

REQUEST FOR PROPOSALS
RFP #2022-007

Dry Dock Development and Operations

at Roosevelt Roads, Ceiba, Puerto Rico



Issued by the Local Redevelopment Authority for Roosevelt Roads
December 16th, 2022

Proposal Deadline for Respondents: March 24th, 2022 at 5:00pm

Documents are available at WWW.ROOSEVELTROADS.PR.GOV

**One (1) Original, Seven (7) Copies,
and One (1) USB of Each Proposal Shall Be Submitted to:**

Local Redevelopment Authority for Roosevelt Roads
Comercio y Exportación Building
#159 Chardón Ave. 3rd Floor
Hato Rey, PR 00918

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1. Invitation to Submit Proposals and Executive Summary

- 1.1. Invitation to Submit Proposals. The Local Redevelopment Authority for Naval Station Roosevelt Roads ("LRA"), is issuing this Request for Proposals ("RFP") to obtain comprehensive proposals ("Proposals") from highly qualified respondents (each, a "Respondent") that have expertise and ability in vessel maintenance, repair and overhaul facilities; and that have the ability and capacity to undertake the leasing, design, construction, operation and financing of the rehabilitation, improvement and operation of the Dry Dock located at the Former Naval Station Roosevelt Roads ("FNSRR"), in Ceiba, Puerto Rico. This to create a facility capable of servicing all the maintenance, repair, and overhaul needs ("MRO Services") of commercial vessels and/or private yachts and mega yachts (the "Project").

The **RFP #2022-007** process will follow the Local Redevelopment Authority Request for Proposal Regulation attached hereto as Exhibit C-4.

1.1.1. Request of Proposal identification number: RFP #2022-007

1.1.2. Request of Proposal Issue Date: December 16th, 2022

1.1.3. Scope of Request of Proposal. This RFP seeks highly qualified Respondent that has expertise and ability in vessel maintenance, repair and overhaul facilities and that have the ability and capacity to undertake the leasing, design, construction, operation and financing of the rehabilitation, improvement and operation of the Dry Dock located at the Former Naval Station Roosevelt Roads ("FNSRR"), in Ceiba, Puerto Rico (as defined below) (collectively, the "Project"). The objective of this RFP is to receive general business plans and economic proposals conducive to a long-term Development Agreement for the best use of the Roosevelt Roads Dry Dock.

1.1.4. Proposal Deadline Date, Time and Location. March 24th, 2023 @ 5:00pm (AST) at the Local Redevelopment Authority for Roosevelt Roads, Comercio y Exportación Building, #159 Chardón Ave. 3rd Floor, Hato Rey, PR 00918.

1.1.5. Special Instructions with Date, Time, and Location as to where to access the Request for Proposal documents. Documents will be available at our website www.rooseveltroads.pr.gov from December 16th, 2022, at 5:00pm (AST) through March 24th, 2023 @ 5:00pm(AST). There will be no cost to download the documents.

1.1.6. Bidder Registration Form. Interested bidders must submit the Bidder Registration Form attached hereto as Exhibit B to the LRA by e-mail at lradevelopment@lra.pr.gov no later than January 25th, 2023 at 5:00pm (AST). No Bidder Registration Form will be accepted after this date and time.

1.1.7. Mandatory Pre-Submittal Meeting and Mandatory Property Tour. On February 8th, 2023, at 10:00am (AST) at the LRA Office located at the ALPHA Building in Roosevelt Roads. During such visit, the LRA will provide an overview of this RFP, provide a tour of the Project Property, and answer any questions. Any handouts and written responses to questions (which are the only binding responses) will be posted on www.rooseveltroads.pr.gov. This mandatory Pre-Submittal Meeting and mandatory Project Property tour will be the only opportunity for respondents to visit the Project Property guided by LRA representatives, prior to submission of Proposals. Respondents may visit the Project Property in additional

occasions; however, these additional visits need to be previously coordinated with the LRA and will be subject to availability from LRA personnel. Additional visits will be during normal access hours from 8:00am to 4:00pm (AST).

- 1.1.8. There are no Bid Bond requirements for this RFP #2022-007.
- 1.1.9. Reservation of Rights. The LRA reserves the right, in its sole and absolute discretion, to Cancel or suspend this RFP process or any or all phases, at any time for any reason.
- 1.1.10. Reservation of Rights. The LRA reserves the right, in its sole and absolute discretion, to Change or amend the business opportunities described in this RFP.
- 1.2 Project Description. As further described in Section 3.1, this RFP seeks a Respondent that can implement a feasible approach in the designing, building, operating, and financing of a vessel maintenance, repair, and overhaul facilities on the Project Property (as defined below).
- 1.3 Property Description. The LRA owns and leases from the Navy approximately 3,400 acres at NSRR (the "NSRR Property,") as shown on Exhibit A-1. The Project will be located on approximately 42.00 acres of the NSRR Property as further described below and identified in Exhibit A-3 (the "Project Property").
- 1.4 Bidder Registration Form. Interested bidders must submit the Bidder Registration Form attached hereto as Exhibit B to the LRA by e-mail at lradepvelopment@lra.pr.gov no later than January 25th, 2023 at 5:00pm (AST).
- 1.5 Mandatory Pre-Submittal Meeting and Mandatory Property Tour. February 8th, 2023, at 10:00am (AST). During such visit, the LRA will provide an overview of this RFP, provide a tour of the Project Property, and answer any questions. Any handouts and written responses to questions (which are the only binding responses) will be posted on www.rooseveltroads.pr.gov following the meeting. This mandatory pre-submittal meeting and mandatory Project Property tour will be the only opportunity for respondents to view the Project Property guided by LRA representatives, prior to submission of Proposals. Respondents may visit the Project Property in additional occasions; however, these additional visits need to be previously coordinated with the LRA and will be subject to availability from LRA personnel. Additional visits will be during normal access hours from 8:00am to 4:00pm (AST).
- 1.6 Additional Information and Questions. All exhibits, additional information, addenda, and any questions/answers received on this RFP will be posted on the LRA's website at www.rooseveltroads.pr.gov. Questions can be submitted via e-mail only to lradepvelopment@lra.pr.gov no later than February 22nd, 2023, at 5:00pm (AST). No telephone inquiries will be accepted. All information posted on www.rooseveltroads.pr.gov on the Dry Dock Development and Operation RFP #2022-007 section of the LRA website, is deemed incorporated into this RFP. Upon receipt of the proposals, the LRA will evaluate the submitted business ideas, together with each Proponent's professional qualifications and select one Preferred Proponent. The Preferred Proponent will enter in a Negotiation Phase with the LRA to execute a Development Agreement. A one hundred thousand dollars (US\$100,000.00) nonrefundable Bid Security Deposit will be paid by the Preferred Proponent before the execution of the Development Agreement. The amount of the Deposit will be credited as part of the economic consideration fees once the Development Agreement is executed.

(END OF THE SECTION 1)

2. Naval Station Roosevelt Roads Property (NSRR), Background and Opportunities

2.1 History of the NSRR Property. NSRR, including the Project Property, was used as a military installation since its acquisition and development by the Navy in the 1940s until its closure on March 31, 2004. Prior to acquisition by the Navy, the Navy environmental reports identify that NSRR was previously used for sugar cane cultivation and cattle grazing, with no significant industrial facilities or environmental concerns being identified with respect to activities conducted on the former NSRR prior to Navy ownership. The property is truly a unique and rare resource, having been isolated from normal development trends since the early part of the last century and situated at the foothills of El Yunque National Rainforest – one of the world's greatest natural wonders. The property represents an interesting mix of natural ecological areas (approximately 3,340 acres of which are already under the care of the Conservation Trust), physical infrastructure, a major airfield with an 11,000-foot runway (already under the care of the Puerto Rico Ports Authority), and waterfront development areas.

2.1.1 Pursuant to Section 8132 of the Department of Defense Appropriations Act for Fiscal Year 2004 (Public Act No. 108-87), the Navy was directed to close NSRR pursuant to the procedures and authorities contained in the Defense Base Closure and Realignment Act of 1990, as amended (title XXIX of Public Law No. 101-510, 10 U.S.C. § 2687 note) (the "Base Closure Act"). The Navy closed NSRR on March 31, 2004, and all industrial and commercial operations on the former NSRR with a significant potential for environmental contamination were ceased.

2.1.2 The LRA and the Navy executed that certain Economic Development Conveyance Memorandum of Agreement between the United States of America Acting by and through the Department of the Navy and the Local Redevelopment Authority for Naval Station Roosevelt Roads dated December 20, 2011, Amendment No. 1 dated December 11, 2012, and Amendment No. 2 dated September 1, 2015 (as amended, the "EDC Agreement") to set forth the terms and conditions of the transfer of land at NSRR to the LRA. Pursuant to the processes outlined in the Base Closure Act and its implementing regulations, and the terms and conditions set forth in the EDC Agreement, the LRA and Navy have executed numerous deeds, bills of sale, easements, and that certain Lease in Furtherance of Conveyance between the United States of America and Local Redevelopment Authority for Naval Station Roosevelt Roads at the Former Naval Station Roosevelt Roads, Puerto Rico dated January 25, 2012, as amended on March 20, 2013 and May 6, 2013 (as amended, the "LIFOC").

2.1.3 The LRA divided the NSRR Property into nine (9) zones ranging from an airside industrial park, institutional clusters, to a waterfront district, eco-tourism lodges and housing. These are further described in the 2014 Development Zones Master Plan for the Roosevelt Roads Redevelopment attached as Exhibit D. This 2014 Development Zones Master Plan complements the 2014 Special Plan published by the Puerto Rico Planning Board, attached hereto as Exhibits H-1 through H-3.

2.1.4 Since the 2004 closure, the Navy has transferred land at NSRR to the LRA for economic development purposes, the Puerto Rico Ports Authority for airport purposes, the Department of Natural and Environmental Resources for conservation purposes, and the Municipality of Ceiba for municipality purposes.

2.1.5 For purposes of negotiating with the Navy, the NSRR Property was divided into three parcels, as shown on [Exhibit A-1](#). The LRA controls all of Parcels 1, 2, and 3 – either through deeds or the LIFO; thus, references to Parcels 1, 2, and 3 are no longer significant, but are useful for purposes of reviewing due diligence materials.

2.2 [Establishment of the LRA](#). The Roosevelt Roads Naval Base Lands and Facilities Redevelopment Authority Act was enacted on September 29, 2004, and amended on September 18, 2014 (as amended, "Law No. 508"). The LRA is a public corporation and government instrumentality of the Commonwealth. The LRA is governed by a ten (10) member Board of Directors ("LRA Board"). The President of the LRA is the Commonwealth's Secretary of Economic Development and Commerce. Other LRA Board members include representatives designated by the President of the Senate, the Speaker of the House, the Governor, the Puerto Rico Fiscal Agency and Financial Advisory Authority and mayors of the communities surrounding NSRR. On August 30, 2006, the Office of Economic Adjustment of the Department of Defense (now Office of Local Defense Community Cooperation) recognized the LRA as the local redevelopment authority for purposes of implementing the local redevelopment plan at NSRR.

2.2.1 Law No. 508 authorizes the LRA to, among other items, have full dominion over its properties; negotiate and grant any contracts, leases, or other agreements necessary or convenient to exercise the LRA's powers and authorities; design, construct, or modify any facility that the LRA considers necessary or convenient; acquire and dispose of property (with the consent of the Legislative Assembly for any sales); and issue bonds. Law No. 508 authorizes the LRA to function as a public corporation for a period of 40 years as of the enactment, or until the LRA fulfills the agreements with the Navy.

2.3 [Surrounding Communities](#). The NSRR Property is adjoined by the communities of Ceiba and Naguabo. Nearby islands are Vieques and Culebra. It is important to the LRA that these communities are involved in the redevelopment of the NSRR Property.

2.4 [Puerto Rico](#). Puerto Rico is a United States jurisdiction that is strategically located in the Atlantic Ocean and the Caribbean Sea. Puerto Rico's constitutional status is that of a Commonwealth of the United States. The United States and Puerto Rico share a common military defense, market, currency, and citizenship. The people of Puerto Rico are citizens of the United States. According to the 2020 U.S. Census, the population of Puerto Rico is approximately 3,248,000 inhabitants. In terms of human capital, the Island has a highly educated and bilingual workforce. Spanish and English are the official languages.

There are no passports or visas necessary for United States citizens traveling to Puerto Rico. United States citizens can travel freely in and out of the Island without going through immigration or customs. Citizens of other countries are subject to the same passport and visa requirements for entering Puerto Rico as for entering the United States mainland. Furthermore, the U.S. Department of State has recently opened an office in San Juan, Puerto Rico, which provides a wide variety of passport services, which include the issuance on site and on an expedited basis, of U.S. passports. The mail service in Puerto Rico is provided by the United States Postal Service. Local branches are abundant (there are more than five in the San Juan area alone). Other international carriers such as FedEx, UPS and DHL, provide mail, logistic and package services in Puerto Rico and also have offices throughout the island.

Puerto Rico is considered part of the United States for purposes of U.S. custom duties and immigration. However, Puerto Rico is not considered part of the United States for U.S. income tax purposes. Consequently, no federal income tax is collected from Puerto Rico residents on income sourced in Puerto Rico, except for the income of certain federal employees who are subject to federal income taxes on their salaries. Most federal taxes, except for certain payroll taxes, are not levied in Puerto Rico. Puerto Rico has a diversified economy with manufacturing and services comprising its principal sectors. Puerto Rico's economy is closely linked to the United States' economy. In fiscal year 2017, Puerto Rico's gross national product was \$70.6 billion, and personal income per capita was \$16,748. As a business destination, Puerto Rico offers the security and stability of operating in a U.S. jurisdiction with an unrivalled array of tax incentives that make it a compelling destination for businesses.

Also, the Commonwealth of Puerto Rico offers a comprehensive physical infrastructure; and has highly a developed highway network; port; and airport systems, which allow fast movement of merchandise across and beyond the Island. In addition to that, it offers a a state-of-the-art communication network providing Island-wide access to wire and wireless telecommunications, Internet, and cable service. Moreover, its location in the Caribbean, midway between Europe, North America, and South America, makes Puerto Rico the perfect destination for the development of the proposed Project.

The Island, with an area of 3,435 square miles (9,000 sq. km) — 110 miles long by 39 miles wide — has a mountainous interior and is surrounded by a wide coastal plain where the majority of the population lives. Rainfall averages 69 inches (175 cm) per year and year-round temperatures range from 74°F (23°C) in the winter to 81°F (27°C) in the summer.

Puerto Rico is the easternmost of the Greater Antilles (18 15' N, 66 30' W), and the fourth largest island in the Caribbean. The Island is located at the crossroads between North and South America, at just three and a half (3.5) hours airtime from New York City, two (2) hours from Miami and Panama City, and one (1) hour from Caracas. Puerto Rico has daily nonstop flights to the main cities in the United States and the Caribbean, as well as direct weekly flights to and from major cities in Canada, Europe, and Latin America.

- 2.5 [Hurricanes and Recovery Efforts](#). Two devastating hurricanes, Irma and Maria hit Puerto Rico in 2017. The National Oceanic and Atmospheric Administration's Office for Coastal Management approximated that Hurricane Irma and Maria caused damages of roughly \$50 billion to \$90 billion respectively. As Puerto Rico moves forward, it sees the recovery effort as not just an opportunity to rebuild what was damaged, but to use recovery investments to transform Puerto Rico by implementing solutions that: (i) are cost-effective and forward-looking; (ii) harness innovative thinking and best practices from around the world; and (iii) contribute to greater economic development, revitalization, and growth (in alignment with broader Government efforts to achieve fiscal and economic stability) as well as enhanced human capital.

Puerto Rico will move forward in its economic and disaster recovery by investing in infrastructure, people, and the environment. Federal funds from the Federal Emergency Management Agency ("FEMA") will go some of the way to achieving this vision. But to fully deliver upon all of the economic, infrastructure, and societal goals identified by the Government, private sector creativity and resources will need to be harnessed. Hence the LRA is exploring the development of the

Project as a means to achieve these goals sooner than would be possible with public financing and management.

- 2.6 Incentives. For information regarding Tax Incentives in Puerto Rico, visit Incentives Department of Economic Development and Commerce (<https://www.ddec.pr.gov/en/incentives>).

(END OF THE SECTION 2)

3 Project Description and Scope of Work

- 3.1 Description of the Project. This RFP pursues a long-term Development and Operation Agreement between the LRA and the selected Proponent for the improvement and operations of the Roosevelt Roads Dry Dock. This agreement will grant the eventual operator exclusive use (in “as-is, where-is” condition) of the Dry Dock components. The facilities are approximately 183 meters long, 31 meters wide and 8 meters deep. Can accommodate ships of up to 81.5 feet beam and with a docking draft of 24.5 feet. In addition, the facilities have a parking area, warehouses, buildings, and space for shops. At the height of its use, the Dry Dock attended over 60 vessels per year and numerous more were repaired afloat.

The Dry Dock is located in an area that will require security clearance to access and exit the same, therefore, and among other security protocols, employees will need to have and/or renew a transportation workers identification credential (“TWIC”). The U.S. Transportation Security Administration charges certain fees for the issuance, replacement, and renewal of each TWIC.

As to the current condition of the Dry Dock, please note that all of the services pipes for air, potable water, fire water, steam and sewage might have been removed and the property is offered in as-is, where-is condition. The Dry Dock has no pumps, no pump house, and no electrical service beyond the substation. There is no operating dry-dock or shipyard equipment other than the dry-dock basin. Proposals must take into account the current state of repairs and conditions of the Dry Dock and assume the cost of making any and all necessary repairs and/or improvements. The redevelopment and design project should consider the following:

- Minimizing the environmental impacts through sensitive siting improvements.
- Protecting and enhancing habitat areas within and around the site.
- Welcoming to the most diverse range of people possible.
- Developing and maintaining good community relations with all stakeholders, specifically with the LRA, the municipality of Ceiba and the communities surrounding the Property.
- Compliance with Federal and State law, regulations, licensing, and ordinances, regarding the development, construction and operation of an MRO Services facility.

- 3.2 The Project Property. The Project subject to this RFP is located on Parcel 3, zone B, subzone B1 which encompasses 42.00 acres of the NSRR Property, as depicted on Exhibit A-3. Reference Exhibits A-1 through A-5, Exhibits F-1 and F-2, and Exhibits G-1 through G-5 for Project Property information. The Project Property will be provided to the selected Respondent in “as-is” condition, without representation or warranty by the LRA as to physical or environmental condition of the land or any existing structures. The LRA makes no representations regarding the character or extent of soil or subsurface conditions or the conditions and existence of utilities that may be encountered during the course of any work, development, construction, or occupancy of the Project Property. The Respondents will be responsible for undertaking an independent analysis of the Property conditions including any environmental, health and safety issues and should not rely on any reports or information related to such issues provided to the selected developer(s) by the LRA. See also Exhibit J to determine flood levels and how it might affect the Project property.

- 3.3 LRA’s Goals for the Project. It is the LRA’s goal to execute a development agreement with a respondent who will be able to feasibly improve and expand the existing Dry Dock infrastructure. Also, the LRA has the goal of making Ceiba and Puerto Rico the premier destination in the

Caribbean for luxury vessels, while fostering the further growth of the service and tourism industries in the Island. Proposals should purport to convert the Dry Dock into a leading center for commercial vessel, yachts and mega yacht repairs, reconstruction, remanufacture, and dry-docking afloat services to the local and international community. Award of the RFP will be to the Proponent whose Proposal, conforming to this RFP, is most advantageous to the LRA and the Government.

3.4 Scope of the Project. The Scope of the Project involves refurbishments and improvements to rehabilitate the Dry Dock and make it operational. Such works include repairs of the dry dock, as needed, expand the linear footage available for docking, building above ground storage, construction of facilities for servicing commercial vessels and yachts. Proposals should include provisions for a MRO Services. This might be included by hosting third-party contractors in woodworking, metal works, fiber glass repair, electrical and mechanical componentry, etc.

3.5 Consideration to the LRA. The LRA has a contractual agreement with the Navy and must comply with such agreement. Contractual obligations not only include financial agreements but, commitments for the development of the property to the extent that will create an economic impact that will bring quality job creation and community development. Financial consideration from proponents will enable the LRA to meet these obligations.

3.6 Role of the LRA. Some of the LRA responsibilities include:

3.6.1 The LRA currently owns and operates all utilities at NSRR. The LRA is currently operating and maintaining the water treatment plant and is coordinating wastewater utility services at NSRR. The LRA is currently managing and maintaining the electrical transmission and distribution system. The redevelopment project might or will require upgrades to the existing infrastructure and utilities.

3.6.2 The US Navy is performing environmental remediation on the approximately 450 acres leased to the LRA pursuant to the LIFOC. The LRA will manage and coordinate with the Navy such remediation during their duration. Although there are no SWMUs or AOC within the boundaries of subzone B1, portions of SWMU 45 are adjacent to the Project Site. The LRA will manage and coordinate any interaction between the selected respondent and the US Navy. Please refer to Exhibit E-2 for additional information on SWMU 45.

3.7 Role of the Selected Respondent. The selected Respondent will be responsible for designing, building, operating, maintaining, and financing the development of the Project in accordance with the requirements and timeframe to be set forth in an agreed upon Lease and Development Agreement. The selected Respondent will also be responsible for horizontal development, including utilities, roads, and other improvements associated with the Project. Additional expectations for the selected Respondent include:

- Securing financing for construction of necessary buildings, land improvements and infrastructure The LRA will not provide any funding or credit to the selected Respondent in regards of the development costs of the Project.
- Acquiring a leasehold interest in the Project Property pursuant to an agreement between the LRA and the selected Respondent and adhering to the performance

schedules contained therein related to the development, financing and management of the Project Property.

- Coordinating with the LRA development activities for the Project Property with other activities on the NSRR Property.
- Obtaining all requisite regulatory and governmental approvals to enable the accomplishment of the Project.
- Providing utilities within the Project Property and coordinate with the LRA, utility-related issues.
- If necessary and as agreed to by the LRA, expedite the Navy's clean-up process by participating in the financing and/or managing of hazardous materials remediation as part of the development process.
- Comply with all applicable laws and regulations.
- Work with the communities surrounding NSRR and other existing tenants at NSRR in implementing development in furtherance of the LRA's goals for the NSRR Property.

3.8 Environmental Matters. Uses on the portions adjacent to the Property subject to the LIFO, may be limited, as set forth in the LIFO, until such time as the environmental remediation is completed. The environmental information provided by the Navy with respect to the Project Property is attached as Exhibits E-1 and E-2.

3.9 Infrastructure and Utilities. The LRA currently owns and operates all utilities at NSRR. The LRA is currently operating and maintaining the water treatment plant and is coordinating wastewater utility services at NSRR. Also, the LRA currently managing and maintaining the electrical transmission and distribution system. The LRA acknowledges that the redevelopment project, as well as the development of this Project might require upgrades to the existing infrastructure and utilities. See Exhibits I-1 through I-3 for infrastructure information.

3.9.1. Potable Water Utilities. The LRA is the owner of the Potable Water System including Water Filtration Plant, Reservoir and Storage Tanks among other related infrastructure. The LRA's system is a NON PRASA system. All the related water and sanitary utility connection issues are addressed through the LRA (not with the Puerto Rico Aqueduct and Sewer Authority-PRASA). The LRA operates, repairs, and maintains the existing water system. As depicted in Exhibit I-1, the Project Property has a 12-inch diameter potable water line. This line is located in front of the property. There's is an 8-inch secondary line that connects the 12inch main line to within the Project property. Construction for major improvements and upgrades to the existing water system are projected to start during 2Q of year 2023.

3.9.2 Sanitary Sewer Lines. The LRA owns, operates, and maintains the existing sanitary sewer system. See Exhibit I-2 for reference. A major improvements and upgrades to the existing sanitary sewer system project is in the design phase. The project includes the construction of a new sanitary treatment plant, improvements, and refurbishments of the main collection

lines among other components. Construction for major improvements and upgrades to the existing water system are projected to start during Q3 of year 2023.

- 3.9.3 **Electrical Power Lines.** The LRA is the owner of the Electrical Power System, substations, transmission, and distribution lines among other components. The LRA operates, repairs, and maintains the Electrical Power System. For the Project Property, two different point of connection are available through a 13.2 KV line. See Exhibit I-3.
- 3.10 **Zoning.** The Project Property is currently zoned as E6 (*Distrito Especial Industrial Pesado Limitado*), as identified in the 2014 Special Plan ROTFU published by the Puerto Rico Planning Board attached here as Exhibit H-1 through H-3. The 2014 Special Plan ROTFU is attached hereto as Exhibit H-1 in Spanish. Excerpts of the most relevant portions of the 2014 Special Plan ROTFU are included in English in Exhibit H2. The ROTFU Zoning Plan is attached hereto as Exhibit H-3.
- 3.11 **Buildings and Tenants.** Existing buildings will be included in the agreement in an “as is, where is” condition. There are no tenants occupying buildings within the project property.
- 3.12 **Local Business and Hiring Goals.** The growth, well-being and health of the local economy is a priority for the LRA. It is a requirement to engage local businesses and local hiring (Ceiba and Naguabo) in the development of the Project.

(END OF THE SECTION 3)

4. Proposal Requirements

4.1 Page Limitation. While there is no page limitation for the Proposals, Respondents are strongly encouraged to be concise in their responses.

4.2 Language. All Proposals must be submitted in English.

4.3 Cover Transmittal Letter. Respondents should submit a signed cover letter which acknowledges that the Respondent has received, examined, and is familiar with the RFP, including all exhibits and information posted on www.rooseveltroads.pr.gov. The cover letter must include the following information:

- Name of the organization
- Name of its authorized representative
- Mailing Address
- Telephone number
- Official e-mail address for the organization and for the Respondent's representative.

The cover letter should provide an executive summary of the Proposal; and must be signed by the person that has full authority to bind the Respondent to the Proposal and to all terms and conditions of the Proposal. If multiple team members are included in the Proposal, an authorized representative from each team member may sign the same cover letter or submit separate cover letters containing these representations. The cover letter must correspond to the entity or organization that submitted the bidder registration form, as explained in section 1.1.6 and section 1.4 of this document.

4.4 Presentation of Qualifications. Each Proposal must address all of the following items, in the order listed below, unless noted as optional. The LRA Evaluation Committee reserves the right to either elaborate a checklist for all the documents required and listed in this section and to deduct points during the evaluation process for required documents that were not included within a proposal; or disqualify any respondent who does not meet the requirements listed in this section 4.4 and its sub-sections.

4.4.1 Part 1: Qualifications and Past Performance. Information should be provided that will enable the LRA to evaluate the Respondent's qualifications and past performance providing MRO services commercial vessels, yachts, and mega yachts. At a minimum, the following items should be addressed in this section of the Proposal:

4.4.1.1 A description of the Respondent's organizational history and background in the MRO Services industry.

4.4.1.2 A description of the role to be played and qualifications of key personnel and any team members. In an appendix, attach resumes or CVs of key personnel as well as an organizational chart. If more than one entity is involved in the Proposal, provide the qualification of all parties and personnel involved in the proposed project. To the extent one or more companies will be forming a joint venture to accomplish this Project, Respondents should either provide: (i) evidence that such joint venture has been formed prior to submission of the Proposal; (ii) a Term Sheet executed by such companies which identifies the general terms of the joint

venture that will be formed, including which company or companies have the authority to make binding decisions on behalf of the joint venture.

4.4.1.3 A summary of the Respondent's experience in managing projects of a similar nature to the Project and/or providing services as an MRO. To the extent possible, the narrative should specifically describe how the Respondent's experience demonstrates that it has the skills and experience necessary to develop, finance, operate, and maintain the Project.

4.4.1.4 Identify up to three (3) examples of projects completed within the last fifteen (15) years that demonstrate relevant experience in the MRO Services industry. For each example, identify (i) a description and location of the project; (ii) the Respondent's role in the project; (iii) period of performance; and (iv) contact information for the client's contracting officer or similar supervising party for the project. In particular, any projects that were public-private partnerships, located on former military bases or federally owned properties, that entailed redevelopment of a similar scale/nature as the Project, or required the Respondent to finance, design, construct, operate, and maintain the project should be described. Although the evaluation will be performed for the team, if multiple team members are involved, up to three examples per team member may be provided.

4.4.1.5 Provide any additional or complementary information that supports respondent's qualifications and experience.

4.4.2 Part 2: Concept and Development Plan. Information should be provided that will enable the LRA to evaluate the Respondent's concept and development plan for the Project. At a minimum, the following items should be addressed in this section of the Proposal:

4.4.2.1 Concept and Vision. Respondents should describe in detail their overall concept and vision for the Project.

4.4.2.1.1 Narrative description of landside and marine improvements required to accommodate MRO Services for commercial vessels, luxury yachts and mega yachts within the project property limits.

4.4.2.1.2 Narrative description of improvements to buildings, access to the property, as well as any other graphic information that properly communicates the respondent approach to the project.

4.4.2.1.3 Narrative description of how the project concept and vision adhere to Federal, State and Local regulations and ordinances.

4.4.2.1.4 Respondents should clearly identify if its proposal present any variance with the project description provided in this RFP, the 2014 Development Zones Master Plan or the Roosevelt Roads ROTFU regulation and explain the reason(s) for such deviation(s).

4.4.2.2 Conceptual Plans. Respondents should provide descriptive narratives and conceptual design drawings, where appropriate, that have sufficient detail and that include, at minimum, the following:

4.4.2.2.1 Site Plan showing the location of all the components of the project.

- 4.4.2.2.2 General site and development plan indicating the proposed use, location, and height of each building (existing to remain and new or proposed structures). Items 4.4.2.3.1 and 4.4.2.3.2 must be consistent with the narratives and descriptions required in items 4.4.2.1.1 and 4.4.2.1.2, respectively.
 - 4.4.2.2.3 Circulation plan, including the location of all vehicular access and potential pedestrian access. Circulation Plan must include the path of travel of users (employees, customers, third-party providers, etc.), including those areas that are accessible and required to be ADA compliant.
 - 4.4.2.2.5 After reviewing the existing buildings, structures and infrastructure and their potential for reuse, Respondents should identify which buildings or structures the Respondent intends to reuse, and which will be demolished (the timing for any demolition should be addressed in the phasing plan). A description of the Respondent's approach to the following should also be provided: building and infrastructure removal (project staging, methods, timing vis-à-vis the phasing plan); material reclamation, recycling, and on-site storage; hazardous materials and waste remediation and response (if any); noise, dust, vibration, truck traffic mitigation plans; and recycling of demolition material.
 - 4.4.2.2.6 A description of the Respondent's approach to mitigating and managing known or potential environmental conditions on the Property.
- 4.4.2.3 Development Plans. Proposals must include the following documents and clearly establish how these documents support decisions for the submitted proposal:
- 4.4.2.3.1 Evidence of market demand for the Respondent's proposed uses.
 - 4.4.2.3.2 Overall project timeline and phasing plan that describes the Respondent's strategy and timing for delivering and executing the various components of the Project. The phasing plan shall identify any concerns or alternatives to that schedule that are critical to the redevelopment. (Critical Path).
 - 4.4.2.3.3 Due diligence Plan. The document must include all the activities the respondent needs to perform in order to execute the project, including but not limited to all due diligence activities regarding predevelopment, development, financing, and construction activities. The document should contain a Work-breakdown structure, that include time estimates and resources (such as human capital).
 - 4.4.2.3.4 An Operations and Maintenance Plan for the on-going operation of all maritime facilities, buildings, infrastructure, and grounds on the Project Property throughout all phases of development. Please refer to Exhibits I-4 and I-5 for utility rates, since it is considered that operations and maintenance of the MRO facility will be impacted by utility rates.
 - 4.4.2.3.5 Provide evidence on how the Proposal complies with the current zoning, licensing, and permitting required for the Project.

4.4.2.3.6 A general Marketing Strategy/Plan where the respondent addresses how it will market the property in order to attract businesses and clients that will allow the respondent to accomplish the LRA's goals. Note that the LRA's goal is to attract new businesses into the region, not just providing new spaces for current companies to relocate.

4.4.3 Part 3: Financial Offer, Capacity, and Strategy. Information should be provided to enable the LRA to evaluate the Respondent's financial offer and capacity to undertake the proposed Project. Respondents may receive a stronger evaluation depending upon the level of detail and commitment relative to the project financing. At a minimum, the following items should be addressed in this section of the Proposal:

4.4.3.1 Provide a general overview of the Respondent's financial stability. In an appendix, attach the Respondent's audited financial statements (Balance Sheet, Income Statement, Cash Flow Statement, and Notes to Financial Statements) from the previous five (5) years showing the Respondent's net worth and current financial status, including all statements of changes in financial position, and identifying any projects with negative cash flows, amount of the Respondent's non-recourse debt, and any non-performing loans. The submission of the financial statements will constitute a Non-Disclosure Agreement (NDA) from the LRA Evaluation Committee, its members and the Local Redevelopment Authority for Roosevelt Roads employees, agents, Board of Directors, and representatives. No sensitive information regarding a respondent's financial statements will be disclosed with any other party.

4.4.3.2 Financing Strategy. It is critical to the LRA that Respondents are able to finance the Project. While Respondents are encouraged to familiarize themselves with any available tax benefits, note that neither the LRA nor the Commonwealth intends to provide any public subsidy to fill any funding gaps or shortfalls. Respondents should provide a narrative description of the proposed debt and equity composition of the Project and other financial assumptions that will allow the LRA to evaluate the financial feasibility of the proposed project. All financial models must be unlocked, fully functional with active formulas in Microsoft Excel and submitted on a USB drive. It is understood that all assumptions cannot be known at this time, but Respondents are asked to provide their best assumptions and/or specifically identify where it is not possible to make reasonable assumptions. The following information must be provided in this Section:

4.4.3.2.1 The Respondent's proposed equity commitment to the Project and the timing of disbursement of that commitment, including letters of commitment from each equity investor for its Proposal, stating the full terms and conditions under which such amounts will be provided to the Project and with a schedule of disbursement consistent with the Respondent's requirement for construction and permanent financing.

4.4.3.2.2 Detailed description of which, if any, federal government, or other public funding sources the Respondent intends to attract to the Project, coordination with the implementing agency, and its timing.

4.4.3.2.3 Satisfactory evidence of Respondent's ability to secure project debt, including tentative commitment letters from prospective lenders.

- 4.4.3.2.4 A Sources and Uses Table which includes an initial “order of magnitude” estimate of the cost of the Project along with potential sources and expected construction and development fees.
 - 4.4.3.2.5 A conceptual level development budget showing the project’s total development costs, estimating the assumed value of the Property, construction costs, architectural, engineering, and related fees. The Respondent should submit estimated total project costs. The submittal shall include but is not limited to: hard and soft costs based on industry standards; all developer fees, general contractor fees and overhead costs separately identified; demonstration of how equity and debt or other methods of financing fully fund this Project; operating expenses analysis, housing calculation broken down by unit type, family size, and any other project-specific return metrics; and all the assumptions used in the financial model.
 - 4.4.3.2.6 A narrative statement explaining the economic feasibility of the proposed development. Respondents should provide full development proformas describing estimated development costs and projected project income for each income producing component proposed as part of the project. Respondents must submit a Proforma Statement including, at minimum, all income assumptions, revenues, expenses, gross operating income, etc.
 - 4.4.3.2.7 Description of any specific plans to raise revenue to support infrastructure improvements and on-going common area maintenance.
- 4.4.3.3 Financial Offer. Respondents must include in their proposals the financial compensation that the Respondent proposes to pay to the LRA in exchange for the long-term lease of the Project Property. Respondents should note that the LRA is interested in maximizing revenues received, while at the same time ensuring the long-term financial viability of the Project. The financial offer should include any assumptions and/or requirements for the proposed financial consideration to be provided to the LRA. Respondents must submit the Proposed Consideration Certificate attached hereto as [Exhibit C-3](#).

4.4.4 [Part 4: Local Impact](#). Information should be provided that will enable the LRA to evaluate the expected local impact from the proposed Project. At a minimum, the following items should be addressed in this section of the Proposal:

- 4.4.4.1 Community Relations Plan. The maintenance of good community relations is important to the LRA. In this section of the Proposal, identify how good relations with all involved parties (including the LRA, and the communities surrounding the Property) will be maintained throughout the duration of the Project. Respondents should identify local market knowledge and a community relations strategy applicable to the NSRR region. Examples from previous community relations experiences should be included.
- 4.4.4.2 Local Job Generation. One of the LRA’s primary goals for this Project is to create local jobs. Respondents should:

- 4.4.4.2.1 Identify the percentage of contract dollar volume of the redevelopment budget the Respondent will strive to award to firms based in Puerto Rico. Please note that the LRA's goal is for at least 33% (a higher percentage will improve your evaluation of this criterion) of the redevelopment budget to be awarded to firms based in Puerto Rico.
- 4.4.4.2.2 Provide an economic impact plan which identifies: (i) the number, type and phasing of jobs to be created, highlighting the number of local jobs to be created; (ii) projected local annual payroll associated with the proposed redevelopment plan at full build-out; (iii) price points for all uses in 2022 dollars (for residential uses include housing type; for non-residential use include price per square foot cost; (iv) total projected annual sales tax revenue generated by the redevelopment at full build-out; and (v) total estimated real property tax base associated with the proposed redevelopment plan at full build-out.

4.4.4.3 **Benefits to Community.** The LRA strongly encourages the hiring of Puerto Rican workers, particularly from the immediate surrounding communities of Ceiba and Naguabo. Describe the benefits the Project will provide to the community and how the Respondent plans to inform and involve the communities during the development process. Community Benefits Agreements are encouraged as a way of showing the Respondent's commitment to provide jobs and other benefits for Ceiba and Naguabo residents. If the Respondent contemplates entering into Community Benefits Agreements if selected, please indicate the proposed nature and extent of such agreement.

4.4.5 **Part 5: Other.** Respondents are asked to provide the following information.

- 4.4.5.1 **Legal Action History.** Provide a listing and brief description of all legal actions for the past five (5) years in which any firm that is part of the Respondent's team has been: a debtor in bankruptcy; a defendant in a lawsuit for deficient performance under a contract or failure to comply with laws or regulations; a defendant in an administrative action for deficient performance on a project or failure to comply with laws or regulations; or a defendant in any criminal action. Please clearly state if no legal action against the Respondent and Respondent team members has occurred.
- 4.4.5.2 **Acknowledgment of Responsibilities.** Respondents should specifically acknowledge and address the responsibilities listed in Section 3.7 of the RFP, which will be further delineated in the agreed upon Lease and Development Agreement.
- 4.4.5.3 **Resolution of the Board of Directors or governing organization from the Respondent entity authorizing the participation in the RFP process.**
- 4.4.5.3 **Development Agreement.** Respondents will evaluate the Development Agreement draft attached herein as Exhibit C-5. This is the agreement that will be executed with the Selected Respondent. Respondents must issue proposed revisions in track changes, to the document with the proposal.

4.5 **Deadline for Proposals.** All Proposals must be received by the LRA prior to 5:00 PM (AST) on March 24th, 2023. All Proposals must contain one (1) signed original, seven (7) copies, and one (1)

electronic copy on USB Drive. The materials shall be submitted in sealed packages and addressed to:

Local Redevelopment Authority for Roosevelt Roads
Comercio y Exportación Building
159 Chardón Ave.
3rd Floor,
Hato Rey, PR 00918.

The sealed package should be labeled with the Respondent's name, address, and contact person, and will be time-stamped upon receipt. Electronic, telegraphic, and facsimile offers and modifications will not be considered without express prior written authorization. Any Proposal received after the time and date specified above may be rejected and may be returned to the sender unopened.

- 4.6 Communications Restrictions. From the date this RFP is issued to the date the Preferred Proponent (if any) is selected and announced via Notice of Award, all direct contact or communication related to this RFP between the Proponents and LRA staff is prohibited, with the exception to those related to questions and responses as established in section 1.1.7 and 1.5 of this RFP document. No information about the evaluation process will be provided after the proposals are submitted until the selection, if any, is made.

(END OF THE SECTION 4)

5. Selection Criteria and Process

5.1 Evaluation Factors. Respondents will be evaluated based upon the evaluation factors listed below, in no sequential order. All Respondents will be evaluated based on the strength of their entire proposal as compared with the criteria listed below, along with balancing the best interests of the LRA. The LRA Evaluation Committee reserves the right to either elaborate a checklist for all the documents required and listed in this section and to deduct points during the evaluation process for required documents that were not included within a proposal; or disqualify any respondent who does not meet the requirements listed in this section 4.4 and its sub-sections. Information provided within the Proposals, interviews, responses to questions, best and final offers, and any other information obtained by the LRA may be considered during the evaluation.

<p>Factor 1: Qualification and Past Performance</p>	<ul style="list-style-type: none"> ▪ Proposal demonstrates, through the experience and expertise of proposed key personnel and past projects, that the Respondent (and its Project Team) is qualified to execute the proposed MRO Services Facility. ▪ Proposal demonstrates that the Project Team members had successfully completed, within their respective disciplines, projects of a similar scale and scope to the proposed Project. ▪ Proposal provides evidence of the Project Team’s organizational and financial capability to ensure successful and timely delivery of the Project. ▪ Proposal shows that the Project Team is well-organized, has clear management structure, and has experience working together on similar projects. 	<p>35%</p>
<p>Factor 2: Development Concept</p>	<ul style="list-style-type: none"> ▪ Proposal presents a feasible, market-viable, and cohesive Project, compatible with the 2014 Development Zones Master Plan, and in compliance with the Roosevelt Roads ROTFU. ▪ Proposal presents a credible and viable Project Timeline, with clear milestones that complies with proposed schedule, including due diligence activities, construction schedule, and the Operational Phase of the Project. ▪ Proposal’s Executive Summary (as part of the cover letter) and Conceptual plans demonstrate an understanding of the LRA’s goals (as established in Section 3.3); and present a clear plan for implementation. ▪ Due diligence Plan presents a reasonable understanding of the activities to be performed during the predevelopment period. Plan shows Respondent’s understanding of the Project Site and LRA goals. ▪ Environmental considerations. Proposal manages to demonstrate a thorough understanding of the Management of Environmental Restrictions per <u>Exhibit E-1 and E-2</u>. Development Plans show understanding of the environmental considerations on the site. 	<p>15%</p>
<p>Factor 3: Financial Capability and Strategy</p>	<ul style="list-style-type: none"> ▪ Proposal includes all the required financial statements. ▪ Proposal Certification Form is included and signed. ▪ Proposed Consideration Certificate is included and signed. ▪ Proposed consideration is reasonable. 	<p>20%</p>

	<ul style="list-style-type: none"> ▪ Proposal acknowledges and includes a No Financing Contingency. ▪ Proposal includes evidence of the Developer’s financial resources (any form of capital or financial assets) and its commitment to execute the Project. ▪ Proposal demonstrates that the Proposed Project is a financially viable. Proformas included are reasonable and complete. ▪ The financial information demonstrates that the development costs of the project will inject a significant amount of money into the region and the municipality of Ceiba. 	
Factor 4: Consideration to the LRA	<ul style="list-style-type: none"> ▪ Proposal includes a completed and signed Exhibit <u>C-3</u>: <i>Economic Consideration to the LRA</i>: <ul style="list-style-type: none"> • Interim Rent • Stabilization Period Rent • Operational Period • Percentage Rent • Percentage Participation in Capital Events 	15%
Factor 5: Local Impact	<ul style="list-style-type: none"> ▪ Proposal demonstrates how the proposed components of the Project will improve the quality of life for the surrounding communities of Ceiba, and the region. ▪ Proposal includes a solid <i>Communication and Outreach Plan</i> that involve community members that responds communities’ concerns through the development and operational period. ▪ Proposal includes detailed information regarding job creations <ul style="list-style-type: none"> • Forecasted direct jobs • Forecasted indirect jobs • Forecasted induced jobs 	15%

5.2 Oral Presentations. The LRA, at its sole discretion, may require all or a short-listed group of the Respondents to participate in oral presentations. Details regarding the date, format, and other logistics for oral presentations will be provided to Respondents at a later date.

5.3 Best and Final Offer. If Respondents are asked to submit a “Best and Final Offer” (BAFO), Respondents are expected to adhere to the additional guidance of the LRA and submit a final revised Proposal for the LRA’s final consideration. Upon receiving the BAFO, the LRA reserves the right to conduct additional rounds of requests for information, interviews, and request further discussions and negotiations if the BAFO lacks adequate information to make a final selection.

5.4 Respondent Selection Process. A phased process has been established by the LRA for selecting a Respondent to proceed with the Project.

5.4.1 This Phase 1, the Request for Proposals (“RFP”) stage, requires the submissions of Proposals and, if requested by the LRA, participation in interviews or submission of responses to questions or a Best and Final Offer. At the completion of Phase 1, the LRA will select one or more Respondents to participate in Phase 2.

5.4.2 Phase 2 will entail the exclusive negotiation with one or more Respondents selected by the LRA for a specified period of time. If successful, exclusive negotiations will terminate upon the execution of an agreed upon Lease and Development Agreement.

5.5 Respondent Selection Timeline. The LRA's expected timeline for selection of the Preferred Respondent is set forth in the tables below. Please note that the activities and timetable are only a guide and are subject to change at the LRA's sole discretion.

Phase 1 for Respondents	
▪ Issuance of the RFP	December 16 th , 2022
▪ Registration Form	January 25 th , 2023, at 5:00pm (AST)
▪ Mandatory Pre-submittal meeting, Site Visit	February 8 th , 2023, 10:00am
▪ Deadline for Questions on the RFP	February 22 nd , 2023
▪ Deadline for Posted Responses to Questions	March 1 st , 2023
▪ Proposal Deadline	March 24 th , 2023, at 5:00pm (AST)
▪ Presentations by Respondents if required	TBD
▪ Selection of top Respondent	On or about May 29 th , 2023.

(END OF THE SECTION 5)

6. Miscellaneous Terms and Conditions Applicable to All Respondents

- 6.1 Legal Requirements. Respondents are responsible for complying with all legal requirements set forth in Exhibit C-1.
- 6.2 Familiarity with LRA's Redevelopment Goals and Objectives. The LRA assumes that the Respondents are fully informed and familiar with the contents of the RFP, including all exhibits attached to the RFP. Respondents who submit a Proposal are responsible for becoming fully informed regarding all circumstances, information, laws, and any other matters that might, in any way, affect the Respondent's roles and responsibilities in the Project. Any failure to become fully knowledgeable of any other matters that might, in any way, affect the Project will be at the Respondent's sole risk. The LRA assumes no responsibility for assumptions or conclusions made by Respondents on the basis of information provided in this RFP or through any other sources. Respondent must complete and issue a Proposal Certification Form, attached hereto as Exhibit C-2.
- 6.3 Questions and Information. Any questions, requests for clarification, and general information requests must be sent by e-mail to the LRA at lradevlopment@lra.pr.gov in accordance with the deadlines set forth above; no telephone inquiries will be accepted. The LRA will provide all prospective Respondents with copies of any questions it receives and any answers, clarifications and/or information it provides in response thereto. Such information will be posted on www.rooseveltroads.pr.gov on the Dry Dock RFP section. Only written responses posted on the website will be considered binding.
- 6.4 Reference Documents. To assist Respondents in preparing to respond to this RFP, the LRA has created a website at www.rooseveltroads.pr.gov. The website contains all exhibits and other documents which will be of assistance in the development of the Proposals.
- 6.5 Amendments to this RFP. This RFP may be amended by formal amendment, document, or letter. If this RFP is amended, then all terms and conditions that are not amended remain unchanged. Any amendments will be posted on www.rooseveltroads.pr.gov on the Dry Dock RFP section and sent to registered participants by email.
- 6.6 Authorizations by Proposal. Any and all information provided by a Respondent and its team members may be used by the LRA to conduct credit and background checks. The Respondent agrees to execute any additional documentation requested by the LRA to evidence this consent. At its discretion, LRA staff may contact references and industry sources, investigate previous projects and current commitments, interview some or all of the proposed team members, and take any other information into account in its evaluation of the responses. The LRA reserves the right to request clarifications or additional information and to request that Respondents make presentations to the LRA, community groups, or others.
- 6.7 Teaming Arrangements and Special Purpose Entities. Multiple Respondents may form a joint venture for the purpose of submitting a Proposal. The LRA may require that financial and performance guarantees be provided by the Respondent as well as team members. (Note: the LRA will not be involved in facilitating partnering or teaming arrangements.) When a joint venture will be utilized, please present information for both entities and include with your Proposal a copy of the legal documentation establishing the joint venture.

- 6.8 Hold Harmless. By participating in this RFP process, each Respondent agrees to indemnify and hold harmless the LRA and its officers, employees, contractors and advisors from and against any and all real estate and other brokerage fees or commissions, finder's fees, and any other forms of compensation related in any way to activities undertaken by any person as a result of such person's efforts towards and/or participation in this RFP process or the submission by such person of a proposal, and liabilities, losses, costs, and expenses (including reasonable attorney's fees and expenses) incurred by any indemnified party as a result of, or in connection with, any claim asserted or arising as a result of, or in connection with, this RFP process. This includes any and all activities related to the LRA's exclusive negotiations with the selected Respondent(s).
- 6.9 Public Information. All information submitted in response to this RFP becomes property of the LRA. The documents and other records submitted to the LRA are part of the public record and subject to public disclosure; accordingly, information submitted should be expected to be subject to public availability, except for financial information required in section 4.4.3.1 which will remain confidential and will not be made public. Therefore, any response submitted which contains confidential information must be conspicuously marked on the outside as containing confidential information, and each page upon which confidential information appears must be conspicuously marked as containing confidential information.
- 6.10 Organizational Conflicts of Interest. Each Respondent should clearly identify in its Proposal any person or entity that has assisted the Respondent to prepare its Proposal that has advised, or is currently advising, the LRA on any aspect of the redevelopment at NSRR.
- 6.11 Other Terms and Conditions. Law No. 508 and its regulations, as well as all applicable Puerto Rico and Federal laws and regulations, will govern this RFP and all agreements entered into in connection with this RFP.
- 6.12 Not a Contract. This RFP does not constitute an offer to enter into a contract with any individual or entity, thus no contract of any kind is formed under, or arises from, this RFP.
- 6.13 Confidentiality of Information Associated to LRA. Information associated to the LRA, or a government entity obtained by the Respondents as a result of participation in this RFP is confidential and must not be disclosed without prior written authorization from the LRA.
- 6.14 Reservation of Rights. The LRA reserves the right, in its sole and absolute discretion, to:
- 6.14.1 Change or amend the business opportunities described in this RFP.
 - 6.14.2 Cancel or suspend this RFP process or any or all phases, at any time for any reason.
 - 6.14.3 Accept or reject any Proposal based on the selection criteria and as determined by the discretion of the LRA.
 - 6.14.4 Waive any defect as to form or content of this RFP or any response thereto.
 - 6.14.5 Not accept any or all Proposals.
 - 6.14.6 Select one or multiple developers that will best meet the LRA's needs and objectives, regardless of differences in fees and expenses among Respondents to this RFP.
 - 6.14.7 Reject all or any Proposals without any obligation, compensation, or reimbursement to any Respondent or any of its team members; and

- 6.14.8 Extend any date, time period or deadline provided in this RFP, upon notice to all Respondents.
- 6.15 Restriction of Damages. Each Respondent agrees that:
- 6.15.1 In the event that any or all Proposals are rejected, or this RFP is modified, suspended, or cancelled for any reason, neither the LRA nor any of its officers, employees, contractors or advisors will be liable, under any circumstances.
 - 6.15.2 By participating in this RFP process, each Respondent agrees to indemnify and hold harmless the LRA and its officers, employees, contractors and advisors from and against any and all real estate and other brokerage fees or commissions, finder's fees, and any other forms of compensation related in any way to activities undertaken by any person as a result of such person's efforts towards and/or participation in this RFP process or the submission by such person of a proposal, and liabilities, losses, costs, and expenses (including reasonable attorney's fees and expenses) incurred by any indemnified party as a result of, or in connection with, any claim asserted or arising as a result of, or in connection with, this RFP process. This includes any and all activities related to the LRA's exclusive negotiations with the selected developer(s).
- 6.16 Disclosure.
- 6.16.1 As required by Law No. 508-2004 as amended, the information submitted by the Respondents will be published on the Internet once the contract is awarded, except for the information identified as confidential.
 - 6.16.2 All public information generated in relation to the process, including communications with the media and the public, must be coordinated with, and is subject to prior approval of the LRA.
- 6.17 No Obligation to Accept Proposals. The LRA is not obligated to accept a Proposal where, at the discretion of the LRA, it is not in compliance with the requirements of this RFP; or it includes a false or misleading statement, claim or information; or background checks reveal any false statements in the Proposal.
- 6.18 No Collusion or Fraud. Each Respondent is held responsible to ensure that its participation in this RFP process is conducted without collusion or fraud.

(END OF DOCUMENT)