



REQUEST FOR PROPOSAL



Downtown Education Center Site

January 6, 2017



By: Key Commercial Real Estate
www.keycomre.com

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Invitation:

Madison Area Technical College (Madison College) is inviting your development team to participate in this Request for Proposal, which is the second stage of the process for the selection by Madison College of a qualified party to enter into a long-term lease of its downtown Madison campus.

The RFP stage will allow the College's Selection Committee to gather the necessary information to assess the viability of each proposer as a tenant of the property under the terms of a long-term ground lease. It is anticipated that the selected proposer will undertake a development/redevelopment of the property. The result of the RFP will be to select a development team with whom Madison College will negotiate a long term ground lease for the site. This invitation, together with the Supplemental Information itemized on the last page of this document, comprises the RFP.

RFP responses are due by 5 p.m. on Wednesday, March 15th, 2017. Late responses will not be accepted. Additional submittal instructions can be found on page 8 of this RFP.

Meeting with Madison College:

It is strongly recommended that each respondent meet with Madison College and their real estate representatives to discuss the RFP process and overall project in greater detail. Madison College facilities staff will also provide a private tour of the property. Please contact Jenny Lisak at jlisak@keycomre.com by January 15th to schedule this time.

Anticipated Timeline:

January 6, 2017	RFP distribution
March 15, 2017	RFP due
May, 2017	Proposer selected & commence lease negotiations
July, 2017	Initial State Board review of draft lease
October, 2017	Madison College Board approval of lease Execute lease with contingencies
October, 2018	Final State Board approval of lease Lessor and Lessee remove all lease contingencies
July, 2019	Madison College completes vacation of the property

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RFP Evaluation Criteria:

In reviewing potential teams, the following criteria are among those that will be considered:

1. The experience, financial and organizational capacity of the developer/team in successfully planning and completing development projects of a similar type and scale, on time and within budget.
2. The extent to which the proposed development timeline meets the goals of Madison College.
3. The compatibility of the proposed development concept with the goals and requirements of the City of Madison's Comprehensive Plan, Downtown Plan, zoning requirements and relevant neighborhood plans.
4. The market and financial feasibility of the project, and the ability to secure necessary funds for the proposed project to be started and completed in a timely manner.
5. The proposed terms of the Ground Lease. *Note: the College's ownership interest in the property cannot be subordinated to a mortgage lender on the project.*
6. The overall completeness and quality of the submission.

Proposal Selection & Award Process:

Proposals will be reviewed by an evaluation team made up of Madison College staff and executives, as well as their professional consultants. The RFP will be scored against the following stated criteria.

1. General Criteria – 20%
Team experience and overall quality of submission
2. Technical Criteria –30%
Financial and market feasibility, adherence to city plans & zoning, timeline
3. Financial Criteria –50%
Ground lease terms, projected revenue, and overall financial benefit to the College

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Submittal Requirements:

1. **Cover Letter:** A letter of introduction and interest signed by the principal(s) of proposer firms(s).
2. **Team Identification:** Clearly state the name, address, email, and phone number of the person who will serve as the contact regarding this RFP process; location of the principal offices of the developer and each member firm of the development team; description or form of organization (corporation, partnership, etc.); the role of each member of the development team; and statement of years the firm(s) have been in business.
3. **Resumes:** Resumes of all key project team members involved in the project are required and should include experience relevant to this project.
4. **Proposed Project Concept:** Explain the proposed project concept in written and visual formats, including the number, sizes and story heights of buildings, parking component, project massing, greenspace, project mix (i.e. office, retail, housing, hospitality, etc.). Explain how this concept fits the City of Madison zoning requirements, Comprehensive Plan, Downtown Plan, and relevant neighborhood plans.
5. **Project Timing:** Provide a preliminary development timeline including pre-development, project approval, construction phasing, leasing milestones, and occupancy.
6. **Proposed Project Financials:** Describe the transaction components of your proposed project including the following:
 - a. Preliminary estimate of total project cost.
 - b. Proforma analysis demonstrating feasibility of proposed project with anticipated financing structure, including projected annual cash flow over a minimum 10-year period.
 - c. Market data supporting the proforma analysis.
 - d. All financial incentives anticipated or required for proposed project.
 - e. Any other critical deal points.
7. **Ground Lease:** Provide your proposed terms specifying the type of lease, the length of the initial term and extensions, and the annual rental amount for the initial term and extensions including any escalators.

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8. **Project Examples:** Description of experiences within the most recent ten-year period that apply to your development team: urban development projects, projects of similar scale and complexity, mixed use projects, ground-lease projects, or projects that are similar in nature to your proposed concept. Briefly include the following for all project examples:
- Project name, type and location.
 - Summary description, include project size, uses and densities.
 - Precise role of the development entity, its principals, partners and team members.
 - Ownership structure, financial structure, public/private structure.
 - Project cost.
 - Capital and financing sources.
 - Development timing/phasing/date opened.
 - Economic performance.
9. **Development Team Financial Information:** Provide supporting documentation that the development entity has the financial capacity to implement a development on the Madison College site. The College recognizes the sensitive nature of the financial information requested in the RFP. Such information may, therefore, be submitted under separate cover and labeled "Confidential". This information will be used solely by the College for the purpose of evaluation, and will be kept confidential to the fullest extent allowed by law.
- What is the ownership structure for the proposed development?
 - What is the funding structure of the proposed development? State your anticipated sources and uses of capital.
 - Provide proof of interest from your lender(s) and other capital investment partners attesting to their willingness and capacity to participate financially in this project.
 - What guarantee is there on the debt, or return on equity?
 - How do you anticipate securing/guaranteeing the Tenant's performance under the ground lease?
 - Is the development entity of any named individual in the proposed project involved in any litigation or other disputes that could result in a financial settlement having a materially adverse effect on the ability to execute this project? If yes, please explain.
 - Has the development entity or any named individual in the project ever filed for bankruptcy, or had a project that has been foreclosed? If yes, please list the dates and circumstances.
 - Identify any known conflicts (or appearances of conflict) of interest that might arise between the Development Team and Madison College or its officers, employees, consultants or subcontractors.

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Terms and Conditions:

The following terms and conditions apply to all proposers:

1. Madison College reserves the right, at its discretion and based on what it determines to be in its best interests, to accept or reject any and all RFP submittals; to void this RFP and the review process and/or to terminate negotiations with any or all responding parties at any time; to select a final party or parties from among the proposals received in response to this RFP, and to negotiate terms with the selected proposer(s). Any and all RFP terms, elements, requirements and schedules are subject to change and modification at the discretion of the College. The College further reserves the unqualified right to modify, suspend, or terminate at its sole discretion any and all aspects of this RFP process, to obtain further information from any and all responding parties, and to waive any defects or irregularities as to form or content of the RFP or any responses by any party.
2. This RFP does not commit Madison College to award a contract, accept an offer or proposal to enter into a ground lease, or defray any costs incurred in the preparation of a response to this request. All submitted responses to this RFP become the property of the College as public records. All proposals are subject to the Wisconsin open records law, unless such records are, in whole or in part, exempted or not subject to disclosure. Some such limitations on disclosure are discussed elsewhere in this RFP.
3. The responding developer/team is responsible for all costs in assessing, inspecting, surveying and evaluating the property for the proposed ground-lease and development/ redevelopment. The property will be transferred in its condition at the time of execution of the ground lease "as-is" "where is" and "with all defects". It will be the developer's responsibility to correct and pay for any needed environmental remediation.
4. By submitting a proposal, each responding party agrees for itself, its successors and assigns, to hold Madison College and all of its various agents, board members, directors, consultants, contractors, attorneys, officers and employees harmless from and against any and all claims and demands of whatever nature or type, which any such responding company, its representatives, agents, contractors, successors or assigns may have relating to or resulting from issuing this RFP, revising this RFP, conducting the selection process and subsequent negotiations, making a final recommendation, selecting a responding party/parties or negotiating or executing an agreement with the selected responding party.

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5. By submitting responses, each responding party acknowledges having read this RFP in its entirety and agrees to all terms and conditions set out in this RFP.
6. Responses shall be open and valid until 12/31/17.

Wisconsin Open Records Law:

Proposers to this RFP are advised that all documents received by Madison College in connection with this RFP, including proposals, contracts, if any, and all other submitted attachments, will become the exclusive property of Madison College.

Furthermore, to the extent permitted by law, it is the intention of Madison College to withhold the contents of the proposals, contracts, if any, and any other submitted documents, from public view until such times as the competitive or bargaining reasons no longer require non-disclosure or other reasons support nondisclosure in the opinion of Madison College. After that time, all proposals, and any resulting contracts, and all other submitted documents in connection to this RFP, may be available for review in accordance with Wisconsin Open Records Law, to the extent permitted by law.

Pursuant to Wisconsin State Statutes Section 19.36(5), protection from disclosure may apply to material in each submittal constituting a "trade secret", as defined in Wisconsin Statutes Section 134.90(1)(c), and which are marked as TRADE SECRET or PROPRIETARY by the RFP proposer or other submitting party. The proposer shall mark each page separately; and any non-trade secret or non-proprietary data shall begin on the subsequent page. Marking all or nearly all, of the proposal as TRADE SECRET or PROPRIETARY may result in the rejection of the proposal. In this regard, Madison College may reject any proposal it cannot fairly evaluate without the information marked trade secret or proprietary.

Madison College will not advise as the right or ability of the proposer or other submitting party to treat as confidential the content of the documents marked as entitled to this protection of non-disclosure, or as to the definition of trade secret or proprietary information. The proposer or other submitting party will be solely responsible for all such determinations made by it and for clearly and prominently marking each and every page or sheet of materials with TRADE SECRET or PROPRIETARY as it determines to be appropriate.

Madison College will endeavor to advise the RFP proposer of any requests for the disclosure of the materials so marked with TRADE SECRET or PROPRIETARY, and give the proposer or other submitting party the opportunity to seek, at its expense, a court order to

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protect such materials from disclosure. A reasonable amount of time, as determined by Madison College, will be provided for this opportunity to seek a court order and written notice by email or regular mail will be sent by Madison College to the RFP proposer. If a party other than the RFP proposer submitted the requested materials, the RFP proposer shall be solely responsible for notifying the submitting party of the requests. Madison College's sole responsibility is to notify the RFP proposer of the request for disclosure, and Madison College shall not be liable for any damages resulting out of such disclosure, whether such disclosure is deemed required by law, by an order of the court or administrative agency, or occurs through inadvertence, mistake, negligence on the part of Madison College or its officers, employees, consultants, or subcontractors.

RFP Questions/Inquiries:

Questions regarding the RFP process must be directed in writing (email or mail) to the contact below. Key Commercial Real Estate LLC provides real estate consulting and advisory services for Madison College, and will respond to all questions in writing. If questions are deemed substantive to the submittal and evaluation process, Key Commercial Real Estate will distribute a list of questions and responses to all proposers through an RFP Addendum(s).

The RFP contact identified below is the sole point of contact regarding the RFP from the date of release of the RFP until selection of the successful proposer. All communication relating to this RFP must only be directed to the person named below.

Jenny Lisak
Key Commercial Real Estate LLC
211 S. Paterson Street
Madison, WI 53703
608-729-1808
jlisak@keycomre.com

City of Madison Contact:

Contact with the City of Madison shall be made to the following parties:

Kevin Firchow, AICP
Principal Planner
kfirchow@cityofmadison.com
608-267-1150

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Format and Submittal Information:

RFP submissions are due by 5 p.m. CST on March 15, 2017, addressed to:

Key Commercial Real Estate LLC
Jenny Lisak, Principal
211 S. Paterson Street, Suite 320
Madison, WI 53703

It is the responsibility solely of the proposer to see that its response is received by the date and time stated in the RFP. No oral submittals will be considered. Materials in response to the RFP may not be submitted via facsimile or email. Responses may be sent by U.S. mail or shipping carrier (i.e. UPS, FedEx) or hand delivered; however, if sent by mail or other carrier, the responsibility of their timely delivery is wholly upon the proposer. Late proposal responses will not be accepted. Email is not an acceptable form of submission.

Proposals must be packaged, sealed and clearly labeled. Submit one (1) signed original, and six (6) hardcopy submissions typed and securely bound, otherwise identical to the electric version. Submit one (1) electronic proposal in PDF format stored on a flash drive, identical in content and sequence to hardcopy proposals submitted. The financial information should be submitted on a separate media from the balance of the proposal.

Supplemental Information (links):

[City of Madison Comprehensive Plan](#)

[City of Madison Downtown Plan](#)

[Neighborhood Plan \(DRAFT\) & Design Criteria](#)

[City of Madison Relevant Zoning](#)

[Floor Plans PDF](#)

Floor Plans Autocad ([LL](#), [1st Floor](#), [2nd Floor](#), [3rd Floor](#), [4th Floor](#), [5th Floor](#), [6th Floor](#))

[Site Survey & Site Topo](#)

[Property Condition Assessment Report](#)

[Tour Handout](#)

All facts and opinions stated in this RFP and all supporting documents and data are based on information available from a variety of sources. No representation or warranty is made with respect thereto.