



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



REQUEST FOR SPACE (“RFS”)
DGS-RFS- 2021-11
OCTO and DDOT Data Center

The District of Columbia’s Department of General Services (“DGS”) is seeking offers for office space and data center space that satisfy the criteria listed below. Responsive offers, among other things, should provide space that is within one building however, a two-building solution can be acceptable as detailed more below.

Evaluation Criteria

The Evaluation Criteria are as follows:

- A. Developer / Landlord Qualifications, Financial Feasibility and Agency Operations
- B. Rental Rate and Rent Structure consistent with DGS’s typical standards
- C. Economic Development: Location & Community and Environmental Benefits

See details on scoring on Page #10 below.

Submission Instructions

Offerors shall include responses to each of the terms / criteria 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. Developer / Landlord Qualifications, Financial Feasibility and Agency Operations

– To be evaluated and scored based on the Developer / Landlord’s financial resources, capacity, and ability to successfully complete a lease with the District, execute the development and perform ongoing operations of suitable space that meets the operational needs of the OCTO and DDOT Data Center

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

Agency(s) of the District government will initially occupy the premises. 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.

Developer & Landlord Qualifications:

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);
- Demonstrate that Developer / Landlord, its member entities, and/or key personnel have successfully served in lead developer and landlord roles for completed projects of a similar scale and scope to the project proposed by Developer / Landlord;
- Management structure; and,
- Provide evidence of sufficient organizational capability to ensure successful and timely delivery of the project.

Development that Addresses Agency’s/District’s Operational, Location and Support Services Requirements:

The desired geography for this requirement is within the area defined below:

North: Clifton St.
South: O St. SW
East: First St. NE
West: 17th St

Locations within the above boundaries or immediate area will be considered.

The requirement can be provided for in a single location (preferred), or 2 locations, as defined below:

Requirement 1a (“Tenant Build”):

- 4,500 SF of technical space (basement or lower floor), minimum of 12’ ceilings
- 2,500 SF of operational support space, 20’ ceilings
- 2,000 SF of storage
- 1,500 SF of office
- 1,500 SF for generator and fuel supply (secured, exterior space acceptable), 18’ clear height required
- 925KVA of dedicated utility power
- **[Optional but not required]:** 10 standard parking spaces

OR

Requirement 1b (“Landlord Turn-Key Delivery” or “TKD”):

- Approximately 500kW of critical power
- 3,500 – 4,000 SF of dedicated, secured white space
- N+1 (or greater) UPS and generators
- N+1 (or greater) mechanical and cooling systems
- Service level agreement for power and cooling system availability
- 2,500 SF of operational support space, 20’ ceilings
- 2,000 SF of storage
- 1,500 SF of office
- **[Optional but not required]:** 10 standard parking spaces
- Please note that the “operational support space” referenced above will also need conditioned power and cooling in the event of an outage, redundancy levels TBD

AND

Requirement 2:

- 35,000 – 45,000 SF of mixed-use office and technical lab space
- **[Optional but not required]:** 20 standard parking spaces
- 1,000 SF of storage
- 1,000 SF for generator and fuel supply (secured, exterior space acceptable), 18’ clear height required

Both requirements require multiple points of entry for communications conduit to be installed into the building from diverse directions. Physical security for this location(s) is of high importance, including distance from public areas (in and outside of the premises), the ability to create a security perimeter both within and around the premises, etc.

If there are existing tenants in the space proposed, please provide evidence including dates for the existing tenant's plans to vacate the space. If there are existing improvements on a proposed development site, please provide evidence including dates by which the Landlord shall demolish the improvements.

Building, please provide building name and address and the following:

- For new buildings – please provide evidence of entitlements and approvals for development of the building, garage and site;
- For existing buildings - description of any renovations planned for the building, including timeline;
- For new and existing buildings- description of the proposed base building specifications and building systems, including HVAC system servicing the space, its capacity and additional capacity available within the building;
- Description of building's security and access control (preference will be given to buildings with lobby level security and controlled access to the Premises);
- Detailed description of maintenance and cleaning;
- Description of recycling programs;
- Description of any amenities the building has/will have such as a gym, rooftop terrace, building conference, or outdoor space;
- Include neighborhood-serving amenities including community space,
- Statement as to ADA compliance;
- Achieve programmatic and architecture solution that meets the operational needs of the prospective District Agency. Please provide the following:
 - Base building, site and garage plans;

- Floor plans delineating specific floor and square footage;
- Description of the condition of space;
- Description of utility electric service available at the location(s);
- Common area factor; and
- Offeror’s agreement to utilize BOMA standard of measurement for the building and Premises.
- **[Optional but not required]:** Provide for an appropriate amount of parking that provides for the District’s use, retail and housing use (as appropriate), the communities use and reflects the Development Parcel’s proximity to a Metrorail station and other transportation infrastructure.

Financial Feasibility & Bidder / Developers / Landlord’s Financial Capability:

- 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;
- Evidence of Offeror’s wherewithal to fund development (where appropriate) ongoing building operations, a tenant improvement allowance and, if applicable, other property improvements;
- Provide realistic and an achievable funding plan and multi-year pro-forma (predevelopment through post-stabilization);
- Provide evidence of available “at risk” capital during the pre-development and development process;
- Exhibit a willingness to provide the District with a meaningful guarantee regarding payment and performance through final project completion; and,

Section B. Rental Rate / Rent Structure and Required Lease Terms – To be evaluated and scored 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.

Open Book Process: Please note, the Landlord and District shall arrive at a final Annual Rent through an open book and collaborative process.

Net 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.

Annual Rent: Total of all 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	\$20.00
Operating Expenses	\$10.00
Real Estate Tax Base	\$ 9.00
TIA Amortization	<u>\$15.40</u>
Annual Rent for first Lease year	\$54.40 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.

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 and the District's equipment is fully operational. Please confirm Offeror can deliver the substantially completed Premises, with fully operational equipment by the 1st quarter of 2022.
- Use:** Primarily administrative office and data center facilities and any other lawful use. If relevant, please provide the names of the other tenants in the building.
- Amenities:** Please describe the amenities or special services that will be available in the building (deli/restaurant, building conference rooms, teleconferencing, health/fitness center, security escort services, etc.).
- 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 Requirements sections above. Please provide the cost per parking space on a monthly basis, including any scheduled escalations in cost. **[Optional but not required]**

Rent Abatement & Tenant Improvement Allowance:

The District is seeking competitive proposals that include rental abatement and a Tenant Improvement Allowance (“TIA”) as follows:

Requirement 1a (Tenant Build):

A typical requirement of this kind requires a concession package of approximately \$190.00 to \$225.00 per RSF. Please provide a separate TIA and Rent Abatement Period. The District reserves the right to convert some or all of its rental abatement to TIA and convert any unused TIA to rental abatement.

Requirement 1b (TKD):

Landlord delivers fully built space as outlined in the technical requirements above, up to floor-level PDU’s for power and CRAC/CRAH units for cooling. Please provide a separate TIA and Rent Abatement Period that contemplates cabinet installation, overhead cable management, power delivery (branch circuits in an N+1 A/B configuration), conduits and other setup costs, as well as early access for fit-out and installation of tenant’s equipment.

Requirement 2:

A typical requirement of this kind requires a concession package of approximately \$190.00 to \$225.00 per RSF. Please provide a separate TIA and Rent Abatement Period. The District reserves the right to convert some or all of its rental abatement to TIA and convert any unused TIA to rental abatement.

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. Please see Exhibit A.

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 above) over the initial Lease Term.

Section C: Economic Development: Location & Community and Environmental Benefits –
To be evaluated and scored based on their responsiveness to the goals and objectives as summarized below:

**Economic Development,
Location & Community
Benefits:**

- Achieve location objectives as established by the District and is accessible to the constituents it serves.
 - 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 line and major highway/freeway access proximate to the building.
- Create development that supports job creation and/or apprenticeship programs for District of Columbia residents.
- Promote social equity generally, including but not limited to, preferences for CBE’s, District-based businesses, and/or businesses that hire District of Columbia residents. Provide District and Ward residents and businesses with opportunities to participate in the project. Involve the applicable ANC(s), local community groups and area residents so they may understand how the community’s goals can be furthered through the development (See Exhibit A for more details).

Environmental Benefits:

- Provide a sustainable development that has minimal impact on the environment and achieves higher LEED certifications than required by DOEE as articulated in the

“Sustainable and Green Building Requirements” as summarized in Exhibit B.

Scoring System and Score Card

The following Score Card will be used by the District to rank proposals as to how they meet the Districts Policy Goals, Requirements and Preferences.

Issue	Score
Developer / Landlord Qualifications	10
Projects Financial Feasibility	10
Developer / Landlord Financial Capacity	10
Satisfies Operational Requirements	10
Satisfies Support Services Requirements	5
Rental Rate / Structure and Lease Terms	25
Provides Economic Development Goals for Location & Community Benefits	20
Satisfies Environmental Objectives	10
Total	100

Submission Format and Due Date

Please submit two (2) electronic copies in Microsoft Word and PDF by email to Rashad.Jenkins@dc.gov and cc bquinby@savills.us and tfoley@savills.us. The offers shall be written in 12-point font size. Offers must also include a **signed** DC DGS FORM S-103 (attached).

Within the body of the email please reference “**Offer in Response to DGS-RFS-2021-11.**” 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.

Exhibit A

The selected Developer / Landlord shall comply with the requirements of the Small and Certified Business Enterprise Development and Assistance Act of 2005, D.C. Official Code §2-218.01, et seq. (as amended, the “CBE Act”), including entering into a CBE Agreement with the District prior to execution of an agreement. Pursuant to D.C. Official Code §10-801(b)(6), the CBE Act, and, to the extent applicable, the AWI Act, Developer / Landlord shall subcontract to Small Business Enterprises (“SBEs”). The District’s Department of Small and Local Business Development (“DSLBD”) determines which entities qualify as SBEs, Certified Business Enterprises (“CBEs”), Small Investors, Disadvantaged Investors, and Certified Equity Participants pursuant to the CBE Act. Developer / Landlord 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).

Mayor Bowser has charged her entire administration with ensuring every Washingtonian gets a fair shot. The Mayor recognizes that the District is a powerful tool for investing in the economic vitality of residents and neighborhoods. As the District of Columbia continues to grow and change, the District’s investments and decisions will continue to play an important role in shaping the future of our city and providing opportunity to those who have historically been locked out of prosperity. Building the District of Columbia into a more inclusive and equitable city will not happen by chance, it will be the result of intentional decisions that are designed to overcome long-standing inequities, that reflect our shared DC values, and that provide Washingtonians across all eight wards every opportunity to rise. In the interest of advancing access to opportunities to manage meaningful development activities, DGS has designated this project as an instance to serve the dual purpose of promoting economic activity and facilitating equitable access to the opportunities afforded by development projects. Equitable access to meaningful opportunities for development, project management, delivery and property management is a critical pathway towards ensuring that the District’s growth reflects diverse needs and equitably benefits residents. The District intends to take deliberate steps to assist small, local, and disadvantaged businesses and people to, not just participate in larger opportunities but, build the capacity necessary to lead and manage those opportunities in the future. DSG will prioritize Developers / Landlords who maximize by leadership and/or inclusion:

- Racial and ethnic minorities
- Other persons who are members of historically disadvantaged groups
- Entities designated as Disadvantaged Business Enterprise (“DBE”) and Resident-owned Business (“ROB”)
- Entities (including non-profits and community institutions) led by, or majority controlled by, individuals designated as socially disadvantaged under the Small Business Administration (“SBA”) definition¹
- Apprenticeship programs that facilitate placing existing District of Columbia residents into employment opportunities within the project. The commitment and strategy to develop and implement a local apprenticeship program shall be in accordance with D.C. Official Code §32-1401, et seq. ii.

- Opportunities for District of Columbia neighborhood-based businesses to participate in the project. Developers / Landlords should submit evidence of the inclusion of such businesses in the form of written confirmation from such neighborhood-based business and shall include the scope and details of the said businesses' involvement in the project.

Exhibit B

Sustainability and Green Building Requirements: The Development shall be developed in compliance with the District's Green Building Act of 2006, as amended, codified in D.C. Official Code §6-1451.01, et seq., the AWI Act, to the extent applicable, and the storm water management regulations published in Chapter 5 of Title 21 of the DCMR and Chapter 31 of Title 20 of the DCMR. Proposals shall be based on these regulations. Specific design criteria are stated in the Storm Water Guidebook which is available online at doee.dc.gov/publication/stormwater-guidebook.

The Sustainable DC 2.0 Plan establishes goals and targets to ensure that the District of Columbia is the healthiest, greenest, most livable city for all District of Columbia residents. It encompasses 167 actions and 36 goals across 13 separate topics. The Sustainable DC 2.0 Plan is found at sustainabledc.org/sdc2/. Developer / Landlord should review the Sustainable DC 2.0 Plan and highlight its qualifications and experience in developing sustainable projects, if any, in its Proposal.

Clean Energy DC is the District's energy and climate action plan. It identifies the actions that need to be taken between now and 2032 in city's buildings, energy infrastructure, and transportation system to meet the District's ambitious greenhouse gas ("GHG") reduction targets. Included in the list of 57 proposed actions is the adoption of net-zero energy construction codes by 2026 for all new construction. Developer / Landlord should review the plan at doee.dc.gov/cleanenergydc and demonstrate how it has considered pursuing deep energy efficiency or net-zero energy performance in its Proposal.

Climate Ready DC is the District's strategy for making the city more resilient to climate change. It recommends adaptation strategies across four sectors: Transportation & Utilities, Buildings & Development, Neighborhoods & Communities, and Governance & Implementation. Buildings across the city are at risk from climate related hazards such as flooding, extreme weather, and heat. Developer / Landlord should review the Climate Ready DC plan at doee.dc.gov/climate ready and demonstrate how it has evaluated the risks that climate change may pose to its project and designed its Proposal to mitigate those risks.

To meet the Green Building Act of 2006 the project shall be developed to LEED Silver or above. This is the substantially similar standard to Enterprise Green Communities.

In addition to the Green Building Act of 2006 the Developer / Landlord is encouraged to demonstrate that it incorporates solar photovoltaics in its project and maximizes its rooftop generation potential to the extent allowable by District codes and regulations. Developer / Landlord is also encouraged to consider coupling battery storage with solar photovoltaics to provide resilient backup power to the project.

The existing laws and regulations, including the Green Building Act of 2006, the DC Green Construction and Energy Conservation Codes, and the updated stormwater regulations, among others, provide a strong foundation for the broader sustainability goals of the District. However,

to achieve the targets set forth in the Sustainable DC Plan, the District plans to lead by example and give special consideration for projects that exceed the basic legal requirements and strive to achieve deeper levels of energy efficiency, greenhouse gas emissions reductions, and climate resilience.

Therefore, Developers / Landlords are encouraged to:

- i. Exhibit a commitment to environmental performance beyond the requirements set forth in existing laws and regulations, including commitments to LEED certification beyond Silver level
- ii. Surpass basic LEED certification by one or more of the following strategies
 - a. designing to be net zero energy “ready” (deep energy efficiency with energy use intensities below 30 kBtu/square foot/year)
 - b. achieve net positive energy (either produced on-site and/or from the purchase of power from newly installed renewable energy in the region)
 - c. zero waste (meaning above 90% diversion of waste both during construction and operation)
 - d. retain stormwater volume for the 1.7-inch rain event, and collect and reuse rainwater and greywater on-site; and/or
 - e. design and construct its project to achieve either full or partial certification under the International Living Future Institute’s Living Building Challenge program.

There are strong financial incentives available in the District for deep energy efficiency, stormwater management, and renewable energy. These incentives include: DC Sustainable Energy Utility, RiverSmart Communities, RiverSmart Rewards, RiverSmart Rooftops, and Stormwater Retention Credits. For more information, contact Casey Studhalter of the Department of Energy and Environment’s Urban Sustainability Administration at 202-535-2460 or casey.studhalter@dc.gov.

In addition to available incentives, financing for sustainability projects is available through DC Green Bank financing options including: DC PACE (Property Assessed Clean Energy), CLEER (Commercial Loan for Energy Efficiency and Renewable Energy), predevelopment loans, and direct fund projects. The team at DC Green Bank continues to explore additional financing products, please email info@dcgreenbank.org for more information.