every effort to ensure the accuracy of the information in this Section. However, should a conflict exist between the general information in this Section and the more detailed information in the appendices, the information in the appendices shall control.

2.2 EUL ASSET OVERVIEW

The EUL Asset consists of approximately 92 acres (“Parcel 2”) on two sub-parcels owned in fee simple by the Government. The above ground improvements include only Building 509 (872 square feet), an antenna tower, and some obsolete pavements and certain recreational fields and fixtures as described more completely below. The recreational fields and fixtures must be relocated at the expense of the Lessee as set forth in Section 3.0 below. A map of the EUL project site can be found in Appendix B. Refer to Appendix F for a map of the area to where the recreational facilities are to be relocated.

Important development considerations including force protection, site access, infrastructure, easements, environmental, and historical considerations are discussed below. Restrictions on development of the site are listed in Section 3.2.2.1.

2.3 LEASED AREAS

2.3.1 Land

2.3.1.1 Parcel 2

Parcel 2 is comprised of approximately 92 acres on two non-contiguous sub-parcels owned in fee simple by the Government and located wholly within Kirtland AFB along its northern border adjacent to Gibson Boulevard as generally shown at Description and Map of Leased Premises (Appendix B).

The western sub-parcel (“Sub-Parcel 2A”) is bounded to the west by both Parcel 1-EUL and Parcel 1-MILCON (both parcels are described below and shown in Appendix B), and its southern boundary is the northern curb of Aberdeen Blvd and northern boundary of the Parcel 1-MILCON. The southern boundary is irregular near the center of the sub-parcel where existing improvements omitted from Parcel 2 are located. The western curb of Truman Street bounds the northern and southern portions of Sub-Parcel 2A to the east, and the middle portion is bounded by the western edge of the pavement surrounding the Truman Gate and Visitor Center.

The eastern sub-parcel (“Sub-Parcel 2B”) is bounded to the west by the eastern curb of Truman Street and to the east by the base boundary, a north-south line that is approximately 917 feet to the east of the sub-parcel’s western boundary at its

southernmost point. This north-south line is roughly even with San Mateo Blvd. The southern boundary of Sub-Parcel 2B is the northern curb of Aberdeen Avenue.

The northwestern portion of Parcel 2 is unimproved aboveground except for miscellaneous pavements. The southern and eastern portions are improved aboveground with miscellaneous pavements, Building 509, an antenna tower, and recreational fields and fixtures including several softball fields, a volleyball court and a parcourse.

Portions of the site have obsolete underground electric, gas, and water utilities.

The site is generally level. The soil is a sandy loam intermixed with gravel and decomposed granite. Drainage and soil conditions of the property are assumed to be adequate. No obvious signs of soil settlement have been reported in existing structures in the parcel's vicinity and there are, as of the date of this RFQ, no reported instances of environmental contamination.

Refer to Table 2 in Section 1.0 for a summary of the leased land areas.

2.3.1.2 Surrounding Improvements

Although not a subject of this Request for Qualifications, some buildings owned by the Government are located on property near or adjacent to Parcel 2. Among these are several buildings utilized by the Government for administrative or research space, including various offices, navigation/guidance systems research offices, labs, simulators, old theater, and classrooms. These buildings are identified in Appendix B. In addition, the Government plans several additional buildings and other improvements to be constructed near or adjacent to Parcel 2. These include the National Defense Technology Center, the Space Vehicles Component Development Lab, the Battlespace Environment Lab, the Spacecraft Component Integration Lab, the Balloon Payload Integration and Test Facility, and a new parking lot.

2.3.1.3 Parcel 1 (EXCLUDED from this Request for Qualifications)

Located south and west of Sub-Parcel 2A is an irregularly shaped Parcel 1, as generally shown at Description and Map of Leased Premises (Appendix B). This parcel contains approximately 39 acres owned in fee simple by the Government and a variety of existing buildings, pavements and other improvements that are owned by and used by the Government. Thirty-one acres of this parcel are reserved for MILCON ("Parcel 1-MILCON") and approximately eight acres of unimproved property ("Parcel 1-EUL") are subject to a fifty year lease to the New Mexico Institute of Mining and Technology ("New Mexico Tech"). The Government and New Mexico Tech expect one or more buildings to be erected on EUL Parcel 1 to be utilized by sublease tenants for purposes that are to be determined.

2.3.2 Improvements

There are pavements on both sub-parcels and there are certain recreational fields and fixtures on Sub-Parcel 2A. Recreational fields and fixtures that the developer is required to relocate to a site as designated by the installation are listed in Appendix B. Some underground utilities exist on portions of the site. All of the acreage is developable, and there are no known historic areas or environmentally sensitive areas within Parcel 2, according to the 2007 EBS. In recent years the site has been used for housing and for recreational fields.

The site is improved with the existing facilities described in Table 3A below. Additional details are provided in Appendix F. The only building on Parcel 2 is Building 509, which is located on Sub-Parcel 2B near the center of its northern boundary along Gibson Boulevard. Building 509 is managed by the 377th Services Squadron and used by the Ham Radio Club. It contains

approximately 872 square feet. Building 509 was built in the 1960s, and the installation believes that it is likely that this structure contains lead-based paint and asbestos. Building 509 does not need to be returned to the Government at the end of the lease, so Offerors may choose to remove it at any time during the lease. In addition to Building 509 there is also an antenna tower on the site that is owned by the Ham radio club. The Ham radio club will be notified to vacate the premises and remove all equipment, personal property, and the tower prior to the anticipated closing date. Kirtland AFB is not responsible for the removal of any personal belongings, equipment or the tower if they are left behind by the club. The Ham radio club would prefer to stay in its current location but that would be at the Offeror’s discretion. The Offeror is not required to provide alternate facilities for that club or function.

Table 3A – Facilities by Sub-Parcel

SUB-PARCEL	FACILITY TYPE	NET SQUARE FEET	TYPE OF CONSTRUCTION	YEAR CONSTRUCTED	CURRENT TENANTS	LAST RENOVATION	HISTORIC
2A	None						
2B	Industrial	872 SF	Corrugated Metal Building	Estimated construction in the 1960’s	Services	Never renovated	NA
TOTAL		872 SF					

Table 3B – Parcel 2 Improvements

Sub-Parcel	Acreage	Aboveground Improvements	Underground Improvements	Other Infrastructure
2A	71	Miscellaneous pavements	Utilities	None
2B	21	Building 509 and antenna tower, miscellaneous pavements and recreational fixtures		

2.3.3 Natural Infrastructure

There are no major natural infrastructure assets available on the EUL Asset.

2.3.4 Transportation and Access

The following is a general description of the transportation and access to the EUL Asset.

2.3.4.1 Secured Access

The installation will consider reconfiguration of the boundary of the installation to permit unsecured access to all or part of the site, provided that such reconfiguration is at the expense of the Lessee. Secured access to the parcel presently exists from Gibson Boulevard through the Carlisle Gate nearby to the west and the Truman Gate nearby to

the east, but the installation will consider altering secured access to the installation to accommodate a particular development plan for the parcel, provided that the Lessee bears the cost of altering secured access.

If a new gate is desired (such as at Maxwell Street), the Lessee will also need to coordinate with the City of Albuquerque to secure the necessary approvals for changing access off of Gibson Blvd. See Table 10 below for governmental points of contact.

2.3.4.2 Unsecured Access

If the Offeror elects to move in the perimeter fence and wishes to add additional access points to Parcel 2, the Lessee will need to coordinate with the City of Albuquerque to secure the necessary approvals. See Table 10 below for governmental points of contact.

2.3.4.3 Automotive Access

The nearest automotive arterial outside of the boundary of the installation is Gibson Boulevard immediately to the north of Parcel 2. Traffic on this four lane paved roadway moves freely and it is deemed of sufficient capacity to support development of the parcel.

2.3.4.4 Mass Transit

There is limited mass transit at the site. The New Mexico Rail Runner Express commuter train is approximately 10 miles from the site at the downtown station. This commuter train route opened in 2006 and is planned eventually to cover 117 miles from Belen in the south to Santa Fe in the north.

There is a light rail system planned for much of Albuquerque, but as presently envisioned it would not connect to or near the parcel.

Albuquerque has extensive bus service, and two routes presently service Parcel 2.

The installation is adjacent to Albuquerque's civil airport, "Albuquerque International Sunport," which is owned by the City and shared by the Government. The airport is served by many major air carriers.

2.3.5 Infrastructure and Utilities

The following is a general description of the infrastructure and utility systems, (e.g. roads, water, sewer, electric, natural gas, steam) associated with the EUL Asset.

There presently exist on portions of Parcel 2 underground mains and abandoned laterals capped at the mains for electric, natural gas, water and sanitary sewer service. None of this infrastructure is operating. The installation considers the utilities infrastructure to be in such poor condition that it is unsuitable for use. Underground electric, natural gas, water and sanitary sewer mains are located at the northern border of Parcel 2 along Gibson Boulevard.

2.3.5.1 Electrical

The provider of electric service in Albuquerque is PNM, once known as the Albuquerque Gas and Electric Co., voice (505) 246-5700.

2.3.5.2 Natural Gas

The provider of natural gas service in Albuquerque is PNM.

2.3.5.3 Steam

Not applicable.

-
- 2.3.5.4 Water**
The provider of water service in Albuquerque is the Albuquerque Bernalillo County Water Utility Authority, voice (505) 924-3920.
- 2.3.5.5 Sewer**
The provider of sanitary sewer service in Albuquerque is the City of Albuquerque, voice (505) 873-6953.
- 2.3.5.6 Storm Drainage**
Parcel 2 presently has little or no storm drainage infrastructure.
- 2.3.5.7 Telephone**
The provider of landline telephone service in Albuquerque is AT&T, voice (800) 205-6268.
- 2.3.5.8 Computer Network Lines**
Not applicable.
- 2.3.5.9 Cable TV**
The provider of landline cable TV service in Albuquerque is Comcast Cable, voice (505) 344-0690.
- 2.3.5.10 Pavements**
There are limited areas of pavement within Parcel 2, but they are in poor condition and the installation considers them obsolete.
- 2.3.6 Community Services**
- 2.3.6.1 Police and Fire Protection Services**
Outside of the secured boundary of the installation, the Lessee will be required to obtain such services from the City on such terms as the Lessee negotiates. The Government expects to provide police and fire protection services to any portion of Parcel 2 that remains within the secured boundary and to be reimbursed for the cost thereof by the Lessee.
- 2.3.6.2 Security Services**
The Government does not expect to provide security services to any portion of Parcel 2 other than police and fire protection services within the installation's secured boundary as described in Section 2.3.6.1 above.
- 2.3.6.3 Refuse and Recycling**
There presently are no refuse collection or recycling services provided to the parcel.
- 2.3.6.4 Snow and Ice Removal**
Snow and ice removal services are currently performed by Chugach Management Services Joint Venture pursuant to a contract that will be terminated with respect to Parcel 2 upon execution of the EUL Lease.
- 2.3.6.5 Grounds Maintenance**
There are no grounds maintenance services presently provided on the parcel.
- 2.3.6.6 Other Contracts**
Not applicable.

2.3.7 Development Considerations

2.3.7.1 Security

The following is a general description of the security and force protection considerations associated with the EUL Asset.

2.3.7.1.1 Secured Installation Boundary

The installation will consider reconfiguration of the boundary of the installation to permit unsecured access to all or part of the site, provided that such reconfiguration is at the expense of the Lessee. Parcel 2 is located at the installation's northern perimeter and wholly contained within the secured boundary of the installation. Secured access to the parcel presently exists from Gibson Boulevard through the Carlisle Gate nearby to the west and through the Truman Gate nearby to the east. The installation will consider altering secured access from Truman Street to the installation to accommodate a particular development plan for the parcel, provided that the Lessee bears the cost of altering secured access.

Any portion of the parcel that is within the installation's secured boundary will be subject to the security requirements of the Installation Commander. All access to the installation by all personnel, including construction workers and employees of and visitors to the prime tenant and subtenants, will be on the terms directed by the Installation Commander as such terms may change from time to time. The installation presently expects that it will issue security passes to one or more persons employed by the Lessee and its sub-lessees, and that each such person would have the authority to admit visitors.

2.3.7.1.2 Secured Boundary During Construction and Demolition

It is the installation's desire that, to minimize security concerns and administrative costs, the installation's secured boundary would be moved temporarily during construction and demolition at the expense of the Lessee to exclude the portion of the parcel where construction and demolition are occurring. This would enable unrestricted access to the work site for the Lessee's construction personnel, equipment and materials.

The Lessee will be required to bear any and all costs for the construction of a replacement security fence along all boundaries adjacent to the Kirtland AFB, subject to specifications prescribed solely by the Government.

2.3.7.1.3 Building Security Requirements

Any structures constructed in the EUL area, even if outside the fence, must comply with the installation's security requirements and design criteria, including Antiterrorism/Force Protection Requirements and the United Facilities Criteria. A list detailing which requirements apply to the site is available in Appendix F, Technical References.

2.3.7.2 Environmental Considerations

An EBS was completed in January 2007 for Parcel 2 and certain additional property. Offerors should review the EBS (see Appendix F, Technical References) and may not rely upon the following summary:

- Currently no corrective actions are necessary.
- Soil samples revealed the presence of lead but it was below regulatory screening levels.

- Chlordane, used in other areas on Kirtland AFB, is not known to have been used on the parcel, but no soil sampling was undertaken.
- Review of the Kirtland AFB Environmental Restoration Program (“ERP”) sites map indicated that two ERP sites are within the area of the proposed EUL Area 2. Both are associated with Building 525, a latrine. One, ST-287, is an active septic system approved by the New Mexico Environmental Department (“NMED”) for No Further Action (“NFA”). The EBS reported that plans are in place to pump this septic tank, backfill it with clean dirt, and abandon it in place. According to the EBS, the other, ST-218, is mapped in error; it is actually located at the flight line and is not on the EUL site.

The EBS also noted that there is no record of any storage tanks on the parcel. However, there was housing that was recently demolished and that contained lead-based paint, PCBs and asbestos, and it is possible that surrounding soil was affected during demolition. The EBS recommended that, if soil is disturbed on the site, it should be tested for chlordane and lead.

The EBS further concluded that it appears that surrounding properties do not pose a significant environmental concern for the subject property and that no environmental conditions have been found that would prevent the leasing of the property. See Appendix F - Technical References.

The Offeror, as part of the proposal, should also include preparation of an Environmental Assessment (EA) for its proposed project that complies with all applicable requirements under the National Environmental Policy Act (NEPA), including without limitation, relevant DoD and Air Force policies. That evaluation will determine whether a Finding of No Significant Impact (FONSI) can be obtained or whether an Environmental Impact Statement (EIS) is needed.

Additionally, the Lessee shall be responsible for funding and completing the EA to the satisfaction of the Air Force in its sole discretion prior to leasing the property. Please refer to Section 3.3.6 for additional details.

The Offeror, in cooperation with the Government, will also need to include in its proposals any actions required for compliance with the Endangered Species Act (including, without limitation, compliance with DoD and Air Force policy).

2.3.7.3 Historical, Cultural, and Archeological Resources

There are no historic structures on the parcel, and there are no cultural or archeological resources reported to be associated with the site.

2.3.7.4 Regulatory Issues

Portions of Parcel 2 are subject to varying height restrictions depending upon the location. At its most stringent point, building heights are limited to 90 feet. Flight height restriction documentation is available from the Federal Aviation Administration (FAA).

2.3.7.5 Legislative Jurisdiction

The legislative jurisdiction of the property may be either proprietary or concurrent jurisdiction, as more specifically described herein:

- Although currently all of Parcel 2 is under exclusive federal jurisdiction, it is expected to be under concurrent legislative jurisdiction by the date of lease

execution, or such time thereafter as may be required to complete retrocession action.

The Government reserves the right to seek the retrocession of jurisdiction of the EUL Asset. Such change will not be the basis for a claim by the Lessee for property taxes or other costs.

2.3.7.6 Army Air Force Exchange Service (AAFES) and Services

Offerors are advised that the provision of retail sales, food service, concession services, and so-called morale, welfare, and recreational activities (known in the Air Force as Services, such as, for example, lodgings, gyms, bowling alleys, etc) within the EUL Asset will require the prior written approval of the Air Force. Offerors are advised of Section 662 of the National Defense Authorization Act for Fiscal Year 2007 (Pub. L. 109-364) (Protection of MWR Activities). This section amends 10 U.S.C. § 2667 to protect MWR activities. If the Secretary determines that the lessee will provide merchandise or services under the lease that are in direct competition with DOD MWR activities, the DOD MWR activities have the right (i.e., a temporary 90-day right of first refusal) to either: (1) establish and operate a community support facility or provide community support services on the leased premises, or (2) seek equitable compensation from the lessee. The Secretary may waive this requirement if it is determined to be in the best interest of the Government. Congressional notification is required in that case.

2.3.7.7 Easements and Encumbrances

The following easements and encumbrances affect the EUL Asset:

Grantee	Type and Number	Date	Location and Approximate Size	Purpose	Expiration
Public Service Company of New Mexico	Easement; 9B-4X	11 Jan 2002	40 feet wide, running 363 feet west from the eastern border of the parcel along its northern border; .32 acres	Power line, poles, anchors	11 Jan 2007
City of Albuquerque	Easement; 9B-4Z (8)	8 Apr 2005	Varying width, runs along entire northern border of the parcel; 3.28 acres	Gibson Trails Landscape Project	8 Apr 2030
Veterans Administration	Easement; 9B-1Z (28),	31 Aug 2003	30 feet wide, running to the northwest from the eastern border of the parcel to its northern border, then the length of the balance of the northern border to the west; 3.6 acres	Installation and maintenance of sewer line	31 Aug 2008
City of Albuquerque	Easement, 9B-4H		Runs along the eastern portion of the northern border of the parcel; .492 acres	Roadway right-of-way (Gibson, Jackson)	None
Kirtland AFB Housing No. Four, Inc.	Easement, 9B-2n			Caphart housing area (demolished)	Installation believes that this easement is no longer in effect

SECTION 3.0 PROJECT REQUIREMENTS

3.1 STRATEGY

Project requirements are addressed in this Section 3.0. Although Offerors shall use this information when developing their proposals, not all items specified in this Sections 3.0 are required to be submitted to enable the Government to select the HRO. Specific proposal submittal requirements and evaluation standards are outlined in Sections 4.0 and 5.0. All of the EUL Asset will be leased to the Lessee. The Government will not accept an offeror that proposes leasing less than the entire parcel, but the Air Force also realizes that there may be a phased development of the parcels. The terms of the phased development must be included in the initial lease at closing.

3.2 BUSINESS AND LEASING PLAN

The Business and Leasing Plan has three components; the Business Plan, the Development Plan and the Property Management Plan as described below. These plans describe the anticipated project business arrangements and the Government's project requirements for this Project.

3.2.1 **Business Plan**

The Lessee must execute a comprehensive Business Plan that addresses the methodology for leasing, financing, and satisfying reporting responsibilities associated with the Project. Private sector financing in the form of debt and equity contributions to support the Project may be required. The Government requires that any financing be in place for a simultaneous financial and transactional closing.

3.2.1.1 **Government Lease Rent Consideration**

The Government shall receive rent in the form of in-kind consideration of not less than the fair market value of the leasehold of the EUL Assets. A detailed rent schedule identifying the amount and timing of all rent payments shall be required.

Kirtland AFB requires its in-kind consideration be contributed to an In-Kind Consideration Account (ICA) that will be created in association with this EUL project. The ICA is an escrow account that can be used to obtain goods or services at a later date when the Government's needs are better understood or when sufficient funds have accumulated in the ICA. When the Government has decided on the specific "in-kind" consideration to be delivered, the Lessee may be requested to accomplish and complete the tasks or projects identified.

The Government requires that the Lessee pay into the ICA at closing an amount no less than one million dollars (\$1,000,000.00) in addition to periodic (monthly, quarterly, or annual) rent payments set forth in the rent schedule. Offerors may additionally propose to provide rent payments in alternative forms, including without limitation participating rents based on development scope and/or percentage rents based on rents received by the Lessee from sub-lessees of the project. Beyond the initial lump sum payment, the Air Force will evaluate alternative forms of rent payments, if offered, taking into account their risk as part of the evaluation process.

3.2.1.2 **Lease Duration**

The duration of the lease shall be the minimal period necessary to support the financing of the Project.

3.2.1.3 **Expiration of Lease Agreement**

At the expiration of the Lease there are three options available at the sole discretion of the Government:

- The parties may negotiate an extension of the Lease provided that (1) the Project has been and is being properly maintained and managed in accordance with Lease; and (2) the Lessee is not in default of any of its obligations under the Lease; and (3) the Government determines, in its sole discretion, that renewal is in the best interest of the Government, and acceptable by, both parties.
- Upon expiration of the Lease or any extension thereof, the Lessee shall demolish all facilities, improvements, and properly abandon or remove utilities from the leased land; restore the land to the reasonable satisfaction of the Government; and then surrender the land to the Government at no cost. This option includes restoring the perimeter fence to a condition comparable to other perimeter fencing on the installation, if the secured base boundaries were moved during the lease pursuant to 2.3.7.1.1.
- Upon expiration of the Lease or any extension thereof, the facilities and improvements shall revert or be transferred to the Government at no cost. This option includes restoring the perimeter fence to a condition comparable to other perimeter fencing on the installation, if the secured base boundaries were moved during the lease pursuant to 2.3.7.1.1.

3.2.1.4 Private Sector Financing

The Lessee may secure private sector financing to execute the Project. The Lessee shall include a copy of the final term sheet and commitment letter for any financing in the Business Plan. The Government reserves the right to require that the project financing be competed among at least three financing firms to ensure the financing firm that provides financing most beneficial to the overall project is selected. If this requirement is imposed, an evaluation summary describing the basis of the selection along with a completed Quantitative Financing Evaluation Chart (Appendix N) calculating an All-in Cost of Financing for each proposal shall be required. The Quantitative Financing Evaluation Chart shall identify the selected firm in the leftmost column. The evaluation summary and the Quantitative Financing Evaluation Chart together shall communicate the rationale for choosing the selected proposal.

3.2.1.5 Lessee's Equity Contribution

The Lessee shall make an equity contribution in the Project. This equity contribution must be delivered at transaction closing and shall be either cash or an irrevocable letter of credit or a combination thereof.

3.2.1.6 Lockbox Accounts

The Lessee shall establish certain lockbox accounts as described below.

3.2.1.6.1 In-Kind Consideration Account

The Lessee shall establish and maintain an In-Kind Consideration Account (ICA) that receives all in-kind consideration rent due and payable to the Air Force other than in-kind consideration delivered directly by the Lessee in accordance with Section 3.2.1.1.

3.2.1.6.2 Replacement Reserve Account

The Lessee shall establish and maintain a Replacement Reserve Account to maintain the condition of any improvements per the Operating Agreement.

3.2.1.6.3 Impositions Reserve Account

The Lessee shall establish and maintain an Impositions Reserve Account to fund real estate taxes and insurance obligations per the Operating Agreement.

3.2.1.7 Project Financial Pro Forma

The Lessee shall provide a Financial Pro Forma for the Project that reflects all sources and uses of funds for inclusion in the Business Plan to include the detailed development budget, financing, lease-up, and management. The Financial Pro Forma shall reflect all the agreed-to terms of the Business and Leasing Plan.

3.2.1.8 Cross Collateralization and Cross Default Provisions

This Project is expected to “stand alone”; thus, the Lessee will be prohibited from cross collateralization and cross default of the Project with any other assets. Moreover, the Lessee will be prohibited from assigning, pledging, hypothecating, or otherwise transferring its interest in the net cash flows or ownership of the project in part, or in its entirety, without prior written approval of the Government, which will not be unreasonably withheld.

3.2.1.9 Related Party Fees

All construction management, development management, property management, and any other fees that are accrued or paid to the Lessee or related parties during the life of this project shall be disclosed.

3.2.1.10 Property Taxes

The Lessee shall be responsible for the payment of any property or other taxes assessed on the project.

3.2.1.11 Transaction Expenses

The Lessee must agree to the payment of a Government transaction fee as a requirement of executing the lease at the time of the lease signing. The Lessee shall assume the transaction fee will be five (5) percent of the fair market value of the leasehold of the EUL Asset. The transaction fee will be determined by the Government prior to Lease execution and shall not exceed five (5) percent.

3.2.1.12 Books, Records, Accounts, and Reports

The Lessee shall keep and maintain accurate, true and complete books and records (hereinafter collectively referred to as “books and records”), which shall fully reflect the financial condition, occupancy, physical condition, maintenance, and operational status of the project, together with all business licenses and permits required to be kept and maintained pursuant to the provisions of any applicable state or local law, regulation or rule now or hereafter in effect. The Government shall have the right to photocopies of same, at the sole expense of the Lessee. The Lessee shall deliver to the Government, upon such schedule as the Government may establish from time to time, and in such media, including electronic media, as the Government shall select, all information and supporting documentation which the Lessee has maintained or which the Government needs in order for the Government to file any report to the Department of the Air Force, the Department of Defense, or required to be submitted by the Government to any governmental or nongovernmental agency, or which the Government needs to assess the financial condition, performance, occupancy, physical condition, maintenance and operational status of the project. Such items shall: (a) be in a form satisfactory to the Government, (b) be certified to the Government as true, complete, and accurate by the Lessee, and (c) be taken from the books and records maintained by the Lessee as aforesaid.

3.2.1.12.1 Portfolio Management Reporting Requirements

To satisfy its portfolio management responsibilities, the Government requires the Lessee to provide certain information on a periodic basis. The required project reports shall include, but are not necessarily limited to, the following:

- Quarterly Income Statement with Comparison Budget
- Annual Income Statement with Comparison to Budget and Pro forma
- Annual Audited Financial Statements
- Quarterly Commercial Rent Roll
- Quarterly Balance Sheet
- Quarterly Cash Flow Statement
- Quarterly ICA Cash Flow Analysis
- Quarterly Debt Service Coverage Ratios
- Annual Debt Service Coverage Ratios
- Annual Project Tax Returns
- Annual Insurance Policy Certificates
- Quarterly Maintenance Budget
- Quarterly Delinquency Reports
- Quarterly Occupancy Report
- Leasing and Marketing Activity Report
- Details of Development Scope Costs
- Details of Loan Financings
- Extraordinary Costs or Expenditures Report
- Copies of Executed Tenant Leases

The above list is not inclusive of other information that may be requested by the Government from time to time. Such additional requests may include, but are not limited to, support for the summary reports listed above; rent roll, and other reports that are generated by standard property management software packages.

3.2.2 Development Plan

The Development Plan shall include the Site Development Plan, Design and Construction Plan and Construction Management Plan that addresses the methodology for the development activities involved in the Project, as described below.

3.2.2.1 Site Development Plan

The Site Development Plan (SDP) shall address the methodology for the design and development of the project site.

3.2.2.1.1 Land Use Restrictions

The following uses are prohibited on the EUL Asset due to security and operational incompatibility:

- Any use that adversely affects the health, safety, morals, welfare, morale, and discipline of the Armed Forces, such as the sale or use of

drug abuse paraphernalia, illicit gambling, or prostitution on the leased property.

- Any use that requires an environmental permit for the storage, treatment, transportation, disposal, or manufacture of hazardous materials, hazardous substances, or hazardous wastes on the leased property and is incompatible with adjacent Air Force uses.
- Any use that allows partisan political activities on the leased property.
- Any use by entities advocating the overthrow of the United States on the leased property.
- Any use that adversely affects any historical, archeological, architectural, or other cultural artifacts, relics, remains, or objects on the leased property.
- Any use that inhibits the Air Force from fully mission capable status in event of “deployment” or exercise today or in the future on its adjacent property, *e.g.*,
 - uses which have joint use status (airfields) and prevent available fuel, ramp space, maintenance resources or transient alert resources for the Air Force;
 - uses that prevent immediate weapon movements and loading by the Air Force;
 - uses that prevent the supply and/or access to adequate on-base utility services, including during “high demand” exercises for the Air Force,
 - uses that prevent the Air Force from maintaining their current utility rate status and/or environmental permits; and
 - uses that prevent future mission growth or transition by the Air Force on its adjacent property.

3.2.2.1.2 Site Development Design

The SDP shall integrate the development with the surrounding community in the site development design. The site development design shall provide for efficient vehicular and pedestrian ingress and egress. The SDP shall identify characteristics of adjacent properties that may constrain the development of the EUL Asset to ensure activities within and surrounding the site are compatible. These site designs shall be consistent with good land use planning, practices, and economics.

3.2.2.1.2.1 Force Protection

The SDP shall use site design elements to minimize terrorist impacts, minimize access from surrounding communities, eliminate places of concealment, offer the most protection against crime, and discourage undesirable traffic. Designs must comply with the Department of Defense Antiterrorism Standards for Buildings (Unified Facilities Criteria 4-010-01).

3.2.2.1.2.2 Conservation

The SDP shall incorporate pollution prevention, energy, and water conservation initiatives into all facilities and activities where practicable or as required by local or State regulations or guidelines. The objectives of such initiatives shall be to improve: (1) waste reduction and waste management practices; (2) energy efficiency and energy conservation practices; (3) water resource conservation and

management practices (e.g., xeriscaping); and (4) recycling and reuse practices (e.g., curbside recycling).

3.2.2.1.2.3 Accessibility

Common areas such as walks, streets, parking and play areas, common entrances to facilities must be designed and built to be accessible. "Accessible" means the common areas can be approached, entered, and used by physically handicapped people and comply with the accessibility standards set forth in Section 4 of the Americans with Disabilities Act Accessibility Guidelines (ADAAG) for Buildings and Facilities, the relevant provisions of the Uniform Federal Accessibility Standards (UFAS) dealing with accessibility, as well as any other Applicable Laws pertaining to accessibility.

3.2.2.2 Design and Construction Plan

The Design and Construction Plan shall describe the scope of work for the Project. The Lessee shall also include a copy of any Construction Contract. Design and construction of all facilities shall provide the following:

3.2.2.2.1 General Requirements

Designs and construction and renovation shall comply with all applicable codes, standards, and regulations; meet basic requirements described herein. Designs shall conform to local market (private sector) standards. Best professional judgment shall be exercised in choice of style, type, design, configuration, functional solutions, materials, floor plans, energy efficiency and finishes.

3.2.2.2.2 Specific Requirements

In addition to the above General Requirements, proposed designs and construction shall provide the following:

Unless otherwise directed by the Air Force, all new construction will be required to meet either the standards of the 2004 Uniform Administrative Code of the City of Albuquerque (Albuquerque's Building Code) or those set forth in the references listed below (all of which are included in Appendix F, Technical References), whichever is stricter:

1. "Base Standardization Of Building/Utility Distribution Systems," 13 Oct 1995
2. United Facilities Criteria ("UFC") 4-010-01, "DoD Minimum Antiterrorism Standards for Buildings, 8 Oct 2003, Including change 1, 22 January 2007.
3. UFC 4-010-02, "DoD Minimum Antiterrorism Standoff Distances for Buildings," 8 Oct 2003
4. UFC 4-021-01, "Mass Notification Systems," 18 Dec 2002
5. Section 16710, "Communications Specification For Construction," 9 Mar 2005
6. "Memorandum to Chugach Management Services JV from 377 MSG/ SCXP Communications Division re: Minimum Requirements for New Communications Construction Projects," 30 March 2006
7. "Disinfection Of Mains, Tanks, And Wells - Standard Operating Procedures," 24 Feb 2000
8. "Architectural Compatibility Guide – Kirtland Air Force Base" (1997)
9. "General Plan – Kirtland Air Force Base, New Mexico," 2002

The base expects to update the “Architectural Compatibility Guide - Kirtland Air Force Base” (1997) based on the selected Offeror’s proposed use.

3.2.2.2.3 Utilities and Infrastructures

The Offeror will be required to follow the standards set forth in the “Base Standardization of Building/Utility Distribution Systems,” 13 Oct 1995, as identified in Section 3.2.2.2.

3.2.2.2.4 Relocation of Recreational Fields and Fixtures

The Lessee is required to relocate the following recreational and other facilities as identified in Appendix B: Morris Field, Bowler Field, Track Field, Par Course, Tennis Courts, Running Track, and parking lot. These recreational fields and fixtures must be replaced at locations designated by the Government at the expense of the Lessee on a timetable proposed by the Lessee and approved by the Government in the exercise of its sole discretion. All relocated facilities must include similar dimensions and amenities as the facilities being replaced.

3.2.2.3 Construction Management Plan

The Lessee shall provide a Construction Management Plan to ensure quality control in design and construction. The plan shall establish procedures for coordinating, updating, and implementing design and construction schedules. The Construction Management Plan shall show compliance with Applicable Laws and shall include, but is not limited to, those items listed below.

3.2.2.3.1 Design Review Conferences

Design conferences will be held following the transaction closing for the Government’s review of the Lessee’s design plans for construction phases other than the first phase of construction (which shall have already been approved by the Government before closing).

3.2.2.3.2 Schedules

Design and construction schedules shall identify all phases of design, design review, demolition, construction, and relocation of existing tenants, if any.

3.2.2.3.3 Pre-Construction Conference

One or more Pre-Construction Conferences shall be held to acquaint the Lessee, the Government and the other participants with the Construction Management Plan. At the first Pre-construction Conference, the Lessee shall submit the payment and performance bonds (see Section 3.2.2.3.7). Topics for discussion shall include, but are not limited to:

- Phasing of development and construction
- Provision for and location of field offices and fenced material and/or storage yards
- Utility cutovers (new and existing)
- Location for project signage to be erected by the Lessee
- Coordination and approval of haul routes and disposal sites
- Issuance of permits
- Site security and access

- Construction schedules.

3.2.2.3.4 Quality Control

The Lessee shall maintain an effective quality control program for all activities throughout all phases of the project development. The quality control program shall require compliance with applicable standards and codes as well as compliance with the final design and construction plans. Under the lease, the Government and/or the Government's representatives shall have full inspection rights to ensure that development activities are in compliance with the quality control program and final design and construction plans. The Lessee shall retain a certified professional who is not affiliated with the Lessee or any of the Lessee's affiliates ("Construction Consultant") to administer such quality control program. Such professional shall be approved by the Government and shall perform inspections, and provide certifications of compliance with the Certifications, Zoning and Permit requirements in accordance with Section 3.2.2.5.

3.2.2.3.5 Relocation Plan

In the event existing tenants are located on the leased premises, the Lessee shall provide a detailed Relocation Plan that addresses the schedule for relocation of existing tenants consistent with the Construction Management Plan.

3.2.2.3.6 Demolition Plan

The Lessee shall establish and implement a Demolition Plan as part of the overall Construction Management Plan. The Demolition Plan shall clearly establish the approach to demolition of existing facilities and infrastructure.

3.2.2.3.6.1 Haul Routes

Prior to the commencement of any demolition, the Lessee shall submit all proposed haul routes to the Government for approval.

3.2.2.3.6.2 Disposal Site

The Grantee will be required to procure, at its own expense, a disposal site for demolition debris, including all necessary permits and documentation, from off-installation sources. Recycling is highly encouraged. The Lessee shall research and pursue economical means of selling or recycling construction and demolition debris.

3.2.2.3.7 Payment and Performance Bonds

Prior to the commencement of any phase of construction, the Lessee shall submit to the Government and receive approval of payment and performance bonds. All payment and performance bonds, at a minimum, must: (i) be issued by a Qualified Surety; and (ii) be in a form satisfactory to the Government; and (iii) be in the amount of the total cost of construction per phase; and (iv) guarantee the performance of the construction.

3.2.2.3.8 Insurance Requirements

The Lessee shall ensure appropriate insurance is in place for the property, and remain in place throughout the lease term, as described in Appendix M.

3.2.2.4 Certificate of Compliance

The Government or its representative will provide the Lessee a Certificate of Compliance once the Lessee has completed construction of each phase in compliance

with the final design and construction plans (i.e. Final Plans) to the Government's satisfaction.

3.2.2.5 Certifications, Zoning and Permit Requirements

3.2.2.5.1 Professional Certification

All drawings, specifications, and engineering calculations shall be certified by a licensed architect or professional engineer currently licensed by the State of New Mexico.

3.2.2.5.2 Codes, Standards, and Regulations

All development activities involved in the project shall be in accordance with City of Albuquerque, Bernalillo County, or New Mexico building codes, standards, regulations and the federal laws, as they may be amended, that would apply to similar development activities outside the Base and within the County in which the Base is situated, to include 15 USCS § 2227. Designs must comply with the Department of Defense Antiterrorism Standards for Buildings (Unified Facilities Criteria 4-010-01).

3.2.2.5.3 Permits

The Lessee shall acquire all permits and pay all required fees.

3.2.2.6 Controlling Provisions

In the event of any inconsistencies between the provisions of Section 3.0 and the provisions of the Appendices and Tables that are a part of this RFQ, the provisions of Appendices and Tables shall control.

3.2.3 Property Management Plan

The Property Management Plan shall include the Property Operations and Management Plan, Leasing and Marketing Plan, Severability Plan, Facilities Maintenance Plan, Capital Repair and Replacement Plan, Environmental Management Plan, Community Relations Plan, and Historic Preservation Plan. The Lessee's final plans identified in this Section are to be incorporated into an Operating Agreement that will govern day-to-day property management of the project.

3.2.3.1 Property Operations and Management Plan

The Lessee shall maintain a Property Operations and Management Plan for the Project throughout the term of the lease. The plan shall describe the approach to day-to-day operations of the Project. The plan shall encompass all property management staffing and functions, interface with the Government, and other property management and insurance requirements. The Lessee shall also include a copy of any Property Management Contract.

3.2.3.1.1 Government Supplied Utilities

The Lessee is responsible for obtaining utilities from non-installation sources at its own expense during both the construction phase as well as the remainder of the lease term. In the event that utility services are not directly available from civilian service providers, the Government shall make such services available, at the greater of the actual cost of such services or the rate which Lessee would pay if it obtained such services directly from the appropriate civilian utility service providers. When utility services become available from an appropriate civilian utility provider, the Lessee shall promptly obtain such services from such provider. All costs of obtaining utilities, including without limitation construction of an electric substation or other infrastructure, shall be borne by the Lessee or the civilian utility provider, but not by the Government.

3.2.3.1.2 Municipal Services To Be Provided By The Government

The Lessee is responsible, at its own expense, for obtaining fire, law enforcement services, and other emergency services to facilities severed from the remainder of the base from municipal, state or local government services.

The Government may provide fire, law enforcement services, and other emergency services to facilities that remain within the base boundaries. These costs shall be reflected in the operating budget. The Lessee will reimburse the Government for all actual costs incurred for these services. The current Government estimate for a typical fire and ambulance call is \$1,500. A police call is currently estimated to be approximately \$500-\$1,000. The Government will invoice for the actual costs when requesting reimbursement. The Government requires payment to be made by electronic funds transfer.

3.2.3.2 Leasing and Marketing Plan

The Lessee shall establish a Leasing and Marketing Plan addressing how tenants will be attracted and setting forth appropriate guidelines to ensure that all third party space leases are for uses compatible with the Business and Leasing Plan. The plans shall also include leasing schedules and budgets.

3.2.3.3 Severability Plan

The Lessee shall establish a Severability Plan that addresses how the EUL Asset can be accessed under elevated security levels and identify the source of funds for any construction of fencing and roadways needed for the Lessee to implement this requirement. The Government will have no responsibility for any costs associated with implementation of the Severability Plan. Severing shall be accomplished when directed by the Government, consistent with the Severability Plan. The Lessee will be required to bear any and all costs for the construction of a permanent security fence along all boundaries adjacent to the Kirtland AFB, subject to specifications prescribed solely by the Government.

3.2.3.4 Facilities Maintenance Plan

The Lessee shall establish a Facilities Maintenance Plan for the facilities (including all common areas, buildings, and support facilities). The Lessee shall maintain facilities in a manner consistent with best industry practices. The following types of maintenance are the minimum that shall be addressed in the Facilities Maintenance Plan:

- Preventive Maintenance and Repair
- Infrastructure (Streets and Utilities) Maintenance and Repair
- Grounds Maintenance (common areas)
- Refuse Collection and Recycling
- Snow and Ice Removal
- Safety and Security

3.2.3.5 Capital Repair and Replacement Plan

The Lessee shall establish a Capital Repair and Replacement Plan for long-term major repair and replacement requirements to ensure the site development and improvements are maintained in high quality condition throughout the duration of the lease. This plan shall include, but not be limited to, site conditions such as pavement repair, utility

maintenance, and landscaping improvements. It shall also include repair and replacement of improvement components or systems such as roofing, exterior finishes, equipment, and interior upgrades. Capital Repair and Replacement Plan shall be demonstrated to be in accordance with guidelines from manufacturers' recommendations, other recognized industry standards, or other Applicable Laws. The plan shall be supported with funds from the Replacement Reserve Account.

3.2.3.6 Environmental Management Plan

The Lessee shall prepare and implement an Environmental Management Plan to ensure compliance with environmental requirements. The Environmental Management Plan shall address, but is not limited to, compliance with environmental laws and regulations regarding asbestos-containing material, lead-based paint, radon, underground storage tanks, soil contamination, spill prevention, hazardous materials and waste, storm water construction permit compliance, storm water post-construction design, dust control, noise control, pest control, environmental permits and regulatory compliance, recycling and waste minimization, sewage overflows, water and wastewater.

3.2.3.7 Community Relations Plan

The Lessee shall establish a Community Relations Plan for the management of relations with the local government authorities and the communities surrounding the property.

3.2.3.8 Historic Preservation Plan

No historic buildings reside on the Kirtland EUL Asset.

3.3 ENVIRONMENTAL COMPLIANCE

The Lessee shall be responsible for complying with all Applicable laws, including environmental laws, and for payment of all fees required for compliance and all fines and assessments by regulators for the failure to comply with these standards. The Lessee shall reimburse the Government for any civil or criminal fines or penalties levied against the Government for any environmental, safety, and occupational health infractions caused by activities of the Lessee and/or parties associated with the Lessee. Additionally, the Lessee shall reimburse the Government for the cost of any environmental restoration undertaken by the Government to clean up releases caused by the activities of the Lessee and/or any parties associated with the Lessee. The Lessee shall notify the Government if any parties associated with the Lessee's Proposal have received a fine or Open Enforcement Action (OEA) from any local, state, or federal environmental agency. If fines or OEAs have been received, the Lessee shall provide copies of official notices, descriptions of corrective actions taken, and proof of payment, waiver, or withdrawal of fine and satisfactory compliance.

3.3.1 Asbestos Containing Material (ACM)

The Lessee is warned that the Leased Premises may contain current and former improvements, such as buildings, facilities, equipment, and pipelines, above and below the ground that may contain ACM. The Lessee is responsible for inquiring as to whether the Government has records of the location, type, quantity, and characteristics of asbestos in any leased improvements prior to renovation, maintenance, repairs, or construction that may disturb suspect materials. If the Government does not have adequate records to substantiate the status or presence of ACM, the Lessee is required to obtain the necessary confirmatory samples and obtain analysis by a State of New Mexico certified laboratory for the analysis of bulk materials for asbestos. The Government shall not be responsible for any handling, removal or containment of asbestos or ACM, or to the extent consistent with applicable law, for any liability related thereto. The Lessee will perform any and all asbestos work in accordance with all applicable laws. Lessee personnel will be trained and certified as required in accordance with the State of New Mexico's asbestos administrative code. The Lessee will be responsible for removal and disposal of all ACM in the improvements on the Leased Premises and will incorporate an asbestos disposal plan in the plans for demolition

of the improvements to be submitted to the Government. The asbestos disposal plan will identify the proposed disposal site for the asbestos. Removal and disposal of ACM must be carried out in compliance with all applicable federal, state, and local laws, rules, regulations, and standards.

3.3.2 Lead-Based Paint (LBP)/Lead-Based Paint Hazards (LBPH)

3.3.2.1 Inquiry

The Lessee is responsible for inquiring as to whether the Government has records of the location of LBP in any leased structures prior to undertaking any work that might disturb such LBP. If additional information is required to substantiate the status or presence of LBP, the Lessee will perform, at its sole expense, such necessary sampling and analysis in accordance with applicable law

3.3.2.2 Management and Abatement

In its day-to-day management of the Leased Premises, the Lessee will comply with all Applicable Law regarding the management of LBP in improvements.

3.3.3 Radon

The Lessee will take all necessary measures consistent with the Air Force Radon Assessment and Mitigation Program (RAMP) to ensure that levels of radon within all facilities are lower than the Air Force action level of 4 Pico curies per liter. In all new construction and renovation, the Lessee shall implement prudent radon reduction measures consistent with the latest building practices.

3.3.4 Underground Storage Tanks (USTs)

The Lessee is responsible for inquiring whether the Government has records of the location and the number of USTs located in the Leased Premises. Should USTs be located such that development activities will disturb such items, then the Lessee shall be responsible for removing the USTs prior to beginning any development. Any soil contamination testing associated with the tanks, and any remediation of any underlying contaminated soil, shall be the responsibility of the Lessee.

3.3.5 Soil

The EBS dated 2007 indicated that the soil under and immediately surrounding the Leased Premises may contain chlordane or lead. The Lessee shall take care during demolition and renovation to disturb as little of this soil as possible. Of particular concern would be earthmoving activities such as grading or leveling. The Lessee shall not remove any soil from the site without appropriate environmental testing and written consent from the Government. Prior to occupancy of renovated or newly constructed improvements where soil was disturbed, the Lessee will be responsible for having a competent risk assessor carry out a representative sampling of soil immediately surrounding the improvements. If the results indicate the soil presents a risk in excess of the U.S. EPA acceptable risk range, or a screening value set under the Federal and state law, the Lessee will conduct a complete risk assessment. The results of sampling or risk assessment will be provided to the Government for approval prior to occupancy. Because the proposed action involves the disturbance of soil in this parcel of land, the Lessee shall brief all workers on the potential presence of chlordane and lead. The Lessee shall review state and local standards and screening values, and if such standards and values are more stringent, then the Lessee shall adhere to the more stringent standards and values.

3.3.6 National Environmental Policy Act (NEPA)

The HRO, at its sole cost and expense, must accomplish all studies under NEPA (42 USC Section 4321 et Seq.), accepted and adopted by the Air Force and completed; i.e., result in an executed Record of Decision or Finding of No Significant Impact prior to lease execution.

The Lessee in cooperation with the Government will also need to execute all actions required for compliance with the Endangered Species Act (including, without limitation, compliance with DoD and Air Force policy).

SECTION 4.0 INSTRUCTIONS TO OFFERORS

4.1 PROVISIONS

Offerors are required to comply with the following provisions while developing their proposal. Where instructions conflict and no order of precedence is specified, the most stringent requirement applies. A reference to, or direction to comply with, a particular Section shall include, as appropriate, all subsections thereunder. Any information concerning the RFQ given to any prospective Offeror will be furnished promptly to all other prospective Offerors. If the information is necessary in submitting offers, or if the lack of it would be prejudicial to any other prospective Offerors, the information will be furnished as an amendment to the RFQ.

4.1.1 **Discussions**

The Offeror's initial proposal should contain the Offeror's best terms and be complete in accordance with these proposal instructions. Although the Government reserves the right to evaluate proposals and recommend a selection without discussions with Offerors, it is customary and anticipated that the Government will conduct discussions with the Offerors if the Government determines they are necessary. If during the evaluation period, it is determined to be in the best interest of the Government to hold discussions, all responses by the Offerors to Evaluation Notices (ENs) and any Government requested proposal revisions submitted by the Offerors will also be considered when making the determination as to which proposal is the most advantageous to the Government.

4.1.2 **Oral Presentations**

Offerors may be required to make oral presentations after submittal of written proposals to exhibit their understanding of the RFQ requirements. Presentations will be scheduled and coordinated by the Privatization Real Estate Support Services (PRESS) contractor approximately two (2) weeks after submittals are due. Presentation material is restricted to PowerPoint slides only; no models or other samples will be allowed.

The presentation session will include a summary of the proposal and a Question-and-Answer (Q-A) session. The combined duration of the Offeror's presentation and the Q-A session shall not exceed two (2) hours (excluding intermissions), and the oral presentation shall not exceed fifty (50) minutes of that time period. Only the Offeror's key personnel (including team members' key personnel) may present the summary of the proposal. The Government will provide written questions to Offerors several days in advance of the scheduled presentation. Answers to the Government's questions shall be provided solely by the Offeror's key personnel. The Government may also submit questions to Offerors at the conclusion of the oral presentation to which the Offeror shall respond at that time. A list of the individuals comprising the Offeror's presenting team and written presentation materials shall be provided to the PRESS contractor two (2) work days prior to the presentation. At the time of the presentation, each Offeror will be required to provide twenty (20) copies of the presentation slides to the Government team.

Subsequent to the oral presentation the Government may submit written questions to the Offerors, in the form of Evaluation Notices (ENs). The Government will retain one paper copy, one electronic copy on CD media, in its official file as a historical record of the presentation slides and responses to Government questions, even though these materials will not be used in the Government's evaluation process. Written responses to all ENs, along with any Government-requested revisions, will be evaluated as part of the Offeror's proposal.

4.1.3 **Cancellation of the RFQ by the Government**

The Government is sponsoring the RFQ solely for the purpose of achieving the goals established in the RFQ. While the Government intends to enter into agreements with the HRO, it is under no obligation to do so and reserves the right to cancel the RFQ and reject all submissions. The

Government reserves the right to suspend or amend all aspects of the RFQ and to waive informalities and minor irregularities in offers received where it is in the Government's best interest to do so.

4.1.4 Hold Harmless

By participating in the RFQ process, Offerors agree to hold the United States, its officers, employees, and consultants harmless from all claims, liabilities, and costs related to all aspects of this RFQ. Under no circumstances will the Government be liable for any real estate brokerage commissions, finder's fees, or other forms of compensation related in any way to activities undertaken by any person as a result of this RFQ. This includes any and all activities related to the exclusive negotiations with the HRO.

4.1.5 Amendments to RFQ

This RFQ may be amended by formal amendment, document, letter, or facsimile. If this RFQ is amended, then all terms and conditions that are not amended remain unchanged. Offerors shall acknowledge receipt of any amendments to this RFQ by the date and time specified in the amendment(s). Acknowledgement shall be made by signing and returning the amendment(s), or sending a letter via electronic, telegraphic, or facsimile transmission.

4.2 RESTRICTIONS ON FOREIGN PARTICIPATION

Unless a waiver is granted by the Secretary of Defense, should the Government of a terrorist country have a significant interest in the firm or subsidiary then that firm or subsidiary: (a) shall not be selected for the project; and (b) shall not participate in connection with the Project. This restriction is in accordance with Government policies and 10 U.S.C. § 2327. As of the date of this solicitation, terrorist countries subject to this provision include: Cuba, Iran, Libya, North Korea, Sudan, and Syria.

4.3 RESTRICTION ON DISCLOSURE AND USE OF DATA

Offerors who include in their proposals data that they do not want disclosed to the public for any purpose or used by the Government except for evaluation purposes, shall mark the title page with the following legend: "This proposal includes data that shall not be disclosed outside the Government and its representatives and shall not be duplicated, used, or disclosed in whole or in part for any purpose other than to evaluate this proposal." Mark each page of restricted data with the following legend "Use or disclosure of data contained on this page is subject to the restriction on the title page of this proposal." If, however, a lease is signed with this Offeror as a result of or in connection with the submission of this data, the Government shall have the right to duplicate, use, or disclose the data to the extent provided in the resulting Lease or as needed for Environmental Documentation. This restriction does not limit the Government's right to use information contained in this data if it is obtained from another source without restriction. Offerors should be aware, however, that the Government may share financial information with Congressional committees, if requested by the committees as part of their oversight function. Jones Lang LaSalle shall prepare and return the Non-Disclosure Agreement (Appendix I) to each Offeror following the receipt of their proposal for the Kirtland AFB project.

4.4 CONFLICT OF INTEREST

The PRESS contractors named below, and their respective team members and subcontractors, are precluded from proposing on any Air Force military housing privatization or enhanced use leasing projects, and from acting as subcontractors, consultants or team members to a development phase contractor for a period of up to 10 years. Accordingly, prospective Offerors shall not include these firms as part of their teams or request their assistance with proposal preparation. It is incumbent upon the Offeror to ensure that its team does not include any of the PRESS contractors or their respective team members and subcontractors. The PRESS contractors are Alvarez and Marsal Real Estate Advisory Services, LLC; Jones Lang LaSalle; Peter S. Cook Military Housing Company; and FPS Advisory Group,

LLC. Proposals including a prohibited team member or subcontractor will be rejected. PRESS teams have signed Non-Disclosure Agreements such as the one included in Appendix I.

4.5 SUBMISSION OF OFFERS

Offerors shall submit their offers and amendments in sealed envelopes or packages addressed to the office as specified in the RFQ cover letter. Offerors shall also show the time specified for receipt, the RFQ number, and the Offerors' names and addresses.

4.5.1 Electronic, Telegraphic, or Facsimile Offers

Electronic, telegraphic, or facsimile transmissions of initial offers will not be considered.

4.5.2 Submittal Due Dates

Offerors are required to submit their Qualification Submittal no later than 5:00 p.m. ET on April 24, 2007. The due date for HRO submittals will be established and communicated to the HRO at a later date.

4.5.3 Proposal Packaging

Proposals shall be delivered as follows:

FROM: Offeror's Return Address

TO: Jones Lang LaSalle
200 E. Randolph Drive, 46th Floor
Chicago IL 60601

Attention: Warren Durbin

4.6 SUBMITTAL REQUIREMENTS

4.6.1 Mandatory Clauses

Offerors shall consider the Mandatory Clauses Required by Federal Law (Appendix L) during the preparation of their proposal. These clauses shall become part of the lease.

4.6.2 Applicable Wage Rates

The provisions of the Davis-Bacon Act and the wage determinations thereunder will apply to the work on the project at all times. A link to the Davis-Bacon Act wage determinations may be found at the following site: <http://www.access.gpo.gov/davisbacon>.

4.6.3 Proposal Presentation

Each volume shall be submitted in a loose-leaf 3-ring binder. The page size of the Offeror's proposal shall not exceed 8 ½" by 11" with a minimum 10-pitch font. A page is defined as the single-spaced, single side of one 8 ½" by 11" sheet of paper or one printed side of a foldout page. Foldout pages shall fold entirely within the volume. Each printed side of a foldout counts as one page. Page limits as specified in this RFQ do not include drawings, cost estimates, mandatory clauses, legal documents, resumes, financial statements, *pro formas*, engineering calculations, catalog cuts, or specifications. The original proposal shall be provided on white paper with any changes made during the RFQ process submitted on different colored paper for each change. Changes shall be submitted on a replacement page basis. Offerors are cautioned to ensure that any changes are reflected in all supporting tables and volumes.

4.6.4 RFQ Number

All volumes shall be marked with the RFQ number. Every page in the proposal shall have the RFQ number, the volume number, and the consecutive page number (using Arabic numerals 1, 2, 3.). All volumes shall include the Offeror's identity and the volume number on the cover page.

Each volume shall have a transmittal cover letter (refer to Appendix H, Offeror's Cover Page) of no more than one page. This page will not count against the page count for the volumes.

4.6.5 Volume Sections

During proposal evaluation, each volume will be reviewed separately. Therefore, each volume shall be a stand-alone document requiring no referral to other volumes for full understanding. Referrals to other sections of the same volume shall also be kept to a minimum. Each volume must contain both a detailed table of contents for the volume and an overall table of contents covering all volumes.

4.6.6 Incomplete Submittals

Incomplete submittals and/or submittals without mandatory clauses may be rejected.

4.7 EXECUTION OF PROPOSAL

Offeror shall submit a signed cover letter as shown in Appendix H, Offeror's Cover Page. A copy of this cover letter shall accompany each volume submitted. Each proposal must contain the full address of the Offeror and be properly executed (signed with its usual signature). If the prospective Offeror is a joint venture, it must be signed by the authorized representatives of the joint venture parties. A proposal executed by an attorney or agent on behalf of the Offeror shall be accompanied by two authenticated copies of the power of attorney or other evidence of authority to act on behalf of the Offeror. If the Offeror is a corporation, a corporate officer authorized to bind the corporation must execute the corporate certificate. In lieu of the certificate, include with the proposal those copies of the record of the corporation showing official charter and authority of the vice president or a higher officer to bind the corporation. The corporation record must be signed and duly certified by the Secretary or Assistant Secretary, under the corporate seal, as true copies. If the Offeror is a Partnership, Limited Liability Company or any other entity, the Offeror must provide evidence that the party signing the offer has the authority to sign or bind the entity.

4.8 LATE SUBMISSIONS, MODIFICATIONS, AND WITHDRAWALS OF PROPOSALS

4.8.1 Late Submissions

Any proposal received at the office designated in the RFQ after the exact time specified for receipt will not be considered unless it is received before selection is made and it was:

- Sent by the U.S. Postal Service or any other means (i.e., Federal Express, UPS, etc.) and it is determined by the Government that the late receipt was due solely to mishandling by the Government or Jones Lang LaSalle after receipt at the evaluation office;
- Sent by U.S. Postal Service Express Mail Next-Day Service, Post Office to Addressee, not later than 5:00 p.m. at the place of mailing, two business days prior to the date specified for receipt of proposals. The term "business day" means any day other than a Saturday, a Sunday, or a day which the federal Government is generally closed by statute, regulation, or executive order; or
- The only proposal received.

4.8.2 Modifications

Any modification of a proposal, except a modification resulting from the Government's request for "final" offers, is subject to the same conditions as listed herein above. A modification resulting from the Government's request for "final" offers received after the time and date specified in the request will not be considered unless received before selection and the late receipt is due solely to mishandling by the Government.

4.8.3 Withdrawals of Proposals

Proposals may be withdrawn by written notice or telegram (including mailgram) received by the Government at any time before selection. Proposals may be withdrawn in person, by an Offeror or an authorized representative, if the representative's identity is made known and the representative signs a receipt for the proposal before Government notification of selection. Proposals may not be withdrawn by facsimile or electronic mail.

4.9 EVIDENCE OF DATES AND TIMES OF MAILING RECEIPTS

The only acceptable evidence to establish the date of a proposal or modification sent either by U.S. Postal Service registered or certified mail, is the U.S. or Canadian Postal Service postmark both on the envelope or wrapper and on the original receipt from the U.S. or Canadian Postal Service. Both postmarks must show a legible date, or the proposal or modification shall be processed as if it were mailed late. "Postmark" means a printed, stamped, or otherwise placed impression (exclusive of a postage meter machine impression) that is readily identifiable without further action as having been supplied and affixed by employees of the U.S. or Canadian Postal Service on the date of mailing. Therefore, Offerors shall request the postal clerk to place a legible, hand-cancellation bull's-eye postmark on both the receipt and the envelope or wrapper.

The only acceptable evidence to establish the date of mailing of a late proposal, modification, or withdrawal sent by Express Mail Next Day Service-Post Office to the Addressee is the date entered by the post office receiving clerk on the "Express Mail Next Day Service-Post Office to Addressee" label and the postmark on both the envelope or wrapper and on the original receipt from the U.S. Postal Service. "Postmark" has the same meaning as defined above, excluding postmarks of the Canadian Postal Service. Therefore, Offerors shall request the postal clerk to place a legible hand cancellation bull's eye postmark on both the receipt and the envelope or wrapper.

The only acceptable evidence to establish the time of receipt at the evaluation office is the time/date stamp of that evaluation office on the proposal wrapper or other documentary evidence of receipt maintained by the evaluation office.

4.10 GENERAL INFORMATION

This will be a one-step, non-Federal Acquisition Regulation (FAR) process. The intent is to use fair, timely, and cost-effective procedures for the RFQ, evaluation and selection of an HRO most advantageous to the Government.

4.10.1 Submittal Organization and Contents

All Offerors shall submit Volume I (Part A, Part B, and Part C), Volume II, and Volume III by the due date identified on the cover page.

4.11 ELECTRONIC COPIES

Electronic copies shall be submitted on a CD-ROM, in a protective sleeve, but shall not be transmitted electronically as stated in Section 4.5.1. Each CD-ROM and protective sleeve shall be clearly marked with the volume number, title, RFQ number, and the Offeror's name. All CD-ROMs will be included with the "original" paper copies of each volume as identified in the RFQ. The information submitted must be checked and determined to be virus-free prior to submission. The electronic submittals shall be compatible with the following equipment and software products:

- Pentium Class PCs
- Microsoft Office 2000 (Excel, Word, PowerPoint)
- Microsoft Project 98
- Adobe Acrobat Reader 4.0

- AutoCAD format for all drawings.

The electronic copy of the proposal shall be an exact duplicate of the original paper proposal. The CD-ROMs will be used for proposal evaluation. MS Excel spreadsheets shall be submitted in a format that allows all formulas within the spreadsheet to be reviewed and manipulated. If there are discrepancies between the electronic proposal and the original paper proposal, however, the paper original shall be deemed to govern.

4.11.1 Financial Pro Forma

Financial *pro forma* data shall be submitted in electronic format on CD-ROM and shall include formulae so that the submitted information can be manipulated during evaluation of the submittals. All financial spreadsheets shall be submitted in a format compatible with MS Excel 2000. In addition, seven hard copies of the financial *pro forma* data shall also be provided.

4.12 SUBMITTAL REQUIREMENTS FOR ALL OFFERORS

The submittal requirements are shown in Table 4 below.

Table 4 – Volume Submittals – For All Offerors

VOLUME	DESCRIPTION	NUMBER OF SUBMITTALS	PAGE LIMIT ¹
Volume I: Project Concept			
Part A	Factor 1 - Business Plan	One original, six copies, and one electronic copy ²	15 pages
Part B	Factor 2 - Development Plan	One original, six copies, and one electronic copy ²	15 pages
Part C	Factor 3 - Property Management Plan	One original, six copies, and one electronic copy ²	15 pages
Volume II: Qualifications (Factor 4)		One original, six copies, and one electronic copy ²	10 pages
Volume III: Past Performance ³ (Factor 5)		One original, six copies, and one electronic copy ²	20 pages
NOTES:			
1. Any pages exceeding the limits set above will be destroyed and not evaluated. Supporting data, such as mandatory clauses, resumes, financial statements, cost estimates, engineering calculations, drawings, and catalog cuts that are attached or appended to Parts A, B or C of Volume I, does not count against the page limits indicated above. Such items that are included within the text of Volume I do count against the page limits.			
2. Volumes I, II, and III may be submitted on the same CD-ROM. See Section 4.11 for additional instructions on electronic copies.			
3. The Past Performance Questionnaire (Appendix J) shall be provided by the Offeror to Government agencies or private companies that will submit responses directly to Jones Lang LaSalle.			

The contents of Offeror submittals are described in detail below.

4.12.1 Material Changes

Throughout the RFQ process, the Offeror shall provide to the Government any material changes to Volume II, Qualifications, or Volume III, Past Performance, and a written description explaining the reason for the change, not later than five (5) business days after the change. Failure to disclose any material or receipt of adverse information changes may result in disqualification from consideration for this project. Upon receipt of a written description of a material change, the Government reserves the right to request additional information relating to said material change. Material changes include, but are not limited to:

- Bankruptcy/reorganization of any of the participating entities/individuals in the Offeror's proposal
- Default on any loans or any other type of debt instrument
- Twenty percent (20%) decrease in net worth/owner's equity
- Twenty percent (20%) decrease in assets
- Twenty percent (20%) increase in liabilities
- A sale of a portion or all of the Offeror's or participating entities' interest in said assets
- Litigation actions, pending or threatened, that may materially affect the Offeror's ability to successfully complete the transaction
- Judgment or lien against the Offeror imposed by any federal, state or local taxing authority
- Other material events that may affect the Offeror's ability to complete the transaction
- Changes in commitments in the project team
- Key employee resignations.

If material changes occur resulting in a change of team members, the Offeror shall submit all required information in both paper and electronic copies per Table 4 for all new team members no later than five (5) business days after the Offeror notifies the Government of this material change.

4.13 VOLUME I: PROJECT CONCEPT SUBMITTAL REQUIREMENTS

4.13.1 Part A: Factor 1 Business Plan

Executive Summary: Offerors shall provide a summary of its leasing and financing plan and long-term outlook for project financial viability. This shall include a summary of the sources of funds including private sector financing and equity contributions.

4.13.1.1 Subfactor 1.1: Project Financing Strategy and Approach

Offerors shall provide a description and/or documentation that demonstrate(s) its strategy for financing the project including anticipated financing costs, discussion of the risks and benefits of the financing structure, and why this strategy is the most advantageous to the Government. Proposals shall address timing for execution of financing (note that financing closure will occur no later than transaction closure). Offeror's submittals shall include a list of major projects over the last 10 years financed of similar size and scope as those envisioned for this project.

4.13.1.2 Subfactor 1.2: Project Financial Viability and Sustainment

The Offeror shall submit a preliminary description of project economics and financing including the following: 1) total development costs including hard and soft costs; 2) financing including anticipated debt and equity amounts and sources; 3) ownership structure including percentage of ownership by principal members; 4) economics of sharing arrangements between principal members or investors including identification of sources of return to the owners and investors. Offeror's submittals shall also include:

- A financial pro forma model (using Microsoft Excel software with fully functional cell formulae and internal linkage in place) depicting the sources and uses of funds for the proposed concept reflecting sound assumptions.

- The anticipated value and timing of the provision of in-kind consideration to the Air Force.

Offers shall assume that property taxes will be assessed on the project and include such costs in financial projections.

4.13.2 Part B: Factor 2 Development Plan

Executive Summary: Offerors shall provide a summary of its Development Plan. The narrative shall identify the proposed Offeror team as well as the proposed development activities.

4.13.2.1 Subfactor 2.1: Development Management Approach

Offerors shall provide a concise synopsis of their development management approach to implementing the project concept. At a minimum, the discussion shall address the following:

- The Offeror shall provide a narrative description of its proposed organization, including levels of management interaction, extent of the proposed team having worked together in the past, corporate management support of the project, and legal form of ownership that will enable them to assure project success throughout the term of the lease.
- Offeror shall explain how it will field a qualified, experienced project team with the experience and workload capacity necessary to manage all the disciplines required to implement the project concept.
- The Offeror shall describe its construction management approach to ensure a seamless execution of the Development Plan while minimizing the impact to the Air Force and adjacent property owners and tenants.

4.13.2.2 Subfactor 2.2: Project Concept Approach

The Offeror shall provide a narrative describing the proposed project concept, approach and vision, including a description of the proposed project design and construction methodology. Offeror's approach shall address the entire project, including any phased development of the parcels, and demonstrate a clear understanding of the scope and complexity associated with the project, including the approach to managing community relations. Offeror shall also demonstrate an understanding of the Air Force's goals and an approach to achieving them during the project term.

The project concept shall include, but is not limited to the following items: 1) quality control plan; 2) safety plan; 3) phasing/sequencing including detailed diagram (Gantt Chart type depiction) with major milestones (i.e. design completion, construction, permitting, occupancy); and 4) project coordination (i.e. A&E involvement).

The Offeror shall also provide conceptual drawings of the proposed site showing the general arrangement of elements and arrangement of individual structures. Indicate existing structures to remain and any proposed new or renovated facilities (with gross square footages), streets, walkways, parking, and open space areas. Grading, utility or demolition plans are not necessary. Identify the density of the proposed development, and describe the relationship of the development to the surrounding areas.

4.13.3 Part C: Factor 3 Property Management Plan

Executive Summary. Offerors shall submit a summary of the proposed property management methodology, and operations and maintenance methodology to demonstrate how well the Offeror can manage the proposed project concept.

4.13.3.1 Subfactor 3.1: Property Management Approach

Offerors shall provide a concise synopsis of their property management approach to implementing the project concept. At a minimum, the discussion shall address the following:

- The Offeror shall provide a narrative description of the proposed property management organization that includes levels of management interaction, extent of the proposed team having worked together in the past, corporate management support of the project, and legal form of ownership will enable them to assure project success throughout the term of the lease.
- The Offeror shall explain how it will field a qualified, experienced project team with the experience and workload capacity necessary to provide and perform all the disciplines and functions required to manage the proposed project.

4.13.3.2 Subfactor 3.2: Property Operations and Maintenance Strategy

The Offeror shall submit a concise synopsis describing the Offeror's approach to managing, operating and maintaining the proposed project in accordance with the Property Management Plan described in Section 3.2.3.

- The narrative shall describe the proposed approach to address the following plans in Section 3.2.3, but these plans are not be required for submission: (1) Property Operations and Management Plan, (2) Leasing and Marketing Plan, (3) Severability Plan, (4) Facilities Maintenance Plan, (5) Capital Repair and Replacement Plan, (6) Environmental Management Plan, (7) Community Relations Plan, and (8) Historic Preservation Plan.

4.14 VOLUME II: QUALIFICATIONS SUBMITTAL REQUIREMENTS**4.14.1 Factor 4: Qualifications****4.14.1.1 Subfactor 4.1: Financial Capabilities**

- Offerors shall provide Financial Statements, as defined below, and other documentation as required for all Significant Parties in order to demonstrate the Offeror's financial strength. Significant Parties are defined as entities or individuals that meet any one or more of the following criteria: a) the entity or individual is proposed to execute the lease agreement; b) the entity or individual will consolidate 50% or more of the financial performance of the Offeror entity into their financial statements; or c) the entity or individual owns 10% or more of the Offeror entity and articulates in a written statement a financial responsibility to the Offeror entity.

NOTE: Financial Statements are defined as the financial statements accompanied by an auditor's assertion of accuracy for the most recent two years. The auditor must be a nationally recognized firm in the accounting industry and the assertion of accuracy must state that the financial statements have been audited in accordance with Generally Accepted Accounting Principles (GAAP).

- Any Significant Party that is a public company subject to reporting to the Securities and Exchange Commission (SEC) shall submit Financial Statements or provide reference to a publicly available source from which Financial Statements can be reviewed, including the two latest Forms 10-K and all Forms 8-K submitted to the SEC within the last two years.

- Any Significant Party that is either not a public company subject to reporting to the SEC or a newly formed public company subject to reporting to the SEC that does not have two Forms 10-K available shall submit any Forms 10-K and Forms 8-K submitted to the SEC within the last two years along with their Financial Statements.
- If Financial Statements are not available, Significant Parties may submit either a) entity financial statements that have been reviewed by a Certified Public Accountant and an assertion of accuracy from the entity's Chief Financial Officer or equivalent; or b) individual's Internal Revenue Service (IRS) tax filings that have been executed and submitted to the IRS by the individual or a certified preparer.
- If any Financial Statements and submitted information note any litigation, disputes, claims, UCC filings or similar circumstances, provide the current status of each matter in full detail.
- All Significant Parties shall provide their applicable North American Industry Classification System (NAICS) code which may be obtained from the Census Bureau at: <http://www.census.gov/epcd/www/naics.html>.
- Offerors shall demonstrate their Payment and Performance (P&P) Bonding Capacity and show how the bond amount(s) are derived. In the event that an alternative to bonding is being proposed, provide information on the alternative and explain how it better protects the Government's interests versus P & P bonds.
- Offerors shall demonstrate they have a source of sufficient equity to support the proposed project.
- Offerors shall demonstrate an organization structure depicting a relationship of Significant Parties that is financially accountable for project performance.

4.14.1.2 Subfactor 4.2: Organizational Capability

Offerors shall provide basic background information on:

- The Offeror's history and background.
- The form and structure of the Offeror's organization, including an organizational chart.
- In the case of joint ventures, each principal member's appropriate history and background, assigned areas of responsibility, and any legally enforceable agreements or other mechanisms that will be relied on to ensure the Offeror's successful long-term operation.
- The Offeror's resources available (include evidence of capacity) to plan, develop, redevelop, renovate, operate, manage and maintain large-scale, real estate, rental development projects, including providing for their construction, financing, and long-term operation and protection of existing historic aesthetic values.
- The (name, address, telephone number, and email address) of the key person who will be responsible for representing the Offeror in all matters and for coordinating and integrating all functional elements of program requirements into seamless strategies, processes, and solutions throughout both the procurement phase and during the transaction and financial closing process.

4.15 VOLUME III: PAST PERFORMANCE SUBMITTAL REQUIREMENTS**4.15.1 Factor 5: Past Performance****4.15.1.1 General**

The Offeror shall provide documentation for similar projects that have been completed within the past 10 years. The currency and relevancy of the past performance information is critical. The evaluation will be constrained to the five (5) most recent and relevant projects.

This information shall include data on efforts performed by other divisions, corporate management, or critical team members, if such resources will be brought to bear or will significantly influence the performance of the proposed effort.

4.15.1.2 Project Experience Narrative

Offerors shall provide a detailed narrative describing similar experience in development and teaming arrangements, with emphasis on the type of financial service/structure. In addition, the narrative must describe the Offeror's similar experience in facility demolition, site and building design, construction, renovation, property management and maintenance, teaming arrangements, and community relations. The description must emphasize the type of design, construction, and property management and maintenance services provided.

Illustrative or other materials (e.g., photographs and renderings) that demonstrate similar experience may be submitted for evaluation (provide two copies each).

4.15.1.3 Specific Project Information

For all listed contracts/projects, for each key team/company, provide the following information:

- Company/Division Name
- Program/Project Title
- Contracting Agency/Company
- Contract Number/Request for Proposal Number (as applicable)
- Description of the Contract/Project Effort
- Type of Contract/Project
- Period of Performance
- Contract/Project Dollar Value at Time of Selection/Closing
- Type and Amount of Financing
- Original Completion Date
- Current or Actual Completion Date, and if not complete, Percentage of Completion
- Complexity of the Project
- Scope of Operations and Maintenance (O&M) Management Activity (as applicable)
- Duration of property management Activity (as applicable)
- Specific role of the prospective Offeror and those persons and organizations identified as participants in the proposed project

- Name, title, affiliation, current address, telephone and fax numbers of members of each project team and other persons familiar with the project, including, but not limited to, the Program Manager, Administrative Contracting Officer, and Procuring Contracting Officer or key Point of Contact with knowledge of the specific project in question and the institution that provided financing. Clearly indicate each key team member's roles, responsibilities, and lines of authorities in the project (e.g., Project Manager, Quality Control Manager, Job Site Superintendent, Safety Officer, Community Planner, Project Manager, Project Architect, Project Engineer, and Landscape Architect)
- Location (street address, city, state) of each project, length of time since involvement with project, and phone numbers for current and all previous owners, and tenants (to the extent possible)
- Indication of whether or not a Past Performance Questionnaire has been requested from this Contracting Agency/Company.

4.15.1.4 Relevance

Offerors are required to explain what aspects of the contracts/projects submitted for the Past Performance evaluation are relevant to this project. More recent and relevant performance will have a greater impact on the Performance Confidence Assessment rating than less recent or relevant efforts.

4.15.1.5 Significant Achievements/Past Problems

Offerors may also submit information on significant achievements or explain past problems with the corrective actions taken, that they consider relevant to the proposed effort. Any adverse past performance information the Offeror has not had a prior opportunity to address will be submitted to the Offeror for their comments, rebutting statement, or additional information.

4.15.1.6 Past Performance Questionnaire

For each project provided, the Offeror will have its Point of Contact submit a completed and signed Past Performance Questionnaire identified in Appendix J. To the extent possible, questionnaires should not be completed by team members, employees or affiliates. Questionnaires should be provided to these companies or agencies in a timely manner so the responses are received by the Government no later than the deadline for submittals.

The Government may consider other projects performed by Offerors and identified through any and all means, including but not limited to, customer surveys, federal exclusion lists, federal past performance databases, Dun and Bradstreet Reports, and comments from other Government agencies.

4.16 HIGHEST RANKED OFFEROR INFORMATION

After selection, the HRO shall submit the following:

4.16.1 Proof of Equity

Within ten (10) days of Government notification of HRO selection, the HRO shall provide proof of equity including, but not limited to, amount of equity, location and number of account, financial institution, and name of contact at the financial institution.

4.16.2 Binding Commitment

Within five (5) days of Government notification of HRO selection, the HRO shall provide a schedule for the period from Government notification of HRO selection to closing. The schedule shall indicate the date a binding commitment for all financing will be delivered. The terms of the binding commitment may be contingent only upon closing the financing within ninety (90) days from the date of Government notification. If the HRO can show good cause for delay, the Government may, in the exercise of its sole discretion, elect to extend this period or proceed to the next HRO. The Government also reserves the right at any time before closing to require the HRO to competitively bid its financing.

4.16.3 Financial Documentation

Copies of all financial documents not included in the RFQ shall be provided within ninety (90) days of Government notification of HRO selection. If the HRO can show good cause for delay, the Government may, in the exercise of its sole discretion, elect to extend the 90-day period or to proceed to the next HRO.

SECTION 5.0 BASIS OF SELECTION

5.1 STRATEGY

This is not a Federal Acquisition Regulation (FAR) acquisition of goods and services. It is a real estate development, financial and management business transaction that uses a one-step proposal process that encourages maximum flexibility in proposal development within the parameters set forth in this RFQ.

The Government will determine the most advantageous Proposal and thereby identify the HRO using an integrated assessment of the factors/subfactors described and defined below. Proposals will be ranked in order of preference based on the results of such evaluations, however, any Offeror receiving an Unqualified rating will not be considered in the HRO determination. The Government will notify Offerors of its determination and then enter into exclusive negotiation with the HRO as described in Section 6.

5.2 EVALUATION FACTORS AND SUBFACTORS AND THEIR RELATIVE ORDER OF IMPORTANCE

The Government will select the most advantageous proposal based upon an integrated assessment of the evaluation factors and subfactors described below. Five (5) factors will be used to evaluate Proposals: Factor 1 (Business Plan), Factor 2 (Development Plan), Factor 3 (Property Management Plan), Factor 4 (Qualifications) and Factor 5 (Past Performance). All Factors are of equal importance. Subfactors within each factor are of equal importance. Subfactors within Factors 1, 2 and 3 will be assigned an evaluation rating while subfactors within Factor 4 will be assigned a qualifications rating. Factor 5 will be assigned a confidence assessment rating. The factors and subfactors are shown in Table 5 below.

Table 5 – Evaluation Factors and Subfactors – Order of Importance

ONE-STEP	FACTORS/SUBFACTORS	ORDER OF IMPORTANCE
PROJECT CONCEPT	Factor 1: Business Plan Subfactor 1.1: Project Financing Strategy and Approach Subfactor 1.2: Project Financial Viability and Sustainability	Factors 1, 2, 3, 4 and 5 are of equal importance. Subfactors within factors are of equal importance.
	Factor 2: Development Plan Subfactor 2.1: Development Management Approach Subfactor 2.2: Project Concept Approach	
	Factor 3: Property Management Plan Subfactor 3.1: Project Management Approach Subfactor 3.2: Property Operations and Maintenance Strategy	
	Factor 4: Qualifications Subfactor 4.1: Financial Capabilities Subfactor 4.2: Organizational Capabilities	
QUALIFICATIONS		
PAST PERFORMANCE	Factor 5: Past Performance	

5.3 PROJECT PROPOSAL RATINGS

A risk rating identifying the Proposal risk associated with the proposed approach as it relates to accomplishing the requirements of the RFQ shall be assigned within the subfactor that it applies. Weaknesses shall be noted along with their potential impact on and/or disruption to the planning and

implementation phases of the project. The ratings to be used by the evaluators are shown in Table 6 below:

Table 6 – Ratings

CODE	PROPOSAL RATING	DEFINITION
Blue	Exceptional	The Offeror has addressed the elements of this subfactor in a manner that demonstrates overall added value to the Government above a satisfactory response for the subfactor, and has addressed all of the individual elements in this subfactor in a manner that demonstrates no less than a satisfactory response to any element, and added value for some or all elements.
Green	Acceptable	The Offeror has addressed all of the elements in this subfactor in a satisfactory manner.
Yellow	Marginal	The Offeror has failed to address all of the elements in this subfactor in a satisfactory manner, or has simply failed to address clearly all of the elements in this subfactor; however, any such failures are susceptible to being corrected without requiring a major rewriting of the offeror's proposal.
Red	Unacceptable	The Offeror has failed to address all of the elements of this subfactor in a satisfactory manner or has simply failed to address clearly all of the elements in this subfactor.

RISK RATING	DEFINITION
Low Risk	Any weaknesses have little potential to cause disruption to the planning and implementation of the project. Normal contractor/government communications will probably minimize any difficulties.
Moderate Risk	Any weaknesses have a greater potential to cause disruption to the planning and implementation phases. Enhanced contractor/government attention and close monitoring will probably minimize any difficulties.
High Risk	Weaknesses have the high potential to cause significant disruption to the planning and implementation phases even with enhanced contractor/government attention and close monitoring.

5.4 QUALIFICATION RATINGS

Factor 4 (Qualifications) will be evaluated at the subfactor level and a qualification rating will be assigned at the subfactor level.

The ratings will be identified as highly qualified, qualified, or unqualified, as described below:

- Highly Qualified: the Offeror's proposal exceeds the stated minimum requirements in a way that is deemed beneficial to the Government.
- Qualified: the Offeror's proposal meets stated minimum requirements.
- Unqualified: the Offeror's proposal fails to meet stated minimum requirements.

5.5 PAST PERFORMANCE CONFIDENCE ASSESSMENT

Under the Past Performance Factor, the Performance Confidence Assessment represents the evaluation of an Offeror's present and past work record to assess the Government's confidence in the Offeror's ability to successfully perform as proposed. The Government will evaluate the Offeror's demonstrated record of

contract compliance, including adherence to cost and schedule. The Past Performance Evaluation is accomplished by reviewing an Offeror's present and past performance, focusing on performance which is relevant to the Subfactors of Factors 1, 2 and 3 of the RFQ. The Government may consider as relevant efforts performed for agencies of the federal, state, or local governments and commercial customers. Although the past performance evaluation focuses on performance that is relevant to the Subfactors of Factors 1, 2 and 3 of the RFQ, the resulting Performance Confidence Assessment is made at the Factor level and represents an overall evaluation of contractor performance. The assessment will also consider things such as the Offeror's history of controlling costs, adhering to schedules, reasonable and cooperative behavior, commitment to customer satisfaction, and generally, the Offeror's business-like concern for the interest of the customer. Where relevant performance record indicates performance problems, the Government will consider the number and severity of the problems and the appropriateness and effectiveness of any corrective actions taken (not just planned or promised). The Government may review more recent contracts or performance evaluations to ensure corrective actions have been implemented and to evaluate their effectiveness. Performance information may be obtained through the Contractor Performance Assessment Reporting Systems (CPARS), similar systems of other Government departments and agencies, questionnaires tailored to the circumstances of this RFQ, Defense Contract Management Agency (DCMA) channels, interviews with program managers and contracting officers, and other sources known to the Government, including commercial sources. Offerors are to note, that in conducting this assessment, the Government reserves the right to use both data provided by the Offeror and data obtained from other sources. The following definitions will be used when assigning relevancy to the Offeror's past and present contracts:

Table 7 – Past Performance Relevancy Ratings

RATING	DEFINITION
Highly Relevant	The magnitude of the effort and the complexities on this project are essentially what the RFQ requires.
Relevant	Some dissimilarities in magnitude of the effort and/or complexities exist compared to most of what the RFQ requires.
Somewhat Relevant	Much less or dissimilar magnitude of the effort and complexities exist compared to some of what the RFQ requires,.
Not Relevant	Performance on this project contains relatively no similarities to what the RFQ requires.

The Government will exercise due diligence to validate and may expand upon the information provided by the Offeror during the evaluation. Due to its interactive nature and purpose, the Government requires flexibility in performing due diligence. This means that due diligence on one Offeror may not be exactly the same as due diligence on another Offeror. However, the overall purpose and focus of due diligence will be consistent among Offerors.

The Government may physically visit sites where the Offeror is performing the requisite services. If the Government deems necessary, these visits may include visits to customer sites of any subcontractor that the Offeror will use in performance of this project, customer sites of any key personnel that will be involved in this lease, and if the Offeror is a combination of firms (for example, a partnership or joint venture), customer sites of any companies that make up the Offeror. Furthermore, the Government may have teleconferences with the Offeror's other customers if the team deems necessary.

The Government has the flexibility to pick any customer sites it chooses. However, it intends to select the sites based on the amount of relevancy and recency that the sites have to the requirements in this RFQ.

During the customer site visits, the Government will interview customers and Offeror's employees working on the site, as well as survey the location and the services the Offeror is providing.

Each Offeror will receive one of the ratings described below, Factor 5 (Past Performance). The Government reserves the right to exclude any Offeror receiving a Confidence Assessment Rating of either “Little Confidence” or “No Confidence” from consideration in the HRO determination.

Table 8 – Confidence Assessment Ratings

RATING	DEFINITION
High Confidence	Based on the Offeror’s performance record, the Government has high confidence the Offeror will successfully perform the required effort.
Significant Confidence	Based on the Offeror’s performance record, the Government has significant confidence the Offeror will successfully perform the required effort.
Confidence	Based on the Offeror’s performance record, the Government has confidence the Offeror will successfully perform the required effort. Normal contractor emphasis should preclude any problems.
Little Confidence	Based on the Offeror’s performance record, the Government has doubt that the Offeror will successfully perform the required effort.
No Confidence	Based on the Offeror’s performance record, the Government has substantial doubt that the Offeror will successfully perform the required effort.

5.6 FACTOR 1: BUSINESS PLAN

For Factor 1, each Offeror’s Proposal will be evaluated at the subfactor level and each subfactor will be assigned an evaluation and risk rating.

5.6.1 Subfactor 1.1: Project Financing Strategy and Approach

This subfactor is met when the Offeror’s Proposal demonstrates that:

- The Offeror clearly demonstrates the Offeror’s strategy and ability to finance the project utilizing a structure that minimizes risks to the Government.

5.6.2 Subfactor 1.2: Project Financial Viability and Sustainability

This subfactor is met when the Offeror’s Proposal demonstrates that:

- The project economics and financing clearly support the project concept.
- The in-kind consideration to the Air Force is not less than the fair market value of the leasehold of the EUL Asset.
- The proposed equity returns and fee structures, including incentive fees (if any), as well as any other sources of financial return to the principal member or investors anticipated to be generated by the project are competitive and adequately reward good service and high-quality maintenance over the life of the project.
- The in-kind consideration to the Air Force meets the requirements set forth in Section 3.2.1.1 and is deemed advantageous by the Air Force.

The Air Force may give additional evaluation credit to alternative forms of rent payments (beyond the initial lump sum payment and periodic rent payments) deemed advantageous by the Air Force.

5.7 FACTOR 2: DEVELOPMENT PLAN

For Factor 2, each Offeror's Proposal will be evaluated at the subfactor level and each subfactor will be assigned an evaluation and risk rating.

5.7.1.1 Subfactor 2.1: Development Management Approach

This subfactor is met when the Offeror's Proposal demonstrates the following:

- The Offeror's proposed organization, including the levels of management interaction; extent of the proposed team having worked together in the past; corporate management support of the project; and legal form of ownership, successfully demonstrate the Offeror's ability to assure project success throughout the term of the lease.
- The Offeror is able to field a qualified, experienced project team with the experience and workload capacity necessary to manage all the disciplines required to implement the project.
- The Offeror has proposed a construction management approach that will ensure a seamless execution of the development plan while minimizing the impact to the Air Force and other adjacent property owners and tenants.

5.7.1.2 Subfactor 2.2: Project Concept Approach

This subfactor is met when the Offeror's Proposal demonstrates that:

- The Offeror has an understanding of the Air Force's goals and objectives and meets Air Force requirements as outlined in Section 3.2.2.
- The Offeror has a clear understanding of the scope and complexity associated with the project.
- The schedule is reasonable and meets the project completion requirements identified in Section 3.2.2.
- The conceptual site drawings reflects the proposed project concept approach and development budget.

5.8 FACTOR 3: PROPERTY MANAGEMENT PLAN

For Factor 3, each Offeror's proposal will be evaluated at the subfactor level and each subfactor will be assigned an evaluation and risk rating.

5.8.1.1 Subfactor 3.1: Property Management Approach

This subfactor is met when the Offeror's Proposal demonstrated that:

- The Offeror's proposed organization and narrative that includes levels of management interaction, extent of the proposed team having worked together in the past, corporate management support of the project, and legal form of ownership will enable them to assure project success throughout the term of the project.
- The Offeror is able to field a qualified, experienced project team with the experience and workload capacity necessary to manage all the disciplines required to manage all aspects of the project.

5.8.1.2 Subfactor 3.2: Property Operations and Maintenance Strategy

This subfactor is satisfied if the Offeror's Proposal demonstrated that:

- The Offeror has a clear understanding of what is required to manage, operate and maintain the project and has provided a narrative of the approach to the following plans described in Section 3.2.3: (1) Property Operations and Management Plan, (2) Leasing and Marketing Plan, (3) Severability Plan, (4) Facilities Maintenance Plan, (5) Capital

Repair and Replacement Plan, (6) Environmental Management Plan, (7) Community Relations Plan, and (7) Historic Preservation Plan.

5.9 FACTOR 4: QUALIFICATIONS

For Factor 4, each Offeror's Proposal will be evaluated at the subfactor level and each subfactor will be assigned a qualification rating.

5.9.1 Subfactor 4.1: Financial Capabilities

This subfactor is met when the Offeror's submittal demonstrates that:

- The Offeror is financially sound and any adverse information, such as litigation, disputes, claims, etc., has been resolved, or it will not negatively impact this project.
- The Offeror possesses the financial capability, bonding capacity, and institutional relationships necessary to obtain financing for a project of this size and scope.
- The Offeror identified sufficient sources of equity to be used for the project.

5.9.2 Subfactor 4.2: Organizational Capabilities

This subfactor is met when the Offeror's submittal demonstrates that:

- The Offeror can field a qualified, experienced project team with the expertise and workload capacity necessary to manage all of the disciplines required to plan, develop, redevelop, manage, and maintain the project.
- The Offeror possesses the organizational capability to field a team that possesses the skills necessary to successfully complete the project.
- The Offeror presented an organizational structure that allows for successful oversight and creation of an acceptable Business and Leasing Plan.
- The Offeror successfully demonstrated the workload capacity to incorporate the proposed project into their current and planned business operations.

If an Offeror is made up of two or more entities, this factor evaluates the organizational capabilities of each entity in their assigned areas of responsibility and any previous or current third-party certification of such ability. Resumes for individual personnel are not required.

5.10 FACTOR 5: PAST PERFORMANCE

The purpose of the Past Performance evaluation is to assess the degree of confidence the Government will have in an Offeror's ability to provide services that meet users' needs. The Past Performance evaluation will assess how relevant the Offeror's contracts/projects on previous efforts of similar size and scope to this project have been rated by their customers, to include adherence to cost, quality, and schedule, business relationship, and customer satisfaction. The Past Performance evaluation will be assessed against the Project Concept factors and subfactors for relevance and performance, as follows:

Factor 1: Business Plan

Subfactor 1.1: Project Financing Strategy and Approach

Subfactor 1.2: Project Financial Viability and Sustainability

Factor 2: Development Plan

Subfactor 2.1: Development Management Approach

Subfactor 2.2: Project Concept Approach

Factor 3: Property Management Plan

Subfactor 3.1: Property Management Approach

Subfactor 3.2: Property Operations and Maintenance Strategy

SECTION 6.0 HIGEST RANKED OFFEROR EXCLUSIVE NEGOTIATIONS

6.1 STRATEGY

The HRO shall submit for Government approval a proposed closing schedule within (5) five business days of Notification of its selection as the HRO. The Schedule shall outline activities that must occur prior to the date of the simultaneous transaction and financial closing. The Government will commence exclusive negotiation with the HRO within 5 business days after receiving the proposed closing schedule from the HRO. During the period of exclusive negotiations, the HRO will: (i) work towards finalizing the Business and Leasing Plan and any environmental documentation; (ii) pursue local approvals; (iii) negotiate with utilities suppliers; (iv) complete financing due diligence; and (v) reach agreement with the Government regarding all aspects of the transaction. During the exclusive negotiation period, the Government and PRESS Contractor will work closely with the HRO as it develops its closing documentation. The result of these exclusive negotiations will be legal documents and exhibits describing all relevant characteristics of the development and defining all business terms and conditions, schedules and financial arrangements between the parties. Exclusive negotiations may result in terms and conditions that differ from those specified in the RFQ, the appendices to the RFQ and the selected Proposal. It is the Government's intent that as each item is completed, it will be submitted to the PRESS Contractor and reviewed to ensure it addresses the elements in accordance with the RFQ. Exhibits will include executable Business and Leasing Plans as described in Section 3.0 of this RFQ. It is the Government's intent that the HRO, its lender(s) and the Government reach agreement on all material terms and conditions which will be included in the final Project Documents within sixty (60) days of Notification of its selection as HRO.

The HRO will have 90 calendar days from the date of Notification to finalize an operating agreement and other legal documents acceptable to the Government that includes complete project financing and execution of all required agreements. If at any time during the 90 calendar days, the Government and HRO are unable to make satisfactory progress as determined by the Government, the Government, at its sole discretion, has the right to (i) establish a new closing date in order to continue negotiations or (ii) terminate negotiations with the HRO and select the next Higher Ranking Offeror to engage in exclusive negotiations.

Prior to entering into negotiations with the next Higher Ranking Offeror, that Offeror (the "new" HRO) shall provide a written affirmation that material changes to their proposal have not occurred as required in Section 4.12.1. Failure to provide such written affirmation will disqualify an Offeror from selection as the new HRO. In the event a new HRO is selected, neither the former HRO nor the Government will be entitled to reimbursement of costs or other indemnification from the other party.

SECTION 7.0 REFERENCE SOURCES AND POINTS OF CONTACT

7.1 DOCUMENTATION

Documents relevant to this project are available for downloading at <http://www.jllpress.com>. In addition, certain documents (some in electronic format, others as printouts only) are available for purchase from Jones Lang LaSalle at 200 East Randolph Drive, 46th Floor, Chicago, IL 60601, (312) 228-2309.

Prospective offerors are also encouraged to visit the AFRPA EUL Web page for additional information at <http://www.afropa.hq.af.mil.com>.

7.2 ARRANGEMENTS FOR SITE VISITS

Arrangements can be made with Kirtland AFB for tours of the assets included in this solicitation. To make such arrangements e-mail David Sconyers at david.sconyers@kirtland.af.mil.

7.3 CLARIFICATIONS

If further clarification is needed after accessing the information source above, contact the following individual:

Table 9 – Contact for Clarifications

OFFICE	NAME	ADDRESS	PHONE, EMAIL
Jones Lang LaSalle	Warren Durbin	Jones Lang LaSalle 200 East Randolph Drive, 46 th Floor Chicago, IL 60601	(312) 228-2309 warren.durbin@am.jll.com

7.4 STATE AND LOCAL GOVERNMENT POINTS OF CONTACT

State and local government points of contact include the following:

Table 10 – State and Local Government Contacts

OFFICE	NAME	ADDRESS	PHONE, EMAIL, WEB
City of Albuquerque Office of Economic Development	Fred Mondragon	P.O. Box 1293 Albuquerque, NM 87103	(505) 768 - 3270 fmondragon@cabq.gov http://www.cabq.gov/econdev/
City of Albuquerque Planning Department	Sheran Matson	Planning Department 600 2nd St. NW Albuquerque, NM 87103	(505) 924-388 smatson@cabq.gov http://www.cabq.gov/planning/
City of Albuquerque Neighborhood Traffic Management	B. Coleman	5501 Pino Avenue Albuquerque, NM 87109	(505) 857-8680 bcoleman@cabq.gov http://www.cabq.gov/streets/ntmp.html
City of Albuquerque Water Conservation Program	Katherine Yuhas	One Civic Plaza 5th Floor Albuquerque, NM 87102	(505) 768-3655 kyuhas@cabq.gov http://www.cabq.gov/waterconservation/
City of Albuquerque Building Permits and Code Inspections	Deborah Nason	Planning Department 600 2nd St. NW Albuquerque, NM 87103	(505) 924-3860 dnason@cabq.gov http://www.cabq.gov/planning/bldgsafety/
Bernalillo County Zoning, Building and Planning	Toby Perea (Building Permits, Codes, Inspections) Bob Solano (Zoning)	111 Union Square SE, Suite 100 Albuquerque, NM 87102	(505) 314-0350 zoning@bernco.gov http://www.bernco.gov/live/departments.asp?dept=2347
State of New Mexico Economic Development Department	Christopher Chavez	1100 St. Francis Drive Suite 1060 Santa Fe NM 87505	(505) 827-0330 Christopher.chavez@state.nm.us http://www.edd.state.nm.us/

All Offerors are encouraged to contact the appropriate governmental agencies during the planning, development, construction, and management of the development.