REQUEST FOR QUALIFICATIONS
RFQ#01-042414FRQ-01

To Enter Into a

REAL ESTATE AFFILIATION AGREEMENT

For

OFF-CAMPUS STUDENT HOUSING

Requested by:

MONTGOMERY COUNTY COMMUNITY COLLEGE
POTTSTOWN, PENNSYLVANIA

March 21, 2014
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1 BACKGROUND

1.1 Objective

The Montgomery County Community College (the College) is requesting expressions of interest and qualifications from firms (the Developer or Respondent) interested in designing, financing, constructing, developing, owning, and managing a rental student housing complex. The project will be located proximate to the campus on property owned by the Developer.

The College intends to enter into an affiliation agreement with the most qualified firm that demonstrates knowledge, experience, organization and financial ability to develop, finance, own, and manage the project in a timely manner that serves the best interest of the College.

In 2013 the College retained Anderson Strickler, LLC (ASL) to conduct a market study, which has identified the need for between 150–200 beds of student housing including demand from both students currently attending the West Campus and students currently attending the Central Campus.

The objective of this Request for Qualifications (the Request) is the first step to select a Developer through a two-step process. The first step is to solicit information in the form of a Statement of Qualifications (SOQ) from interested Developer teams. A short list of up to five of the most qualified teams will be invited to participate in the second step, which will require the submission of formal proposals for design, construction, financing, and management.

Developers are encouraged to organize teams in the most effective manner necessary to fulfill the scope of work. All legal structures permitted in the Commonwealth of Pennsylvania will be considered including a sole proprietorship, a partnership, a joint venture, a limited liability corporation, or a corporation.

1.2 Montgomery County Community College

1.2.1 Overview

Montgomery County Community College, founded in 1964, serves the third-largest county in the Commonwealth of Pennsylvania as an open-access institution. Over the past decade, the College has extended its geographical reach to meet the educational needs of the residents of this large and diverse county, which includes suburban residential communities in proximity to Philadelphia County, large farms in its northern and western sections, and several small urban centers. The College has two campuses, the Central Campus, located in Blue Bell, twenty-five miles northwest of Philadelphia on the Route 202 technology and industrial corridor, and the West Campus, located in Pottstown at the converging borders of Berks, Chester, and Montgomery Counties. Opened in 1996, West Campus offers some of the degree programs
that are available at the Central Campus, in addition to unique degree and certificate programs in Radiography, Surgical Technology, and Medical Assisting. Our University Center lets you earn select bachelor's and master's and doctoral degrees through partnerships with area colleges and universities.

The West Campus consists primarily of two classroom buildings connected by a pedestrian underpass: South Hall at 101 College Drive and North Hall at 16 High Street. Additionally, 140 College Drive is under development and will serve both the academic areas and workforce and continuing education initiatives. The College’s partnership with the Pottstown Borough serves as a strong catalyst for economic and workforce revitalization of the Pottstown Borough. The borough and the community view the college as a critical partner in the revitalization and economic resurgence of the area.

In summer 2014, the College opened a new, 15,000-foot facility for its Culinary Arts programs in Towamencin, an additional location easily accessible from the Pennsylvania Turnpike. Moreover, the College offers classes at 29 instructional sites throughout county and including its Public Services Training Program at the Municipal Policy Academy in Conshohocken.

A new Virtual Campus initiative, launched in 2013, expands, aggregates, and improves the College’s long-standing distance education programs. The Virtual Campus will ensure students access to the College’s online resources, courses, and select areas of study. The College has also partnered with a number of colleges and universities through its University Center initiative (with a dedicated building at the West Campus), which provides Montgomery County Community College graduates and the greater community with the opportunity to transfer seamlessly into multiple bachelor’s programs, three master’s degree programs, and two doctoral degree programs, all conveniently offered at the College’s West and Central Campuses.

1.2.1.1 Setting

Opened in 1996, West Campus offers some of the degree programs that are available at the Central Campus, in addition to unique degree and certificate programs in Radiography, Surgical Technology, and Medical Assisting. Our University Center lets you earn select bachelor's and master's degrees through partnerships with area colleges and universities.

West Campus consists primarily of two classroom buildings connected by a pedestrian underpass: South Hall at 101 College Drive and North Hall at 16 High Street. Additionally, 140 College Drive is under development in partnership with the Schuylkill River Heritage Area. The College recently redeveloped the old AAA building on South Hanover Street and transformed it into its new University Center.
1.2.1.2 South Hall

- Campus Store
- Classrooms
- Faculty Offices
- Health Careers Suite
- High-End Telecommunications and Computing Equipment
- Library
- Science Laboratories
- Student Support Services

1.2.1.3 North Hall

- Art Gallery
- Art Studios
- Classrooms
- Faculty Offices
- Verizon Foundation Center for Excellence in Workforce Education and Training
- Workforce Development and Continuing Education Office
- Workforce Investment Board-Funded GED Program

Additional information and a campus map can be found on the College’s website at http://www.mc3.edu/about-us/campuses/west-campus.

1.2.2 Academics

Currently, the College offers 82 associate degree and 42 certificate programs in 56 areas of study, as well as a range of continuing education, personal enrichment, and specialized workforce development courses. During 2011-2012, the College served 21,419 unduplicated credit and 9,363 non-credit students for a total of 30,782 students in day, evening, weekend, and distance education classes. Sixty percent of credit students attended on a part-time basis. Fifty percent of all students who take classes for credit are enrolled in transfer programs, while 38% are enrolled in programs with career-based objectives; the remaining 12% are General Studies or non-degree-seeking students. Ethnic and racial minorities comprise approximately 26% of the students who take courses for credit, and close to 57% of those students are female. The average age of a Montgomery County Community College student is 26.
1.2.3 Enrollment and Demographics

In 2012-2013 academic year, the College (all Campuses) had 21,062 unduplicated headcount. Of these students, 56% were female and 44% were male, and the average student age was 25.

The West Campus had 4,821 unduplicated credit headcount and 429 unduplicated non-credit headcount. Of these students, 58% were female and 42% were male, and 72% were county residents.

1.3 Housing Assessment

1.3.1 Housing Mission

The mission of providing housing to students in proximity to the West campus is to provide a safe and comfortable living environment affording students the opportunity to associate with people of diverse backgrounds, cultures, interests, ideas, and experiences while pursuing their educational goals. It is the belief of the College that a student’s post-secondary education is less than complete without a residential experience. The College is committed to providing this unique experience in a way that is compatible with and supportive of students’ physical, spiritual, emotional, social, and intellectual development.

1.3.2 Student Housing Market Study

The following is a summary of the market study conducted by Anderson Strickler. A full version of the study will be provided to the Respondents selected to proceed to step 2, the Proposal Phase.

ASL’s methodology included focus groups, a peer institution analysis, an off-campus market analysis, and a student survey. Based on the market findings, ASL created a financial pro forma demonstrating the feasibility of first-ever housing.

1.3.2.1 Peer Institution Analysis

The number of beds offered at the nine peer institutions in the study ranged from 192 to 755 with a median of 348 beds. In terms of the percentage of beds to full-time enrollment, the range was 4% to 11% with a median of 8%. Most peers reported 100% occupancy, though one project is struggling.

The service most impacted by the addition of housing at the peer institutions was campus police changing to a 24/7 schedule. Dining services and hours of operation were also impacted; several peers have expanded their dining hall or are planning to add a dining hall to new housing. Other departments that have increased operating hours, and in some cases, staff, including counseling, health services, student activities, and to a lesser extent, registration and placement services, and the bursar. The primary benefits of adding housing have been
enhanced recruitment, increased diversity of the student body, student development opportunities, and creation of a campus identity.

1.3.2.2 Off-Campus Market Analysis

ASL was able to collect occupancy from seven of the nine apartment communities in its sample. Property representatives reported occupancy of between 92% and 98% with a median of 96%. This figure indicates a stable market as 95% is considered the rule of thumb for a rental market in balance between renters and landlords. The most common unit types in Pottstown rental communities are one- or two-bedroom units with only three offering studios and two offering three-bedroom apartments. Median rents range from $555 for a studio to $1,443 for a three-bedroom unit. The only project in the planning pipeline is a renovation of a former warehouse into 43 artist loft apartments using both historic and low-income tax credits. The project would therefore not pose competition to any plans the College may develop.

1.3.2.3 Student Survey

Survey respondents were asked to rank the most important benefits that would encourage them to live in campus housing. Both West and Central campus groups selected the same top responses: to reduce time and cost associated with commuting, to have the “full college experience,” to meet and interact socially with other students, and to have easier access to campus facilities.

The most important policies and services to survey respondents were individual leases (not responsible if roommate defaults) and flexible payment plans (i.e., monthly, by semester, by academic year.) A required meal plan is not as important and may have a negative influence on some students’ desire to live in the new housing.

In terms of unit amenities that would have the most influence on students’ desire to live in housing are high-speed Internet, a kitchenette in the unit, having utilities included in the rent, and temperature control in each unit. In terms of community amenities, the top feature is laundry facilities on each floor; having a classroom in the building is least important.

Three unit plans were tested in the student survey at estimated per-person rents. The one-double bedroom semi-suite (two students sharing a bedroom and bathroom) was priced at $3,248 per semester, the two-double-bedroom suite (four students sharing two bedrooms, two bathrooms, a living room, and kitchenette) at $3,809 per semester, and a four-single-bedroom apartment (four student with private bedrooms sharing two bathrooms, a living room, and a full kitchen) at $4,380. Students were asked to rank each option as “preferred,” “acceptable,” or “would not live there.” The rents assume that all units are furnished and that rent includes all utilities (but not meal plan charges.) Of the unit choices presented in the student survey, 43% of respondents stated that they
prefer the four-single-bedroom apartment. Over half of survey respondents found the other two units acceptable (if their first-choice unit were not available).

1.3.2.4 Demand Analysis

Based on the results of the survey, ASL concluded that there is sufficient potential demand to justify proceeding with project planning for 150 to 200 beds of housing on the West Campus. Although the potential demand could justify planning a project of double the size, ASL recommended a more conservative approach, with the first phase of 150–200 beds allowing for more immediate full occupancy and allowing future phases to benefit from lessons-learned in the first phase.
2 PROJECT DESCRIPTION

2.1 Goals

The College desires that the proposed student housing will:

- Consist of an architecturally and visually appealing complex, either as new construction or the adaptive reuse of an existing property.
- Provide housing at rental rates in line with the off-campus rental market.
- Deliver the total number of beds no later than September 1, 2015.
- Feature high quality construction.
- Use first class maintenance and operating standards.
- Be staffed with experienced property management professionals showing sensitivity to student needs.

2.2 Program Specifications

2.2.1 General Requirements

The focus of the Project is to provide a variety of unit configurations for approximately 150 to 200 students, which are appropriate for students as they progress through their years of study. Infrastructure and site development that accommodate the Project are included in the scope of the work. The development program for the Project responds to preferences and requirements arising from the recently completed market analysis.

The following minimum requirements must be achieved, and greater consideration shall be given to proposals that exceed these requirements.

2.2.1.1 Building Program

The building program shall include fully furnished units and common areas as follows:

- 25% of the beds in 1-Double Bedroom Semi-Suites (~250 sf)
- 20% of the beds in 2-Double Bedroom Suites (~750 sf)
- 50% of the beds in 4-Single Bedroom Apartments (~1,000 sf)
- 5% of the beds as Staff Apartments (~375 sf)
- Common areas within the Suites and Apartments
- Building common areas that provide opportunities for student socialization in a semi-independent living environment
- Telephone, data and cable TV access for each resident
- Amenities including laundries, bicycle storage racks, mailboxes for letters and packages, storage space for students, vending space, trash/recycling room, etc.

2.2.1.2 Architectural Design

The exterior design shall complement the character of surrounding buildings. The design of interior and exterior spaces shall encourage and facilitate social interaction among residents. The design shall comply with all applicable building codes, environmental laws, and the Americans with Disabilities Act.

2.2.1.3 Site Design

The College would like to maximize the number of beds on the site consistent with sound planning principles, zoning regulations, and the creation of a quality living environment for the students. Site design, as applicable, shall consider the following requirements:

- On-site parking must be adequate to meet the needs of residential and housing management staff. Parking areas should be safe and secure with lighting that exceeds code, and should incorporate other security measures to include fencing, electronic access, etc.

- Project accessibility must comply with all Federal, Commonwealth of Pennsylvania and local laws for persons with disabilities.

2.2.1.4 Security

Safety is a paramount concern for the Project. The Project must be constructed taking into highest consideration all student safety issues. Specifically, the Project shall include the following enhancements:

- Card access at exterior entries and crucial doorways throughout the building fully compatible with the College’s proposed security system

- Fire exits alarmed and electro-magnetically secured and monitored remotely

- CCTV cameras at lobby area, each elevator and all other critical areas

2.2.1.5 Environmental Considerations

The College views the Project as an opportunity to show its commitment to environmentally responsible design and construction, while balancing such values with economic constraints. The College is a recognized leader in resource conservation and recycling.
Accordingly, the Developer shall demonstrate support of College programs in these areas.

2.2.2 Dwelling Units

Single, double and quad occupancy units may be considered. The dwelling units shall be fully furnished and include the following components.

2.2.2.1 Living Areas

- A living area adequate to serve the number of residents for the unit
- Overhead lighting with ample outlets for table lamps and electronic equipment such as computers and televisions

2.2.2.2 Bathrooms

- One full bathroom for a maximum of four occupants with appropriate light, ventilation, and storage
- Compartmentalized configuration to allow simultaneous usage of fixtures
- Privacy locks for bathroom doors
- Ample electrical outlets adjacent to the counter space

2.2.2.3 Bedrooms

- Single and double occupancy bedrooms distributed as proposed in the specifications, or an alternative that maximizes the students’ desire for privacy but is consistent with an achievable rent structure
- One built-in closet or wardrobe per occupant with shelving for storage
- Door hardware with privacy locks
- Sound transmission between units shall be attenuated to maximum practical levels

2.2.3 Common Area Requirements

Common areas for laundry facilities, recreation, socialization, and property management functions shall be provided and be fully furnished. The Developer shall refer to the Master Plan for the common area requirements and use its experience and knowledge of on-campus student housing development to propose a suitable common area program that meets the functional needs of the target population and financial constraints.
3 SELECTION PROCESS

3.1 Overview

The primary goal of this two-step process is to solicit preliminary concepts and budgets that demonstrate the Respondents’ creativity, flexibility, and ability to provide reasonable assumptions that will yield a feasible student housing project. The successful Respondent will work with the College in developing final project specifications and operating and development budgets for the Project.

Selection of the successful Respondent will consider the Respondents’ ability to maximize the value of student rents to develop a successful project. The Respondent must use its professional judgment and expertise in developing student housing to conceptualize a project that meets the market, programmatic, and financial requirements of the project. The proposals should be developed at a level of detail commensurate with the availability of market, programmatic, operational, and financial information.

3.2 Evaluation Committee

An Evaluation Committee will review, evaluate and rank all SOQs received by the closing deadline. The same Evaluation Committee will review the proposals received as part of Step Two of the selection process.

3.3 Schedule

The Evaluation Committee expects to adhere to the following schedule in the selection process:

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<td>Issuance of RFQ</td>
<td>March 21, 2014</td>
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<tr>
<td>Deadline for submittal of questions regarding this Request</td>
<td>March 31, 2014</td>
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<td>Response to questions</td>
<td>April 7, 2014</td>
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<td>Deadline for submittal of SOQ</td>
<td>3:00 PM EST; April 25, 2014</td>
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<td>Selection and Notification of short list</td>
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<td>Pre-proposal conference</td>
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<td>Deadline for submission of proposals</td>
<td>TBD</td>
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<td>Respondent presentations</td>
<td>TBD</td>
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<td>Approval of developer by Board</td>
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<td>Occupancy of first phase of Project</td>
<td>Fall 2015</td>
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This schedule is subject to modification at the sole and absolute discretion of the Evaluation Committee. For specific instructions relative to the selection process and schedule, refer to the following sections.
3.4 Process Requirements

3.4.1 Informational Meeting /Site Visit

An informational meeting is not planned for Step One of the selection process.

3.4.2 Pre-Proposal Conference

Respondents who are selected for the short list and asked to submit a proposal for Step Two will be required to attend a pre-proposal conference prior to submission of proposals as scheduled in Section 3.3.

3.4.3 Respondent Inquiries

Inquiries concerning this Request must be received in writing, prior to the date specified in Section 3.3. Inquiries may be submitted by facsimile or email.

Except as specifically permitted in this section, from the date of this Request until a final agreement is executed and the selection is announced, Respondents are not permitted to communicate for any reason with any College representative or consultant except through:

Jaime Garrido
Associate Vice President
Facilities and Construction
Montgomery County Community College
340 DeKalb Pike
Blue Bell, PA 19422

Phone: (215) 641-6524
Fax: (215) 641-6516
Email: jgarrido@mc3.edu

In the event of a violation of this provision, the Evaluation Committee reserves the right to reject the submission of the offending Respondent. Only questions that are in writing will be accepted. In addition, only responses issued in writing will be binding on the Evaluation Committee.

3.4.4 Written Addenda

Responses to inquiries will be made in writing and provided to all Respondents. The Evaluation Committee may modify this Request, prior to the date fixed for submission of the SOQs or proposals, by issuance of an addendum or addenda to all parties who have received a copy of this Request.

3.4.5 Format of Responses

Responses must be submitted in the format outlined in Section 4 of this Request, with each of the described divisions completed in full. Each submission will be reviewed to determine if it is complete prior to actual evaluation and the...
Evaluation Committee reserves the right to eliminate from further consideration any submission deemed to be substantially or materially non-responsive to the requests for information contained herein.

A submission may be considered non-responsive if it includes extraneous information not specifically requested in this Request. The clarity and conciseness of responses will be valued over sheer volume.

Each division and exhibit described in Section 4 must be indexed, tabbed, and presented on a separate page. If a Respondent fails to provide all categories of information required in this Request, the Respondent may be disqualified from further award consideration. However, the Evaluation Committee reserves the right in its sole discretion to waive minor irregularities.

### 3.4.6 Submission of Responses

Each Respondent shall submit one (1) reproducible original and five (5) copies (excepting large-scale drawings and exhibits if included in the submittal package) of its responses in 8 ½"x 11" format. In addition, a copy of the response shall be submitted in electronic PDF format. The response must be received no later than the due date and time set forth in Section 3.3 of this Request unless amended pursuant to Section 3.3. The deadline for submission may be extended if, in the sole judgment of the Evaluation Committee, such extension is in its best interest to do so.

Responses shall be delivered to:

Jaime Garrido  
Associate Vice President  
Facilities and Construction  
Montgomery County Community College  
340 DeKalb Pike  
Blue Bell, PA 19422

The entire submission must be in a sealed package. The name and address of the Respondent shall appear on the outside of the package and the package shall refer to the Montgomery County Community College Student Housing Project and due date. All addenda to the Request must be signed and returned with the response.

Each Respondent is solely responsible for the timely delivery of its response by the deadline for submission. The College will not be responsible for lack of timely delivery of a response regardless of reason. Failure to meet the deadline for submission will result in rejection of the submission.

### 3.4.7 Respondent Presentations

A short list of up to five finalists will be invited to submit proposals in Step Two of the process.
An oral presentation will be required of these finalists. The purposes of the oral presentations are as follows:

- To allow the College to meet the Respondent’s key personnel assigned to the Project
- To allow the Respondent to discuss selected aspects of its proposal
- To provide the Evaluation Committee with a final opportunity to clarify elements of the proposals

At the time the oral presentations are scheduled, the College will confirm in writing with each Respondent the specific agenda and requirements of the session.

### 3.4.8 Final Ranking and Selection

At the conclusion of Step Two of the process, the College will select one Respondent finalist with whom to proceed toward the development of the agreement described in Section 2.2. The selection of the Respondent finalist (selected Developer) does not necessarily mean that the College accepts all aspects of the Respondent’s proposal.

The College will enter into an affiliation agreement with the Selected Developer that will describe the requirements of the scope of work set forth in Section 2.1 and in an acceptable time frame for the completion of this work. Should the College fail to reach agreement with the selected developer as to all points of the agreement, the College may reject the proposal of the Selected Developer, consider other proposals or undertake other actions as deemed to be in the best interest of the College.

### 3.5 Evaluation of Qualifications

#### 3.5.1 General

In Step One of the process, information will be solicited from interested Developer teams in the form of a Statement of Qualifications (SOQ). Each SOQ will be reviewed and evaluated by the Evaluation Committee. A short list of finalists will be prepared based on the Evaluation Committee’s determination of the teams exhibiting the strongest qualifications and capacity to perform the services required for this Project. The Evaluation Committee may reject all responses.

Each SOQ that conforms to the requirements of this Request will be scored and ranked in accordance with the information requested in Section 4. The Evaluation Committee will use the criteria set forth in the following paragraphs of this section to evaluate the information provided by the Respondent. The Respondent is encouraged to assemble a team and a response that can best address these issues.
3.5.2 Minimum Requirements

The Respondent shall meet the following minimum requirements. Failure to do so may result in the rejection of the submission and the removal of the Respondent from further consideration.

3.5.2.1 Developer

The developer shall have successfully financed and completed at least three residential projects of similar size and scope within the past five years.

3.5.2.2 Architect

The architect shall be licensed to do business in the Commonwealth of Pennsylvania and have designed at least three residential projects of comparable size and scope within the past five years.

3.5.2.3 Contractor

The contractor shall be licensed to do business in the Commonwealth of Pennsylvania and have constructed at least three residential projects of comparable size and scope within the past five years.

3.5.2.4 Operator

The housing operator shall have current experience managing at least three student housing projects of comparable size and scope.

3.5.2.5 Insurance

The team members must show proof of insurance in both type and limits as set forth in Section 5.2.

3.5.3 Team Qualifications

The qualifications of the Developer teams will be evaluated based on the following criteria:

- Business expertise and management experience in comparable developments involving similar scope and services
- Organization of the Developer’s team and interrelationship between entities if more than one firm is involved; prior experience of firms as team members
- Availability of professional staff and their qualifications and experience for assigned roles on the project
- Experience of the architect, contractor, and operator on comparable residential projects of similar size and scope.
- Financial soundness of team members
• Ability of team members to provide required insurance coverage
• Ability to obtain financing, and proposed terms and process for financing

3.6 Evaluation of Proposals

A short list no more than five of the most qualified teams will be invited to participate in Step Two of the process, which will require the submission of proposals for design, construction, financing and management. The Evaluation Committee will review each proposal. One Developer team will be selected based on an assessment of which team has submitted the strongest proposal and has the capacity to perform the scope of work required for the Project. The Selection Committee may reject all responses.
4 SUBMISSION REQUIREMENTS

4.1 Statement of Qualifications (Step One)

4.1.1 Organization of Response
The response shall be submitted in three-ring loose leaf notebooks and organized as follows:

- Cover Letter
- Table of Contents
- Overview of Team Qualifications
- Team Member Qualifications
- Approach to Project
- Attachments

4.1.2 Cover Letter
A transmittal letter prepared on the Respondent’s business stationery must accompany each response. An individual authorized to bind the firm to all statements, including all services contained in the response, must sign the letter.

4.1.3 Table of Contents
The SOQ shall have a Table of Contents that conforms to the organization set forth in Section 4.1.1.

4.1.4 Overview of Team Qualifications
Submit a brief overview of the Team’s approach to the Project. The summary should not exceed two (2) pages and should address the following topics:

- A demonstration of an understanding of the Project objectives
- An overview of the Team’s organization and the entity or entities that will be responsible for the work
- A summary of the Respondent’s basic experiences and attributes that set it apart from other candidates, including prior projects on which team members have worked together

4.1.5 Team Member Qualifications
The Developer Team may be comprised one or more firms with the overall capability to fulfill the requirements for the Project. The SOQ shall provide information of each Team member as follows.
4.1.5.1 Personnel

Provide resumes and references for personnel who will be representing the Team on the project and who have provided technical skills on projects similar to that required in this Request. The qualifications of the Developer should also address the capability and the experience necessary to secure financing for the Project.

4.1.5.2 Projects

For each Team member, provide a list of at least three residential projects of similar size and scope completed by each Team member within the past five years. For each project, provide the following information:

- Project name
- Description of project including size and number of units or beds
- Picture of project, if available
- Total development budget and final cost
- Scheduled opening date and actual opening date
- References with contact information

4.1.5.3 Financial Data

Provide the following financial information for each member of the Team:

- Most recent financial statement available (identify whether audited or un-audited) including balance sheet and income statement, including notes
- Bank and accounting references
- Statement from insurance/surety brokers indicating that the requisite bonds and insurance can be secured for the Project

4.1.5.4 Claims, Law Suits or Defaults

Provide a list of any outstanding claims, lawsuits, or defaults on the part of the Respondent or any of its subsidiaries.

4.1.5.5 Tax-Exempt Financing

Provide information on experience in obtaining equity and financing and the availability of such capital for the proposed Project.
4.1.6 Approach to Project

An overview discussion of the Respondent’s potential approach to development and management is requested to ascertain the team’s general expertise and capability to deliver the Project. If the Respondent is selected for Step 2 of the process, a more thorough discussion of the Respondent’s approach to project development and management will be required.

4.1.6.1 Development Phase

Describe the Respondent’s approach to performing the services contemplated for the development phase of the Project. The description should include a discussion of the methodology to be used by the Respondent for seeking College input and periodic approvals of its work. The following issues are of particular interest to the College:

- Site acquisition
- Design development
- College review and approval opportunities during design
- Budget and pro forma development and control
- Trade-off or approaches to value engineering
- Schedule control during design and construction
- Construction management

4.1.6.2 Operations Phase

Provide an overview of the Respondent’s approach to managing residential projects of this size and scope. Include information on the following topics:

- Managing development of off-campus housing projects in affiliation with a college or university
- Determining annual operating income and expense budgets
- Developing and delivering relevant residential life programs

4.1.6.3 Transaction Structure

The intent of this solicitation is to select a Developer to develop, own, and manage the student housing; however, the College recognizes that it must provide support for the project to make it feasible. Provide potential options and structure for an affiliation agreement with the College and the range of options for College’s participation.
4.1.6.4 Schedule

Demonstrate the Respondent’s capacity to meet the Project delivery date set forth in Section 3.3. Provide a schedule for achievement of all major Project milestones, including the following dates for the first phase of new construction:

- Site acquisition
- Start and finish design
- Procurement of all permits, licenses, and approvals
- Start and finish of building construction, and
- Commissioning of the facility

4.2 Development Proposals (Step Two)

The guidelines for the proposal will be issued to the short list of firms in the form of Request for Proposals.
5 TERMS AND CONDITIONS

5.1 General Provisions

5.1.1 Revisions to Request

The College may modify this Request, prior to the date fixed for submission of the SOQs, by issuance of an addendum or addenda to all parties who have received a copy of this Request. The College may extend the deadline for submittal of SOQs or proposals for any reason. As provided in Section 3.4.3, written inquiries concerning this Request may be submitted to the College. Responses to inquiries will be made in writing and provided to all Respondents to this Request. The College may decline to answer any Respondent’s inquiries at its discretion.

5.1.2 Cancellation of Request

The College may cancel this solicitation without cause and at no cost to the College, in whole or in part, if such action is determined to be in the best interest of the College.

5.1.3 Acceptance of Submittals

The College reserves the right to: accept or reject any or all submittals, in whole or in part, received as a result of this Request; waive minor irregularities; or negotiate with all Respondents in any manner necessary to serve the best interest of the College. Further, the College reserves the right to make a whole award, multiple awards, a partial award, or no award.

5.1.4 Incurred Expenses

Any costs incurred by the Respondent in preparing and submitting a response to this Request will be the sole responsibility of the Respondent and will not be reimbursed by the College.

5.1.5 Economy of Preparation

Responses should be prepared simply and economically, providing a straightforward, concise description of the Respondent’s ability to fulfill the requirements of this solicitation.

5.1.6 Confidentiality of Documents

To the extent permitted by law, written requests for confidentiality shall be submitted with the SOQ and proposals. The request must state specifically what elements of the response are to be considered confidential and/or proprietary. Confidential and proprietary information must be readily identified, marked and separated/packaged from the rest of the submittal. Co-mingling of confidential...
and proprietary information and other information is unacceptable. Any information that will be included in any resulting agreement cannot be considered confidential.

5.1.7 Ethics in Contracting/Collusion

If requested to submit a proposal, the Respondent shall certify in its proposal that:

- Its response is made without collusion or fraud.
- It has not offered or received any kickbacks or inducements from any other developer, supplier, manufacturer, or subcontractor in connection with the proposal.
- It has not conferred on any College officer or employee, past or present, any payment, loan, subscription, advance deposit, travel services or items even of nominal value, present or promised.

5.1.8 Discrepancies and Clarifications

The College reserves the right to request clarification of any aspect of received SOQs or proposals, or to request additional information that might be required to evaluate the submittals. Responses that are incomplete or conditioned or are not in conformity with this Request may be rejected.

5.1.9 Respondent Responsibilities

All Respondents will be required to bring to the attention of the College expressly, in writing, any requested substitution or change proposed to this Request prior to the date for submittal of the SOQ or proposal. The College will not be bound to a substitution or change unless the Respondent expressly brings it to the College’s attention, in writing and in a timely manner, and the College expressly approves the substitution or change in writing.

5.1.10 Nondiscrimination

Montgomery County Community College supports the principles of equal opportunity and will not discriminate because of gender, race, color, national origin, religion, sexual orientation, age or disability in the selection of firms. The College encourages the participation of small, women-owned, and minority-owned firms.

5.2 Insurance Requirements

The successful Respondent shall, at its own expense, procure and maintain during the entire performance period of any contract or agreement arising from the process outlined in Section 1.1, including any extensions thereof, insurance of the kind and in the minimum amounts specified below. All insurance, except for professional liability, shall have a retroactive date of placement prior to or coinciding with the effective date of the
agreement between the College and the successful Respondent. Professional liability coverage should be retroactive to the beginning of pre-proposal design activities. All policies (with exception to the professional liability and workers compensation policies) shall name the Montgomery County Community College as an additional insured. All insurance policies shall be written by insurance companies licensed to write business in the Commonwealth of Pennsylvania and maintaining an A.M. Best Financial Strength Rating of A- or better. All policies shall be written on a primary and non-contributory basis. Certificates of insurance evidencing these coverages and terms must be provided in advance before any work is to be performed. Further, any material change or cancellation of these policies requires the advanced written notification to Montgomery County Community College.

Depending upon the substance of the successful proposal, the insurance requirements may be tailored to meet the proposal structure and to meet the requirements of the College.

5.2.1 Overall Requirements

5.2.1.1 Commercial General Liability insurance on an occurrence form to include coverage for:

- Premises Operation
- Independent Contractors
- Products and Completed Operations

Products and Completed Operations coverage protecting the Contractor and Subcontractor must be carried for two (2) years after substantial completion of the Project. Evidence of this insurance shall be provided to the College on an annual basis.

- Broad Form Property Damage including completed operations
- Blanket Contractual Liability
- Personal Injury
- Employees named as Additional Insureds
- Explosion, Collapse and Underground Property Damage
- Severability of Interest

The limit of liability for such coverage shall be:

- Bodily Injury and Property Damage Combined Single Limit:
  - $5,000,000.00 per occurrence
  - $5,000,000.00 aggregate
- Products/Completed Operations:
$1,000,000.00 per occurrence
$5,000,000.00 aggregate.

- Personal Injury:
  $1,000,000.00 per occurrence
  $5,000,000.00 aggregate

NOTE – Satisfaction of these limits can be combined with the inclusion of a follow form umbrella liability policy.

5.2.1.2 Professional Liability Insurance

The Respondent shall carry professional liability (Errors and Omissions) insurance, covering the Design Services provided under the Agreement with coverage of $1,000,000.00 per occurrence and $2,000,000.00 in the aggregate. The term “Design Services” means all professional services required to fulfill the design obligations of the Project, including, but not limited to programming, schematic design, design development, construction documents and construction contract administration services. Specifically, the contractor shall carry Contractor’s Professional Liability (CPL) insurance with coverage of $1,000,000.00 per occurrence and $2,000,000.00 in the aggregate. The CPL policy shall include a Design/Build Endorsement in a form acceptable to the College and shall provide coverage for:

- Contractor’s vicarious, contingent and direct liability for design errors
- Facility management
- Program management
- Providing computer software
- Contractual liability or liability assumed in “insured contracts”

If the successful Respondent is a joint venture, then the CPL policy shall include the joint venture as a named insured.

Any architect and/or engineer furnishing services for the Project shall carry professional liability insurance with coverage of $1,000,000.00 per occurrence and $2,000,000.00 in the aggregate.

All professional liability policies shall be maintained throughout the course of the work and for a minimum of five (5) years after the Certificate of Substantial Completion is filed.
All professional liability insurance policies shall cover claims for bodily injury and property damage as well as claims involving solely economic loss. This insurance shall also provide for redesign and reconstruction costs and expenses resulting from negligent Design Services.

5.2.1.3 Builders' Risk Insurance

Builders' Risk Insurance including all standard coverage and specifically providing coverage for exposed buildings and structures. The Builder’s Risk insurance shall be on an “all risk” basis and shall provide coverage on a full replacement value basis for the Project. The policy shall insure all work, labor, materials furnished by the Contractor against loss occasioned by fire, lightning, windstorm, theft, vandalism, malicious mischief, earthquake, flood, surface waters and collapse. The property to be covered shall include: (1) all materials and supplies owned by the named or additional insured and used in the construction of the buildings while in or on the described buildings, or in the open on the development’s premises or job site; (2) Foundations and fixtures; (3) Excavation, grading and labor charges associated with the construction project; and (4) Temporary structures used in, incidental to, the construction, fabrication, installation or completion of the Project.

5.2.1.4 Comprehensive Automobile Liability Insurance

Comprehensive Automobile liability insurance covering all vehicles, owned and non-owned, hired and leased. This insurance shall include coverage for automobile contractual liability, bodily injury (including death), property damage, pollution liability and all coverage required by The Commonwealth of Pennsylvania laws with the following limits:

- $5,000,000 combined single limit (property damage, bodily injury)

NOTE – Satisfaction of these limits can be combined with the inclusion of a follow form umbrella liability policy.

5.2.1.5 Workers' Compensation

Workers' Compensation, Temporary Disability and other similar insurance required by the Commonwealth of Pennsylvania or Federal laws. The minimum limits of liability to be maintained are as follows:
• Statutory Benefits (as required by Commonwealth of Pennsylvania and applicable State and Federal laws)

• Employers Liability
  o $1,000,000 Bodily Injury Each Accident
  o $1,000,000 Bodily Injury by Occupational Disease – Policy Limit
  o $1,000,000 Bodily Injury by Occupational Disease – Each Employee

Waiver of subrogation rights against Montgomery County Community College

5.2.2 Operator

If the College determines that the Respondent shall handle operation, management and maintenance of the completed facilities, the operator, at its sole cost and expense, shall insure its activities in connection with its work and obtain, keep in force and maintain insurance as required in Section 5.2.1, with the exception of Builder’s Risk Insurance and Professional Liability Insurance. Respondent shall be required to maintain commercial general liability insurance with an aggregate limit of at least $10,000,000.00.

The operator may be required to obtain “all risk” property insurance with an aggregate limit of at least $25,000,000.00 and crime insurance with a limit of $1,000,000.00.

The operator shall maintain the insurance policies throughout the course of the operating agreement with the College and for a minimum of two years following termination of the operating agreement.

5.2.3 Proof of Insurance

All insurance coverage shall be written by companies licensed or authorized to do business in the Commonwealth of Pennsylvania and having an A.M. Best rating of A: VII or better. All polices, except Workers' Compensation, shall provide a 30-day notice for cancellation. Certificates of Insurance evidencing coverage shall be provided to the College prior to the awarding of any contract. Copies of insurance policies shall be provided upon request of the College. For insurance which must be maintained after completion of the Project or termination of an agreement, proof of insurance shall be submitted to the College on an annual basis.
5.3 Affiliation Agreement

The proposed structure of the development is predicated on the College’s intent to create a self-sustaining residential community that minimizes costs and maximizes value. Accordingly, the College desires to enter into an affiliation agreement with a private Developer to build the new housing facility on an off-campus site. Under current plans, the Developer will construct, own, and operate—at its own cost and expense—the Project specified by the College. While the final agreement structure may take the form of an affiliation agreement, other relationships may be considered.