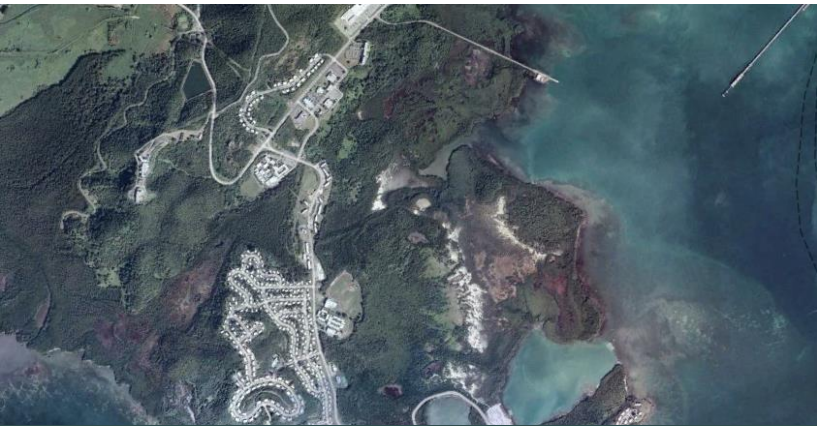


**Addenda No. 1; issued on March 07, 2024.**

**REQUEST FOR PROPOSALS**  
**RFP-2024-001**



# Capehart Coastal Resort & Golf Club Development at Roosevelt Roads, Ceiba, PR



**All Proposals must contain one (1) signed original, one (1) electronic copy on USB Drive, and seven (7) hard copies. The materials shall be submitted in sealed packages and addressed to the Local Redevelopment Authority for Roosevelt Roads office at the Puerto Rico Trade and Export Building, #159 Chardón Ave., 3<sup>rd</sup> Floor, Hato Rey, PR 00918.**

**“Autorizado por la Oficina del Contralor Electoral OCE-SA-2024-04248”**

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## Exhibit List

(All Exhibits from this RFP are available at [www.rooseveltroads.pr.gov](http://www.rooseveltroads.pr.gov) and Incorporated Herein by Reference)

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**Drawings**

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**Zoning Master Plans**

2014 Special Plan ROTFU (in Spanish) ..... Exhibit G-1  
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2014 Zoning Map ROTFU ..... Exhibit G-3

**Infrastructure Documents (for reference only)**

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## 1. Invitation to Submit Proposals and Executive Summary

1.1 Invitation to Submit Proposals. The Local Redevelopment Authority (“LRA”) for Naval Station Roosevelt Roads (“NSRR”) is issuing this Request for Proposals (“RFP”) to obtain proposals (each, a “Proposal”) from any highly qualified Proponents (each, a “Proponent”) that have the expertise and ability to sustainably design<sup>1</sup>, build, operate, maintain and finance a residential, hospitality (i. e., tourism-related lodging and ancillary facilities and amenities for transient guests), recreational and commercial mixed-use project, as further described herein, at the former Naval Station Roosevelt Roads in the eastern region of Puerto Rico.

The **RFP #2024-001** process will follow the Local Redevelopment Authority Regulation for the Disposal of Real Estate and the Acquisition of Goods and Services for the Implementation of the Master Development Plan of the Local Redevelopment Authority for Roosevelt Roads issued on February 22, 2024 (“REG\_LRA\_2024”) attached as Exhibit C-3.

1.1.1 Request for Proposal Identification Number- **RFP #2024-001**.

1.1.2 Request of Proposal Issue Date: **Friday, March 01, 2024**

1.1.3 Scope of Request of Proposal. This RFP seeks a Proponent that is capable of sustainably designing, building, operating, maintaining, and financing a residential, hospitality (i.e., tourism-related lodging and ancillary facilities and amenities for transient guests), recreational and commercial mixed-use project, as further described herein, on the Project Property (as defined below).

1.1.4 Proposal Deadline: Date, Time, and Location- **April 09, 2024**, at 5:00 pm AST at the San Juan offices of the LRA, located at the Puerto Rico Trade and Export Building, #159 Chardón Ave., 3<sup>rd</sup> 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](http://www.rooseveltroads.pr.gov), **from Friday, March 01, 2024, through 5:00 pm AST on April 09, 2024**. There will be no cost to download the documents. If a Proponent prefers to obtain physical copies of the RFP documents, such Proponent must contact the LRA via email at [lradevelopment@lra.pr.gov](mailto:lradevelopment@lra.pr.gov) or phone call at 1-787-705-7188 to schedule an appointment to retrieve the RFP documents at the San Juan offices of the LRA, located at Puerto Rico Trade and Export Building, #159 Chardón Ave., 3<sup>rd</sup> Floor, Hato Rey, PR 00918.

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<sup>1</sup> Sustainable design seeks to reduce negative impacts on the environment, and the health and comfort of building occupants, thereby improving building performance. The basic objectives of sustainability are to reduce consumption of non-renewable resources, minimize waste, and create healthy, productive environments. Reference [www.gsa.gov/sustainabledesign](http://www.gsa.gov/sustainabledesign).

1.1.6 Bidder Registration Form and RUL. Proponents must submit the Bidder Registration Form attached hereto as Exhibit B-1 to the LRA by e-mail at [lradevelopment@lra.pr.gov](mailto:lradevelopment@lra.pr.gov) no later than **Thursday, March 14, 2024. No Bidder Registration Form will be accepted after this date.** Proponents who have not previously registered in the Registry of Bidders (RUL, by its Spanish acronym) must submit or upload all information required by RUL no later than 5:00 pm AST on the fifth business day following the proposed opening date set forth in Section 1.1.8.

1.1.7 Pre-Proposal Meeting and Property Tour. On Thursday, March 14, 2024, at 10:00 am AST at the NSRR offices of the LRA, located on Marina Drive, Roosevelt Roads, Ceiba, Puerto Rico 00735. The location is at the following link: <https://maps.app.goo.gl/sa5rfoxp1X42apinc9>, or at the following coordinates: [18.227693837796963, -65.61359754198834](https://www.google.com/maps/place/18.227693837796963,-65.61359754198834). The entrance is at the rear of the building (1205 Bld.). During such a visit, the LRA will provide an overview of this RFP and a tour of the Project Property and answer any questions. The Authority or the Evaluation Committee will not respond to verbal requests except those made at the pre-proposal meeting. Handouts and/or written responses to questions will be posted on the LRA's website at [www.rooseveltroads.pr.gov](http://www.rooseveltroads.pr.gov). This pre-proposal meeting and Project Property tour will be the only opportunity for Proponents to visit the Project Property guided by LRA representatives before submission of Proposals. Proponents may visit the portions of the NSRR Property (defined below) accessible to the public during regular access hours, 6:00 am- 6:00 pm AST, without an LRA representative.

1.1.8 **Opening Proposal Day- Wednesday, April 10, 2024, at 10 am AST.**

1.1.9 **The deadline to submit all the required documents to the RUL is Wednesday, April 17, 2024, at 10 am AST.**

1.1.10 There are no Bid Bond requirements for this RFP #2024-001.

1.1.11 Reservation of Rights. In its sole and absolute discretion, the LRA reserves the right to cancel or suspend this RFP process or any or all phases at any time for any reason.

1.1.12 Reservation of Rights. In its sole and absolute discretion, the LRA reserves the right 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 Proponent that can implement a sustainable approach in the designing, building, operating, and financing of a residential, hospitality (i.e., tourism-related lodging and ancillary facilities and amenities for transient guests), recreational and commercial mixed-use project, as further described herein, on the Project Property (collectively, the "Project").

1.3 Property Description. The LRA owns and leases approximately 3,400 acres at NSRR from the Navy, as depicted in Exhibit A-1 (Aerial Map of NSRR). The Project will be located on roughly 1080.78 acres of the NSRR Property (over 90% is developable), as further described in Section 3.3 below and depicted in Exhibit A-3 (Map of Project Property).

1.4 Bidder Registration Form and RUL. Proponents must submit the Bidder Registration Form attached hereto as Exhibit B-1 to the LRA by e-mail at [lradevelopment@lra.pr.gov](mailto:lradevelopment@lra.pr.gov) no later than Thursday, March 14, 2024. No Bidder Registration Form will be accepted after this date. Proponents who have not previously registered in the Registry of Bidders (RUL, by its Spanish acronym) must submit or upload all information

required by RUL no later than 5:00 pm AST on the fifth business day following the proposed opening date set forth in Section 1.1.8.

1.5 Pre-Proposal Meeting and Property Tour. On Thursday, March 14, 2024, at 10:00 am AST at the NSRR offices of the LRA, located on Marina Drive, Roosevelt Roads, Ceiba, Puerto Rico 00735. The location is at the following link: <https://maps.app.goo.gl/sa5rfxp1X42apinc9>, or at the following coordinates: [18.227693837796963, -65.61359754198834](https://www.google.com/maps/place/18.227693837796963,-65.61359754198834). The entrance is at the rear of the building (1205 Bld.). During such a visit, the LRA will provide an overview of this RFP and a tour of the Project Property and answer any questions. The Authority or the Evaluation Committee will not respond to verbal requests except those made at the pre-proposal meeting. Handouts and/or written responses to questions will be posted on the LRA's website at [www.rooseveltroads.pr.gov](http://www.rooseveltroads.pr.gov). This pre-proposal meeting and Project Property tour will be the only opportunity for Proponents to visit the Project Property guided by LRA representatives before submission of Proposals. Proponents may visit the portions of the NSRR Property (defined below) accessible to the public during regular access hours, 6:00 am- 6:00 pm AST, without an LRA representative.

1.6 Additional Information and Questions. All exhibits, additional information, addenda, and questions/answers received on this RFP will be posted on the LRA's website at [www.rooseveltroads.pr.gov](http://www.rooseveltroads.pr.gov). Questions and requests for clarifications shall be submitted only via e-mail to [lradepvelopment@lra.pr.gov](mailto:lradepvelopment@lra.pr.gov) **no later than 5:00 pm AST on Monday, April 01, 2024**. The LRA may also respond to verbal requests for clarification during the Pre-Proposal Meeting. **No telephone inquiries will be accepted.** All information posted on the LRA's website at [www.rooseveltroads.pr.gov](http://www.rooseveltroads.pr.gov), in the Capehart Coastal Resort & Golf Club Development RFP #2024-001 section, is deemed incorporated into this RFP. All responses to requests for clarification made by Proponents will be published on the LRA's website and notified to each Proponent individually.

## 2. 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. Navy environmental reports identify that, before acquisition by the Navy, the NSRR Property was used for sugar cane cultivation and cattle grazing, with no significant industrial facilities or environmental concerns being identified concerning activities conducted on the former NSRR before Navy ownership. The property is unique and rare, isolated from typical 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 exciting mix of natural ecological areas (approximately 3,340 acres of which are already under the care of the Conservation Trust of Puerto Rico), 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 Under 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 under 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, as amended by 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. Under the processes outlined in the Base Closure Act and its implementing regulations, and the terms and conditions outlined 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 and institutional clusters to a waterfront district, eco-tourism lodges, and housing. See [Exhibit A-2](#). These are further described in the 2014 Development Zones Master Plan for the Roosevelt Roads Redevelopment, attached as [Exhibit D-1](#). This 2014 Development Zones Master Plan complements the 2014 Special Plan published by the Puerto Rico Planning Board, attached hereto as [Exhibits G-1 through G-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 in [Exhibit A-1](#). The LRA controls Parcels 1, 2, and 3 through deeds or the LIFOC; thus, references to Parcels 1, 2, and 3 are no longer significant but helpful in 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, July 10, 2018, and December 20, 2023 (as amended, "Law No. 508"). The LRA is a public corporation and government instrumentality of the Commonwealth of Puerto Rico (the "Commonwealth"). The LRA is governed by a nine (9)-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 to implement the local redevelopment plan at NSRR.

2.2.1 Law No. 508 authorizes the LRA to, among other items, have complete 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 (subject to the consent of the Legislative Assembly for sales other than those described below); and issue bonds. Law No. 508 authorizes the LRA to function as a public corporation for 40 years as of the enactment or until the LRA fulfills the agreements with the Navy.



2.2.2 On December 20, 2023, Law No. 135-2023 was enacted to amend Law No. 508 to allow the LRA to dispose of property pursuant to a sale thereof without the Legislative Assembly's prior consent in certain instances (the "2023 Amendment"). The provisions of the 2023 Amendment allow the LRA to dispose of the NSRR Property pursuant to a sale without the Legislative Assembly's prior consent, as an exception to the consent requirement, when such disposition is made to facilitate the development of residential use projects (including condominium projects) and tourism projects (including hotels and condo-hotels). **Proponent Subject to the foregoing, Proponents are required to consider in their development plans and to include in their Proposals both a long-term lease and a purchase and sale alternative for the Project Property or for any portion thereof for which either a lease or a purchase and sale would be most suitable, and the sale of fee-simple interests in the Project, or any portion thereof for which a disposition of the fee-simple interest pursuant to a sale may be most suitable.**

2.3 Surrounding Communities. The communities of Ceiba and Naguabo adjoin the NSRR Property. Nearby islands are Vieques and Culebra. It is essential to the LRA that these communities are involved in redeveloping the NSRR Property.

2.4 Incentives. For information regarding Tax Incentives in Puerto Rico, visit the [Incentives Department of Economic Development and Commerce \(pr.gov\)](https://pr.gov/incentives).

### 3. Project Description

3.1 Description of Project. The LRA is looking for a developer and operator who will be able to design, build, operate, maintain, and finance a residential, hospitality (i.e., tourism-related lodging and ancillary facilities and amenities for transient guests), recreational, and commercial mixed-use project at NSRR (Capehart Coastal Resort & Golf Club Development at Roosevelt Roads). The Project must have the following:

1. A minimum of two hundred (200) and a maximum of six hundred (600) residential and hospitality units, to be allocated in the Proposal, at the sole discretion of the Proponent, among any of the following purposes: (a) hotels and resorts; (b) single-family residences; (c) multi-family residence or condominium; (d) condo-hotel; (e) affordable housing; (f) and any other potential use capable of generating economic activity in harmonious coexistence with the other uses proposed by Proponent for the Project Property.
2. At least one (1), but at most two (2) golf courses, provided that all golf courses and ancillary facilities must be located within the Project Property.
3. If the Project includes a hospitality component with one or more hotels, the Proposal may include one (1) casino within each such hotel with a size and maximum occupancy that are commensurate with the number of lodging units within the hotel, provided that no more than two (2) casinos shall be developed within the Project Property.

The Project should consider the following:

- Minimizing the environmental impacts through sensitive siting improvements;
- Promote the creation of jobs and economic development;
- 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 NSRR Property.

3.2 The Project Property. The Project Property is located on Parcels 9,10 and 11, zones C, D, E and G, subzones C4 (212.39 acres), D1 (203.59 acres), E1 (178.38 acres), G1 (397.31 acres) and G2 (95.11 acres), which encompasses approximately 1080.78 acres of the NSRR Property (of which over 90% is developable), as depicted on Exhibit A-3. Reference Exhibits A-3 through A-5 and Exhibits F-1 through F-2 for Project Property information. The Project Property will be provided to the selected Proponent in “as-is” condition, without representation or warranty by the LRA as to the physical or environmental condition of the land or any existing structures or their suitability for any purpose. The LRA makes no representations regarding the character or extent of soil or subsurface conditions or the existence or conditions of utilities that may be encountered during any work, development, construction, or occupancy of the Project Property. Proponents will independently analyze the conditions of the Project Property, including environmental, health, and safety issues. They should refrain from relying on any reports or information on such topics provided to the selected Proponent(s) by the LRA.

3.3 LRA’s Goals for the Project. As mentioned in the Project description, the LRA aims to execute a development agreement that is consistent with the specifications outlined in the RFP and the selected proposal and otherwise in form and substance acceptable to the LRA and the selected Proponent (the “Development Agreement”) with a developer and operator who can promote economic development, foster economic growth, create jobs, and attract critical mass to NSRR.

3.4 Consideration of the LRA. The LRA has a contractual agreement with the Navy and must comply with such agreement. Contractual obligations include financial agreements and commitments for developing the NSRR Property to an 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.

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

3.5.1.1 Since acquiring ownership of the NSRR Property, the LRA has leased certain portions of the NSRR Property to various users. Such leases were entered into to enable immediate job creation and reuse of the NSRR Property or to enable the LRA to receive in-kind consideration from other governmental agencies. The LRA will manage such leases throughout their terms. See Exhibits C-1 through C-4 for existing lease agreements.

3.5.2 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 also manages and maintains the electrical transmission and distribution system within NSRR (the “Electrical Power System”). The redevelopment project will require upgrades to the existing infrastructure and utilities.

3.5.3 The Navy is performing environmental remediation on the approximately 450 acres leased to the LRA under the LIFOC. The LRA will manage and coordinate such remediation with the Navy during their duration.

The Development Agreement shall include terms and conditions of delivery and inspection typical for this type of transaction and that are essential for the execution of such Development Agreement.

3.6 Role of the Selected Proponent. The selected Proponent will be responsible for designing, building, operating, maintaining, and financing the development of the Project by the requirements and timeframe to be outlined in the Development Agreement, which shall provide, among other matters, for the lease and/or purchase of the Project Property, as outlined in the Proposal and subject to the provisions of Law No. 508, as amended to be agreed upon by the LRA and the selected Proponent in the Development Agreement. The selected Proponent will also be responsible for horizontal development, including utilities, roads, and other improvements associated with the Project. Additional expectations for the selected Proponent include:

- Securing financing for the construction of necessary buildings, land improvements, and infrastructure (Note: the LRA will not provide any funding to the selected Proponent);
- Acquiring a leasehold and/or fee-simple interest in the Project Property pursuant to the Development Agreement 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;
- Provide utilities within the Project Property and coordinate utility-related issues with the LRA.
- If necessary and as agreed to by the LRA, expediting the Navy's clean-up process by participating in the financing and/or managing of hazardous materials remediation as part of the development process.
- Complying with all applicable laws and regulations; and
- Working with the communities surrounding NSRR and existing NSRR tenants in implementing development to further the LRA's goals for the NSRR Property.

3.7 Environmental Matters. Uses on the portions of the NSRR Property subject to the LIFO C may be limited, as set forth in the LIFO C until the environmental remediation is completed. The environmental information provided by the Navy concerning the Project Property is attached as Exhibits E-1 through E-4. See Exhibit A-5 for a Map of Environmental Restrictions of the Project Property.

3.8 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. The LRA is currently managing and maintaining the electrical transmission and distribution system. The redevelopment project will require upgrades to the existing infrastructure and utilities. See Exhibits H-1 through H-3 for infrastructure information.

3.8.1.1 Potable Water Utilities. The LRA owns the Potable Water System, including the Water Filtration Plant, Reservoir, Storage Tanks, and other related infrastructure. The LRA's system is not a part of the system operated by the Puerto Rico Aqueduct and Sewer Authority ("PRASA"). The LRA addresses all the related

water and sanitary utility connection issues (not with PRASA). The LRA operates, repairs, and maintains the existing water system. As depicted in Exhibit H-1, the Project Property has a 12-inch diameter potable water line. This line is in front of the property. An 8-inch secondary line connects the 12-inch main line to building 2334. Construction for significant improvements and upgrades to the existing water system is projected to start during the last quarter of 2025.

3.8.1.2 **Sanitary Sewer Lines.** The LRA owns, operates, repairs, and maintains the existing sanitary sewer system. See Exhibit H-2 for reference. Significant improvements and upgrades to the existing sanitary sewer system are in the design phase. The related project includes the construction of a new sanitary treatment plant and improving and refurbishing the main collection lines, among other components. Construction for significant improvements and upgrades to the sanitary system is projected to start during the last quarter of 2025.

3.8.1.3 **Electrical Power System.** The LRA owns the Electrical Power System's substations, transmission, and distribution lines, among other components. The LRA operates, repairs, and maintains the Electrical Power System. Two connection points for the Project Property are available through 13.2 KV and 38 KV lines. See Exhibit H-3.

3.9 **Zoning.** The Project Property is currently zoned as S1, E2, and M1, as identified in the 2014 Special Plan ROTFU published by the Puerto Rico Planning Board attached hereto as Exhibit G-1 through G-3.

3.10 **Buildings and Tenants.** Except for the buildings currently under lease, buildings existing within the Project Property will be included in the Development Agreement in an "as is, where is" condition.

3.11 **Local Business and Hiring Goals.** The growth, well-being, and health of the local economy are priorities for the LRA. It is required to engage both local businesses and hiring<sup>2</sup> (Ceiba and Naguabo) in developing the Project.

3.12 **Land Use and Zoning.** The 2014 Special Plan ROTFU is attached hereto as Exhibit G-1 in Spanish. Excerpts of the most relevant portions of the 2014 Special Plan ROTFU are included in English in Exhibit G-2. The ROTFU Zoning Plan is attached hereto as Exhibit G-3.

## **4. Proposal Requirements**

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

4.2 **Language.** All Proposals must be submitted in English.

4.3 **Cover Transmittal Letter.** Proponents should submit a signed cover letter acknowledging that the Proponent has received, examined, and is familiar with the RFP, including all exhibits and information posted on the LRA's website at [www.rooseveltroads.pr.gov](http://www.rooseveltroads.pr.gov). The cover letter should provide an executive summary of the Proposal. The cover letter should be signed by a person who has full authority to bind the Proponent to the Proposal and all terms and conditions of the Proposal (if multiple team members are included in the

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<sup>2</sup> Local Hiring means that at the time of hire, the residence of an employee is in the same community as the position for which he/she was recruited. For the purpose of this RFP community means Ceiba and Naguabo.

Proposal, an authorized representative from each team member may sign the same cover letter or submit separate cover letters containing these representations).

4.4 Presentation of Qualifications. Each Proposal should address all the following items in the order listed below unless noted as optional.

4.4.1 Part 1: Qualifications and Past Performance. Information enabling the LRA to evaluate the Proponent's qualifications and past performance should be provided. At a minimum, the following items should be addressed in this section of the Proposal:

4.4.1.1 A description of the Proponent's organizational history and background.

4.4.1.2 A description of the role and qualifications of key personnel and any team members. Attach biographies of key personnel and an organizational chart of the Proponent in an appendix if more than one entity is involved in the Proposal. To the extent one or more companies will be forming a joint venture to accomplish the Project described in the Proposal, Proponents should either provide (i) evidence that such joint venture has been formed prior to submission of the Proposal or (ii) a Term Sheet executed by such companies which identify 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 Proponent's experience managing projects similar to the Project. To the extent possible, the narrative should describe how the Proponent's experience demonstrates that it has the skills and expertise necessary to develop, finance, operate, and maintain the Project.

4.4.1.4 Identify up to three examples of projects completed within the last ten (10) years that demonstrate relevant experience. For each example, identify (i) a description of the project, (ii) the Proponent's role in the project, (iii) the period of performance, and (iv) contact information for the client's contracting officer or similar supervising party for the project. 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 Proponent to finance, design, construct, operate, and maintain the project should be described. Although the Proponent's team will be evaluated if the team includes multiple members, up to three examples per team member may be provided.

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

4.4.2.1 Concept and Vision. Proponents should describe in detail their overall concept and vision for the Project. Proponents should identify any inconsistencies with the Project description provided in this RFP or the 2014 Development Zones Master Plan and explain the reason(s) for such deviation(s).

4.4.2.2 Development Plans. All designs must adhere to federal, state, and local laws and ordinances. Facility design will be compatible with natural processes, aesthetically pleasing, functional, sustainable, energy- and water-efficient, universally designed, and as welcoming as possible to all population segments. Proponents should describe:

4.4.2.2.1 Evidence of market demand for the Proponent's proposed uses.

4.4.2.2.2 Overall project timeline and phasing plan that describes the Proponent's strategy and timing for delivering various components of the Project. The phasing plan shall identify any concerns or alternatives to that schedule that are critical to the redevelopment.

4.4.2.2.3 A description of how utility services will be provided throughout the Project.

4.4.2.2.4 A plan for the ongoing operation and maintenance of buildings, infrastructure, and grounds on the Project Property throughout all phases of development.

4.4.2.2.5 A description of how the Project Property will be developed to utilize (where appropriate) designs using Universal Design principles, LEED certifications, low-impact design, and energy efficiency/renewable energy.

4.4.2.3 Conceptual Plans. Proponents should provide descriptive narratives and conceptual design drawings, where appropriate, that have sufficient detail and should include:

4.4.2.3.1 A Site Plan showing the location of land use elements.

4.4.2.3.2 A general site and development plan indicating the proposed use, location, and height of each building.

4.4.2.3.3 A circulation plan, including the location of all vehicular and pedestrian accessways. Circulation Plan should include Path of Travel.

4.4.2.3.4 A plan describing any public space areas, including any proposed improvements to be dedicated to the LRA.

4.4.2.3.5 Maintenance and operational plans for the buildings, grounds, and utilities.

4.4.2.3.6 After reviewing the existing buildings, structures, and infrastructure and their potential for reuse, Proponents should identify any that the Proponent intends to reuse and those that will be demolished (the timing for any demolition should be addressed in the phasing plan). A description of the Proponent'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.

4.4.2.3.7 A description of the Proponent's approach to mitigating and managing known or potential environmental conditions on the Project Property.

4.4.2.3.8 A plan for marketing the Project Property to attract new businesses to accomplish the LRA's goals. Note that the LRA aims to attract new businesses into the region, not just provide new spaces for companies to relocate.

4.4.3 Part 3: Financial Offer, Capacity, and Strategy. Information enabling the LRA to evaluate the Proponent's financial offer and capacity to undertake the proposed Project should be provided. Proponents may receive a stronger evaluation depending on the level of detail and commitment relative to the Project's 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 Proponent's financial stability. In an appendix, attach the Proponent's audited financial statements from the previous five (5) years showing the Proponent'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 Proponent's non-recourse debt, and any non-performing loans.

4.4.3.2 Financing Strategy. It is critical to the LRA that Proponents are able to finance the project. While Proponents 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**. Proponents 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 not all assumptions can be known at this time. Still, Proponents 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 supplied in this Section:

4.4.3.2.1 The Proponent'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 Proponent'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 Proponent intends to attract to the Project, coordination with the implementing agency, and its timing.

4.4.3.2.3 Satisfactory evidence of Proponent'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 Project Property, construction costs, architectural, engineering, and related fees. The Proponent should submit an estimated total project cost. 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. Proponents should provide full development proformas describing estimated development costs and projected project income for each proposed income-producing component.

4.4.3.2.7 Description of any specific plans to raise revenue to support infrastructure improvements and ongoing common area maintenance.

4.4.4 Financial Offer. Proponents should propose the financial compensation that the Proponent proposes to pay to the LRA in exchange for the long-term lease and/or the purchase and sale of the Project Property or any portion thereof for which either a lease or a purchase and sale would be most suitable.

**Proponents must consider in their development plans and include in their Proposals both a long-term lease and a purchase and sale alternative for the Project Property or any portion thereof for which either a lease or a purchase and sale would be most suitable.** Proponents should note that the LRA is interested in maximizing revenues received by the LRA 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. Proponents must submit the **Proposal Certification Form** attached hereto as Exhibit C-4.

4.4.4.1 Every bid and/or proposal submitted must include a detailed breakdown of the offered price: price per unit of the non-professional goods or service (per each item), transportation costs, delivery, assembly, warranty, training, maintenance or services, and replacements, among others.

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

4.4.5.1 Community Relations. The maintenance of good community relations is essential to the LRA. This section of the Proposal identifies how good relations with all involved parties (including the LRA and the communities surrounding the NSRR Property) will be maintained throughout the Project. Proponents should identify local market knowledge and a community relations strategy applicable to the NSRR region. Examples from previous community relations experiences should be included.

4.4.5.2 Local Job Generation. One of the LRA's primary goals for this Project is to create local jobs. Proponents should:

4.4.5.2.1 Identify the percentage of contract dollar volume of the redevelopment budget the H 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.

4.4.5.2.2 Provide an economic impact plan that 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.

4.4.5.3 Benefits to the Community. The LRA strongly encourages hiring 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 Proponent plans to inform and involve the communities during the development process. Community Benefits Agreements are encouraged to show the Proponent's commitment to providing jobs and other benefits for residents. If the Proponent contemplates entering into Community Benefits Agreements if selected, please indicate the proposed nature and extent of such agreement.

4.4.6 Part 5: Other. Proponents are asked to provide the following information.



4.4.6.1 Legal Action History. Provide a listing and brief description of all legal actions for the past five years in which any firm that is part of the Proponent'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; a defendant in any criminal action; a plaintiff or a defendant in any lawsuit for breach of contract involving a claim valued over \$1,000,000. Please clearly state if there has been no legal action against the Proponent and Proponent team members.

4.4.6.2 Acknowledgment of Responsibilities. Proponents should specifically acknowledge and address the responsibilities listed in Section 3.7 of the RFP, which will be further detailed in the Development Agreement.

4.5 Deadline for Proposals. The LRA must receive all Proposals **before 5:00 PM AST on April 09, 2024**. All Proposals must contain one (1) signed original, one (1) electronic copy on USB Drive, and seven (7) hard copies. The materials shall be submitted in sealed packages and addressed to the Local Redevelopment Authority for Roosevelt Roads office at the Puerto Rico Trade and Export Building, #159 Chardón Ave., 3<sup>rd</sup> Floor, Hato Rey, PR 00918. The sealed package should be labeled with the Proponent's name, address, and contact person and will be date and time-stamped upon receipt. Electronic, telegraphic, and facsimile offers and modifications will not be considered without express written authorization. Any Proposal received after the specified time and date may be rejected and returned to the sender unopened.

**[CONTINUED ON FOLLOWING PAGE]**

## 5. Selection Criteria and Process

5.1 **Evaluation Factors.** Each Proponent’s Proposal will be evaluated based on the evaluation factors listed below. All Proponents 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 by considering and negotiating individual terms, conditions, quality, solution, prices, or a combination of factors. The price or cost of the proposal will not necessarily be the most heavily weighted factor in the evaluation. 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. **See “Consideration to the LRA” in Factor 5.**

<p><b>Factor 1: Development Concept</b></p>	<ul style="list-style-type: none"> <li>• Proposal presents financially stable, market-viable, and concrete ideas for the Project; the Project is compatible with the 2014 Development Zones Master Plan and complies with the Roosevelt Roads ROTFU.</li> <li>• The proposal presents a credible and viable project timeline with clear milestones that comply with the conditions' preceding period, the construction schedule, and the project's operational phase.             <ul style="list-style-type: none"> <li>○ If the Proposal presents a construction period beginning (after receiving all the construction permits) within twelve (12) months of signing the Development Agreement, it will receive a 5% bonus.</li> <li>○ If the Proposal presents a construction period beginning (after receiving all the construction permits) within twenty-four (24) months of signing the Development Agreement, it will receive a 3% bonus.</li> </ul> </li> <li>• The Proposal presents developments aligned with LRA’s best interest.</li> <li>• Proposal considers and includes current LRA tenants within the Project Property. In addition, the Proposal identifies prospective tenants, and a clear plan is presented for how to engage existing and prospective tenants to demonstrate an optimal occupancy level for the Project.</li> <li>• The proposal’s Executive Summary and Conceptual plans demonstrate an understanding of the LRA’s goals (as established in Sections 3.1, 3.2, 3.4, and 3.5) and present a clear plan for implementation, including an undeniable understanding of the principles of Universal Design.</li> <li>• Environmental considerations:             <ul style="list-style-type: none"> <li>○ Proposal demonstrates a thorough understanding of the Management of Environmental Restrictions per <u>Exhibits E-1 through E-4</u>. Conceptual Plans show an understanding of the environmental restrictions on the site.</li> <li>○ The proposal includes a sustainable design approach considering the project's development and operational phase.</li> </ul> </li> </ul>	<p style="text-align: center;"><b>25%</b></p>
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<p><b>Factor 2: Qualification and Past Performance</b></p>	<ul style="list-style-type: none"> <li>• Proposal demonstrates, through the experience and expertise of key personnel and past projects, that the proposed Project Team is qualified to execute the proposed development plan.</li> <li>• Proposal demonstrates that the Project Team members have successfully completed, within their respective disciplines, projects of a similar scale and scope to the proposed Project.</li> <li>• Proposal provides evidence of the Project Team's organizational and financial capability to ensure successful and timely delivery of the Project.</li> <li>• Proposal shows that the Project Team is well-organized, has a clear management structure, and has experience working together on similar projects.</li> </ul>	<p><b>20%</b></p>
<p><b>Factor 3: Financial Capability and Strategy</b></p>	<ul style="list-style-type: none"> <li>• Proposal demonstrates that the Proposed Project is financially viable. The financial information indicates that the project's development costs will inject significant money into the region and the municipality of Ceiba.</li> <li>• <b>Proposal demonstrates that Proponent has the financial means to finance the development and operation of the Project.</b></li> <li>• The proposal includes evidence of the developer's financial resources (capital) and commitment to execute the project.</li> <li>• <b>Proposal demonstrates that Proponent has access to, or has available, liquid assets, unencumbered real assets, lines of credit, and other financial means sufficient to meet construction cash flow requirements for a minimal amount of \$5,000,000.</b></li> <li>• Proformas required are included and completed. The included information is valid and reasonable.</li> <li>• <b>Proposal Certification Form is signed and included.</b></li> <li>• Proposal acknowledges and includes a No Financing Contingency</li> </ul>	<p><b>25%</b></p>
<p><b>Factor 4: Local Impact</b></p>	<ul style="list-style-type: none"> <li>• Proposal demonstrates how the proposed components of the Project will improve the quality of life for the surrounding communities of Ceiba and the region.</li> <li>• The proposal includes a solid Communication and Outreach Plan involving community members who respond to community concerns through the development and operational period.</li> <li>• Proposal includes detailed information regarding job creations:             <ul style="list-style-type: none"> <li>○ Forecasted direct jobs</li> <li>○ Forecasted indirect jobs</li> <li>○ Forecasted-induced jobs</li> </ul> </li> </ul>	<p><b>15%</b></p>

<p><b>Factor 5:          Consideration          of the LRA</b></p>	<ul style="list-style-type: none"> <li>• Proposal includes a completed and signed Exhibit C-4:  <i>Economic Consideration to the LRA</i> containing the following, as applicable:               <ul style="list-style-type: none"> <li>○ For portions of the Project Property proposed to be leased by Proponent,                   <ul style="list-style-type: none"> <li>▪ Interim Rent</li> <li>▪ Stabilization Period Rent</li> <li>▪ Operational Period Rent</li> <li>▪ Percentage Rent</li> </ul> </li> <li>○ For portions of the Project Property proposed to be purchased by Proponent                   <ul style="list-style-type: none"> <li>▪ Purchase Price</li> <li>▪ Manner of Payment</li> </ul> </li> <li>○ Percentage Participation in Capital Events</li> </ul> </li> <li>• <b><i>Proponents must consider in their development plans and include in their Proposals both a long-term lease and a purchase and sale alternative for the Project Property or any portion thereof for which either a lease or a purchase and sale would be most suitable.</i></b></li> </ul>	<p style="text-align: center;"><b>15%</b></p>
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5.2 Oral Presentations. At its sole discretion, the LRA may require all or a short-listed group of Proponents to participate in oral presentations. Details regarding the date, format, and other logistics for oral presentations will be provided to Proponents at a later date.

5.3 Best and Final Offer. Suppose Proponents are asked to submit a “Best and Final Offer” (BAFO). In that case, they are expected to adhere to the additional guidance of the LRA and submit a revised final proposal for the LRA’s final consideration. Upon receiving the BAFO, the LRA reserves the right to conduct additional rounds of requests for information and interviews and request further discussions and negotiations if the BAFO lacks adequate information to make a final selection or if the selection committee determines, at its sole discretion, that additional rounds are necessary.

5.4 Proponent Selection Process. The LRA has established a phased process for selecting a Proponent to proceed with the Project.

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

5.4.2 Phase 2 will entail the exclusive negotiation with one or more Proponents selected by the LRA for a specified period. If successful, exclusive negotiations will terminate upon executing the Development Agreement.

The terms and conditions governing the transaction between the selected Proponent and the LRA shall be mutually agreed upon by both parties. These terms and conditions and the specifications outlined in the RFP and the selected proposal shall collectively constitute the Development Agreement between the parties. It is understood that the Development Agreement shall be crafted in the best interest of the LRA, considering the terms of the RFP and the selected proposal.

5.5 Proponent Selection Timeline. The LRA's expected timeline for selecting the Proponent(s) 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.

<b>Phase 1 for Proponents</b>	
<b>Issuance of the RFP</b>	Friday, March 01, 2024
<b>Bidder Registration Form Deadline</b>	Thursday, March 14, 2024
<b>Pre-proposal meeting, Site Visit</b>	Thursday, March 14, 2024, at 10:00 AM AST on 1205 Bld.
<b>Deadline for Questions on the RFP</b>	Monday, April 01, 2024
<b>Deadline for Posted Responses to Questions</b>	Thursday, April 04, 2024
<b>Proposal Deadline</b>	Tuesday, April 09, 2024, at 5:00 PM AST
<b>Opening Proposal Day</b>	Wednesday, April 10, 2024, at 10:00 AM AST
<b>Deadline to submit all the required documents to the RUL</b>	Wednesday, April 17, 2024, at 10 AM AST
<b>Presentations by Proponents, if required</b>	TBD
<b>Selection of top Proponent</b>	TBD

## 6. Miscellaneous Terms and Conditions Applicable to All Proponents

6.1 Legal Requirements. Proponents are responsible for complying with all legal requirements set forth in Exhibit C-1 through C-4. Respondents shall comply with all requirements of current regulations and applicable engineering and safety standards in cases where the installation of equipment to be purchased is required.

6.2 Familiarity with LRA's Redevelopment Goals and Objectives. The LRA assumes that the Proponents are fully informed and familiar with the contents of the RFP, including all exhibits attached to the RFP. Proponents 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 Proponent's roles and responsibilities in the Project. Any failure to become thoroughly knowledgeable of any other matters that might, in any way, affect the Project will be at the Proponent's sole risk. The LRA assumes no responsibility for assumptions or conclusions made by Proponents based on information provided in this RFP or through any other sources. The Proponent must complete and issue a Proposal Certification Form, attached hereto as Exhibit C-4.

6.3 Questions and Information. Any questions, requests for clarification, and general information requests must be e-mailed to the LRA at [lradevelopment@lra.pr.gov](mailto:lradevelopment@lra.pr.gov) per the deadlines set forth above; no telephone inquiries will be accepted. The LRA will provide all prospective Proponents 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 the LRA's website at [www.rooseveltroads.pr.gov](http://www.rooseveltroads.pr.gov), in the [Capehart Coastal Resort & Golf Club Development] RFP #2024-001 section. Only written responses posted on the LRA's website will be considered binding.

6.4 Reference Documents. To prepare Proponents for this RFP, the LRA has created a website at [www.rooseveltroads.pr.gov](http://www.rooseveltroads.pr.gov). The website contains all exhibits and other documents to help develop the

Proposals. In those situations where not all specifications of the real estate subject to the transaction, or goods, works, or services to be acquired are included in the RFP documents, all documents related to the RFP will be available at the offices of the LRA and/or on the LRA's website.

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 the LRA's website at [www.rooseveltroads.pr.gov](http://www.rooseveltroads.pr.gov), in the [Capehart Coastal Resort & Golf Club Development] RFP #2024-001 section, and sent to registered participants by email.

6.6 Authorizations by Proposal. The LRA may use any and all information provided by a Proponent and its team members to conduct credit and background checks. The Proponent agrees to execute any additional documentation the LRA requests 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 proposed team members, and consider other information to evaluate the responses. The LRA reserves the right to request clarifications or additional information and to request that Proponents present to the LRA, community groups, or others.

6.7 Teaming Arrangements and Special Purpose Entities. Multiple Proponents may form a joint venture to submit a Proposal. The LRA may require that financial and performance guarantees be provided by the Proponent, as well as team members. (Note: the LRA will not facilitate partnering or teaming arrangements.) When a joint venture is utilized, please present information for all entities and include a copy of the legal documentation establishing the joint venture with your Proposal.

6.8 Hold Harmless. By participating in this RFP process, each Proponent 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 Proponent(s).

6.9 Public Information. All information submitted in response to this RFP becomes the 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. Therefore, any response submitted that 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 Proponent should identify in its Proposal any person or entity that has assisted the Proponent in preparing its Proposal who 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 (including, without limitation, the Development Agreement) between any individual or entity and the LRA. Consequently, no contract of any kind shall be deemed to exist under or to arise from this RFP. Furthermore, the notification of the award of this RFP will not constitute a formal agreement between the parties. It will be necessary to execute the Development Agreement duly for the LRA to duly issue a purchase order, signed by a duly authorized person in each instance, for a contractual obligation to be deemed to exist.

6.13 Confidentiality of Information Associated with LRA. Information associated with the LRA or any government entity obtained by the Proponents as a result of participation in this RFP is confidential and must be disclosed with 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, even after the selection of a preferred proponent, 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 the 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 Proponents that will best meet the LRA's needs and objectives, regardless of differences in fees and expenses among Proponents to this RFP;

6.14.7 Reject all or any Proposals without any obligation, compensation, or reimbursement to any Proponent or any of its team members and

6.14.8 Extend any date, period, or deadline provided in this RFP upon notice to all Proponents.

6.15 Restriction of Damages. Each Proponent agrees that:

6.15.1 If any Proposals are rejected or this RFP is modified, suspended, or canceled 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 Proponent agrees to indemnify and hold harmless the LRA and its officers, employees, contractors, and advisors from and against any or 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 Proponent(s).

6.16 Disclosure.

6.16.1 As required by Law No. 508, the information submitted by the Proponents 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 about 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 Proponent is responsible for ensuring its participation in this RFP process is conducted without collusion or fraud.

6.19 REVIEW AND RECONSIDERATION PROCEDURE

6.19.1 Article 30. Reconsideration and Administrative Review Procedure

In accordance with Section 3.19 of Act 38-2017, as amended, known as the "Uniform Administrative Procedure Act of the Government of Puerto Rico," the adversely affected party by a decision may, within a period of twenty (20) days from the deposit in the federal mail or email notifying the auction award, file a motion for reconsideration with the Authority. Alternatively, it may file a request for review with the ASG Review Board within a period of twenty (20) calendar days from the deposit in the federal mail or email notifying the auction award. The agency or the Review Board must consider it within thirty (30) days of its submission. The Board may extend this period only once, for an additional period of fifteen (15) calendar days. If any determination is made in its consideration, the deadline to file a judicial review will begin to run from the date the copy of the decision of the agency, the appellate entity, or the Review Board resolving the motion was deposited in the federal mail or email. If the agency or the Review Board fails to take any action regarding the motion for reconsideration or request for review within the corresponding period, as provided in Act 38-2017, it will be deemed to have been rejected outright, and from that date, the deadline for judicial review will commence.

6.19.2 Article 31. Judicial Review Procedure

In accordance with Section 4.2 of Act 38-2017, in cases of bid challenge, the party adversely affected by an order or final resolution of the Authority or the ASG Bid Review Board, as the case may be, may file a request for review with the Court of Appeals within a period of twenty (20) days, counted from the filing in the record of the copy of the notice of the order or final resolution of the agency or the ASG Bid Review Board, or within the applicable twenty (20) calendar days from the expiration of the period established by Section 3.19 of Act 38-2017. The mere filing of a review request under this Section 4.2 of Act 38-2017 shall not have the effect of suspending the award of the contested auction.