



REQUEST FOR PROPOSALS (RFP)



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Fort Monroe Authority

Ft. Monroe, VA

Deadline for submission: November 16, 2012

RFP-FMA-121-2013

RFP SUBMITTAL SHEET

One (1) completed copy required with proposal submission

Issue Date: October 2, 2012

Title: Request for Proposals for leasing, rehabilitation and reuse of Building 80.

Issuing Agency: Fort Monroe Authority (FMA)

Where work will be performed: Fort Monroe, Virginia

Pre-Proposal Conference: November 1, 2012.

Proposals will be received until: November 16, 2012 at 5:00 p.m.

All inquiries for information should be directed to: Sanford M. Cohen
Email: scohen@divaris.com

Proposals should be sent to: Old Point Comfort Real Estate Services LLC
c/o Divaris Real Estate, Inc.
One Columbus Center, Suite 700
Virginia Beach, VA 23462
Attention: Sanford M. Cohen

In compliance with this Request for Proposal and all conditions imposed herein, the undersigned offers and agrees to furnish the services in accordance with the attached signed proposal or as mutually agreed upon by subsequent negotiations.

Name: _____

Title: _____

Company Name: _____

Address: _____

Zip Code: _____

Telephone: _____ Fax: _____

Email: _____ Web Address: _____

FEI/FIN No.: _____ SWaM No.: _____

Signature: _____ Date: _____

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1.0 PURPOSE

The purpose of this Request is to solicit proposals from those offerors interested in leasing, rehabilitation and reuse of Building 80 at Fort Monroe.

2.0 HISTORY OF FORT MONROE

Fort Monroe's current boundaries encompass 565 acres, including 110 acres of submerged lands and 85 acres of wetlands. More than 180 historic structures and features contribute to the Fort Monroe NHL District, including the namesake stone fort completed in 1834. Fort Monroe was built for coastal defense and housed one of the Army's first field schools of military education for the coastal artillery.

Originally named Cape Comfort by Captain John Smith in 1607, the first fortifications at the point were erected in 1609.



Further exploration of the James River and Chesapeake Bay led to the early renaming as Point Comfort then Old Point Comfort, the designation it has held until today. The site currently contains one museum, the Casemate Museum, now operated by the Fort Monroe Authority under an agreement with the Center for Military History. The museum interprets the history of Fort Monroe and Old Point Comfort and includes the cell where former Confederate President Jefferson Davis was imprisoned in 1865. Other noted individuals associated with Fort Monroe include Chief Blackhawk, Edgar Allan Poe, Robert E. Lee, Abraham Lincoln, and Ulysses S. Grant. The fort remained in Union hands throughout the Civil War and was a key staging ground for the Union campaign in Virginia and along the Atlantic.

In 1861, Commanding General Benjamin Butler gave sanctuary to three runaway slaves, declaring them Contraband of War. The decision earned the site the name Freedom's Fortress and led to the Emancipation Proclamation eighteen months later. Fort Monroe gave sanctuary to more than 10,000 slaves who used the decision to seize their freedom during the war. Efforts to educate this newly freed population led to the founding of Hampton Institute, now Hampton

University.

3.0 THE FMA

The Fort Monroe Federal Area Development Authority (FMFADA) was created by legislative action of the Virginia General Assembly in 2007. The Fort Monroe Authority (FMA) is the successor in interest by law to the FMFADA as the result of legislation passed in 2010 and is led by an appointed Board of Trustees. The FMA is the Local Redevelopment Authority (LRA) recognized by the Department of Defense and is charged with implementing reuse, preservation and the future evolution of this priceless historic treasure.

To assist in the reuse planning the FMA has engaged the services of consultants in various fields including BRAC law, environmental and civil engineering, residential and commercial property management and leasing, educational and recreational public programming, commercial and retail economic analysis and tourism. The reuse plan was approved in August 2008 and contains the conceptual vision for the future Fort Monroe. The reuse plan can be viewed on the FMA web site, www.fmauthority.com.

There are five key elements to the approved reuse plan that remain central to all future planning efforts:

1. Respect the site's historic assets
2. Open the site to the public
3. Achieve economic sustainability
4. Create an open space park
5. Allow new development under strict limits.



3.1 HERITAGE ASSET MANAGEMENT

The majority of the site was named a National Historic Landmark District in 1960. The FMA is a signatory of a Programmatic Agreement (PA) under Section 106 of the National Historic Preservation Act (NHPA). The PA recognizes the US Army's federal undertaking in the closure of Fort Monroe and specifies actions to mitigate the closure's effects on historic properties covered by the NHPA and future requirements in order to avoid, minimize, or mitigate adverse effects.

Provisions of the PA require certain items to be underway or complete prior to the army's departure (completing view shed and cultural landscape studies, hiring a Fort Monroe Historic Preservation Officer, adopting Design Standards, etc.). Responsible parties are identified for each task with performance deadlines. The Army is currently conducting further research to expand and update the NHL district prior to its departure in 2012. The Fort Monroe PA is located online at http://www.fmauthority.com/pdf/PROGRAMMATIC_AGREEMENT/pdf.

The FMA is also party to a state-level Memorandum of Understanding (MOU) among the Governor of Virginia, Secretary of Administration and Department of Historic Resources for the redevelopment and management of Fort Monroe. The MOU reinforces many provisions of the PA and establishes state commitments to the review, approval and funding for protecting and preserving the historic properties of Fort Monroe. The Fort Monroe MOU is online at: <http://www.fmauthority.com/pdg/MOU-12-5-11.pdf>.

3.2 PUBLIC PROGRAMS

The rich heritage of Fort Monroe and Old Point Comfort form the foundation for future educational and interpretive public programs at the site. In addition, the FMA will offer a wide variety of recreational opportunities for residents, tenants and visitors to the site. The FMA contracted for professional services to coordinate a comprehensive planning process for the development of a Long Range Interpretive Master Plan (IMP) consistent with the model standards adopted by the National Park Service (NPS). The process included active solicitation of public and community involvement. The IMP was completed in June 2010.

The site offers many recreational features. Fort Monroe faces the entrance to the Chesapeake Bay and Hampton Roads Harbor, boasts water on three sides, and has 3.2 miles of waterfront on the Bay, dune beaches, and is home to many birds. Other amenities include access to shallow water suitable for canoeing, sculling, and small boat usage, a 332-slip wet storage marina, and a travel park for recreational vehicles. Fort Monroe is currently being considered as a potential unit of the National Park Service.

3.3 REAL ESTATE

The objective of the real estate department is to utilize the wonderful assets and land to create an economically viable place to live, play, work, learn and visit. Given the NHL status of the site, new construction will be strictly limited in amount, height, and design. The historic buildings will be adaptively and creatively reused with some considered for use in organized cultural programs for the public. Fort Monroe will be transitioned from an active military base to a small

community and will involve many “stakeholders.” The FMA’s property management and leasing service contractor has begun securing tenants for the office and industrial properties.

4.0 INVESTMENT OPPORTUNITY

The Commonwealth of Virginia will eventually receive title to Fort Monroe lands. FMA is authorized under state legislation to act as the steward, property manager, and visitor services agency in the ongoing conservation, preservation and use of the natural and cultural assets at Old Point Comfort/Fort Monroe. FMA seeks interested parties in the leasing, rehabilitation and reuse of this historic structure.

5.0 PROPERTY DESCRIPTION

Building 80 is a 9,634 square foot building located at the corner of Patch Road and Ingalls Road. It is a two and one-half story, 12-unit; side-gabled building laid in common bond brick. The façade is dominated by two large pedimented dormers and a full-width, two-story porch with thin cast-iron columns supporting a half hipped, standing-seam metal roof. The façade is divided into two six-unit sections, with entrances at the central bays of each section defined by single-leaf doors with a single-light transom above and narrow sidelights. Porch entrances on the second floor are via single-leaf prairie-style glazed doors with a single-light transom above. Two large dormers on the façade are centered over the entrance bays. The roof is clad in asphalt shingle, as are all surfaces of the façade dormers. There are three chimneys on the façade – two internal end chimneys and one centered along the façade. A cornice of brickwork dentils wraps the entire building.

The rear elevation has been altered significantly. It has three pedimented dormers similar to those on the façade. Exterior stair towers, which function as fire escapes have been added. These are wrapped with a fire escape assembly that serves the dormers and has two sets of metal stairs to the north of both masonry stair towers.

The inside features 9 suites designed for living quarters and 1 suite designed for operations. On the first floor, the suites are double-sized and may be subdivided. The 8 suites on the upper floors have kitchenettes. Each of these suites has full baths, and 2 rooms, one of them designed as a bedroom. Four of the suites have fireplaces however, they are not operational. There are also laundry rooms in several suites, including the operations suite. The building has no elevator and is only ADA accessible on the first floor.

The building has a gas-fired boiler for heat and a chiller water system for air conditioning. It is a two pipe system which means it either blows heat or air conditioning at any one time. The hot water heaters are gas. The building has a sprinkler system with a control panel on the first floor.

See also Exhibits A, B, C and D.

5.1 PRESERVATION CONSIDERATIONS

The north end of the building features original stairs, fireplace mantels, doors, and trim which are Colonial Revival in character. The north end stair features square balusters and Colonial Revival features. The south end features fireplace mantels with mottled brown and white ceramic tile, mantel shelves, and beveled mirrors which are all late Victorian in character. The south end stairs feature turned balusters and chamfered newel posts.

The porch columns are cast-iron rather than the wood or stone supports used for the vast majority of buildings at Fort Monroe, and this uniqueness warrants preservation.

6.0 EXISTING IMPROVEMENTS AND AMENITIES

Fort Monroe encompasses over 1.9 million square feet of existing structures comprised of a diverse mix of real estate product types, including:

- 124 single-family homes and duplexes
- 52 historic apartments
- 197,500 square foot Chamberlin Hotel offering luxury rental apartments
- 716,500 square feet of existing office space
- 208,000 square feet of storage and industrial shop space
- 324,800 square feet of community and recreational facilities
- 332 slip marina with 31,400 square feet of support space
- Special event venues
- Casemate Museum, Fort Monroe moat, and coastal defense batteries

Other amenities include access to several miles of beaches, miles of jogging tracks and shallow water at Mill Creek suitable for canoeing, sculling and small boat usage.

7.0 LAND USE ENTITLEMENTS AND PERMITTING

The FMA as a political subdivision of the Commonwealth of Virginia is solely responsible for all land use entitlements, and it will coordinate with Virginia Uniform Statewide Building Code officials or their designees regarding plan checking, building permits, dig permits, permit inspection, and issuance of certificates of occupancy for all buildings as may be required. As needed, the FMA will coordinate with other agencies having jurisdiction regarding permits for construction activity at Fort Monroe, including the Army Corps of Engineers for any projects impacting wetlands.

Changes to historic structures or landscapes will be subject to review and approval by the State Historic Preservation Officer in the Virginia Department of Historic Resources (see also “Historic Preservation and Design Standards”). A Fort Monroe Historic Preservation Officer on site at the FMA will coordinate this process.

8.0 HISTORIC PRESERVATION AND DESIGN STANDARDS

The PA and MOU are the governing documents to ensure historic preservation and design standards consistent with the protection of cultural resources in the NHL district. As part of the base reuse planning process, the U.S. Army and the FMA (as well as other parties) entered into the PA under Section 106 of the National Historic Preservation Act (“NHPA”). The PA recognizes the US Army’s federal role in the closure of Fort Monroe and specifies actions to mitigate the closure’s effects on historic properties covered by the NHPA and future requirements in order to avoid, minimize, or mitigate adverse effects. Furthermore, along with the PA, the MOU also sets forth the Commonwealth’s responsibilities, including designation of an onsite Fort Monroe Historic Preservation Officer, to ensure that all rehabilitation, renovation, maintenance, and development activities are carried out in a manner consistent with Fort Monroe’s status as a National Historic Landmark District. The Lessee will be expected to work closely with the Fort Monroe Historic Preservation officer in the course of providing ongoing maintenance, making any required tenant improvements, or constructing other improvements. The FMA anticipates formulating a Historic Preservation Management Plan that would set forth guidelines and standards for maintenance of historic properties.

9.0 PROVISION OF MUNICIPAL SERVICES

The US Army currently provides public safety in conjunction with the City of Hampton. The Army will continue its presence until the remaining property is transferred to the Commonwealth of Virginia sometime in 2012.

10.0 PROPOSED USE AND MINIMUM LEASE REQUIREMENTS

An award, following the RFP process, may result in the selected offeror signing a lease with the FMA. A Master Lease exists between the Secretary of the Army and the Fort Monroe Authority. The Premises are subject to the terms and conditions of the Master Lease. The Authority shall provide Tenant a copy of the Master Lease upon request. Nothing contained herein shall in any way conflict with the Master Lease. During the term of the Master Lease, as it applies to the Premises, if any of the provisions of the Master Lease conflict with those of this Lease, the applicable provisions of the Master Lease will control.

10.1 USE

The new Lessee will describe its intended use.

10.2 TERMS OF LEASE

The target commencement date is expected to be no later than February 1, 2013.

Term: 5 year minimum (may be longer).

Basis: Triple net basis, net of operating expenses, insurance and payments in lieu of real estate taxes. Operating expenses include:

- Electricity: rate of \$.29 psf per month. Tenant may install an electric meter to reduce this cost (See attached Exhibit E).
- Natural Gas: rate of \$.10 psf per month. Landlord or Tenant may install a gas meter to reduce this cost (See attached Exhibit E).
- Water/Sewer: Fort Monroe Authority to install meter.
- Landscape maintenance
- Repairs (HVAC, electrical, plumbing, exterior, interior, etc).
- Trash
- Janitorial
- Property insurance, naming Fort Monroe Authority as additional insured.
- Payments in lieu of real estate taxes: Even though the Commonwealth of Virginia is exempt from paying real estate taxes, the Fort Monroe Authority pays the City of Hampton payments in lieu of taxes in an amount equal

to assessed value times the current millage rate for real estate taxes in the City so as to compensate the City of Hampton for providing city services to the residents and tenants at Fort Monroe. These costs are expected to approximate \$10,000 annually.

- Insurance: Fort Monroe Authority charges \$.11 psf annually for liability insurance.

10.3 CONDITIONS

FMA will enter into a Letter of Intent with the selected Offeror prior to entering into a lease. Selection of a proposal does not guarantee a lease for the Offeror. The responsive proposal judged best will be given an opportunity to negotiate a final lease agreeable to both the Offeror and FMA.

10.4 LEASE PROVISIONS

The Lease to be awarded under this RFP will contain the provisions below, including, without limitation:

- A termination for cause or default provision;
- Appropriate provisions requiring the Lessee to maintain the leased property in good condition throughout the term of the Lease;
- Appropriate provisions stating that subletting of a portion of the leased property and assignment of a lease, if permissible under the terms of the lease, must be subject to the written approval of FMA;
- Appropriate provisions requiring the Lessee to pay for use of all utilities used by the Lessee and to pay all taxes and assessments imposed by federal, state, or local agencies applicable to the leased property or to Lessee activities;
- Appropriate provisions stating that the Lessee has no rights of renewal of the lease or to the award of a new lease upon Lease termination or expiration;
- Appropriate provisions stating that the Lessee may not construct new buildings or structures on leased property except in limited circumstances, only with written approval from the FMA;
- Appropriate provisions requiring that any improvements to or demolition of leased property to be made by the Lessee may be undertaken only with written approval from the FMA; and
- Appropriate provisions that describe and limit the type of activities that may be conducted by the Lessee on the leased property.

10.5 OTHER TERMS AND CONDITIONS

The proposed terms and conditions of the offered Lease are as described in this RFP. Final terms and conditions will be negotiated between FMA and the selected Offeror.

11.0 PRE-PROPOSAL CONFERENCE

An optional pre-proposal conference will be held at Building 80 for interested offerors to tour the facility, take pictures, view building plans and ask questions.

DATE & TIME: November 1, 2012, 11 a.m.

LOCATION: Building 80
80 Ingalls Road

Fort Monroe, Virginia 23651

R.S.V.P: Response requested by October 30, 2012
Respond by email to: scohen@divaris.com

12.0 PREFERRED QUALIFICATIONS AND EXPERIENCE

Proposals shall include sufficient evidence of the following qualifications and experience:

- Demonstrated experience with successful management and operation of a facility similar or equal to the leased area identified herein for the use proposed by the Offeror.
- Previous experience operating the same or similar venue in a historic setting or mixed use life style community.
- Financial strength.

13.0 PROPOSAL PREPARATION AND SUBMITTAL

In order to be considered for selection, Offerors must submit a completed response to the RFP. Failure to provide the requested information may be grounds for rejection of the proposal. **One (1) UNBOUND Original, six (6) BOUND copies and ONE (1) electronic version on CD as a single PDF file** of each proposal must be submitted to the FMA. No other distribution shall be made by the Offeror.

13.1 PROPOSAL PREPARATION

A. Proposals shall be signed by an authorized representative of the Offeror. All information requested shall be submitted. Failure to submit all information requested may result in the Offeror receiving a lowered evaluation. Submittals which are substantially incomplete or lack key information may be rejected by the FMA. Mandatory requirements are those required by law or regulation or are such that they cannot be waived and are not subject to negotiation.

B. Proposals shall be prepared simply and economically, providing a straightforward, concise description of capabilities to satisfy the requirements of the RFP. Emphasis should be placed on completeness and clarity of content. Each copy of the proposal should be bound or contained in a single volume where practical. All documentation submitted with the proposal should be contained in that single volume.

C. Proposals should be organized in the order in which the requirements are presented in the RFP. All pages of the proposal should be numbered. Each paragraph in the proposal should reference the paragraph number of the corresponding section of the RFP. It is also helpful to cite the paragraph number, sub letter, and repeat the text of the requirement as it appears in the RFP. If a response covers more than one page, the paragraph number and sub letter should be repeated at the top of the next page. The submittal should contain a table of contents which cross-references the RFP requirements. Information which the Offeror desires to present that does not fall within any of the requirements of the RFP should be inserted at an appropriate place or be attached at the end of the proposal and designated as additional material. Proposals that are not organized in this manner risk elimination from consideration if the FMA is unable to find where the RFP requirements are specifically addressed.

D. As used in this RFP, the terms "must", "shall", "should" and "may" identify the criticality of requirements. "Must" and "shall" identify requirements whose absence will have a major negative impact on the suitability of the proposed solution. Items labeled as "should" or "may" are highly desirable, although their absence will not have a large impact and would be useful, but are not necessary. Depending on the overall response to the RFP, some individual "must" and "shall" items may not be fully satisfied, but it is the intent to satisfy most, if not all, "must" and "shall" requirements. The

inability of an Offeror to satisfy a "must" or "shall" requirement does not automatically remove that Offeror from consideration; however, it may seriously affect the overall rating of the Offeror's proposal.

E. Ownership of all data, materials, and documentation originated and prepared for the FMA pursuant to the RFP shall belong exclusively to the FMA and be subject to public inspection in accordance with the Virginia Freedom of Information Act. Trade secrets or proprietary information submitted by an Offeror shall not be subject to public disclosure under the Virginia Freedom of Information Act; however, the Offeror must invoke the protections of § 2.2 4342F of the Code of Virginia, in writing, either before or at the time the data or other material is submitted. The written notice must specifically identify the data or materials to be protected and state the reasons why protection is necessary. The proprietary or trade secret material submitted must be identified by some distinct method such as highlighting or underlining and must indicate only the specific words, figures, or paragraphs that constitute trade secret or proprietary information. The classification of an entire proposal document, line item prices, and/or total proposal prices as proprietary or trade secrets is not acceptable and will result in rejection of the proposal.

13.2 SPECIFIC INSTRUCTIONS

Proposals should be as thorough and detailed so that the FMA may properly evaluate the Offeror's capabilities to provide the required Scope of Services. Offerors are required to submit the following items as a complete proposal.

A. One (1) completed RFP submittal sheet signed and filled out as required. The completed RFP submittal sheet shall not be included within the bound Proposals but shall be readily visible when the box, envelope or package is opened. The RFP submittal sheet is used for identification and tracking after submittal packages are opened. Failure to include the completed, signed submittal sheet as directed herein may be cause for rejection.

B. Describe your proposed operation for the property. Information should include the following:

1. Operational concept: vision for operation, type of services offered
2. Target customers
3. Pricing structure for services
4. Marketing channels
5. Organizational structure, number of employees
6. Hours of operation

C. Submit documentation of the source and availability of the funds necessary to carry out your obligations under the terms of the proposed lease, including, without limitation, any improvement requirements. This can be accomplished through bank statements, bank financing commitment letters, or similar documents (as outlined in Attachments A, B and C.) that convincingly substantiate your financial capability.

Demonstrate that you have a credible, proven track record of meeting your financial obligations, that your proposal is financially viable and that you understand the financial obligations of the lease.

Submit documentation of the cost estimates for all building improvements, operating expenses and all other startup costs.

D. Professional Experience

Explain how your experience and background qualifies you as managerially capable of satisfactorily performing the terms and conditions of the offered lease.

E. Rent Offered

State how much annual rent you are offering to pay.

14.0 EVALUATION AND AWARD CRITEREA

A. Evaluation Criteria: Proposals will be evaluated using the following criteria:

<u>SERVICE</u>	<u>POINTS</u>
1. Proposed Use: The compatibility of the proposal's intended use of the leased property with respect to preservation, protection, and public enjoyment of the area	25
2 Financial Capability: The Offeror's financial ability to carry out the terms of the lease	25
3 Professional Experience: The Offeror's ability to demonstrate the managerial capability to carry out the terms of the lease	25
4 Rent Offered: The amount of rent offered	20
5. Certified SWaM	5
<hr/>	
TOTAL	100

B. Award of Contract

FMA reserves the right to utilize any or all of the components in the proposals and thereby contracting with more than one agency to undertake specific activities. Selection shall be made of the Offeror(s) deemed to be fully qualified and best suited among those submitting proposals on the basis of the evaluation criteria noted above. The Issuing Agency may cancel this Request for Proposals or reject all proposals at any time prior to an award, and is not required to furnish a statement of the reason why a particular proposal was deemed to be most advantageous (11-65D, Code of Virginia.). The award document will be a contract incorporating by reference the applicable requirements, terms and conditions of the solicitation, and the Offerors' proposal.