

United States Department of the Air Force

**AETC
Air Force Real Property
Agency
(AFRPA)**



**Enhanced Use Leasing
Luke AFB/Barry M. Goldwater Range**

RFQ No. AFRPA-08-R-0007

REQUEST FOR QUALIFICATIONS

**PROPOSALS ARE DUE NO LATER THAN
5:00 P.M. ET March 31, 2008 AT:**

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TABLE OF CONTENTS

| | |
|--|-----------|
| SECTION 1.0 EXECUTIVE SUMMARY | 1 |
| 1.1 AUTHORITY | 1 |
| 1.2 EUL GOAL | 1 |
| 1.3 PROPOSAL SUBMITTALS AND SELECTION OF LESSEE | 2 |
| 1.4 SMALL BUSINESS | 2 |
| 1.5 PROJECT DOCUMENTS | 2 |
| SECTION 2.0 EXISTING CONDITIONS | 4 |
| 2.1 EXISTING CONDITIONS | 4 |
| 2.2 EUL ASSET OVERVIEW | 4 |
| 2.3 LEASED AREAS | 4 |
| SECTION 3.0 PROJECT REQUIREMENTS | 7 |
| 3.1 STRATEGY | 7 |
| 3.2 BUSINESS AND LEASING PLAN | 7 |
| 3.3 ENVIRONMENTAL COMPLIANCE..... | 15 |
| SECTION 4.0 INSTRUCTIONS TO OFFERORS..... | 18 |
| 4.1 PROVISIONS | 18 |
| 4.2 RESTRICTIONS ON FOREIGN PARTICIPATION | 19 |
| 4.3 RESTRICTION ON DISCLOSURE AND USE OF DATA | 19 |
| 4.4 CONFLICT OF INTEREST..... | 19 |
| 4.5 SUBMISSION OF OFFERS | 20 |
| 4.6 SUBMITTAL REQUIREMENTS | 20 |
| 4.7 EXECUTION OF PROPOSAL | 21 |
| 4.8 LATE SUBMISSIONS, MODIFICATIONS, AND WITHDRAWALS OF PROPOSALS | 21 |
| 4.9 EVIDENCE OF DATES AND TIMES OF MAILING RECEIPTS..... | 22 |
| 4.10 GENERAL INFORMATION..... | 22 |
| 4.11 ELECTRONIC COPIES..... | 22 |
| 4.12 SUBMITTAL REQUIREMENTS FOR ALL OFFERORS | 23 |
| 4.13 VOLUME I: PROJECT CONCEPT SUBMITTAL REQUIREMENTS..... | 24 |
| 4.14 VOLUME II: QUALIFICATIONS SUBMITTAL REQUIREMENTS..... | 26 |
| 4.15 VOLUME III: PAST PERFORMANCE SUBMITTAL REQUIREMENTS..... | 28 |
| 4.16 HIGHEST RANKED OFFEROR INFORMATION | 29 |
| SECTION 5.0 BASIS OF SELECTION | 31 |
| 5.1 STRATEGY | 31 |
| 5.2 EVALUATION FACTORS AND SUBFACTORS AND THEIR RELATIVE ORDER OF IMPORTANCE | 31 |
| 5.3 PROJECT PROPOSAL RATINGS | 31 |
| 5.4 QUALIFICATION RATINGS..... | 32 |
| 5.5 PAST PERFORMANCE CONFIDENCE ASSESSMENT | 32 |
| 5.6 FACTOR 1: BUSINESS PLAN | 34 |
| 5.7 FACTOR 2: DEVELOPMENT PLAN | 34 |
| 5.8 FACTOR 3: PROPERTY MANAGEMENT PLAN | 35 |
| 5.9 FACTOR 4: QUALIFICATIONS..... | 36 |
| 5.10 FACTOR 5: PAST PERFORMANCE | 36 |
| SECTION 6.0 HIGHEST RANKED OFFEROR EXCLUSIVE NEGOTIATIONS..... | 37 |
| 6.1 STRATEGY..... | 37 |
| SECTION 7.0 REFERENCE SOURCES AND POINTS OF CONTACT..... | 38 |
| 7.1 DOCUMENTATION | 38 |
| 7.2 ARRANGEMENTS FOR SITE VISITS | 38 |
| 7.3 CLARIFICATIONS | 38 |
| 7.4 CITY POINTS OF CONTACT | 38 |

LIST OF APPENDICES

- Appendix A** - Glossary
- Appendix B** - Description and Map of Leased Premises
- Appendix C** - Non-Exclusive List of Outgrants
- Appendix D** - [Reserved]
- Appendix E** - Utility Sales Rates
- Appendix F** - Technical References
- Appendix G** - Reporting Requirements Instruction Letter with Sample Reports
- Appendix H** - Offeror's Cover Page
- Appendix I** - Non-Disclosure Agreement
- Appendix J** - Past Performance Questionnaire
- Appendix K** - [Reserved]
- Appendix L** - Mandatory Clauses Required by Federal Law
- Appendix M** - Insurance Requirements
- Appendix N** - Quantitative Financing Evaluation Chart

LIST OF TABLES

Table 1 – Size of Leased Land Area 2
Table 2 – Volume Submittals – For All Offerors 23
Table 3 – Evaluation Factors and Subfactors – Order of Importance..... 31
Table 4 – Ratings 32
Table 5 – Past Performance Relevancy Ratings 33
Table 6 – Confidence Assessment Ratings 34
Table 7 – Contact(s) for Clarifications 38
Table 8 – Contact(s) for Project Information..... 38

SECTION 1.0 EXECUTIVE SUMMARY

1.1 AUTHORITY

Enhanced Used Leasing (“EUL”) is provided under the authority of Title 10, United States Code, and 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://frwebgate.access.gpo.gov/cgi-bin/getdoc.cgi?dbname=browse_usc&docid=Cite:+10USC2667

1.2 EUL GOAL

The Air Force has identified an underutilized 4,000 acre asset (“EUL Asset”) on the eastern segment of the Barry M. Goldwater Missile Range (BMGR). This parcel of underutilized land has been identified as a potentially suitable for solar energy development. Within this parcel, a site of up to 2,700 acres could be identified as a suitable location for a solar energy EUL project.

BMGR is located 45 miles south of Luke AFB and approximately 68 miles southwest of Phoenix, AZ. Luke AFB is home to the Air Education and Training Command Center and its subordinate wing, the 56th Fighter Wing. The 56th Range Management Office is responsible for all environmental issues associated with the eastern segment of BMGR. BMGR is used as a live-fire training area.

The Air Force is seeking a prospective Lessee (hereafter “Offeror”, “Highest Ranked Offeror” or “Lessee”) 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, the Government will lease certain land or improvements, described in Section 1.2.1.1 and 1.2.1.2. The land is unimproved as further described in Section 2.0.

1.2.1.2 Leased Land

At the closing of the transaction, the Government will lease up to 2,700 acres of approximately 4,000 available acres of land to the Lessee. Reference the following table:

Table 1 – Size of Leased Land Area

| LAND AREA | APPROXIMATE ACRES |
|--------------|-------------------|
| Parcel A | 4,000* |
| TOTAL | 4,000 |

*Up to 2,700 of the 4,000 acres are available to the offeror

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

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. 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, at its option, 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.safie.hq.af.mil/afarpa/index.asp>) 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, as well as site specific terms and conditions, shall 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. Locations of transmission lines are identified in Appendix B. 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 4,000 acres.

The parcel is located on the northeast section of BMGR. Within this parcel a site of up to 2,700 acres can be utilized as a location for a solar energy EUL project.

A map of the EUL project site can be found in Appendix B.

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

The identified parcel is an irregular shaped parcel located northeast of an area known as Auxiliary Field #6. The site is over 4,000 acres, and is underutilized, undeveloped property with a slope less than 3%. Within this parcel, a site of up to 2,700 acres could be identified as a potential location for a solar energy project. The parcel is owned by the Government and wholly located within BMGR. This parcel is severable from the installation.

2.3.2 Improvements

None

2.3.3 Natural Infrastructure

See Appendix B

2.3.4 Transportation and Access

The site is accessible by existing roadways and is located off State Highway 85. Some road improvements may be required for construction and will be paid for by the developer if necessary.

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.

2.3.5.1 Electrical, Natural Gas, Water

The site has direct access to a 69 kV electricity transmission line that traverses north to south through the site and connects to the Gila Bend substation. Ajo Improvement Company, a subsidiary of Phelps Dodge Corporation, has obtained a right-of-way grant to construct and operate a 230 kV line.

The BMGR lies within the central portion of the Sonoran Desert and is characterized by high summer temperatures, moderate winter temperatures, and low rainfall and relative humidity. The presence of surface water on the BMGR is very limited and typically dependent on the season and precipitation events. There are no perennial or intermittent streams present on the range and rainfall is generally less than 5 inches per year.

The BMGR includes portions of two major groundwater basins and as identified by Arizona Department of Water Resources (ADWR) Well Registry has approximately 74 groundwater wells on the range. Of the 74 wells, five are registered to the U.S. Air Force. Annual water usage at is .05 million gallons at BMGR Manned Ranges 1 to 4, and minor amounts at other locations throughout the range. Water from wells is used on the range for construction, dust control, and potable water supply for selected facilities.

The Offeror will be responsible for coordinating with local utility companies and Luke AFB for access to electricity and or natural gas.

2.3.5.2 Steam

N/A

2.3.5.3 Sewer

No known improvements. The Offeror will be responsible for any necessary improvements.

2.3.5.4 Storm Drainage

No known improvements. The Offeror will be responsible for any necessary improvements.

2.3.5.5 Telephone

No known improvements. The Offeror will be responsible for any necessary improvements.

2.3.5.6 Computer Network Lines

No known improvements. The Offeror will be responsible for any necessary improvements.

2.3.5.7 Cable TV

No known improvements. The Offeror will be responsible for any necessary improvements.

2.3.5.8 Pavements

See 2.3.4.

2.3.6 Community Services

N/A

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.

The parcel is wholly located within the BMGR and unless severed, the parcel will have to meet minimum ATFP requirements.

2.3.7.2 Environmental Considerations

The Government has not completed an Environmental Baseline Survey. This will be completed prior to negotiations with an Offeror.

2.3.7.3 Historical, Cultural, and Archeological Resources

The Government has not completed a survey to identify and evaluate cultural resources. In addition, the HRO shall coordinate and prepare all required National Environmental Policy Act (NEPA) NEPA documents and analysis for the approval of the Air Force Approving Official prior to the transaction closing.

2.3.7.4 Regulatory Issues

The Air Force must comply with the National Environmental Policy Act, the Endangered Species Act, the National Historic Preservation Act, and the Archeological Resources Protection Act.

2.3.7.5 Legislative Jurisdiction

The identified parcel is under Exclusive Federal Jurisdiction.

2.3.7.6 Easements and Encumbrances

There are no easements or encumbrances affecting the EUL Asset. All improvements shall comply with appropriate airfield planning criteria.

2.3.7.7. Army and Air Force Exchange Service (AAFES) and Morale, Welfare and Recreation (MWR).

The Offeror is 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. The offeror is advised of section 662 of the National Defense Authorization Act of Fiscal Year 2007 (Pub. L. 109-364) (Protection of MWR Activities) that amends 10 U.S.C. § 2667 to protect MWR activities. If the Secretary determines that the Ground Lessee will provide merchandise or services under the Ground 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 refuse) 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.

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.

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 Offeror must execute a comprehensive Business Plan that addresses the methodology for leasing, financing, energy production and sales, 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 Financial Consideration

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

It is the intention of the Air Force to have construction completed as soon as possible, but also to ensure that the developer has enough time to design the project to have no mission impact, to sign a Power Purchase Agreement, and to arrange financing. If in-kind consideration is proposed, describe in detail the form(s) of in-kind consideration to be provided. At a minimum, the government would like to see two alternatives: 1) the in-kind consideration in the form of energy and 2) the in-kind consideration in the form of yearly lease payments.

3.2.1.2 Lease Duration

The duration of the lease shall be the minimal period necessary to support the financing of the Project, not to exceed 50 years.

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.

- Upon expiration of the Lease or any extension thereof, the facilities and improvements shall revert or be transferred to the Government at no cost.

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 to satisfy the lender's requirements. 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 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 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
- Sales and Marketing Activity Report
- Details of Development Scope Costs
- Details of Loan Financings
- Extraordinary Costs or Expenditures Report
- Copies of Executed Tenant Leases
- Renewable Energy Credits
- Tax Incentives
- Other Credits and Incentives
- Customer Relationships
 - Sales Agreements
 - Sales Contracts
 - Sales Plans

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 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

No Land Use Restrictions have been identified, however the government will not permit any project that restricts the mission of BMGR.

3.2.2.1.2 Site Development Design

The site should be designed such that it is integrated with the surrounding community, and that it provides for efficient vehicular and pedestrian ingress and egress. These site designs shall be consistent with good land use planning, practices, and economics.

3.2.2.1.2.1 Force Protection

The site development design shall minimize terrorist impacts, minimize access from surrounding communities, eliminate places of concealment, offer the greatest possible protection against crime, and discourage undesirable traffic. Designs must comply with the

Department of Defense Antiterrorism Standards for Buildings (Unified Facilities Criteria 4-010-D1).

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 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 and or Air Force regulations, whichever is more stringent. 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, designs and construction plans shall provide details on expected air and water emissions, water and other resource use and power output, and any relevant height restrictions.

3.2.2.2.3 Utilities and Infrastructures

The lessee must identify in its plan how it intends to access any required utilities.

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 (35-65-95% and final) will be held following the transaction closing for the Government's review and approval 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

There is not a landfill available on BMGR. All debris must be hauled to a site off the base. 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 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 Arizona.

3.2.2.5.2 Codes, Standards, and Regulations

All development activities involved in the project shall be in accordance with Maricopa County, Arizona, and Air Force 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-D1).

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, Sales 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

In the event that the government provides any utilities, the lessee will pay for all connections and commodity charges.

3.2.3.1.2 Municipal Services To Be Provided By The Government

The Government may provide fire, law enforcement services, and other emergency services to facilities located within the base boundaries, unless the EUL Asset is segregable from the remainder of the base and a State of local government is available to provide such services. 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 Sales and Marketing Plan

The Lessee shall establish a Sales 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.

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

Reserved

3.3 ENVIRONMENTAL COMPLIANCE

The Lessee shall be responsible for complying with all applicable laws federal, state, and local environmental laws 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 Arizona 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 Arizona 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

Reserved

3.3.2.2 Management and Abatement

Reserved

3.3.3 Radon

The EUL Asset is unimproved. In all new construction and renovation, the Offeror 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 as a result of Lessee activity, shall be the responsibility of the Lessee.

3.3.5 Soil

The Offeror 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 Offeror 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 Offeror will conduct a complete risk assessment. The results of sampling or risk assessment will be provided to the Government for approval prior to occupancy. The Offeror shall review state and local standards and screening values, and if such standards and values are more stringent, then the Offeror shall adhere to the more stringent standards and values.

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 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, 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 BMGR project.

4.4 CONFLICT OF INTEREST

The Privatization Real Estate Support Services (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; MWH Americas; 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 to the PRESS Contractor no later than 5:00 p.m. ET on March 31, 2008. 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: Bryan Thomas
____ Jones Lang LaSalle, Inc.
1801 K Street, 10th Floor
Washington, DC 20006

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 there under 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. These table of contents pages will not count against the page count for the 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, Inc. 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 and shall be consolidated into a single printable file. 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 and pdf 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, five 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 2 – 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, four copies, and one electronic copy ² | 15 pages |
| Part B | Factor 2 - Development Plan | One original, four copies, and one electronic copy ² | 15 pages |
| Part C | Factor 3 - Property Management Plan | One original, four copies, and one electronic copy ² | 15 pages |
| Volume II: Qualifications (Factor 4) | | One original, four copies, and one electronic copy ² | 10 pages |
| Volume III: Past Performance ³ (Factor 5) | | One original, four 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, Inc. | | | |

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, discussion of available credits and incentives, plans and processes for securing a power purchase agreement, 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.

Offerors 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 technology, project design and construction methodology. The Offeror shall submit preliminary proposed specifications and technical details for the project, including access to water and other utilities, road construction and other earthwork.

Offeror's approach shall address the entire project 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 parcel 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) Sales 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, solar energy system 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, historic preservation, 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)

- Information regarding Power Purchase Agreements and Energy Transmission and Interconnection
- Use of Tax Incentives and Renewable Energy Credits
- 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 3 – 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 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 | Factors 1, 2, 3, 4 and 5 are of equal importance. Subfactors within factors are of equal importance. |
| QUALIFICATIONS | Factor 4: Qualifications Subfactor 4.1: Financial Capabilities Subfactor 4.2: Organizational Capabilities | |
| 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 4 below:

Table 4 – Ratings

| CODE | PROPOSAL RATING | DEFINITION |
|-------------|------------------------|---|
| E+ | Exceptional Plus | The Offeror has addressed all of the elements in this subfactor in a manner that demonstrates superior added value above a satisfactory response. |
| E | Exceptional | The Offeror has addressed a majority of the elements of this subfactor in a manner that demonstrates superior added value above a satisfactory response and has addressed all of the remaining elements in this subfactor in a manner that demonstrates high added value above a satisfactory response. |
| A+ | Acceptable Plus | The Offeror has addressed a majority of the elements of this subfactor in a manner that demonstrates added value above a satisfactory response and has addressed all of the remaining elements in this subfactor in a manner that demonstrates a satisfactory response. |
| A | Acceptable | The Offeror has addressed all of the elements in this subfactor in a satisfactory manner. |
| U | Unacceptable | The Offeror has failed to address all of the elements of this subfactor in a satisfactory manner or has simply failed to address 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 5 – 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 6 – 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 and maximizes the use of tax credits and incentives available for renewable energy development.

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 value of the EUL Asset.
- The proposed equity returns, fees structure and fee position, including incentive fee (if any), as well as any other sources of financial return to the principal member or investors that will be generated by the project are competitive and adequately reward good service and high-quality maintenance over the life of the project.

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 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) Sales 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 and purchasers; (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 365 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 365 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, Inc. at 1801 K Street, NW, Washington, DC 20006, (202)719-5853, bryan.thomas@am.jll.com

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

7.2 ARRANGEMENTS FOR SITE VISITS

Arrangements can be made with Francisco Pardieu for tours of the assets included in this solicitation. To make such arrangements e-mail Francisco Pardieu at Francisco.Pardieu@luke.af.mil.

7.3 CLARIFICATIONS

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

Table 7 – Contact(s) for Clarifications

| OFFICE | NAME | ADDRESS | PHONE, EMAIL |
|--------------------------|--------------|---|--|
| Jones Lang LaSalle, Inc. | Bryan Thomas | 1801 K Street, NW, 10th Floor Washington, DC 20006 | Voice: (202) 719-5853 Fax: (312) 416-5414 Email: bryan.thomas@am.jll.com |

7.4 BASE POINTS OF CONTACT

Base points of contact can be found on the following:

Table 8 – Contact(s) for Project Information

| OFFICE | NAME | ADDRESS | PHONE, EMAIL |
|-------------|-------------------|--|---|
| 56 CES/CEOE | Francisco Pardieu | 13970 W Lightning Street Luke AFB 85309 | 623-856-3536; francisco.pardieu@luke.af.mil |
| 56 RMO | Chas Buchanan | | Chas.Buchanan@luke.af.mil |

All Offerors are encouraged to contact the appropriate local planning agencies in Table 8 during the planning, development, construction, and management of the development.