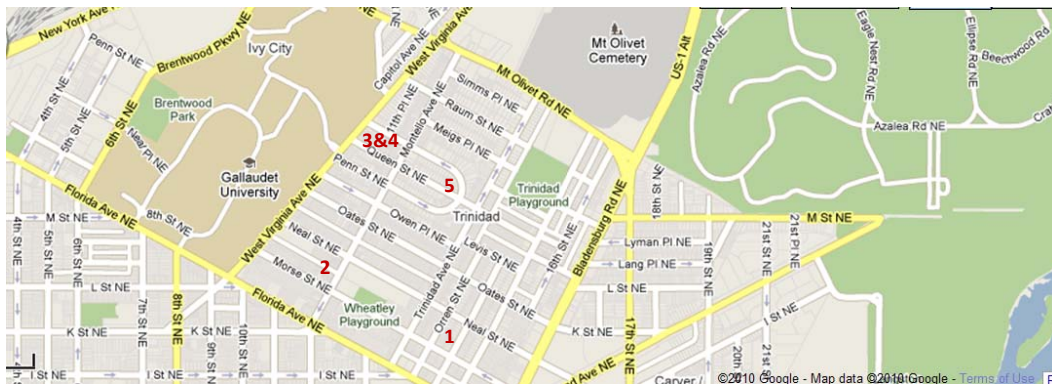


**District of Columbia  
Department of Housing and Community Development**



**Property Acquisition and Disposition Division**



1. 1214 Staples Street, NE
2. 1214 Montello Avenue, NE
3. 1612 Montello Avenue, NE
4. 1663 Montello Avenue, NE
5. 1259 Holbrook Terrace, NE

**Redevelopment of Scattered Sites in Trinidad  
Northeast Washington, DC 20002  
Solicitation For Offers**

To Be Released: Monday, March 28, 2011  
Pre-Bid Meeting & Site Visit: Wednesday, April 13, 2011  
Responses Due: Wednesday, May 4, 2011



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- Confidentiality
- Non-Liability



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- Other Limiting Conditions

**Exhibits**

**The following Exhibits A - J are attached as files to this Solicitation and are also available on the DHCD website – [www.dhcd.dc.gov](http://www.dhcd.dc.gov) Beginning on March 28<sup>th</sup>, the Solicitation is also available on CD at the DHCD Housing Resource Center at 1800 Martin Luther King, Jr. Ave, Washington, DC 20020**

- Exhibit A – Property Disposition Agreement with form exhibits
- Exhibit B – PADD Residential Design and Performance Standards
- Exhibit C – Sample Certified Business Enterprise Agreement
- Exhibit D – First Source Employment Agreement
- Exhibit E – Right of Entry Agreement
- Exhibit F - Waiver, Indemnity Premises Use Certification
- Exhibit G – Developer’s Kit
- Exhibit H – Subsidy RFP Material



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### 1 Introduction

#### 1.1 Purpose of Solicitation for Offers

The Property Acquisition and Disposition Division ("**PADD**") of the Department of Housing and Community Development ("**DHCD**") acquires and disposes of vacant and abandoned property. PADD has three main functions:

- Encourage property owners to rehabilitate and/or occupy their vacant residential property;
- Acquire vacant, abandoned and deteriorated properties through negotiated friendly sale, eminent domain, donation or tax sale foreclosure when owners are unwilling or unable to maintain their properties; and
- Dispose of properties in the PADD inventory by selling the properties to individuals or developers to be rehabilitated into high quality affordable and market-rate single-family and/or multifamily housing in District of Columbia ("**District**") neighborhoods.

Pursuant to Mayor's Order 2007-209, dated September 27, 2007, the Mayor of the District of Columbia delegated his authority under the Abatement and Condemnation of Nuisance Properties Omnibus Amendment Act of 2000, as amended, the Vacant and Abandoned Properties Community Development and Disapproval of Disposition of Certain Scattered Vacant and Abandoned Properties Act of 2002, as amended, the Homestead Preservation Act of 1986 and certain portions of the Tax Clarity Act of 2000, as amended to DHCD for the purpose of addressing blight, crime and neighborhood instability caused by vacant, abandoned and deteriorated properties in the District by allowing DHCD to acquire and dispose of such properties for redevelopment.

For this Solicitation for Offers, PADD is offering to sell five (5) geographically dispersed properties located throughout the Trinidad neighborhood in **Northeast Washington, DC 20002** in Ward 5:

1. 1214 Staples Street, NE
2. 1214 Montello Avenue, NE
3. 1612 Montello Avenue, NE
4. 1663 Montello Avenue, NE
5. 1259 Holbrook Terrace, NE

DHCD anticipates that the redevelopment of this property will have a positive impact and continue the revitalization efforts that have begun in the Trinidad neighborhood.



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### 1.2 Development Opportunity

In this Solicitation for Offers (the “**Solicitation**”), PADD under the authority of § 42-3171.03 of the D.C. Official Code (the “**Code**”), intends to dispose of five (5) unrelated, scattered properties (“**Development Sites**”) currently in its inventory. PADD shall award one or more Development Sites to a developer for the purpose of developing, redeveloping, financing, constructing, owning and/or disposing of an affordable rental or homeownership housing projects (the “**Projects**”). PADD is pleased to issue this Solicitation and invites developers to respond to this Solicitation with project proposals (an “**Offer**”).

PADD will evaluate all Offers according to the strengths and weaknesses of the following selection criteria:

- Development Plan
- Affordability Component
- Pricing Proposal and Financing Plan
- First Source and Certified Business Enterprise Participation
- Executive Summary

Developers will be expected to participate in a transparent and collaborative process involving the District, PADD, and community stakeholders. Offers submitted in response to this Solicitation shall comply with the requirements set forth in Sections 3 and 4.

### 1.3 Agency Goals

Based on prior experience, PADD has identified the following development standards and goals that contribute to successful projects. This list is not intended to be a substitute for the above selection criteria, but merely a guide for developers as they prepare their Offers. Successful proposals will incorporate the following:

- Mixed-income developments;
- Mixed-use developments, where applicable;
- Vocational training and/or local neighborhood job creation;
- Good workmanlike construction, quality design and architecture that complements the existing architecture of the neighborhood;
- Adequate financing from pre-development through final completion;
- Family style affordable dwelling units (2 or more bedrooms) which allow families to grow in place;
- A commitment to at least 15 years of affordability for homeownership and 40 years for rental projects ;
- Community outreach and development coordination; and
- Use of green materials, techniques and systems that meet the 2011 Green Communities Criteria.



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### 1.4 Availability of Loan Funds

The Neighborhood Stabilization Program (NSP), established pursuant to Title III of the Housing and Economic Recovery Act of 2008, provides federal funds to state, county and local government units to acquire and redevelop foreclosed and abandoned properties with the goal of stabilizing neighborhoods impacted by the collapse of the mortgage market.

The District of Columbia ("**the District**") through the DHCD will make available to qualified developers, NSP funds to create affordable homeownership and rental opportunities. Allocation of these funds will be according to the process and criteria specified in the attached Request for Proposal (RFP) (See Exhibit H NSP-RFP Funding Applications). All NSP loan requests through this solicitation must complete all of the necessary documentation within the NSP-RFP Funding Applications folder.

DHCD expects to receive more proposals than can be funded with its limited NSP allocation, and reserves the right to reject any and all submissions. Also, applications may not be funded for the full amount requested. We encourage applicants to seek additional funds from other state, federal and private sources.

## 2. **Property and Land Use Overview**

### 2.1 Property Characteristics

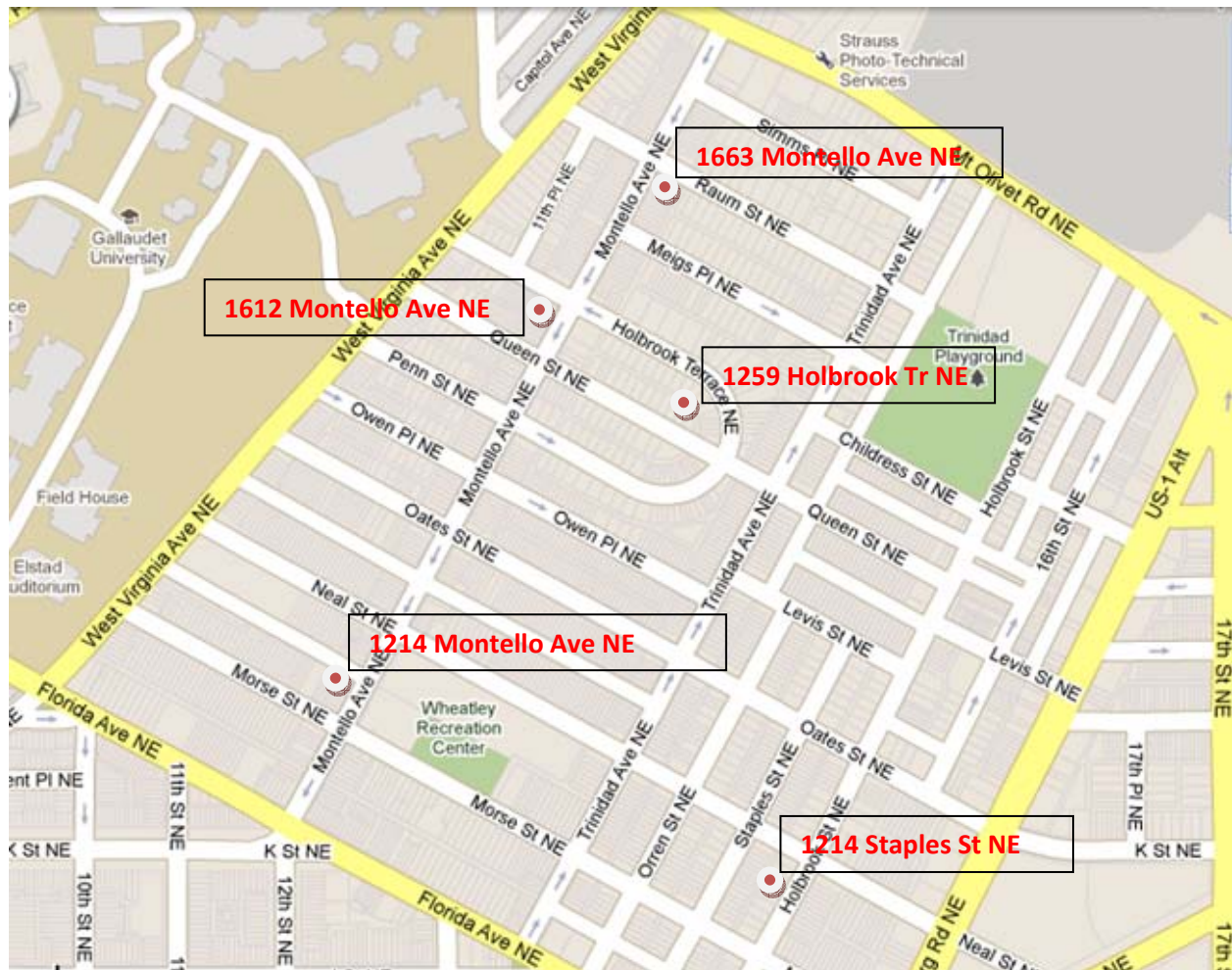
Street Address	1214 Staples St NE	1214 Montello Ave NE	1612 Montello Ave NE	1663 Montello Ave NE	1259 Holbrook St NE
Square and Lot	4067 0121	4065 0030	4058 0801	4055 0023	4057 0193
Neighborhood	Trinidad	Trinidad	Trinidad	Trinidad	Trinidad
Ward	5	5	5	5	5
Historic	No	No	No	No	No
2011 Assessed Value	\$ 234,460	\$ 145,960	\$ 53,970	\$ 147,970	\$ 164,360
Land Condition	Grassy terra firma; lot access from front and rear building	Grassy terra firma; lot access from front and rear building	Grassy terra firma; lot access from front and rear building	Grassy terra firma; lot access from front and rear building	Grassy terra firma; lot access from front and rear building
Utilities	Public utilities such as sewer, water, gas, electric are available to the Development Sites				
Approximate Lot Size (Sq. Ft.)	2,805	1,452	1,408	1,576	2,852
Zoning	R-4	R-4	R-4	R-4	R-4
Maximum Lot Occupancy	60%	60%	60%	60%	60%





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### Map of the Development Sites





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**Photos of the Development Site**

**1214 Staples Street, NE**



**1259 Holbrook Terrace, NE**







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**1214 Montello Avenue, NE**



**1612 Montello Avenue, NE**



**1663 Montello Avenue, NE**





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### 2.2 Ownership and Property Conditions

The Development Sites are owned by the District. The District shall convey the Development Sites pursuant to the terms of a Property Disposition Agreement ("**PDA**") referenced in **Exhibit A** and the developer shall take title to the Development site and Property therein in "as-is" condition, without any warranties.

The District makes no representations regarding the character of soil or subsurface conditions or the existence, location or condition of any utilities which may serve the Development Site or any Property within such Development Site and/or the existing building on the site. The zoning information listed herein is for informational purposes only. PADD makes no representation as to the accuracy of any zoning information. Upon execution of the "**Waiver, Indemnity, and Premises Use Certification**", each developer will be provided an opportunity to view the property during the scheduled site visit with PADD. Each developer is strongly encouraged to conduct its own research and should draw its own conclusions concerning the conditions that may affect the methods or cost of development. Developers shall be responsible for all pre-development expenses incurred to assess the conditions of the Property.

### 2.3 Zoning

Preference will be given to developers who submit Offers for Projects that may be constructed as a matter of right over those which require regulatory relief. Developers should review all applicable District zoning regulations while preparing their Offers. Please refer to Title 11 of the District of Columbia's Municipal Regulations ("**DCMR**") for a complete list of zoning provisions and requirements. Developers may elect to develop the Development Site and Properties to conform to the existing zoning



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designation or to apply for a zoning variance or special exception. A developer should detail its zoning strategy and present an estimated schedule that fully describes each step in the approval process necessary for the entitlements assumed in the Offer.

Additional information regarding existing zoning and pending changes may be obtained from the District's Office of Planning - <http://www.planning.dc.gov>

For more information specific to the Trinidad neighborhood, please view DC Office of Planning website: <http://www.planning.dc.gov/planning/site/default.asp>

This website contains the following neighborhood and revitalization plans:

- Florida Avenue Market Small Area Plan
- H Street Corridor Revitalization
- H Street, NE Neighborhood Investment Fund Plan
- The Northeast Gateway Revitalization Strategy and Implementation Plan



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### 3 Submission Requirements

#### 3.1 Development Plan

3.1.1 Developers should provide a narrative description of the proposed development Project for the Development Site. The narrative should describe the type of housing (multifamily rental or condominium) proposed, along with the total number of for-sale or rental dwelling units and for-sale affordable dwelling units to be produced. Briefly describe the quality and grade of construction materials, equipment and finishes for each for-sale dwelling unit and include as an attached exhibit to the Offer. Identify and describe any plans for the demolition of an existing unit, if applicable. In addition to the above, please provide the following information described below for rehabilitation projects. For all types of construction, the agency has a preference for the creation of family sized units (two bedrooms or more).

a. Rehabilitation:

- Describe in detail the level of rehabilitation to be completed. Some suggested terms for describing the level of rehabilitation are: (i) in the case of a rehabilitation without a reconfiguration of the existing unit - “repair and replace as necessary,” “no reconfiguration of existing space,”; or (ii) in the case of a rehabilitation with a reconfiguration of the existing unit - “gut rehab,” or “substantial rehab with moderate changes to existing configuration.”
- Describe with detail the entire scope of work to be done in each existing unit. Indicate the number of bedrooms, baths, storage/closet space and any special features to be included as a result of the renovation.
- Provide conceptual floor plans showing the location of affordable units and a conceptual site plan if needed. Site plans should show the relationship between the proposed renovation and the structures on the immediately adjacent lots with consideration to existing setbacks and other zoning requirements. Please identify all zoning relief required if proposing something other than a matter of right project.
- Demonstrate compliance with the PADD Design Standards and the Green Communities Criteria, 2011.

b. New construction:

- Provide conceptual facades, floor plans showing the location of all housing units, but specifically identifying the affordable units and site plans as attached exhibits to the Offer. Site plans should show the relationship between the proposed new units and the structures on the immediately adjacent lots with consideration to existing setbacks



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and other zoning requirements. Please identify all zoning relief required if proposing something other than a matter of right project.

- Describe the amenities, number of bedrooms, baths, storage/closet, square footage, etc. All housing units must be at least 750 square feet.
- Address exterior design issues and parking.
- Provide a detailed description of the scope of work.
- Demonstrate compliance with the PADD Design Standards and the Green Communities Criteria, 2011.

3.1.2 Developers should submit a brief narrative on the ownership model(s) to be used (homeowner, rental, co-op, condo, land trust and/or shared - equity). The narrative should include a description of the Developer's experience with the ownership model(s) proposed. Please describe if the Project will include the creation of an owners' association or board and indicate the amount of monthly fees associated with these entities and how the fees are projected to escalate over the first five (5) years. If proposing a co-op, condominium or other multi-family structure, indicate if any technical assistance and/or training will be made available to the associations or boards in order to effectively manage the Project on a long term basis by the developer.

3.1.3 Consider all applicable Federal and District laws and regulations when preparing development plans.

3.1.4 Developers should conduct their own due diligence, including design and engineering for the Project and will be held accountable for design, cost, and pricing upon submission of an Offer. Developers should determine the optimal unit sizes, mix, and affordability program that they believe best responds to the Solicitation. Developers should include in their Offers the development plan that will work best to achieve the goals of the District and community stakeholders.

3.1.5 Green Building Act

In accordance with The Green Building Act of 2006 and the goals of DHCD, all proposals shall comply with the Green Communities Criteria, 2011.

The following requirements will be enforced for residential building according to the Green Communities Criteria, 2011.

- Documentation of the findings of the integrated design charrette which has been conducted prior to this submission to consider the most cost-effective





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ways to integrate required green design elements (**Exhibit G, Form # 9B and #9A**) and

- Submission of “Intended Method of Satisfying Green Communities Criteria” (**Exhibit G, Form #9A and #9B**) with an appropriate minimum score:
  - Rehabilitation = All mandatory criteria and a minimum of 30 points on optional criteria.
  - New Construction = All mandatory criteria and a minimum of 35 points on optional criteria.

Please refer to <http://www.greencommunitiesonline.org/tools/> for further information.

### 3.1.6 Development Schedule

Developers are required to submit a detailed development schedule starting from date of award to C of O and stabilization. The selected developer will be required to spend pre-development money in order to achieve the scheduled submitted in the development proposal. **Failure to achieve the schedule submitted by the developer will be considered a default and is grounds for termination of the development team selected.** The development teams must be willing to spend money and be at risk in order to meet the proposed schedule.

## 3.2 Affordability

- 3.2.1 The developer shall demonstrate that 100% of the total number of units developed shall be affordable to households at various income levels as prescribed in the table below entitled “Affordability Requirements – Scattered Sites in Trinidad”. Submissions must include a complete **Exhibit G** (Forms 2 & 2A) for each unit type.

**Affordability Requirements – Scattered Sites in Trinidad**

Street Address	Ownership Preference	Affordable Housing Requirement	Duration of Affordability
<b>1214 Staples Street, NE</b>	Homeownership / Rental	<ul style="list-style-type: none"> <li>• 50% of units at or below 50% AMI</li> <li>• 50% of units at or below 120% AMI</li> </ul>	15 years – homeownership / 40 years - rental
<b>1214 Montello Avenue, NE</b>	Homeownership	100% at or below 50% AMI	15 years – homeownership / 40 years - rental



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<b>1612 Montello Avenue, NE</b>	Homeownership	100% at or below 50% AMI	15 years – homeownership / 40 years - rental
<b>1663 Montello Avenue, NE</b>	Homeownership	100% at or below 50% AMI	15 years – homeownership / 40 years - rental
<b>1259 Holbrook Terrace, NE</b>	Homeownership / Rental	100% at or below 50% AMI	15 years – homeownership / 40 years - rental

- 3.2.2 **“AMI”**: means the area median income for a household in the “Washington Metropolitan Statistical Area” as set forth in the most current periodic calculation provided by the United States Department of Housing and Urban Development (**“HUD”**), adjusted for household size, and available on HUD’s website. Please refer to the Neighborhood Stabilization Program (NSP) income limits below.

**NSP Income Limits (Effective 5/14/10)**

Maximum Homebuyer/ Tenant Income	Household Size							
	1 person	2 person	3 person	4 person	5 person	6 person	7 person	8 person
Low Income (0-50%)	36,250	41,400	46,600	51,750	55,900	60,050	64,200	68,350
Moderate Income (51-120%)	86,950	99,350	111,800	124,200	134,150	144,050	154,000	163,950

- 3.2.3 **“Affordable Housing”** means 50% of AMI for a household in the “Washington Metropolitan Statistical Area.
- 3.2.4 For this Solicitation, PADD requires a minimum affordability period of at least 15 years for homeownership and 40 years for rental upon closing.
- 3.2.5 Preference will be given to developers with Offers that exceed the minimum required percentages of affordable units in their Project.
- 3.2.7 To calculate the Maximum Allowable Rent, using the targeted AMI, adjusted for household size, using the Occupancy Pricing chart listed in section 3.2.8 (a), the household shall not expend more than thirty percent (30%) of their household



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income on housing cost (**"Maximum Allowable Rent"**). Housing cost equals rent plus the utility allowance established by the District of Columbia Housing Authority for tenant-paid charges for gas, electric, water and sewer service.

- 3.2.8 Pursuant to the Affordability Covenant, affordable units must be both income and price restricted for homeownership units. The developer shall set an initial maximum sales price based on the following assumptions: (i) a three percent (3.5%) down payment; and (ii) a monthly housing payment of principal, interest, taxes, insurance and condominium fees, if applicable, not to exceed thirty percent (30%) of the maximum allowable monthly gross income, based on the applicable AMI range of a prospective homebuyer, assuming a ninety seven percent (96.5%) loan-to-value ratio, thirty (30) year fully amortized mortgage at a then market rate of interest.

***When calculating the affordability of a for-sale unit, do not assume any Home Purchase Assistance Program (HPAP) or Employer Assisted Housing Program (EAHP) financial assistance.***

- a) When calculating the affordability of any unit, please use the following table for the maximum number of people per unit:

Occupancy Pricing	
Type of Unit	Applicable Low Income Limit
Efficiency (or bed in congregate facility)	One person limit
1 Bedroom	Two person limit
2 Bedroom	Three person limit
3 Bedroom	Four person limit
4 Bedroom	Six person limit
5 Bedroom	Seven person limit

- 3.2.9 Developers are expected to take an integrated approach to their placement of affordable units within the Project. Affordable units should be dispersed throughout the Project.
- 3.2.10 It is DHCD's intent to facilitate long term affordability. Examples of homeownership models that support long term affordability include, but are not limited to the following: single family dwellings conveyed with restrictive covenants, housing cooperatives, land trusts, shared equity models and affordable condominium projects. The homeownership type of each unit should be included in the Property Identification Spreadsheet- **Exhibit G, Form No. 1** included in the Developer's Kit. Association or board fees shall be listed in the



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Affordability Calculation Spreadsheet- **Exhibit G, Form No. 2A** included in the developer's kit ("**Developer's Kit**") for each unit type.

**3.3 Pricing Proposal and Financing Plan Requirements**

**Pricing Proposal**

- 3.3.1 Offers should propose a total Development site offer price (the "**Offer Price**") with the greatest economic benefit to the District. Developers should provide documentation for funding commitments, and their Offers should evidence a significant amount of "at risk" capital during the pre-development and development process. Please note, in accordance with the Property Disposition Agreement ("**PDA**"), the developer is required to provide the District with an initial deposit of \$10,000 (Ten Thousand Dollars) at the time of the signing of the PDA, and a Performance Letter of Credit (as defined in Section 4.5 herein) at closing on the Development Site.
- 3.3.2 The Developer's Kit must evidence the developer's ability to pay the Offer Price as calculated through the land residual model (homeownership projects) or in the rental operating proforma (rental projects) (See **Exhibit G, Form #6 or #5**). This is based on the initial sales prices and the total development costs or the rents over the period of holding, expenses, and assumed capitalization rate.
- 3.3.3 Each offer shall contain a statement of proposed financing, which should include development cost budget, amount and sources of debt and equity financing. If the developer chooses to do a rental project, the developer shall submit a projected income and expense analysis for the proposed development for a period of at least 30 years subsequent to initial completion (**Exhibit G, Form #5**). Developers may use the sources and uses table as shown in Developers Kit at **Exhibit G, Form #4**, as a guide. The developer should include documentation of all financing and/or investment commitments, terms and covenants, as well as the availability of said funds. A developer shall not include funds from the District operating or capital budget (unless appropriated for such purpose on a multi-year basis) or unidentified Federal funding in its funding plan. Please provide a development budget including hard and soft costs, projected sales and any sales costs.
- 3.3.4 If the applicant is requesting subsidy and completes the Request for Proposals for Financing section of the Solicitation, the need and soundness of the use of funds will be evaluated.

**Financial Plan and Capacity**

- 3.3.5 To illustrate financial capacity, the Developer shall include the following:



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- a. A description of the financial capacity of developer and its team members, including, but not limited to, audited financial statements (balance sheets, profit and loss statements, statements of cash flows), letters of credit and lines of credit.
- b. A description of the nature and share of each team member's financial investment in the acquisition and redevelopment of the Development Site.
- c. A proposed financial structure between developer and the District. The developer should assume the following:
  - i. In general, the Offer Price should be assumed to be equal to the fair market or assessed value of the Properties comprising the Development Site, reduced, if necessary, and explained by the amount necessary to make the proposed Project economically feasible.
  - ii. In determining economic feasibility, developer shall take into account all available subsidies from other sources outside the District government and shall seek such other subsidies to the greatest extent possible.
- d. A proposed financing plan for the overall proposed redevelopment, including a listing of all anticipated sources of financing (pre-development, land acquisition, construction and seller financing, if any). Developer should provide sufficient detail for the District to determine the feasibility of the proposed financing plan, including:
  - i. An estimate of proposed pre-development costs and statement of capacity to carry said costs, how said costs will be paid for and how said costs will be factored into the financing of the Project;
  - ii. Statement of the proposed financial structure, including penalties for lack of performance;
  - iii. Satisfactory evidence of the developer's ability to secure financing for the Project; and,
  - iv. Specifics as to the sequencing of the development process including the proposed sources and uses of funds (submitted on CD in Excel), including the timing of the funding commitments to the Project.
- e. Functional pro forma model(s), provided in the Developer's Kit as **Exhibit G, Form #5 or #6**, with detailed underlying





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assumptions (submitted on CD in Excel) which calculates the internal rate of return, return on equity and return on cost.

Detailed development budget, provided in the Developer's Kit as **Exhibit G, Form #4**, (submitted on CD in Excel) for the proposed Project plan(s) which includes a summary and cost breakdown of each line item.

- f. Submission of a proposed Schedule of Performance in the form attached hereto and included in the Developer's Kit (**Exhibit G, Form #3**) which details each step in the development process.

### 3.4 First Source Hiring and Certified Business Entity Participation

#### First Source Hiring

- 3.4.1 If applicable, the developers shall execute a First Source Employment Agreement with the Department of Employment Services, see sample form attached hereto as **Exhibit C** (the "First Source Employment Agreement"). Developers should provide an estimate of the number of new employment opportunities anticipated being created as a result of the project. Offers should also describe the intake process the developer will utilize, including an on-the-site intake process for contracting and subcontracting opportunities. Developers should cite examples of previous First Source Hiring accomplishments.
- 3.4.2 Preference will be given to developers that submit detailed apprenticeship programs that facilitate placing existing District residents into employment opportunities within the Project. The commitment and strategy to develop and implement a local apprenticeship program shall be in accordance with §§ 32-1401 et seq. of the Code. For more information on the District's Department of Employment Services ("**DOES**") apprenticeship program, please visit the website below or contact DOES Office of Apprenticeship Information and Training.  
<http://www.does.dc.gov/does/cwp/view,a,1232,q,618747.asp>

#### Certified Business Entity Requirements

- 3.4.3 Developers will be required to execute a Utilization and Participation Agreement with the Department of Small and Local Business Development prior to executing the PDA with the District, see sample form attached hereto as **Exhibit C**.
- 3.4.4 Developers must have a team that includes 20% equity and 20% development participation for Local and Small Disadvantaged Business Enterprises ("**LSDBE**")



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and contracting opportunities for Certified Business Enterprises ("**CBE**") at a minimum of 35% of the total contracting value.

- 3.4.5 Developers should provide detailed plans on how residents living near the Development Site will be trained and offered apprenticeships in connection with the Project.
- 3.4.6 Developers should include copies of any binding letters of intent ("**LOI**") between the lead developer and an LSDBE equity partner(s), and an LSDBE development partner(s) and/or a CBE contractor(s).
- 3.4.7 Developers who are CBEs shall receive preference in the evaluation process. If the developer or development team is composed of CBE enterprises, developer shall submit: (1) company name; (2) certification number; (3) status of company; and (4) term of certification for each CBE firm. Proposals should describe the service(s) each team member will provide and the percentage of the total project cost for which each CBE firm is responsible.
- 3.4.8 Preference will be given to developers that include local, neighborhood-based businesses. Evidence of the inclusion of such businesses shall be in the form of written confirmation which shall include the scope and details of the said businesses' involvement in the Project.
- 3.4.9 Preference will be given to developers which provide business owners with businesses located adjacent to the Development Site with opportunities to participate in the Project.

3.5 Executive Summary

The developer shall provide a summary with a focus on the developer's vision for the Project. While the summary will not be a formal evaluation factor, it will be used as part of an integrated assessment of the developer's qualifications. In its summary, the developer shall: (1) address how the Project will benefit the existing residents; (2) articulate the developer's vision for the Project; (3) discuss how well the Project fits into the surrounding area landscape; and (4) illustrate the value and types of synergies it will create.

3.5.1 Team Members.

The developer shall identify the following key team members of the development team: master developer (firm or joint venture partners), CBEs, master plan architect, engineer, financing team (proposed construction lenders,



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major investors, and other key consultants, if any, related to the financing plan), and legal counsel. For each team member, developer shall identify:

- a. Name, address, telephone number, EIN, and fax number.
- b. Identity of each principal, partner, or entity of said team member and said team member's roles or titles within the entity comprising the developer.
- c. Name, address, telephone number, fax number, and e-mail address of the representative authorized to act on behalf of the developer, who will be available to respond to questions or requests for additional information.
- d. Identification of any affiliation or other relationship between any of the members of the developer and any development company, parent company, or subsidiary.
- e. Identification of any personal or professional relationship among or between any members of the developer and any person working for, appointed to a position in, or elected to an office of the District or any entity for which there may be a conflict of interest or the appearance of a conflict. The District, in its sole discretion, reserves the right to determine a conflict of interest or the appearance thereof.
- f. A list of the professionals the developer will be employing or retaining for the Project. For each professional firm, developer should include a description of the staff capabilities, the resumes of all professional staff who will be working on the Project, a description of their role on the Project and their past relevant experience.
- g. Satisfactory evidence with respect to the developer and its team members that all tax liabilities and other government impositions are current and that there are no ongoing litigations in which the District is a party that relates to any team member of the developer or to any other entity or individual having a controlling interest in the entity (or entities) that comprise the developer (or, if such litigation exists, the name and civil action number of such litigation and a description of the subject matter of such litigation).



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- h. Summary of the experience of the developer or its team members partnering with community groups, institutions, or the District during the planning and redevelopment of a community and experience of team members in developing affordable and/ or federally subsidized housing, including a description of the project, the community partnerships and the actions taken to include the community's input.

**3.5.2 Qualifications and Experience.** Developer shall identify:

- a. In the developer's summary of projects on Form #8, list three (3) to five (5) relevant projects, which developer or its team members have had primary involvement, which demonstrate success in urban for-sale or rental affordable residential or similar housing projects. Favorable consideration will be given to Solicitations that delineate prior successful experience working with other DHCD programs. For each relevant project, developer shall identify the following:
  - Development Team Name
  - Project Name
  - Location/address of Project
  - Status
  - Project Scope (new construction, rehab, commercial, residential, mixed use)
  - Estimated total development cost at time of award or start of the project, actual total development cost, including all changes and exercised options
  - Original start and completion date, current and actual completion date
  - Name and telephone number of persons familiar with the project who may offer performance letters of recommendation and respond to inquiries from the District
- b. An organization chart and a summary of qualifications of the team's senior-level staff who will be directing this project, including a description of their roles and relevant experience.
- c. The status of the developer's organization (whether a corporation, a non-profit corporation or charitable institution, a limited partnership, a limited liability company, or other entity) indicating under which laws it is organized and operating, and a brief history of the organization and its principals. Please include a certificate of good standing from the formation jurisdiction and a certificate of good standing showing that it is registered to do business in the District.
- d. A copy of any written agreement or document creating any entity responding to this Solicitation. The principals, partners, or joint-venture partners who are part of the developer's team must be eligible to transact business both within and with the District.



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- e. A statement regarding any debarments, suspensions, bankruptcy or loan defaults on real estate development projects and/or government contracts of developer or any member of the development team.
- f. References for the developer and its team members, including names, addresses, and telephone numbers. References should be prepared to respond to inquiries regarding the design, financing, and development of prior projects.
- g. List of all current projects in the developer's pipeline and a disclosure of all current or pending DHCD financing or other DHCD related projects.
- h. Most recent fiscal year's audited financial statement, as well as a current balance sheet and explanation of any findings or irregularities.
- i. Such other information developer believes will assist the District in evaluating the capabilities of the developer, the design architect, and any other team member who will be participating in the Project. The District may request additional information from the authorized representatives, if deemed necessary, to facilitate the consideration of the developer's submissions.

**3.5.3 Implementation Strategy.**

Developer shall identify and describe:

- a. Any possible difficulties implementing the Project outlined in the Offer and possible solutions for those difficulties.
- b. Any required zoning changes and/or approvals, and proposed schedule of obtaining the required approvals.
- c. Developer's plan to guarantee the implementation of the development plan, demonstrating the following:
  - Developer's willingness to assume the risk of pre-development work;
  - Developer's phasing plan, if any, for the redevelopment;
  - Developer's timetable and milestones for the next 24 months, including ability to mobilize and commence development programming immediately upon selection;
  - Developer's time and financial commitment to guarantee to the District that Developer's milestones will be met;
  - Developer's property rights on parcels within close proximity to the Development site, if any; and
  - Developer's approach and strategies to working with the community to ensure meaningful involvement in the development process and mitigation of any





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negative impact of the potential development project on the surrounding community. Please see the Development Schedule Worksheet included in the Developer's Kit (**Exhibit G, Form 3**).

**3.5.4 Property Disposition Agreement**

Developer should also include a mark-up to the PDA with any proposed additions, deletions, exceptions or factual clarifications for consideration by PADD. Please note that the selection of the developer and the issuing of an award letter is not an acceptance by PADD of any proposed changes to the PDA made by the developer and does not obligate PADD to accept any of the developer's revisions to the PDA. Notwithstanding the foregoing, the winning developer will be expected to enter into the PDA in substantially the same form attached hereto, thus all developers should read and understand the terms of the PDA and all of its exhibits prior submitting an Offer.

**3.5.4 Conflict of Interest**

In its response to this Solicitation, developer should represent and warrant the following to the District:

- a. The Offer has been developed and provided independently and without consultation, communication or other interaction with any other competitor for the purpose of restricting competition related to this Solicitation or otherwise.
- b. No person or entity employed by the District or otherwise involved in preparing this Solicitation on behalf of the District (i) has provided any information to developer which was not also available to all entities responding to this Solicitation, (ii) is affiliated with or employed by developer or has any financial interest in developer, (iii) has provided any assistance to developer in responding to this Solicitation, or (iv) will benefit financially if developer is selected in response to this Solicitation.
- c. The developer has not offered or given to any District officer or employee any gratuity or anything of value intended to obtain favorable treatment under this Solicitation or any other solicitation or other contract, and developer has not taken any action to induce any District officer or employee to violate the rules of ethics governing the District and its employees. Developer has not and shall not offer, give or agree to give anything of value either to the District or any of its employees, agents, job shoppers, consultants, managers or other person or firm representing the District, or to a member of the immediate family (i.e., a spouse, child, parent, brother or sister) of any of the foregoing. Any such conduct shall be deemed a violation of this Solicitation. As used herein,



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"anything of value" shall include but not be limited to any (a) favors, such as meals, entertainment, transportation (other than that contemplated by this Solicitation, if any, or any other contract with the District), etc., which might tend to obligate a District employee to developer, or (b) gift, gratuity, money, goods, equipment, services, lodging, discounts not available to the general public, offers or promises of employment, loans or the cancellation thereof, preferential treatment or business opportunity. Such term shall not include work or services rendered pursuant to any other valid District contract.

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

**3.5.6 Developer's Kit**

A sample of each of the required evaluation spreadsheet is available in **Exhibit G**.

**A. Property Identification Spreadsheet – Form #1**

This spreadsheet should also be used to identify which units are affordable, designated income levels, projected sales price / initial rents housing type (single family detached, semi-detached, row house or multifamily) as well as the ownership type (rental, homeownership, condo, co-op).

**B. Project Income, Unit Mix and Pricing Spreadsheet – Form #2  
Affordability Calculator, Income and Rent Limits Spreadsheet – Form #2A**

Please refer to the Washington Metro Area Income Guidelines table when calculating affordability as well as the "affordability analysis" information contained herein. Please identify the assumptions used – down payment, closing costs, interest rate, utilities, etc. to determine the affordability.

**C. Development Timeline Spreadsheet – Form #3**

Please identify the projected month and year in which the following will occur: (1) permits obtained, and (2) closing on construction financing and marketing to the initial buyer. The timeline should take into account, where applicable, any board of zoning adjustments action required. PADD requires that whenever feasible, affordable units must be constructed prior to constructing market rate units.



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**D. Sources and Uses Spreadsheet – Form #4**

This spreadsheet is to be used to list project assumptions, sources and terms of funds available. A project budget is also included to document the uses.

**E. Rental Operating Proforma – Form #5**

This form must be used if the developer proposes developing rental units. This form documents the net operating income and the developer's ability to pay for the Development site.

**F. Land Residual Spreadsheet – Form #6**

This spreadsheet is a summary of the overall project budget and documents the developer's ability to pay for the Development Site. Under certain limited circumstances, developers may be able to request a change in the initial sales price for the market rate units following the award of a Development Site. In these instances, if the revised Land Residual Spreadsheet shows an increase in the land residual, the District shall be entitled to fifty percent (50%) of the increase in the land residual at the time of sale if the developer receives prior written approval for a revised initial sales price. PADD will exempt any property bought at the fair market value from any sharing of future increased profits or land residual.

After the award of properties, PADD will not approve sales price increases for any affordable units, unless the AMI has been adjusted during the period of the solicitation submission and review.

**E. PADD Residential Design & Performance Standards – Form #7.**

Please identify the level of finish, equipment, appliances, and products to be used in the development.

**F. Summary of Projects – Form #8**

Provide details of projects currently under construction, including original and estimated start dates, estimated completion date, project scope, and estimated cost.

**G. Checklist to satisfy Green Communities Criteria, 2011 – Form #9A**

A guide to complete the checklist is attached in the Developer's Kit. For more information, please go to [www.greencommunitiesonline.org](http://www.greencommunitiesonline.org).

**H. Green Development Plan, 2011 – Form #9B**

This form must be used to document the design charrette. For more information, please go to [www.greencommunitiesonline.org](http://www.greencommunitiesonline.org).



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4 Developer Submissions

- 4.1.1 Any developer may submit an Offer on any or all Development site(s) offered pursuant to this Solicitation. Each Development site shall be awarded as listed in this Solicitation. No substitution of properties will be permitted. If a developer submits an Offer for more than one (1) Development Site, the developer must rank the Development Sites by order of preference.
- 4.1.2 A pre-bid meeting will be held in accordance with the schedule in Section 4.2. For those who intend to respond to this Solicitation, attendance at the pre-bid meeting is strongly encouraged. The purpose of this meeting is to provide a forum for all concerned parties to discuss the Development Sites and to network with PADD and other real estate professionals. In the event that any discussions or questions at the pre-proposal conference require official additions, deletions, or clarifications of this Solicitation, or any other document, PADD, in its sole discretion, will address such revisions in writing and make such revised Solicitation available at PADD's offices and on the DHCD website.
- 4.1.3 Any developer that wants to visit any Properties or Development Sites on the date of the site visit must sign and return the "Waiver, Indemnity, and Premises Use Certification", attached hereto as **Exhibit E** (the **"Waiver, Indemnity, and Premises Use Certification"**). Any site visits to a Property or Development Site must be in accordance with the Waiver, Indemnity, and Premises Use Certification. Developer shall conduct any inspection activities in accordance with the Waiver, Indemnity, and Premises Use Certification and shall hold PADD and the District harmless from and against any and all liabilities, actions, claims, suits, losses, judgments and damages caused by entry onto the Properties. Please note that the Waiver, Indemnity, and Premises Use Certification is only in effect during the scheduled site visit, which will occur on **Wednesday, April 13<sup>th</sup> 2011**, after the pre-bid conference. After that time, no developer shall have any right to visit any Property or Development Site in connection with this Solicitation.
- 4.1.4 Offers shall be submitted as follows:
- a. Developers shall respond to each item included in this Section 3 in the order it is presented below and separate each item with tabs marked to indicate the section number. Developers should include site plans, tables, charts, and any other applicable documents, to the extent possible.
  - b. At a minimum, Offers for each Development Site should address all of the submission requirements listed in Section 3 and stated in this Solicitation. Offers submitted without addressing all such items may be deemed



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incomplete and therefore, may be rejected and withdrawn from consideration.

- c. All Offers shall be typed in 12-point font on 8½" x 11" standard letter-size paper, bound on the long side, with material on one side only and tabs to separate sections.
- d. Each Offer shall not exceed 25 pages, not including NSP loan request, credit references, LOIs, renderings, excel-based worksheets/models, tables, charts, etc.
- e. Offer materials will not be returned.
- f. Six (6) printed, bounded and double-sided copies of each Offer must be submitted along with an electronic copy (a complete PDF File) along with the Developer Kit on compact disc (CD) to PADD at the address below **by 4 pm on May 4, 2011 (the "Submission Date")**:

Property Acquisition and Disposition Division  
Department of Housing and Community Development  
1800 Martin Luther King Avenue, SE, Suite 315  
Washington, DC 20020  
202-478-1355 (office)  
202-654-6161 (fax)  
Attn: Martine Combal

No Solicitation shall be accepted after 4:00 p.m. on the Submission Date. There will be no exceptions to this policy.

- 4.1.5 While the District, through PADD, may enter into negotiations with one or more developers based on offers submitted in response to this Solicitation, this Solicitation does not commit PADD or the District to select any developer or to enter into negotiations with any developers that may respond. The District reserves the right to reject any Offer it deems incomplete or unresponsive to the submission requirements, to amend this Solicitation or to reject all Offers and re-issue a Solicitation at a later date at its sole discretion.
- 4.1.6 After review of one or more Offers, the District may request submission of additional information from some or all of the developers, within the District's sole discretion.
- 4.1.7 Team members may participate in submissions from more than one developer. If a developer wishes to change the composition of the proposed development team at any time in the selection process after it has submitted its offer to the



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District, the developer must notify the District in writing. The District reserves the right to evaluate the proposed change to the development team and eliminate the developer from further consideration. The District will require similar notification and approval rights of any change to the development team following the award.

### 4.2 Selection Process and Evaluation Team

- 4.2.1 PADD will determine in its sole discretion whether each Offer received in response to this Solicitation is complete according to the guidelines set forth herein (a “**Responsive Offer**”). Any developer that submits an incomplete and unresponsive Offer will be notified by PADD in writing after the submission deadline. The decision of PADD in this regard is final and will be explained to the developer upon request.
- 4.2.2 A selection panel selected by PADD will be established to review and evaluate the Responsive Offers and to select one or more of the Responsive Offers.
- 4.2.3 The selection panel will evaluate, through a consensus process, each Responsive Offer based on the information requested in this Solicitation. The selection panel may in its sole discretion request that one or more developers modify their Offers, provide additional information or provide a “best and final offer” for the selection panel’s review.
- 4.2.4 Once the selection panel has selected the winning developer(s) through a consensus evaluation process, it will inform PADD and the Director of DHCD of its recommendations. Once the Director has approved the decision of the selection panel, PADD will notify the selected developer(s).
- 4.2.5 Once an Offer has been accepted and the developer has been selected and notified by PADD, the selected developer may not withdraw its Offer. Any selected developer that elects to withdraw an accepted Offer will be precluded from responding to and applying for any DHCD requests for proposals and/or solicitations for a period of one (1) year. Such penalty period shall run one (1) year from the date of withdrawal.





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### 4.3 Proposal submission and Selection Process Timetable

PADD shall select the winning Offer within ninety (90) days of the submission deadline and notify the selected developer by award letter. The selection process will follow the schedule outlined below. All offers must be submitted to PADD by **4:00 p.m. Wednesday, May 4<sup>th</sup>, 2011**. See Section 4.1 for details.

### **Solicitation Schedule – Trinidad Properties** (Subject to Change)

Activity	Date
<i>Issuance of Solicitation</i>	<i>March 28, 2011</i>
Pre-Offer Conference & Site Visit	April 13, 2011
<i>Proposal Due Date (at 3:00 PM ET)</i>	<i>May 4, 2011</i>
Distribute Request for Best and Final Offers, if needed	June 3, 2011
Deadline for BAFOs	June 10, 2011
<i>Selection of Offeror</i>	<i>June 24, 2011</i>
Begin LDA Negotiations	July 8, 2011

These above-referenced dates are estimated timelines and shall not be binding on PADD or District.

### 4.4 Pre-Bid Conference, Questions and Further Information

- Pre-Bid Conference will be held at: DHCD Housing Resource Center at 1800 Martin Luther King, Jr. Ave, Washington, DC 20020
- Site Visit will be held at the Development Site, immediately following the Pre-Bid Conference.

Any questions regarding this Solicitation should be submitted in writing via **e-mail to Adarsh.hathi@dc.gov**. Responses to questions and other clarifications will be emailed to all developers and posted on the DHCD website.

### 4.5 Award

4.5.1 The District, through PADD, and the selected developer shall negotiate a PDA, based on the awarded proposal.

4.5.2 If the District and the selected developer(s) are unable to agree on the final terms of a PDA within Ninety (90) days after the date of the selection notification, PADD, in its sole and absolute discretion, may terminate negotiations and select a different developer from the developers who submitted offers, re-issue this Solicitation or take such other measures as it deems reasonable, appropriate or necessary.



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- 4.5.3 Upon execution of the PDA, the developer shall submit to the District an initial deposit of \$10,000 (Ten Thousand Dollars). The initial deposit shall secure the developer's performance under the PDA and will be held by the District and applied to the purchase price at closing on the Development Site. At the time of closing, the developer shall provide the District with a Performance Letter of Credit (as defined below).

The Performance Letter of Credit is an amount of money equal to the lesser of either: (i) 5% of the cost of the improvements, or (ii) \$250,000, in the form of any of the following: a letter of credit from a reputable bank, a payment and performance bond from a reputable surety company, or a cash reserve to be held in escrow by a title company chosen by the District, to secure the developer's performance of its obligations under the Construction Covenant in the form attached to the PDA. The District shall also require that an affiliate of the developer, approved by the District, execute a Development and Completion Guaranty in the form attached to the PDA guaranteeing the completion of the Project in accordance with the Construction Covenant.

- 4.5.4 A developer shall be expected to close on a Development Site no later than six (6) months after the date of execution of the PDA; provided, however, that settlement shall not be held until developer has received design review approval from the District and has obtained all permits required under Section 105A of Title 12A of the DCMR to commence construction (and such other conditions as may be agreed between the parties).
- 4.5.5 The developer shall be expected to complete construction within 24 months of closing on the acquisition of the Property or Development Site, unless special circumstances such as the Board of Zoning Adjustment ("BZA") requirements dictate a longer period.

## **5 Reservation of Rights and Miscellaneous Provisions**

### **5.1 District Reservations**

The District reserves the right to:

- Cancel or withdraw the Solicitation prior to or after the submission deadline;
- Modify or issue clarifications to the Solicitation prior to the submission deadline;
- Reject any submission it deems incomplete or unresponsive to the submission requirements;
- Consider a submission that is incomplete or unresponsive to the submission requirements;
- Reject all submissions that are submitted under the Solicitation for any reason; and,
- Modify the deadline for submissions or other actions.



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The District may exercise one or more of these rights, in its sole discretion, as it may deem necessary, appropriate, or beneficial to the District.

### 5.2 Notice of Modifications

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

### 5.3 Changes in Developer Information

If information provided in a submission changes (e.g., change or addition to any of the developer's team members or new financial information), the developer shall provide updated information in the same format for the appropriate section of the Solicitation and the District may consider the modified submission. Developer may not change the composition of its team at any time without the District's prior written approval, in its sole discretion, provided; however, that nothing shall prohibit short-listed developer teams from (i) adding new CBE parties to their teams or (ii) increasing the level of CBE equity participation on their teams.

### 5.4 Ownership and Use of Offers

All Offers shall be the property of the District. The District may use any and all ideas in any Offer, whether the Offer is selected or rejected.

### 5.5 Restricted Communications

Upon release of this Solicitation and until selection of a developer, developers shall not communicate with PADD staff about the Solicitation or issues related to the Solicitation except as authorized in this Solicitation.

### 5.6 Non-Binding

The selection by the District of a developer indicates only an intent by the District to negotiate with the developer and the selection does not (i) constitute a commitment by the District to execute any agreement with the developer or (ii) confer onto developer any property right, interest or expectancy.

### 5.7 Confidentiality

5.7.1 Offers and all other information submitted in response to this Solicitation are subject to the District's Freedom of Information Act ("**FOIA**") under Code § 2-531 et seq., (2008



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Supp.), which generally mandates the disclosure of documents in the possession of the District upon the request of any person, unless the content of the document falls within a specific exemption category. Section 2-534 of the Code states that information may be exempt from disclosure, if it is “trade secrets and commercial or financial information obtained from outside the government, to the extent that disclosure would result in substantial harm to the competitive position of the person from whom the information was obtained.”

5.7.2 If a developer provides information that it believes is exempt from mandatory disclosure under FOIA, the developer shall include the following legend on the title page of the submission:

**THIS PROPOSAL CONTAINS INFORMATION THAT IS EXEMPT FROM MANDATORY DISCLOSURE UNDER THE DISTRICT’S FREEDOM OF INFORMATION ACT (“FOIA”).**

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

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

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

PADD generally will endeavor not to disclose information designated by the developer as exempt information; PADD has the right to independently determine whether the information designated by the developer is exempt from mandatory disclosure, and shall comply with all applicable FOIA laws and court orders regarding the disclosure of any information that is determined not to be exempt. Moreover, exempt information may be disclosed by PADD, at its discretion, unless otherwise prohibited by law, and the District shall have no liability related to such disclosure.



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5.8. Non-Liability

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

5.9. Other Limiting Conditions

5.9.1 The Project is expected to “stand alone,” thus, the developer is prohibited from cross collateralizing and cross defaulting the project with any other assets. Moreover, the developer is prohibited from assigning, pledging, hypothecating or otherwise transferring its interest in the ownership of the Project in part, or in its entirety, without prior written District approval. Any additional debt shall require prior written District approval.

5.9.2 Under no circumstances shall the District 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 Solicitation.

5.9.3 The District has the right to begin negotiations with the next preferred developer in the event that a PDA cannot be executed within the allotted period of negotiations with a prior selected developer. The District may terminate such negotiations if the developer introduces comments or changes to a PDA that are inconsistent with previously submitted offer materials.

5.9.4 The District fully expects and requires that the selected developer will not alter the proposed Project, including its proposed construction schedule and process. However, should certain deteriorating market conditions warrant a Project alteration, the District, in its sole discretion, may authorize such an alteration. As a general matter, the District will consider such alterations, if it believes such market conditions would impact all other developers that submitted offers in response to this Solicitation.

5.9.5 The District reserves the right to memorialize modifications to any proposal in a written agreement between the District and developer where such modifications arise in the course of best and final negotiations between the parties.

5.9.6 Developers are hereby advised that the District is subject to various laws, rules, policies and agreements that impose ethical constraints upon, among other situations: (i) current District employees and consultants with respect to developers (and members of their teams) on projects where such employee/consultant had “personal and substantial” participation or official responsibilities and (ii) current and former District employees and consultants with respect to post-employment restrictions.

5.9.7 Members of developers (whether corporate or individual) are prohibited from conducting any negotiations for employment or consulting agreements (or other forms of





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financial benefits) with any current District employees/consultants who are “personally and substantially” participating on this Project or from hiring any such employees/consultants, during the conduct of this competition.

5.9.8 Members of developers (whether corporate or individual) must disclose in their initial offers the names of employees (or consultants retained for this project) who, within the immediate past three years, were District employees/consultants. On a going forward basis, members of developers will be required to provide the District with notice of updates within five (5) days of any new hires/retained consultants.

5.9.9 Failure to comply with either of these obligations may result, in the District’s sole discretion, in the disqualification by developer from the solicitation or rescission of a selection or agreement with the District.

5.10 Developers must immediately disclose the existence of any employment discussions or consulting agreements with or hiring of current District employees that occur contrary to the prohibition in section 5.9.7. Notwithstanding such disclosure, the District reserves the right to disqualify or rescind award to a company whose member(s) section 5.9.7.