

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



**REQUEST FOR OFFERS TO LEASE
DISTRICT OF COLUMBIA PROPERTY**

**6,977 GROSS SF OF HEALTHCARE CLINIC SPACE
850 DELAWARE AVENUE, SW
WASHINGTON, DC 20024
DGS-RFO-DELAWARE AVE-2017**

Issued: Friday, May 5, 2017

**Issued by:
The Government of the District of Columbia
Department of General Services
ATTENTION: Charleen Ward
E-mail: charleen.ward@dc.gov
2000 14th Street NW, 8th Floor
Washington, DC 20009
<http://DGS.dc.gov>**

Offers Due By: Friday, July 5, 2017, no later than 12:00 p.m.

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Section # 1: Overview and District’s Goal for this Solicitation

The Government of the District of Columbia (“District”), through its Department of General Services (“DGS”), invites interested offerors (“Offerors”) to respond to this Request for Offers (“RFO”) with offers (“Offers”) to lease the following:

APPROXIMATELY 6,977 GROSS SQUARE FEET (SF) OF GROUND FLOOR AND CELLAR FLOOR HEALTHCARE CLINIC SPACE TO BE LOCATED AT 850 DELAWARE AVENUE SW (“PREMISES”).

The District’s goal, in issuing this RFO, is to receive Offers to lease the Premises. The District will evaluate Offers and will select one Offer determined, in the District’s sole discretion, to be in the best interest of the District for negotiation of a lease agreement for the entirety of the Premises. DGS will not accept Offers to lease the Premises for a base term of less than five (5) years or more than ten (10) years. In addition to the base term, Offers may include one (1) renewal option of no more than five (5) years.

Section # 2: Property Facts

- Premises will be located at 850 Delaware Avenue, SW, which will be a 7-story building with approximately 45,971 SF (“Building”).
- Premises will be comprised of approximately 804 SF on the ground floor of the Building and approximately 6,173 SF on the cellar floor of the Building.
- Premises will have a dedicated entrance on I (“Eye”) Street, SW, near the corner of Eye Street, SW and Delaware Avenue, SW.
- The ground and cellar floors of the Premises will be accessible to each other by both elevator and stairs.
- The ground floor of the Premises will be comprised of lobby and reception area space.
- The cellar floor will have windows along both Eye Street, SW and Delaware Avenue, SW.
- The Building will have 50 units with 166 beds to provide short term (approximately 90 days) housing for District of Columbia families (and only families) experiencing homelessness, as well as a workforce training facility. The Building will also have an outdoor play area along Delaware Avenue, SW.
- No parking will be provided as part of the Premises.
- The Building will be LEED-certified.
- Hours of operation of the Premises Monday through Friday may not be earlier than 8:00 a.m. or later than 8:00 p.m., and any Saturday hours must be acceptable to the District.

The Premises will be delivered as a “warm lit shell” in the Summer or Fall of 2019. The Premises will be leased in an “AS-IS”, “WHERE-IS” condition with all faults, without any representations or warranties. Any initial tenant improvements or subsequent alterations to the Premises must be reviewed and approved by the District, in its sole and absolute discretion.

With the exception of costs to repair and maintain base building mechanical, electrical, and plumbing systems and the structural portions of the Premises, all costs, expenses and obligations of every kind and nature whatsoever relating to the Premises shall be paid by the Offeror. Such costs, expenses and obligations include, but are not limited to, possessory taxes assessed against the Premises, water and sewer use fees, insurance premiums, utility expenses, and any and all costs of operating, maintaining, repairing or replacing all or any portion of the Premises, including all capital expenditures.

Please see **Exhibit A: Property Details** for additional information including aerial maps and a site plan.

Section # 3: Information to include in Submitted Offers

An Offer shall be in a narrative form responding to each Offer Criterion in this Section # 3. An Offer must be submitted timely and comply with the terms of this RFO.

OFFER CRITERION # 1: PROPOSED USE and BUSINESS PLAN

A) PROPOSED USE

Describe what type of clinic the Offeror plans to operate and what healthcare services the clinic will provide. The Offeror should include its plan for obtaining approval for the proposed use, including its plan for obtaining a Certificate of Need from the District of Columbia’s Department of Health. DGS will not assist or advise Offeror, or in any way participate, in Offeror’s efforts to obtain such Certificate of Need. Describe how the proposed use would benefit the community (for example, provide the expected number of people that the Offer intends to directly serve and employ).

B) BUSINESS PLAN

1) OPERATIONS PLAN:

Describe what the Offeror envisions the space to look like when fully built-out. Provide proposed operating hours for the business. Provide an estimate (in months) for how long the Offeror anticipates it will take from lease execution to ready the space and open for business.

2) FIRST SOURCE AND CERTIFIED BUSINESS ENTERPRISE UTILIZATION:

The District is committed to promoting the hiring of District residents and to ensuring participation and inclusion of Certified Business Enterprises (“CBE”) – and, in particular, Local Small Disadvantaged Business Enterprises (“LSDBE”) – in the contracting opportunities derived from the reuse of District-controlled property. Offerors who commit to contracting with CBE’s and/or LSDBE’s will be viewed more favorably than those who do not. For more detailed information on CBE utilization please visit DSLBD’s website at <http://dslbd.dc.gov> or call (202) 727-3900.

OFFER CRITERION # 2: OFFEROR QUALIFICATIONS (EXPERIENCE, FINANCIAL CAPACITY, and OFFEROR IDENTIFICATION INFORMATION)

A) EXPERIENCE

An Offer must include a narrative description of the Offeror's prior experience in operations similar to the proposed use and shall include resumes for key personnel who will be involved with the business.

B) FINANCIAL CAPACITY

Offerors must describe and demonstrate their financial capacity to pay all costs, including without limitation: rent, required build out improvement costs including furniture, fixtures and equipment purchases (as applicable), as well as Offeror's entity costs and other costs of doing business, such as franchise fees and other business taxes and any necessary certificates, licenses, permits or registrations.

1) SOURCES AND USES FUND STATEMENT:

Offerors should provide a "Sources and Uses Fund Statement". This statement should provide an account of where the Offeror will obtain funding for the business and what anticipated expenditures will be incurred during the start up (including construction and tenant build out costs). If the Offeror plans to obtain debt financing, it should provide copies of commitment letters from the lender(s).

2) CONSTRUCTION AND TENANT BUILD OUT BUDGET AND PLANS; LIST OF EQUIPMENT:

As indicated in Section # 2, General Property Description & Space Condition, the District will lease or sell the space "AS-IS". All costs to reconfigure the Premises for the Offeror's use will be done at the Offeror's sole cost and expense. An Offeror's renovation and build out plan may be a significant part of the Offeror's overall start up costs. Offeror's must provide an initial budget for the costs that will be incurred to begin operation of the proposed use at the Premises. This initial budget must include at minimum the Offeror's initial cost estimate for construction and furniture, fixtures and equipment. Offeror shall also include a list of equipment contemplated for use in the Premises.

3) FINANCIAL STATEMENTS:

Offerors should provide the following financial statements:

- a) Federal Tax Returns for the past two years.
- b) DC or State Tax Returns for the past two years.
- c) Certified or Audited Financial Statements for the past two years.

The above financial statements should be for either an existing business operation or, if none, then the Offeror's individual financial statements. If the Offeror will be a business partnership or joint venture with more than one principal, then financial statements must be provided for all principals.

DGS reserves the right to request additional financial information, in its sole discretion.

C) OFFEROR IDENTIFICATION INFORMATION:

Offerors must provide the following information to the District.

1) CONTACT INFORMATION:

Offeror’s full address and contact information.

2) CERTIFICATE OF GOOD STANDING (DC):

A Certificate of Good Standing which demonstrates the individual and/or business has no outstanding tax liability with the District of Columbia. A Certificate of Good Standing may be obtained by contacting the District’s Office of Tax and Revenue at (202) 727-4829 or at the following website: <http://otr.cfo.dc.gov/otr/cwp/view,A,1329,Q,637465.asp>

3) BUSINESS LICENSE:

A copy of any business licenses applicable to the proposed operation.

4) DISTRICT RESIDENT STATUS:

Offerors should indicate if, and to what extent, the principals and key personnel are District residents. District residency will receive a preference over non-District residents.

OFFER CRITERION # 3: FINANCIAL OFFER

Offerors submitting an Offer must submit a financial offer which includes the following components: length of base lease term, length of option term (if any), annual base rent, and annual base rent escalations. **An Offer which does not include these components will be deemed an “Unresponsive Offer”.**

As described below in Section # 5, “Selection and Negotiation”, the District reserves the right to negotiate final terms and conditions based on the totality of the financial and other terms in the Offer.

***Property Tax:** Offeror’s leasehold interest may be subject to possessory interest tax pursuant to applicable law, including D.C. Official Code: § 47-1005.01.

Section # 4: Submission Requirements

FORMATTING:

- **Page Limit:** Offers should not exceed twenty-five (25) pages.
- **Copies:** Offerors should provide two (2) hard copies and one (1) electronic copy of the Offer. Electronic copies should be submitted via email to charleen.ward@dc.gov. The hard copies must be delivered to the address listed in the box below. An email transmitting the electronic copy of an Offer must contain the subject line **“Electronic Copy: Offer in Response to RFO for 850 Delaware Avenue SW dated _____.”**
- **Deadline:** Both hard and electronic copies of Offers must be submitted no later than the response deadline specified in Section # 5.

CLARIFYING QUESTIONS

Any questions regarding this RFO should be submitted to the contact listed in the box below. **Questions submitted later than five (5) business days prior to the submission deadline identified in Section 5 will not be answered.**

Charleen Ward
Department of General Services
2000 14th Street NW, Suite 800
Washington, DC 20009
charleen.ward@dc.gov

Section # 5: Selection Process

TIMETABLE FOR EVALUATION OF RFO RESPONSES

The District will endeavor to follow the timetable set forth below; however, this timetable is a guideline only and is subject to change in the District’s sole discretion. Any changes will be posted at the DGS website: <http://DGS.dc.gov>.

RFO ISSUED:	MAY 5, 2017
OFFERS DUE:	JULY 5, 2017, NO LATER THAN 12:00 PM
NOTIFICATION:	[TBD]

SELECTION AND NEGOTIATION

The District will evaluate all proposals based on the responses to the Offer Criteria in Section # 3. The Offer Criteria will be weighted as follows for evaluation purposes:

OFFER CRITERION # 1: PROPOSED USE and BUSINESS PLAN	30.00%
OFFER CRITERION # 2: OFFEROR QUALIFICATIONS	30.00%
OFFER CRITERION # 3: FINANCIAL OFFER	40.00%
Total	100.00%

Only Responsive Offers will be evaluated. The District will determine, in its sole discretion, whether each Offer received in response to this RFO is a Responsive Offer.

A Selection Panel will be established to review and evaluate the Offers. The composition of the Selection Panel will be determined by the District, in its sole discretion. In addition, the Selection Panel may consult with professional outside consultants for technical assistance in the District’s sole discretion.

Upon receipt of Offers, the District, in its sole and absolute discretion, may choose to:

1. Require oral presentations by Offerors to the Selection Panel;
2. Select a short list of Offerors and require additional information from the short-listed Offerors or that they modify their Offers or provide a “Best and Final Offer” for the District’s review;
3. Enter into exclusive negotiations with one or more selected Offeror(s) without requesting more detailed information or selecting a short list of Offerors;
4. Request more detailed information leading to a final Offeror(s) selection; and,
5. Take no action on the Offers received.

The Selection Panel will select, in its sole and absolute discretion, one Responsive Offer or no Responsive Offers. Upon completion of the review and selection processes, DGS shall notify the selected Offeror, if any.

If one Offeror is thereby chosen, the parties shall proceed to negotiate final terms consistent with the selected Offeror’s proposed terms. If the District and the selected Offeror are unable to agree on the final lease within sixty (60) days of the receipt by Offeror of the selection letter, the District, in its absolute and sole discretion, may terminate negotiations and (i) select a different Offeror that responded to this RFO; (ii) re-issue this RFO; or (iii) take such other measures as it deems reasonable, appropriate, and/or necessary.

UPDATES AND MODIFICATIONS

The Department of General Services shall post on its website (<http://DGS.dc.gov>) any notices or information regarding cancellations, withdrawals, modifications to deadlines, and other modifications to this RFO. Offerors 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 Offerors.

NO CONFLICTS OF INTEREST

By submitting an Offer, the Offeror represents and warrants the following to the District.

1. The compensation to be requested, offered, paid or received in connection with this RFO 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 RFO or otherwise.
2. No person or entity employed by the District or otherwise involved in preparing this RFO on behalf of the District (i) is affiliated with or employed by or has any financial interest in any potential Offeror, (ii) has provided any assistance to potential Offeror in responding to this RFO, or (iii) will benefit financially if any Offeror is selected in response to this RFO.
3. The Offeror has not offered or given to any District officer or employee any gratuity or anything of value intended to obtain favorable treatment under this RFO or any other solicitation or other contract, and Offeror has not taken any action to induce any District officer or employee to violate the rules of ethics governing the District and its employees. Offeror 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 RFO. As used herein, "anything of value" shall include but not be limited to any (a) favors, such as meals, entertainment, transportation (other than that contemplated by this RFO, if any, or any other contract with the District), etc., which might tend to obligate a District employee to Offeror, and (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.

Section # 6: Reservation of Rights and Miscellaneous Provisions

A) DGS reserves the right to:

- Cancel or withdraw this RFO at any time prior to or after the submission deadline;
- Modify or issue clarifications to this RFO prior to the submission deadline;
- Reject any submission it deems incomplete or unresponsive;
- Reject all submissions that are submitted under this RFO;
- Consider one or more Offers that are noncompliant with the RFO requirements;
- Modify the deadline for submissions or other actions;
- Reissue (i) this RFO, (ii) a modified RFO, or (iii) a new solicitation or request for offers whether or not any submissions have been received in response to the initial RFO issuance;
- Subdivide this RFO into multiple, separately negotiated and leased components; and
- Enter into negotiations with one or more Offerors based on Offers submitted in response to this RFO.

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

B) Change in Offeror Information

If information provided in a submission changes (e.g., change or addition to any of the Offeror's team members or new financial information) the Offeror shall provide updated information in the same format for the appropriate section of this RFO and DGS may consider the modified submission.

C) 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, whether the submission is selected or rejected. No Offeror shall be entitled to compensation or reimbursement of costs in connection with its submission of an Offer in response to this RFO.

D) Further Efforts

DGS may request that Offerors clarify their submissions and/or submit additional information pertaining to their submissions. DGS may request best and final submissions from any Offeror and/or request an oral presentation from any Offeror.

E) Restricted Communications

Upon release of this RFO and until the end of the notification period set forth in Section 5, above, potential Offerors shall not communicate with DGS, or other District staff about this RFO or issues related to this RFO except as authorized in this RFO or in public meetings called in connection with this RFO.

F) Limitation on the District’s Authority to Convey

Offerors should be aware that the District’s disposition of certain real property interests may be subject to prior Council authorization in accordance with D.C. Official Code § 10-801 (2007 Supp.). Nor can the District obligate itself to expend any funds without first obtaining a congressional appropriation of funds for such purpose. DGS makes no commitment (nor is authorized to make any commitment) to enter into any contract and does not intend to proceed with any proposed project until all applicable laws have been satisfied.

G) Confidentiality

Submissions and all other information submitted in response to this RFO 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. An example of an exemption category 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.” If an Offeror provides information that it believes is exempt from mandatory disclosure under FOIA (“exempt information”), the Offeror shall include the following legend on the title page of the submission:

THIS OFFER 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 Offeror believes is exempt information, the Offeror 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 Offeror shall also specify the exempt information and shall state the exemption category within which it believes the exempt information falls.

Although DGS will generally endeavor not to disclose information designated by the Offeror as exempt information, DGS will independently determine whether the information designated by

the Offeror is exempt from mandatory disclosure. Moreover, exempt information may be disclosed by DGS, at its discretion, unless otherwise prohibited by law, and the District shall have no liability related to such disclosure.

H) Non-Liability

By participating in the RFO process, the Offeror 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 RFO.

I) Brokers and Brokerage Fees

Offeror will be responsible and shall pay for any and all commission or fees due to Offeror's broker, if any, pursuant to a separate agreement. The District does not offer, nor will it provide, any broker compensation, commission or fee.

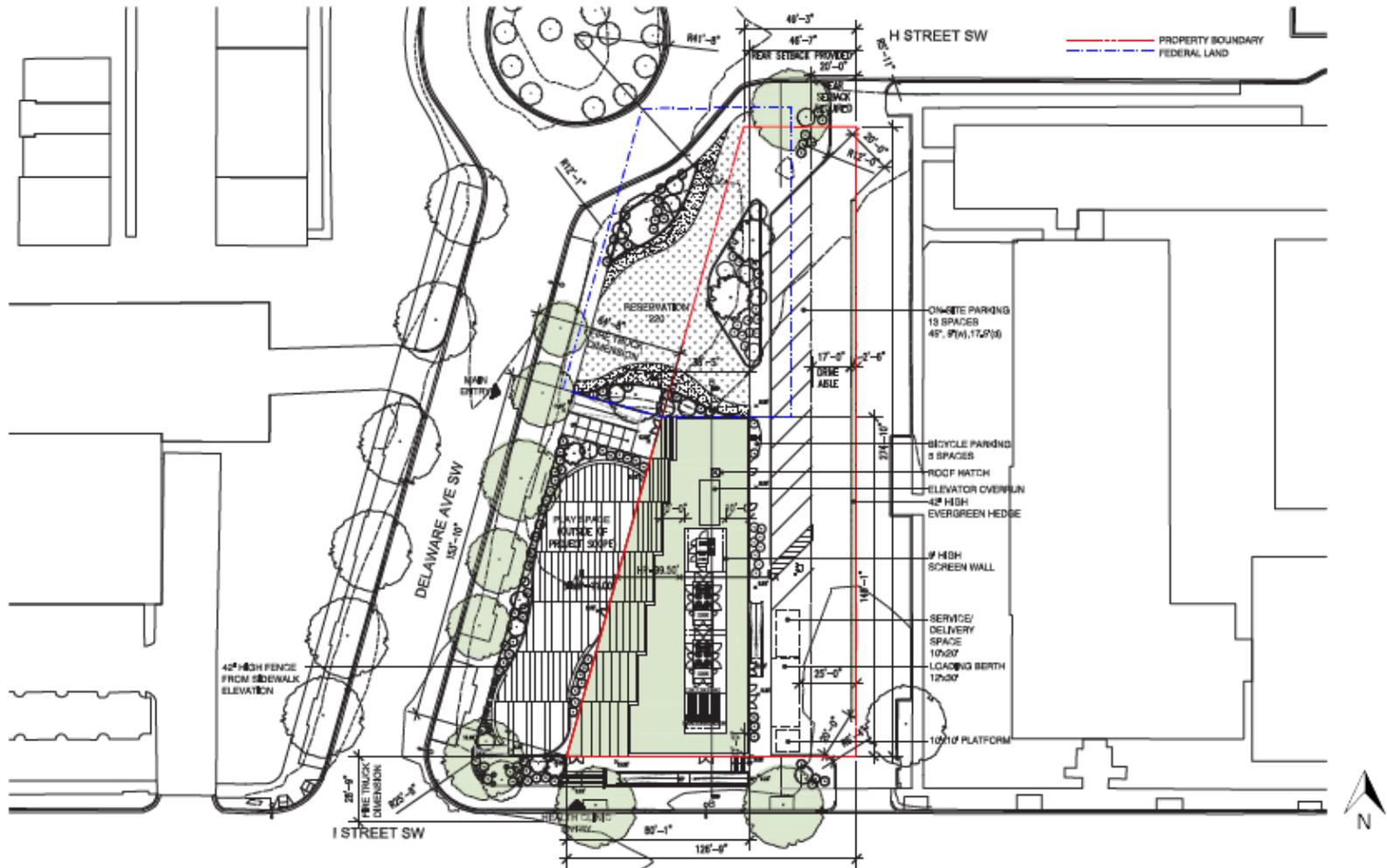
J) Selection Non-Binding

The selection by the District of an Offeror does not constitute a commitment by the District to execute a final agreement or contract with the Offeror.

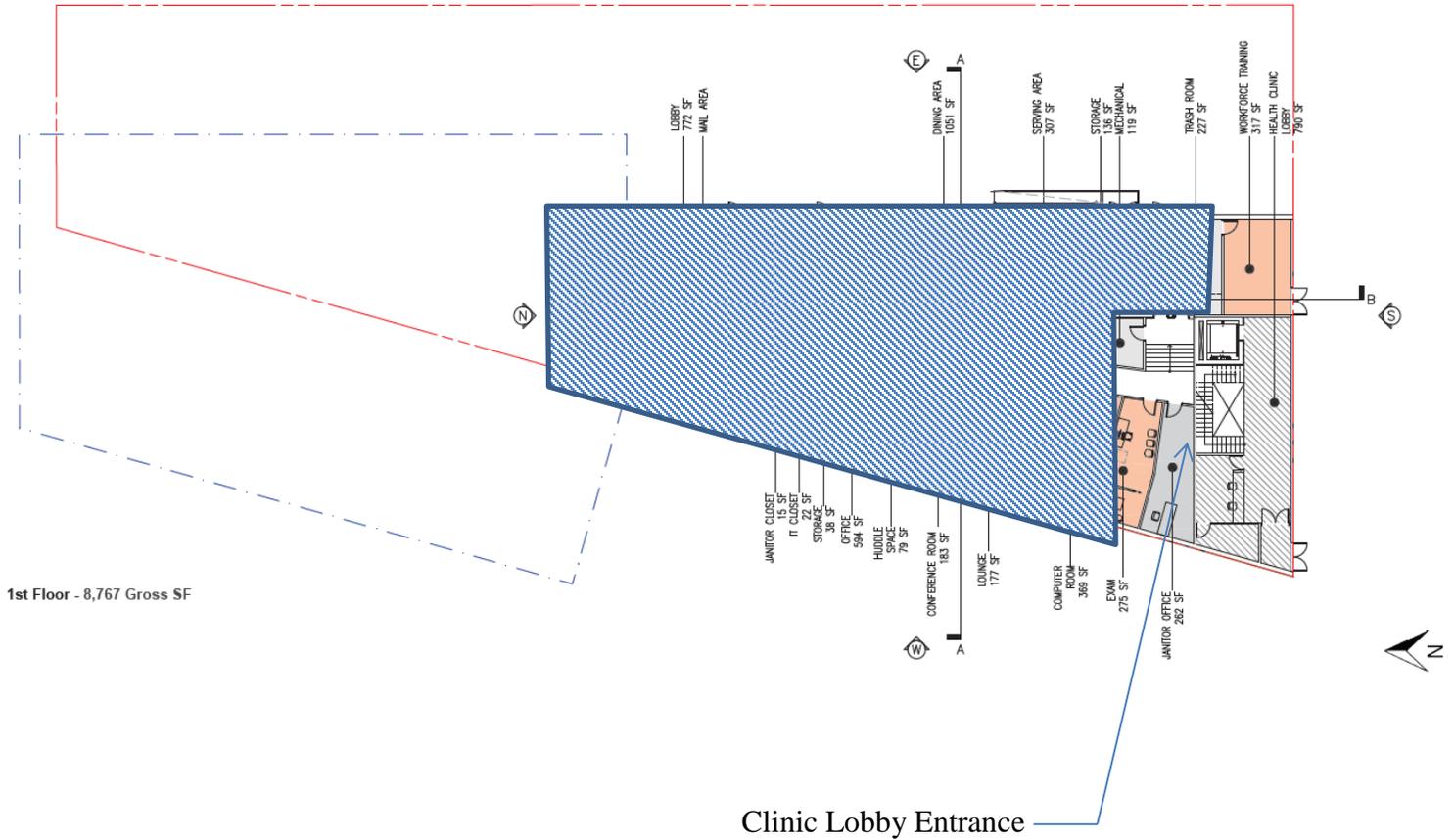
1) AERIAL:



2) SITE PLAN:



3) PARTIAL GROUND FLOOR PLAN:



4) CELLAR FLOOR PLAN:

