DGS

ROUTING SLIP

DATE: THURSDAY, SEPTEMBER 27, 2012

OFFICE OF THE DIRECTOR

SUBJECT:	Request for Information - For			
	NAME/CORRESPONDENCE SYMBOL	**REQUIRED ACTION (S)**	**INITIAL**	**DATE**
1.	SE Ponds	G		
2.	Todd Douglas ~~See edits~~	G		9/28/12
3.	Jonathan Kayne, DGS Portfolio	G		10/1/12
4.	Charles Brown	G	Revisions	11/2/12
5.	Camille Sabbakhan SEE Comments	G	CDS	11/19/12
6.	Brian Hanlon	H	BJH	11.29.12

A	NECESSARY ACTION	F	FORWARDED FOR YOUR CONCURRENCE	L	INFORMATION AND RETURN
B	PREPARE REPLY FOR SIGNATURE	G	FORWARDED FOR YOUR APPROVAL	M	PER YOUR REQUEST
C	REPLY DIRECT	H	FORWARDED FOR YOUR SIGNATURE	N	PER OUR CONVERSATION
D	FURNISH DATA ON WHICH TO BASE A REPLY	J	PLEASE PROVIDE YOUR COMMENTS	Z	OTHER (*SPECIFY IN REMARKS*)
E	PLEASE SEE ME	K	INFORMATION AND RETENTION		

REPLY OR INTERIM REPLY	DUE ▶ OCTOBER ~~6~~ 19, 2013	FOR SIGNATURE OF: BRIAN HANLON, DIRECTOR

Portfolio Division endeavors to develop a model for providing short-term office space for small and start-up businesses. Portfolio division has an opportunity to reduce its expense load on 30,000 sqft that will be vacant beginning January 2013, yet the lease expires in November 2013 (aka shadow space).

This Request for Information (RFI) represents a collaboration between the DMPED and DGS This RFI should not be construed as a formal solicitation or an obligation on the part of DGS to acquire any product or services offered. The intent of this RFI is to cultivate market intelligence about technologies utilized, services and amenities sought after, marketing techniques employed, and the third party administrators that are in this space.

NAME:		NUMBER	DATE
SE PONDS			SEPTEMBER 27, 2012

good Stuff

GOVERNMENT OF THE DISTRICT OF COLUMBIA
DEPARTMENT OF GENERAL SERVICES

NOTICE
OF
REQUEST FOR INFORMATION (RFI)
FOR
MARKET RESEARCH PURPOSES
REGARDING
PLANNED DISTRICT BUSINESS INCUBATOR SPACE

I. Purpose

The District of Columbia, through its Department of General Services (DGS), issues this Request for Information (RFI) as part of its market research. This RFI offers the opportunity for interested individuals and organizations to provide business insights and recommendations regarding the development, implementation, and leasing of DGS surplus premises as business incubator space. ("shadow space").

THIS IS A REQUEST FOR INFORMATION ONLY. This RFI is issued solely for information and planning purposes. This RFI is not a formal solicitation and does not create any obligation on the part of the District to acquire any products or services.

Submission of any information in response to this RFI is completely voluntary; and, any and all costs associated with any submission will not be reimbursed by the District.

Although the terms "proposal" and "Request for Proposals (RFPs)" may be used in this RFI, under no circumstance will respondents submissions be treated as anything other than information sharing. Responses to this RFI will not be returned. Not responding to this RFI does not preclude participation in any future solicitation, if one is issued.

II. Background

This Request for Information (RFI) seeks to inform DGS regarding its ability to provide short-term lease space, specifically, as well as office and meeting space, via a third party administrator; thus, this RFI is unique. It represents the District's efforts to enter the short-term, shared office rental market (with minimums of 30 days up to 6 months). The District is interested in participating in this commercial real estate segment because of its desire to: a) optimize space utilization of its owned and lease premises throughout the city; b) facilitate opportunities for small businesses to access quality office space on a short-term basis; and c) support initiatives sponsored by its sister agencies that endeavor to grow the portfolio of District-based Certified Business Enterprises (CBE's) and start-up companies.

III. Objectives

The objective of this RFI is to gather information from industry experts and informed parties on providing third-party leasing administration of government owned and leased shadow space. DGS is seeking relevant information from respondents with knowledge about the shared-use of physical assets and the use of information technologies; i.e. the Internet and social media applications, to make use of assets efficient and user friendly. DGS is seeking information from respondents who may develop, implement, and deliver third party administrative services for the purpose of short-term leasing to end users.

DGS envisions that its "shadow space" will be leased and managed by a third party administrator, who has the capability to implement streamlined processes that deliver a viable and sustainable solution. Fulfilling the District's requirements may require the administrator to adapt, or develop cutting edge platforms and state-of-the-art technologies.

In addition to background information on the market and its competitive climate, the responses to this RFI will inform the District about the requirements and marketing tools employed for any future Request for Proposals (RFPs).

With respect to this RFI, the District requests that respondents provide information regarding the following:

A. Technology

1. What are the innovative approaches currently in the marketplace, or under development specifically for scheduling and utilization of commercial real estate on a short-term basis?

2. What are shared-use technology applications used for other physical assets that may be adapted or repurposed for the short-term commercial rental market?

3. What are 2 – 3 of the best industry practices in the use of information technologies to facilitate short-term rental of physical assets?

B. Pricing

1. What revenue models are most advantageous to the District and its taxpayers regarding the implementation of a short-term space leasing program?

2. What are the average rates (i.e. $/sqft-hr on daily, weekly, or monthly timeframes) for short-term office space within the Central Business District; and sub-markets in NoMa, Petworth, DC Waterfront, and Anacostia?

3. What are the average rates $/(sqft-hr) for short-term meeting/conference room space within the Central Business District; and sub-markets in NOMA, Petworth, DC Waterfront, Judiciary Square, and Anacostia?

4. What volume of short-term leasing activity and/or participation rates would be necessary to ensure a business proposition that is mutually beneficial for the District and a third party administrator.

C. Marketing:

1. Describe the *basic amenities* a third party administrator should offer to attract short-term lease tenants for office space and meeting room/conference rooms respectively.

2. Describe the *premium amenities* a third party administrator should offer to attract premium-priced short-term lease tenants for office space and meeting room/conference rooms respectively.

3. Discuss marketing and promotional strategies that may be employed to target firms in the Washington, D.C. Metro area.

4. Describe using general business demographics - i.e., gross revenues, number of employees and industry segment – the typical local firm likely to address their immediate space requirements through short-term leasing solutions.

5. Describe mediums of advertising and/or outlets for promotions recommended to market to the firms seeking short-term leasing solutions.

6. Quantify the minimum space requirements (in square feet) for a work station, an office and a meeting room, respectively.

7. Quantify the optimal number of businesses that may simultaneously utilize or access a suite of short-term space.

D. Performance

1. What are the standard industry metrics or financial ratios the District may employ to determine whether its business model of renting shadow space is performing at or above industry standards?

2. What is the industry standard for the average Return on Investment (ROI) for the total cost of building out a space for a short-term leasing opportunity?

3. What technical criteria should the District consider if evaluating proposals submitted by potential third party administrators (experience, capabilities, and past performance, etc.)?

E. Security

What are the industry standards regarding background investigations on prospective short-term lessees?

IV. Confidentiality

All submissions and all other information submitted to District in response to this RFI are subject to the District's Freedom of Information Act (D.C. Official Code § 2-531 et seq.) ("**FOIA**"), 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, as determined by the District.

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

THIS RESPONSE CONTAINS INFORMATION THAT IS EXEMPT FROM MANDATORY DISCLOSURE UNDER THE DISTRICT'S FREEDOM OF INFORMATION ACT

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

THIS PAGE CONTAINS INFORMATION THAT IS EXEMPT FROM MANDATORY DISCLOSURE UNDER THE DISTRICT'S FREEDOM OF INFORMATION ACT

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

Although DGS will generally endeavor not to disclose information designated by the respondent as exempt information, DGS will independently determine whether the information designated by the respondent is exempt from mandatory disclosure. Moreover, exempt information may be disclosed by DGS, in its sole discretion, unless otherwise prohibited by law, and the District shall have no liability related to such disclosure.

V. Ownership and Use of Submissions

All submissions shall be the property of the District. The District may use any and all ideas in any submission.

VI. Non-Liability

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

VII. Submission of Responses and Inquiries(Via Email Only)

Responses or inquiries regarding this RFI shall be submitted in PDF format via email to the following Point of Contact (POC):

S.E. Ponds, Realty Program Specialist
Portfolio Division
Department of General Services
Sheryl.Ponds@dc.gov

Responses should be limited to ten (10) pages including the cover page. The RFI should be written in standard, 12 point Arial or Helvetica font, and each paragraph separated by at least one blank line. The cover page of the RFI must provide the respondent's name, company name, email address and telephone number. RFI responses must be received at the email address listed above no later than 2:00PM, Eastern Standard Time (EST), on Thursday, January 10, 2012.

Absolutely no telephone inquiries will be accepted. All inquiries (technical, contractual, administrative), questions, or clarifications must be submitted via email to the designated POC. Direct contact and/or one-on-one meetings with a DGS contracting officer, project manager, or staff member are prohibited.

Submission of proprietary information should be limited and clearly identified in the RFI response. Proprietary materials will neither be distributed, nor discussed with any other organization. Information submitted in response to this RFI may be used at the discretion of the District; however, information submitted will remain confidential, as permitted by law. DGS reserves the right to utilize non-proprietary information in any future statements of work and/or solicitations.

VIII. Closing

Thank you for your consideration and response to this groundbreaking opportunity. DGS Portfolio Division looks forward to reviewing your response.

Department of General Services
Portfolio Division
2000 14th Street, NW
Eighth Floor
Washington, DC 20009