



**GOVERNMENT OF THE DISTRICT OF COLUMBIA
DEPARTMENT OF GENERAL SERVICES**



**REQUEST FOR SPACE (“RFS”)
DGS-RFS- DMV-2022-5
DMV Residential Services**

The District of Columbia’s Department of General Services (“DGS”) is seeking offers for buildings that can provide a new location for a Department of Motor Vehicle (“DMV”) residential service center. Responsive offers, among other things, should provide approximately 10,000 SF to 13,000 SF of existing improvements and parking for employees and visitors.

Background

The mission of the District of Columbia Department of Motor Vehicles (“DC DMV”) is to promote the safe operation of motor vehicles and public safety, while providing outstanding customer service. The vision of DC DMV is to be the leader in innovation and technology. Every day, DC DMV directly serves an average of 3,200 District residents—and non-residents—more than almost any other District government agency.

Evaluation Criteria

The Evaluation Criteria are as follows:

- A. Serves the Agency’s operations
- B. Rental Rate and Rent Structure consistent with DGS’s typical standards
- C. Location that meets the preferred criteria

Submission Instructions

Offerors shall submit their proposals by responding to or accepting each of the terms included under the Evaluation Criteria in the order and format presented below. Please clearly state any exceptions or substitute language to any of the terms listed below.

Section A. Agency Operation – To be evaluated based on the suitability of space to meet the operational needs of the DC DMV.

Tenant: The District of Columbia, a municipal corporation, acting by and through its Department of General Services (the “District”).

The District agency initially occupying the premises will be DC DMV. The District retains the right to change occupying agencies without such substitution constituting a sublet of the Premises or an assignment of the Lease, or otherwise requiring Offeror's consent.

Site: Please provide address and the following:

- Description of the land (size, location and zoning);
- Description of any existing improvements, buildings or infrastructure including area of paved surfaces;
- Points of vehicular access to the site;

Landlord: Please provide ownership information including:

- Evidence of control of property and timely availability of the Building and Premises (if offeror does not currently own the property please provide evidence of site control and timing and all contingencies (if any) for closing);
- Management structure; and
- Evidence of Offeror's wherewithal to fund development (where appropriate) ongoing building operations, a tenant improvement allowance and, if applicable, other property improvements.

Lenders: Please provide a detailed description of any lenders with financing associated with the building and any liens and/or ground leases that may or will encumber the building.

Premises: Please propose approximately 10,000 to 13,000 SF to accommodate the following:

- Internal queuing to accommodate 20 people
- Waiting room for 100 seats
- 25 to 27 service windows
- 1 information desk
- Knowledge testing area for 20 to 25 people at a time
- 2 supervisor offices
- 1 lead Station
- 1 mobile office
- Conference room with seating for 30 people
- Secured storage
- Janitor closet with sink

- Male and female staff bathrooms
- Male and female customer / visitor bathrooms
- Kitchen and café / breakroom for staff
- Lan room
- PSD security room
- 3rd party agency advocacy room

If there are existing tenants in the space proposed, please provide evidence including dates for the existing tenant’s plans to vacate the space.

Test Fit: After thorough analysis of all proposals, the District will notify Offerors whose proposals have been short listed by the District for purposes of building/property tours. After the building/property tours are complete, the District shall deliver programming requirements to such Offerors and each such Offeror shall, at its sole cost and expense, without any reimbursement from the District, provide \$0.15/RSF in funding for and deliver one test fit for the Premises based upon the programming requirements provided by the District, which shall include two (2) revisions to the test fit, together with the architect’s detailed pricing notes. The architect selected by each Offeror shall be subject to the District’s prior approval.

Lease Term: Ten (10) to fifteen (15) years.

Option Term: The District requests an option to extend the term for one (1) additional period of five (5) years.

Rent Commencement Date: The District shall commence paying rent when the Premises is delivered to the District with any work to be performed by the Offeror completed to the Premises, Base Building, Parking Areas and Site, as evidenced by a certificate of occupancy. Please confirm Offeror can deliver the substantially completed Premises by the beginning of 2nd quarter 2023.

Use: DMV Service Center and any other lawful use.

Assignment/Subletting: Please confirm the District shall have the right, subject to Offeror’s consent, which consent shall not be unreasonably withheld, conditioned or delayed, to assign the Lease or sublease all or any portion of the Premises.

Building Hours: Required building hours are 7:00 am to 6:00 pm, Monday through Friday; and 9:00 am to 2:00 pm on Saturday. However, the District's employees shall require 24-hour Premises access for 52 weeks per year.

The District shall have the right to design the appropriate card access system for the Building or utilize Offeror's base building card access system to the building and building elevators and shall be provided with a sufficient number of access cards for each District employee.

Parking: Please reference the availability and type of parking (i.e. structured vs. service and reserved). The District will require approximately 5 employee parking spaces and would ideally have an additional 20 to 25 parking spaces for its visitors. Please offer the District a competitive parking ratio for the building. Please provide the cost per parking space on a monthly basis, including any scheduled escalations in cost.

Tenant Improvement Allowance: The District requires a Tenant Improvement Allowance ("TIA") of at least \$155.00 per RSF. The District requires a non-restrictive TIA. Specifically, the District may use its allowance for hard and soft construction costs, IT, FF&E, specific electronic equipment and relocation services. The District may require the Offeror to contract for the build-out of the space.

If the District requires that the Offeror build-out the Premises, the Lease shall include a Work Exhibit. In such event, the TIA thereunder shall be subject to the requirements of D.C Code Section 2-218.46 regarding the use of Small Business Enterprises and Certified Business Enterprises (as such term is defined under D.C. Code Section 2-218.02), provided that 50% SBE/CBE participation shall be required (rather than 35% as included in the current Statute). The Work Exhibit shall set forth the foregoing requirement.

Brokerage: Savills, Inc. ("Savills") is recognized as the exclusive broker representing the District in this proposed transaction. Upon execution of a Lease with the District, Landlord shall compensate Savills with a commission equivalent to 4.0% of the Lease value based on the Annual Rent (as defined below) over the initial Lease Term.

Section B. Rental Rate and Rent Structure – To be evaluated in context of the overall value to the District and the competitiveness relative to market, considering such factors as condition of space, efficiency of space, proposed TIA and flexibility in the utilization of the TIA, rental abatement period, escalations, etc. Rent structure should be submitted based on the following proposed structure. The terms below are based on RSF.

Net Rent / Ground Rent: Escalations will be allowed on the Net Rent only. Do not include any escalation on the Annual Rent (as hereinafter defined).

Operating Expenses: The Annual Rent for the first year shall include operating expenses (“OpEx”). OpEx is subject to annual escalations according to changes in the Consumer Price Index (CPI). The amount of the OpEx for the first year proposed by Offeror will be subject to verification by the District and may be subject to revision prior to Lease execution.

Real Estate Taxes: The Annual Rent for the first Lease year shall include the “Real Estate Tax Base,” which shall be equal to the District’s proportionate share of real estate taxes for the building for such first year.

Commencing on the anniversary of the first Lease year, the District will owe its proportionate share of real estate taxes for the building that exceeds the Real Estate Tax Base. The Real Estate Tax Base will be subject to verification by the District and the amount may be subject to revision prior to Lease execution.

Tenant Improvement Allowance Amortization: Annual Rent shall include TIA amortized over the initial Lease Term. Please provide an interest rate at which all Tenant Improvements will be amortized at over the term of the Lease.

Annual Rent: Total of all of the above factors. Please provide an aggressive, market sensitive rent proposal (**including concessions such as rent abatement**). Please use a full-service gross rental structure.

Below is an **EXAMPLE ONLY** of how the proposed rent structure should be presented:

Net Rent	\$15.00
Operating Expenses	\$10.00
Real Estate Tax Base	\$ 9.00
TIA Amortization	<u>\$15.50</u>
Annual Rent for first Lease year	\$49.50 RSF

Purchase Option A preference will be given to those Landlords willing to provide the District with a purchase option as part of the lease.

Section C: Location – To be evaluated based on the location’s accessibility to the constituents it serves. A preference shall be given to properties within the District of Columbia.

Proximity to Public Transit/Preferred Locations: DMV is required to provide services to all four quadrants of the District of Columbia. This particular DMV shall serve the Northeast quadrant of the District of Columbia. There is a preference for locations in Northeast DC within 1 to 2 blocks of a Metro Bus stop that connects directly to a Metro train station. An additional preference will be given to options within close proximity of the Metro train station. Please briefly describe the proximity (distance to the access point of the Building) and accessibility to multiple modes of public transportation including color of Metro train station and major highway / freeway access proximate to the Building.

Submission Format and Due Date

Please submit proposals by email to rashad.jenkins@dc.gov and cc tfoley@savills.us. Please include a Microsoft Word and PDF version of the proposal as an attachment and include in the subject line **DC DMV RFS**. The offers shall be written in 12-point font size on 8.5”x 11” paper. Offers must also include **signed** DC DGS FORM S-103 (attached).

Please include in the body of the email “**Offer in Response to DGS-RFS-DMV-2022-5.**” Offers will be received and considered on a rolling and this solicitation shall remain open until the District has awarded a contract which satisfies the entirety of this requirement.

Addendum: If it becomes necessary to revise any part of this RFS or if additional data is necessary to enable interpretation of provisions of this RFS, such revisions or additional data will be made available online.

Any matters that are not addressed in this RFS and that would further distinguish the building from other competing buildings should be addressed in your response.

This Request for Space shall not be considered an offer to lease and DGS reserves the right to withdraw this Request for Space at any time.

