



City of Bothell

# Request For Qualifications

City Hall / City Center

July 13, 2010





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## A. Preface

The City of Bothell (sometimes, “City” or “Bothell”) is preparing to have developed on its behalf a City Hall / City Center facility (“Project”). The Project will be developed and constructed upon City owned property located within the physical boundaries of the City.

This Request for Qualifications (“RFQ”) begins a competitive process for a proposed build-to-suit, lease-to-own development of the Project. The City is seeking qualified development teams (sometimes “Applicant(s)” or “Developer(s)” or “Development Team(s)”) to plan, design, develop and construct the Project. The competitive process is divided into two parts or phases.

- This Request for Qualifications is the first phase.
- A subsequent Request for Proposals (“RFP”) will be the second phase. Only successful Applicants under this RFQ will be invited to submit proposals pursuant to the RFP. Applicants selected pursuant to this RFQ will be allowed to prepare and present RFP proposals in response to the second phase of this competitive process. The City reserves the right in its sole subjective discretion to select those applicants who will be invited to respond to the RFP. The formal RFP is anticipated to be published in September, 2010.



## B. Vision

Based upon very preliminary information, the Project may result in a new Bothell City Hall and City Center as follows:

- Plus or minus 50,000 rentable square feet of open office space to accommodate City administrative functions and City Council Chambers on the existing City Hall site. The City Hall site has capacity to accommodate more than just civic facilities and the City is interested in options to create a vibrant and dynamic block of mixed use (e.g., housing, retail, office) and civic buildings that energize the economic development of the downtown through creation of a strong community oriented core.
- Incorporate multi-use concepts for common space, meeting space and civic space as part of the development plan;
- Tenant improvements in accordance with City and other public agency requirements;
- A Project that will achieve a minimum LEEDs gold certification;
- Development of adequate parking on property site sufficient to support the Project;

**Applicants are encouraged to review the following City of Bothell's websites:**

- [www.ci.bothell.wa.us](http://www.ci.bothell.wa.us)
- <http://www.ci.bothell.wa.us/CityServices/PlanningAndDevelopment/DowntownRevitalizationPlan.ashx?p=1448>

## C. Lease / Leaseback Authorized

As authorized by RCW 35.42.010-220, the City of Bothell can have a City Hall / City Center project developed for the City on City owned property by means of a lease-leaseback transaction under RCW 35.42.010 - 220. This statute provides that the leaseback to the City "Shall contain terms as agreed upon between the parties," and sets forth four required provisions at RCW 35.42.070(1)-(4):

1. No part of the cost of construction of the building shall ever be or become an obligation of the City of Bothell;
2. The City of Bothell shall have a prior right to occupy any or all of the building upon payment of rent as agreed upon by the parties, which rent shall not exceed prevailing rates for comparable space;
3. During the time that all or any portion of the building is not required for occupancy by the City of Bothell, the lessee of the land may rent the unneeded portion to suitable tenants approved by the City of Bothell; and,
4. Upon the expiration of the lease, all City buildings and improvements on the land shall become the property of the City of Bothell.

The City may exercise an option for an early buy-out of the lease. In addition to the foregoing, the lease-leaseback statute requires that the lease arrangement be made "pursuant to a call for bids upon terms most advantageous to the (City of Bothell)." RCW 35.42.080. Because this statutory language does not require that the lease arrangement be made with the lowest responsible bidder, it expressly differs in this respect from the conventional public bid process. As a result, City of Bothell has fashioned this RFQ/ RFP public competitive process for obtaining the "best value" development package for the City of Bothell.

This first phase RFQ is intended to identify the most qualified Developers / Development Teams based upon responses to this RFQ.

## D. Financing

The City of Bothell is considering financing the above deal structure using a form of tax exempt debt known as 63-20 financing. Using a 63-20 financing methodology, a non-profit facilitating entity to be selected by City by way of a separate procurement process will:

- master lease from City of Bothell the real property upon which the Project will be constructed;
- finance the project with tax exempt debt in compliance with IRS Revenue Ruling 63-20;
- enter into a comprehensive guaranteed maximum price development contract with the selected Developer; and,
- upon substantial completion of the Project, leaseback the Project to City of Bothell.

The City reserves the right to select the above method or any other method of financing it deems appropriate for the Project. Other business / legal arrangements proposed by Developer finalists as part of the Phase II RFP process will be considered.





The City is seeking well-qualified development teams to plan, design, develop and construct the Project.

## A. Introduction

This Request for Qualifications process is intended to identify well-qualified Developers and Development Teams that wish to develop the Project on behalf of the City of Bothell. Developers and Development Teams that respond and tender a complete RFQ submittal (“RFQ Submittal” or “Submittal”) pursuant to the terms of this RFQ will be identified as “Applicants.” Applicant scores will be numerically ranked.

Based upon the numerical ranking, the highest ranked Applicants as determined by the City will be identified as “Developer Finalists” and invited to submit proposals pursuant to the subsequent Phase II RFP process.

Each Applicant is encouraged to identify and describe its intended development team in its submittal to this RFQ. Identifying members of a development team will not limit or restrict an Applicant’s right to replace or substitute members of that development team at any time prior to submittal of its formal RFP Proposal.

**Disclaimer:** The information in this RFQ has been prepared with care, but mistakes are always a possibility. Therefore, it is each Applicant’s responsibility to perform its own review and due diligence of the facts and assumptions that are identified. Information provided with this RFQ is provided only for general information purposes. It is not warranted to be accurate or complete. Each competing Applicant is responsible for independent verification of any and all information.

After reviewing this RFQ and attending the Pre-Submittal Conference (on Tuesday, July 27, 2010 at 10:00 a.m. P.S.T.) any Applicant that determines it has the requisite and necessary expertise, experience and financial resources to successfully plan, design, develop and construct the Project may apply for consideration by making a submittal that responds to this RFQ.



## B. Subsequent Phase II RFP Process

Developer Finalists selected pursuant to this RFQ will be allowed to prepare and present RFP Proposals in response to the second phase of this competitive process. The formal RFP is anticipated to be published in September, 2010.

A more comprehensive definition of Project Scope and parameters will be identified by City in the RFP portion of this competitive process. This definition will include preliminary facility requirements and a form of proposal. Developer Finalists will be expected to respond to the proposal form and to submit a description of their proposal in sufficient detail for a thorough evaluation.

RFP Proposals will be ranked. Each Developer Finalist will be notified in writing of its ranking. The top ranked proposal will result in a Developer Finalist becoming the “Selected Developer.”

The Selected Developer determined by way of the Phase II RFP process will not automatically enter into a contract with the City. Rather, the selected Developer will be invited to enter into a collaborative pre-development process based upon the selected Developer’s RFP Proposal. It is anticipated that a successful negotiation will result in:

1. A formal guaranteed maximum price (GMP) development agreement;
2. A long term ground lease from the City;
3. A leaseback agreement to the City for the completed Project, which Project shall become the property of the City upon expiration of the lease; and,
4. Other documents necessary to effectuate this transaction.

If negotiations with the Selected Developer are not successful, negotiations will be terminated and new negotiations will begin with the next ranked Developer Finalist; or, the City may determine in its sole subjective discretion to terminate the process entirely.

## C. Right to Reject Submittals

The City reserves the right, at its sole option to reject any or all Submittals, to waive insubstantial or immaterial informalities, and to select for the Phase II RFP that Developer / Developer Team that, in the City’s judgment, best serves the City’s interests.

The City also reserves the right to amend this RFQ. If a conflict exists between amendments, or between an amendment and the RFQ, the document issued last shall take precedence. Applicant written questions and the City’s official answers will be deemed an amendment to this RFQ.

## D. RFQ Coordinator and Submittal Schedule

The deadline for RFQ Submittals is Wednesday, August 18, 2010 at 2:00 PM, Pacific Standard Time. Submittals received after Submittal deadline will be deemed non-compliant. Submittals shall be delivered to the RFQ Coordinator at the following address:

**Terrie Battuello**  
**Assistant City Manager / Economic Development Manager**  
**City of Bothell**  
**18305 – 101st Avenue N.E.**  
**Bothell, WA 98011**  
*downtownplan@ci.bothell.wa.us*

Other than the RFQ Coordinator, contact or communication with the City with regard to this RFQ is not permitted. All questions with regard to this RFQ must be in writing and delivered by hand delivery, regular U.S. Mail or email and received by the RFQ Coordinator no later than **2:00 p.m. P.S.T., Thursday, August 5, 2010.**

Below is a listing of significant dates which the City in its discretion may amend.

- **Tuesday, July 13, 2010**  
RFQ Publication Date
- **Tuesday, July 27, 2010, 10:00 a.m.**  
Pre-Submittal Conference Date
- **Thursday, August 5, 2010, 2:00 p.m.**  
Written Questions Due from Applicants
- **Wednesday, August 18, 2010, 2:00 p.m.**  
RFQ Response Due Date
- **September 2010**  
Notice of Selected Developer(s)



## E. Submittal Form

Submittals shall include the following:

1. One Original Letter of Interest
2. One Signed Certification and Assurances
3. One original, unbound Submittal
4. Eight (8) copies of the entire Submittal, comb bound
5. Two (2) digital copies of the entire Submittal, each on a compact disc in PFD format.

**Submittals by fax/email will not be considered.**

Text in the Submittals should be on 8-1/2" x 11" paper. Accompanying diagrams can be (but are not required to be) on 11" x 17" paper and folded. Each Submittal should include a complete table of contents with corresponding tabs. Each page shall be numbered and contain the name of the Applicant in the header or the footer. Please use a legibly sized font (Times Roman 11 or 12 point sizes or equivalent).

**A Note Regarding Records Disclosure:** The Washington State Public Records Act (RCW 42.56) requires public agencies in Washington to promptly make public records available for inspection and copying unless they fall within the specified exemptions contained in the Act. Submittals received under the RFQ shall be considered public records. Subject to the paragraph immediately below, submittals will be available for inspection and copying by the public upon the conclusion of the review process.

If an Applicant considers any portion of its Submittal to be protected under the law, the Applicant shall clearly identify on the page(s) affected such words as "confidential" or "proprietary" or "business secret." The Applicant shall also use the descriptions using a table format to identify the affected page number(s) and location of any material to be considered as confidential. If a request is made for disclosure of such portion, the City will determine whether the material should be made available under the law. If the material is not exempt from public records law, the City will notify the Applicant of the request and allow the Applicant ten (10) days to take whatever action it deems necessary to protect its interests. If the Applicant fails or neglects to take such action within said period, the City will release the portion of the submittal deemed subject to disclosure. By submitting its materials, the Applicant assents to the procedure outlined in this paragraph and shall have no claim against the City on account of actions taken under this procedure.

The City of Bothell will not pay any Applicant's costs associated with preparing or presenting this RFQ.



## A. Selection Committee

Each Applicant’s RFQ Submittal will be evaluated by a Selection Committee (“Selection Committee”). Selection Committee members are anticipated to include representatives of the City in addition to external affiliates and consultants. The Selection Committee reserves the right to request additional information at any time during the procurement process. Selection Committee membership identification will not be made during the RFQ stage of this procurement.

## B. Selection Criteria

Submittals will be ranked based on the following selection criteria. The Selection Committee will determine and select the highest ranked Submittals. Applicants are hereby informed that the information sought shall be used to score each Applicant’s Submittal.

	Maximum Points
Experience	75 points
Past Performance	75 points
Design Process	50 points
Management & Quality Control Plan	50 points
Capacity to Perform the Work	50 points
Total Maximum Points	300 points
Financial Resources	Pass / Fail

**1. Experience (75 points):** Specialized experience and technical competence of the Developer and its development team, considering the types of development problems that may be encountered and the potential complexity of this Project. Identify recent experience and expertise with development projects of a similar type, including:

- Experience in development, construction and management of office, civic, housing, and retail facilities;
- Parking facilities, including parking garages;
- Low rise / mid rise office structure(s);
- Experience with restricted urban sites where operations of existing business must be maintained;
- Experience with various city and county entitlement and permitting agencies, police, fire, etc.;
- Experience in projects using tax exempt financing and debt instruments;
- Experience in LEEDs certified projects and low impact development.

In no more than two pages of narrative, describe the development team including the organization and responsible parties. Identify the proposed Project Manager and key staff assigned to the Project, including name, title, experience and Project responsibilities. Identify each individual and the firm they represent who will provide expertise for the item(s) identified below.

- Project management
- General contracting / Construction management
- Parking facilities and their construction
- Architectural design and efficiencies
- Office and civic facilities expertise
- Landscape design
- Engineering (geo-technical, civil, structural, mechanical, electrical)
- Financial Accounting

For each individual identified above, provide a resume not to exceed one page describing their relevant expertise and past project experience. Include a separate one (1) page organization chart showing the relationships.

Include applicable licensing information, if appropriate, for a given expertise. Include Washington State Tax Registration Number for the Applicant and each member of the proposed development team. If the Applicant is a corporation, provide corporate information including date of incorporation, state in which incorporated and the incorporation number. If the Applicant is to be a newly formed LLC, corporation, partnership or joint venture, please describe in appropriate detail the constituent members that will comprise the newly formed entity.

Describe two or three projects that are comparable in scope to this Project – performed and/or executed by key personnel and proposed development team members. Use no more than one (1) page for each project to describe and show pictures, illustrations, etc.

**2. Past Performance (75 points):** Record of past performance of the Applicant and development team with government agencies, public bodies and/or private industry. Include such factors as cost control, quality of work, safety, ability to meet schedules, value engineering, cooperation, responsiveness, meeting time and budget requirements, and other managerial considerations. Note past record working together as a team effectively on other development projects or on projects of similar scope and complexity. Comment on how performance on previous projects and contracts qualifies Applicant to develop this Project. Include reference to relevant project examples and resumes. Include narrative and references to demonstrate performance on budgets, schedules, cooperation and responsiveness.

Submit a matrix, not to exceed one (1) page, indicating other projects on which the proposed design, construction, and management team members have worked together. Submit the general contractor member of the development team's accident record for the last five (5) years, and if appropriate, any accident prevention program.

For a period inclusive of the most recent ten (10) years, attach a list identifying instances of commercial disputes that have resulted in mediation, arbitration or litigation in the State of Washington. If the dispute has been arbitrated, identify the cause of action, the arbitrator that handled the case (including address and telephone number), and the resolution. For disputes that have proceeded to litigation, identify each instance that (1) a lawsuit has been filed, (2) the court of jurisdiction, (3) the cause of action, (4) the filing number, and (5) the resolution, including settlements, compromises, and judgments. This information shall include instances where the Applicant/Developer was plaintiff or defendant.

For each development team, this information shall be required for the Applicant/Developer, the general contractor, and the architect, including predecessors in interest and affiliated legal entities formed for purposes of real estate development.

- 3. Design Process (50 points):** Discuss problem identification and proposed method to accomplish the work; ability to identify and solve issues related to ease of use, complementary relationships, density, neighborhood and traffic issues; appreciation of design potential to minimize cost and construction impacts; demonstrated capability to explore and develop innovative or advanced techniques and design. In no more than two (2) pages, describe the Applicant's design process including problem identification and proposed method to accomplish all work required: including, where appropriate, demonstrated capability to explore and develop innovative or advanced techniques and mixed-use design. Describe the demonstrated ability to identify and address issues related to this Project's constraints. Describe how the development team intends to collaborate with the City of Bothell's project manager in post-award phases of the Project. In no more than an additional two (2) pages, include examples that demonstrate the Applicant's appreciation of design potential to minimize cost and construction impacts.
- 4. Management & Quality Control Plan (50 points):** Describe the Applicant's proposed management plan and staffing plan for predevelopment negotiation, design and construction. In no more than two (2) pages, provide Applicant's management & quality control plan and methodology for defining the scope, negotiating, and implementing the Project. The management plan shall describe the proposed approach to the Project, and the responsibilities of the Developer and team. In no more than two (2) pages, discuss the Applicant's ability to provide responsive coordination to the City of Bothell, other consultant/contractors, and other involved agencies. Include a brief discussion of the key elements of the management plan, work scheduling, quality control, cost control and reporting, and quality assurance. Describe Developer's approach to managing a development agreement that includes design, construction and management, including negotiating, administering and processing multiple subcontracts with different scopes of work, disciplines and different schedules.
- 5. Capacity to Perform the Work (50 points):** The Applicant's capacity to perform the work within reasonable time and budget limitations, considering the team's current and planned workload. In no more than one (1) page, describe how the Applicant proposes to provide timely submittal and quality services on multiple contracts with varying degrees of complexity, considering the current and planned work load of team members. Describe the Applicant's ability to provide the technical disciplines and services required to cover the work required by the Project.
- 6. Financial Resources (Pass/Fail):** Submit evidence of the Applicant's/development team's financial strength and stability to complete this Project. Provide letter from Applicant's surety, broker, or agent confirming bonding capacity sufficient for this contemplated Project. Provide letter from Applicant's insurance broker or agent confirming commitment to insure Applicant for general liability insurance levels sufficient for this contemplated Project.

While not required under this RFQ, those Applicants that become development finalists and are invited to submit proposals at the RFP stage will be requested to submit more specific financial information identifying liquid financial resources readily available to meet its contractual responsibilities. This will include how the City will be assured that those financial resources will remain in place during development and construction of the Project. Moreover, because the Selected Developer will be required to assume all construction and completion risk, demonstrated financial strength will be critical.

The Applicant and all team members identified pursuant to this RFQ must have a tax registration number from the Washington State Department of Revenue. Applicant shall provide the tax registration number for all firms listed as part of its submittal.

## C. Debriefing Conference

Only Applicants who submit a Submittal may request an optional debriefing conference to discuss the evaluation of their Submittal. The requested debriefing conference must be requested within three (3) business days after notice has been given of Applicants invited to the Phase II RFP stage. The request must be in writing (e-mail acceptable) addressed to the RFP Coordinator. The optional debriefing will not include any comparison between the Applicant's Submittal and any other Submittal. The City will, however, discuss the factors considered in the evaluation and address questions and concerns about an Applicant's Submittal.





A Letter of Interest (not to exceed 2 pages) shall accompany Applicant's Submittal in response to this RFQ. Information in this letter should be placed in the same order as out-lined below:

- Organization's full legal name
- Response contact
- Address
- Telephone number
- Fax number
- E-mail address
- Brief Description of how and why Applicant's organization and development team meets the qualifications expressed in the RFQ

# Certification and Assurances – RFQ Submittal



I/we make the following certifications and assurances as a required element of the RFQ Submittal understanding that the truthfulness of the facts affirmed here and the continuing compliance with these requirements are conditions precedent to the award of Selected Developer:

1. I/we understand that the City of Bothell will not reimburse me/us for any costs incurred in the preparation of this Submittal.
2. I/we understand that any person(s) selected will be required to comply with federal and state statutes relating to nondiscrimination. These include, but are not limited to: Washington State Law Against discrimination (Chapter 49.60 RCW).
3. I/we agree to pay Prevailing Wages as defined in Chapter 39.12 RCW.

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Signature

Date

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Print Name, Title, Organization Name