

RFP #2024-001

Capehart Coastal Resort & Golf Club Development at Roosevelt Roads

LRA Responses to Questions:



Submitted by	#	RFP Section # or Topic	Questions	Answers
DLC RR, LLC	1	1.1	<p>Section 1.1 Invitation to Submit Proposals states: 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.</p> <p>a. Please explain why REG LRA 2024 (Exhibit C-3) does not have the official State Department Stamp of approval and an assigned regulation number for its validity and implementation in this procurement process.</p> <p>b. Please confirm that the Fiscal Oversight and Management Board (FOMB) approved REG LRA 2024 (Exhibit C-3).</p>	<p>a. As provided in our enabling Law, Law No. 508 of September 29, 2004, as amended in its article 1, subsection (g), the Authority is exempt from complying with the procedures established in Law No. 170 of August 12 of 1988 (LPAU) as amended, except concerning Chapter IV related to judicial review, which is binding on the public corporation.</p> <p>b. Refer to the FOMB letter to LRA, Disposal of Real Estate Property and Acquisition of Goods and Services from Feb. 16, 2024, attached.</p>



<p>DLC LLC</p>	<p>RR,</p>	<p>2</p>	<p>1.3</p>	<p>Section 1.3 Property Description states: 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).</p> <ul style="list-style-type: none"> <li>a. Please provide the total acreage of the land comprising the entire Project Property.</li> <li>b. What does 90% developable mean?</li> <li>c. How many acres from the total of roughly 1,080.78 are not developable?</li> <li>d. Exhibits A-1 and A-3 do not show any written descriptions as developable or non- developable, please explain how the LRA has determined what is developable and what is not..</li> <li>e. How are the different components of the Project Property identified in Exhibit A-3 accessed from public roads?</li> <li>f. Are there any established access rights currently in place within the NSRR Property and the Project Property?</li> </ul>	<ul style="list-style-type: none"> <li>a. The total acreage of the land comprising the entire Project Property is 1086.78, revised.</li> <li>b. The focus of the project development will be on creating a complex that combines residential and hospitality units, with a total of 180 to 540 units. The location will be chosen strategically to ensure economic potential and harmonious coexistence with all other proposed aspects. The plan also involves having one or two golf courses with ancillary recreational facilities. In case a hotel or any other hospitality components are included, the proponent will consider integrating a casino in each one. However, the number of casinos within the development will be limited to two. The 90% development approach aims to balance the use of space to ensure economic profitability and high quality of life for those participating in the project.</li> <li>c. It will depend on the proposed concept. The remaining percentage of the development would be reserved for complementary purposes that can further enhance economic activity and improve the experience of residents and visitors to the project. This space, which is approximately 190 acres, could support infrastructure, such as additional green and recreational areas or environmental conservation areas.</li> <li>d. As stated above, the distribution of development depends on the project concept and priorities. This approach allows significant flexibility to adapt the proportion of space dedicated to different uses according to the specific</li> </ul>
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			<p>g. Are parcels G-1 and G-2 connected in any way?</p> <p>h. Are there any access rights in order to access Parcel G-2 from Parcel G-1 and vice versa?</p>	<p>development strategies and objectives.</p> <p>e. Yes, from public roads. The entrances to the project may be managed at the convenience of the Proposed Project as long as adequate public access is maintained and consistent with existing surrounding projects. This means that the Proponent can design and manage the entrances to optimize traffic flow and promote access to visitors and residents, but without compromising essential public access to basic services and areas of common interest such as CROEC and the Airport.</p> <p>f. Refer to LRA Answer in Section 1.3e.</p> <p>g. No.</p> <p>h. See the Annex Map of Easements and Deed of Constitution of Path Easements thereof. On the Deed of Constitution of Path Easements on pages 27-42.</p>
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<p>DLC LLC</p> <p>RR,</p>	<p>3</p>	<p>2</p>	<p>Section 15 of the LRA's Regulation published as Exhibit C-3 establishes that the Authority will recognize all valid eligibility certificates issued by the ASG; Section 26.9 indicates that in the processes for the disposal of the Authority's real estate, the bidder or proponent will not be required to be registered in the RUL/RUP.</p> <p>a. Is the RUL/RUP registration required for the award of the RFP? If yes, please clarify the date upon which the RUL/RUP must be obtained by the proponent.</p> <p>b. Will the RUL/RUP be required before award or will evidence of submission be sufficient for award?</p>	<p>a. Per Section 1.1.9 on the RFP 2024-001, the deadline to submit all the required documents to the RUL is Wednesday, April 17, 2024, at 10 am AST.</p> <p>b. For the award, evidence of submission of the RUL is sufficient.</p>
<p>DLC LLC</p> <p>RR,</p>	<p>4</p>	<p>2.1.2</p>	<p>Section 2.1.2 History of the NSRR Property states: 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 "Memorandum of Agreement"), to set forth the terms and conditions of the transfer of land at NSRR to the LRA.</p> <p>a. Please provide copies of the Memorandum of Agreement and any</p>	<p>a. A copy of the Memorandum of Agreement is attached. Refer to EDC Documents and its amendments.</p> <p>b. No.</p>



				<p>and all memoranda or other agreements related thereto.</p> <p>b. Does the United States Government (including the Navy or any part of the United States Government) have any involvement or approval or consent rights in the RFP process or the sale or lease of the Project Property and the approval of its final development plan? If so, to what extent?</p>	
DLC LLC	RR,	5	2.1.3	<p>Section 2.1.3 states: 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.</p> <p>a. Was the referenced Exhibit A-2 described as the 2014 Development Zones Master Plan for the Roosevelt Roads Redevelopment, approved by the PR Planning Board?</p> <p>b. Please clarify if the referenced 2014 Special Plan is the ROTFU.</p>	<p>a. Yes, the 2014 Development Zone Master Plan for Roosevelt Roads Redevelopment is approved by the PR Planning Board. Refer to Resolution Number JP-2011-PMRR-53-52, dated July 18, 2014.</p> <p>b. Yes. Through resolution number JP-2011-PMRR-53-52, dated July 18, 2014, the concept “Special Plan” was eliminated. The title of the Regulation was amended, as published in the public hearing announcement, to read “Reglamento de Ordenación de los Terrenos y la Forma Urbana de la Antigua Base Naval De Roosevelt Roads (ROTFU)”—according to its translation and acronym in Spanish.</p> <p>c. According to its translation and acronym in Spanish, the “Reglamento de Ordenación de los Terrenos y la Forma Urbana de la Antigua Base Naval De Roosevelt Roads” (ROTFU) complements the 2014 Development Zones Master Plan, and both must be met, as applicable.</p>



				<p>c. Please clarify how, and to what extent does the 2014 Development Zones Master Plan complement the 2014 Special Plan.</p> <p>d. Please state which is the current applicable zoning plan for the Project Property, the 2014 Development Zones Master Plan, the 2014 Special Plan published by the PR Planning Board, or, if the latter is not the ROTFU, the ROTFU.</p>	<p>d. The current applicable zoning plan for the Project Property is the ROTFU.</p>
DLC LLC	RR,	6	2.1.5	<p>Section 2.1.5 states: 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.</p> <p>a. According to Exhibit A-5, titled Map of Environmental Restrictions, Site SWMU 16 (Building 1666, Waste Explosives Storage Area) is located within Parcel E1 and SWMU 71 (Quarry Disposal Site) is located within Parcel D1. Please provide the latest information regarding the current status of SWMU 16 and SWMU 71, and if there are corrective measures or monitoring activities ongoing or pending for the site, or if any</p>	<p>a. Currently, SWMU 16, 71, and UXO 3 are the only Solid Waste Management Units (SWMU) within the Project Property that are under investigation and have corrective actions/remediations. The Navy and EPA lead and manage all corrective actions and controls directly.</p> <p>As part of recent corrective actions, the Navy created a new SWMU called UXO 3. It is located on the PRIDCO Parcel (Clean Parcel 9). Refer to UXO 3 MAP.</p> <p>b. SWMUs won't be carved out from the site of the RFP. SWMUs should be contemplated to be planned with the corresponding restrictions. Final clean or change of restriction are provided by NAVY. If the Lease results of these parcels, LRA will be in management within NAVY to coordinate with the proponent of the advanced and works on SWMUs. As the sale results of</p>



			<p>institutional controls are expected to be imposed therein. If that is the case, please provide details of the corrective measures, the monitoring activities and/or the institutional controls and who is expected to conduct/implement those.</p> <p>b. For both SWMU 16 and SWMU 71: If one or both sites were the subject of corrective measures, please confirm if these would be carved out from the RFP, or if the larger parcels that contain the sites would be limited to a lease, and how would the location of the sites within larger parcels impact the treatment of those in the RFP; please confirm if these sites may be proposed to be developed without any restrictions, including demolition of any structures therein and /or earth movement activities.</p> <p>c. The LIFOC includes on page 77 a Finding of No Significant Impact for the Proposed Disposal of Naval Activity Puerto Rico which states that in consultation with the U.S. Fish and Wildlife Service (USFWS), the Navy has developed parcel-specific conservation guidelines that list species-specific conservation recommendations for future landowners to consider. Are these conservation guidelines mandatory</p>	<p>this parcel, the proponent, as the owner, will manage and coordinate work on SWMUs.</p> <p>c. Yes. The selected proponent commits to assuming full responsibility for submitting and managing all requests related to the development, construction, and use of properties in the project as outlined in their proposal for RFP-2024-001. This includes, but is not limited to, obtaining licenses, permits, inspections, managing complaints (if any), certifications, inquiries, authorizations, and any other necessary procedures for the construction or operation of the proposed activities. Likewise, they will handle all requests for licenses, permits, inspections, complaints (if any), certifications, inquiries, authorizations, and any other necessary procedures for the construction or operation of the proposed activities that must be evaluated by the Planning Board. The proponent commits to carrying out these procedures in a timely and efficient manner, ensuring compliance with all relevant regulations and legal requirements.</p> <p>d. The selected proponent commits to assuming full responsibility for submitting and managing all requests related to the development, construction, and use of properties in the project as outlined in their proposal for RFP-2024-001. This includes, but is not limited to, obtaining licenses, permits, inspections, managing complaints (if any), certifications, inquiries, authorizations, and any other necessary procedures for the construction or operation of</p>
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			<p>and in full effect?</p> <p>d. It also states that the USFWS concurred with the Navy's determination that the proposed action is "not likely adversely affect" federally listed species and would not result in adverse modification of critical habitat within the project area. Does this mean both the USFWS and the Department of Natural and Environmental Resources will not require any mitigation for federally listed species in the property?</p> <p>e. Since the US Navy already completed an Environmental Document, does this mean that no further environmental process will be required?</p> <p>f. The LIFOC states that there is a Memorandum of Agreement (MOA) between the Navy and the Puerto Rico State Historic Preservation Office (SHPO), and it details which archaeological sites at Naval Activity Puerto Rico (NAPR) would undergo data recover and to what level. It also details the level of documentation needed for respective historic structures or the consultation process needed to establish the level of recordation. Has the LRA concluded these studies and has an approved letter from the "Instituto de Cultura</p>	<p>the proposed activities. Likewise, they will handle all requests for licenses, permits, inspections, complaints (if any), certifications, inquiries, authorizations, and any other necessary procedures for the construction or operation of the proposed activities that must be evaluated by the Planning Board. The proponent commits to carrying out these procedures in a timely and efficient manner, ensuring compliance with all relevant regulations and legal requirements.</p> <p>e. The selected proponent commits to assuming full responsibility for submitting and managing all requests related to the development, construction, and use of properties in the project as outlined in their proposal for RFP-2024-001. This includes, but is not limited to, obtaining licenses, permits, inspections, managing complaints (if any), certifications, inquiries, authorizations, and any other necessary procedures for the construction or operation of the proposed activities. Likewise, they will handle all requests for licenses, permits, inspections, complaints (if any), certifications, inquiries, authorizations, and any other necessary procedures for the construction or operation of the proposed activities that must be evaluated by the Planning Board. The proponent commits to carrying out these procedures in a timely and efficient manner, ensuring compliance with all relevant regulations and legal requirements.</p> <p>f. The selected proponent commits to assuming</p>
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			<p>Puertorriqueña” (ICP) for archaeological sites and historical buildings?</p> <p>g. Is there a final authorization letter from the SHPO for the development of the Project Property?</p> <p>h. Are there any pending approvals from the SHPO?</p> <p>i. Which structures are considered historical or protected?</p> <p>j. Where are the archaeological sites located?</p> <p>k. Is there an official plan for the handling of structures on the Project Property?</p> <p>l. Is there a list of all the structures on the Project Property?</p> <p>m. Have the SHPO and the ICP approved the demolition of all existing structures in the Project Property?</p> <p>n. Did either the SHPO or the ICP release and approve construction on all the existing archaeological sites on the Project Property?</p>	<p>full responsibility for submitting and managing all requests related to the development, construction, and use of properties in the project as outlined in their proposal for RFP-2024-001. This includes, but is not limited to, obtaining licenses, permits, inspections, managing complaints (if any), certifications, inquiries, authorizations, and any other necessary procedures for the construction or operation of the proposed activities. Likewise, they will handle all requests for licenses, permits, inspections, complaints (if any), certifications, inquiries, authorizations, and any other necessary procedures for the construction or operation of the proposed activities that must be evaluated by the Planning Board. The proponent commits to carrying out these procedures in a timely and efficient manner, ensuring compliance with all relevant regulations and legal requirements.</p> <p>g. No.</p> <p>h to m. Refer to the Memorandum of Agreement Navy and SHPO attached.</p> <p>n. No, refer to the Memorandum of Agreement Navy and SHPO attached.</p>
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DLC LLC	RR,	7	3	<p>Section 3. Project Description states: 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.</p> <p>a. Does the ROTFU contemplate or permit the development in all parcels of the Project Property of all the components required in the RFP to be developed by the proponent? If not, will the LRA undertake the Consulta process for the districts within the Project Property?</p> <p>b. Does the LRA have approved recommendation letters from all concerning agencies for the Project Property?</p>	<p>a. The selected proponent commits to assuming full responsibility for submitting and managing all requests related to the development, construction, and use of properties in the project as outlined in their proposal for RFP-2024-001. This includes, but is not limited to, obtaining licenses, permits, inspections, managing complaints (if any), certifications, inquiries, authorizations, and any other necessary procedures for the construction or operation of the proposed activities. Likewise, they will handle all requests for licenses, permits, inspections, complaints (if any), certifications, inquiries, authorizations, and any other necessary procedures for the construction or operation of the proposed activities that must be evaluated by the Planning Board and/or OGPe. The proponent commits to carrying out these procedures in a timely and efficient manner, ensuring compliance with all relevant regulations and legal requirements.</p> <p>b. The selected proponent commits to assuming full responsibility for submitting and managing all requests related to the development, construction, and use of properties in the project as outlined in their proposal for RFP-2024-001. This includes, but is not limited to, obtaining licenses, permits, inspections, managing complaints (if any), certifications, inquiries, authorizations, and any other necessary procedures for the construction or operation of the proposed activities. Likewise, they will handle all requests for licenses, permits, inspections, complaints (if any), certifications,</p>
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				<p>inquiries, authorizations, and any other necessary procedures for the construction or operation of the proposed activities that must be evaluated by the Planning Board and/or OGPe. The proponent commits to carrying out these procedures in a timely and efficient manner, ensuring compliance with all relevant regulations and legal requirements.</p>	
DLC LLC	RR,	8	3.7	<p>What portions of the Project Property are currently subject to the LIFOC?</p>	<p>Although we don't have all the information 100% at this moment in the process, we will provide it to the final proposer before the contract signing. Refer to LIFOC Amendment No. 1 and 2, for reference.</p>
DLC LLC	RR,	9	3.8	<p>What is the status of the proposed grid system?</p>	<p>The LRA owns the Electrical Power System's substations, transmission, and distribution lines, among other components. It also operates, repairs, and maintains the System. Two connection points for the Project Property are available through 13.2 KV and 38 KV lines. For reference, see Exhibit H-3 on RFP document.</p>
DLC LLC	RR,	10	3.8	<p>a. What utilities infrastructure is available in the Project Property and the capacity of any such infrastructure?</p> <p>b. Does the LRA have approved recommendations from the following infrastructure agencies: LUMA, PRASA, Negociado de</p>	<p>a. Currently, the following infrastructure is available:</p> <ol style="list-style-type: none"> <li>1. Potable Water – A 14” diameter pipeline is available for the project, the LRA's Water Operation is 0.4 MGD (per shift). This capacity could be increased depending on the project's demands.</li> </ol>



			<p>Telecomunicaciones, Autoridad de Carreteras, Cuerpo de Bomberos, Departamento de Salud, Compañía de Turismo, Departamento de Recursos Naturales.</p> <p>c. Is the existing infrastructure in the Project Property in good condition to be reused? Sanitary, Potable Water, Telecommunications, Electric.</p> <p>d. Under what legal authority does the LRA undertake potable water, sanitary water, electrical power services?</p> <p>e. Is there an approved franchise for water and sewer services or for any other services?</p> <p>f. Are there any current approved rates; how will rates be established or modified for the utility services provided to the Project Property?</p> <p>g. There is reference to LRA providing the 13-2 KV and 38KV; is power generation from PREPA/LUMA or LRA?</p> <p>h. Where are Generation/ Power plants located in the NSRR?</p> <p>i. How will utilities consumption be metered? Will individual meters be provided for each residence and or</p>	<p>2. Power Infrastructure—The electrical system connection for the project could be carried out at 13.2 KV or 38 KV, depending on the developer's preference.</p> <p>3. Sanitary Sewer—The sanitary sewer system is not currently in operation; however, the treatment plant, lift stations, collection, and force pipeline infrastructure are available for refurbishment and reuse if needed.</p> <p>4. Telecommunications—No telecommunication lines are currently in service for the project. However, some existing telecom infrastructure, such as handholes and manholes, could be reused if needed.</p> <p>b. Currently, no recommendations from the agencies have been requested. The LRA understands that depending on the proponent's project and development plans, some of the recommendations may or may not apply; nonetheless, it will be solely the proponent's responsibility to fulfill the requested recommendation depending on the project development and permitting process.</p> <p>c. The LRA does not currently have a study of the current conditions of the utility systems within the project; however, the developer must consider that the property has been unused for more than 10 years.</p>
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			<p>amenity by the LRA or applicable utilities provider?</p> <p>j. Are there any upgrades planned to utilities distribution lines, water tanks and/or pumping stations and, if so, is there a timeline for completion?</p> <p>k. Where are the current connection points to existing infrastructure?</p>	<p>d. As provided in our enabling Law, Law No. 508 of September 29, 2004, as amended in its article 6, subsection (h) and (i).</p> <p>e. The LRA holds a Franchise for the Use and Utilization of the Waters of Puerto Rico issued by the Department of Natural and Environmental Resources. This permit allows the LRA to extract water from the Blanco River in Naguabo. Currently, the sanitary sewer system is not in operation; however, the treatment plant, lift stations, collection, and force pipeline infrastructure are available for refurbishment and reuse if needed.</p> <p>f. Although we don't have all the information 100% at this moment of the process, we will be providing it to the final proposer before the contract signing.</p> <p>g. Currently, the LRA system's power generation is carried out through the Daguao substation, which is owned by LUMA. The transmission and distribution are carried out through the India Substation, which is owned by the LRA.</p> <p>h. Currently, the power generation for the LRA system is carried out through the Daguao substation, owned by LUMA. This substation is located on the outskirts of the Roosevelt Roads facilities (Coords: 18.232065, -65.667325).</p> <p>i. Currently, all the utilities consumed by the LRA's tenants are metered. Those meters</p>
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				<p>(depending on the type of utility) are usually installed at the point of connection or at the entrance of the project. For example, the potable water meter shall be located at the water pipe 12-14” diameter, to be verified in the field, according to the LRA’s specifications.</p> <p>j. Yes, upgrades to the potable water and sanitary systems are planned.</p> <p>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 Page 7 of 20 RFP #2024-001 Capehart Coastal Resort &amp; Golf Club Development at Roosevelt Roads 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.</p> <p>For the sanitary system, the LRA owns, operates, repairs, and maintains the existing sanitary sewer system (see Exhibit H-2 for reference). Significant improvements and</p>
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				<p>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.</p> <p>k. Yes, please refer to the documents A-7 to A-10 attached.</p>
<p>DLC RR, LLC</p>	<p>11</p>		<p>Section 3.9 Zoning states: 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.</p> <p>Even though Exhibit A-4, identified as “Maps of ROTFU Districts (Zoning)” lacks the ROTFU zoning nomenclature or a legend to identify the zoning districts as these are depicted in the ROTFU Map, a correlation of Exhibits A-4 and D-1 reflects the following: Parcel E1 is zoned as E5, a Special Research and Development district not referenced in the RFP, where the contemplated uses are not compatible with the RFP’s project description; Parcel G-1 is mostly zoned as M1, but also contains a substantial portion zoned as E1, a Special Conservation district, and as DE, a Dotational-Educational district, none of which are referenced in the RFP and where the contemplated uses are not</p>	<p>Questions from Section 3.9a-f: The selected proponent commits to assuming full responsibility for submitting and managing all requests related to the development, construction, and use of properties in the project as outlined in their proposal for RFP-2024-001. This includes, but is not limited to, obtaining licenses, permits, inspections, managing complaints (if any), certifications, inquiries, authorizations, and any other necessary procedures for the construction or operation of the proposed activities. Likewise, they will handle all requests for licenses, permits, inspections, complaints (if any), certifications, inquiries, authorizations, and any other necessary procedures for the construction or operation of the proposed activities that must be evaluated by the Planning Board, local permit agency (OGPe) and/or Federal Agencies. The proponent commits to carrying out these procedures in a timely and efficient manner, ensuring compliance with all relevant regulations and legal requirements.</p>

			<p>compatible with the RFP’s project description; Parcel G-1 is mostly zoned as S1, but also contains a portion zoned as E1, a Special Conservation district not referenced in the RFP, where the contemplated uses are not compatible with the RFP’s project description.</p> <ul style="list-style-type: none"> <li>a. Who is responsible for re-zoning the area since the ROTFU does not allow the development of the project as described in the RFP?</li> <li>b. The area identified in the 2014 Special Plan (ROTFU?) published by the Puerto Rico Planning Board also includes zoning districts E1, E3 and E5 in the parcels included in Exhibit A-3, please confirm.</li> <li>c. The areas identified in the 2014 Special Plan (ROTFU?) published by the Puerto Rico Planning Board creates conservation zones within Parcels C-2, G-1, D1, please confirm.</li> <li>d. If so, how many acres of conservation zones or districts are included in the Parcels listed on Exhibit A-3?</li> <li>e. Is there a required separation distance or buffer for all conservation areas?</li> <li>f. The Quitclaim Deeds include areas which the ROTFU designates as Conservation Land. Will the proposals</li> </ul>	
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				be required to consider such Conservation Land?	
DLC LLC	RR,	12	3.10	<p>Section 3.10 states: 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.</p> <p>a. are there any current tenants, parties in possession, or any persons occupying the Project Property or any portion thereof? If so, who are those tenants, parties in possession or persons and what are the terms and conditions of any leases or rights afforded or claimed by any such persons?</p> <p>b. Have the referenced buildings been evaluated for the presence of Asbestos or Lead? If so, could you provide a recent asbestos and lead study, not exceeding 5 years from today’s date?</p> <p>c. How many buildings have been certified with a presence of asbestos or lead?</p> <p>d. Have the buildings been cleaned or mitigated?</p>	<p>a. There are no current tenants, parties in possession, or any persons occupying the Project Property or any portion thereof.</p> <p>b. No.</p> <p>c. No.</p> <p>d. No.</p> <p>e. Except for the buildings currently under lease (out of Project Property), buildings existing within the Project Property will be included in the Development Agreement in an “as is, where is” condition.</p>



				e. Is the existing infrastructure providing utilities to these structures in good condition? Sanitary, Potable Water, Telecommunications, Electric?	
DLC LLC	RR,	13	4.4.2.2.4	Are more details available on LRA's expectations with respect to the requirements set forth in this Section with respect to the operation and maintenance of buildings, infrastructure and grounds on Project Property?	Every proponent will have their own plan for maintenance based on their own design.
DLC LLC	RR,	14	4.4.4	<p>"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"</p> <p>a. Is the proponent required to submit in its proposal both a long-term lease offer and a purchase and sale offer; or can it be one or the other, or a combination of both?</p> <p>b. If both alternatives (sale and lease) are required, will they be evaluated separately or as a whole?</p> <p>c. How should proponent treat property which subject to transfer and use restrictions such as SWMUs 16 and 71?</p>	<p>a. The proponent must submit both a long-term lease offer and a purchase sale offer in its proposal.</p> <p>b. Both alternatives will be evaluated separately, e.g., 1 proposal with the 2 options included.</p> <p>c. SWMUs should be planned with the corresponding restrictions. Final clean or change of restriction are provided by NAVY. If the Lease results of these parcels, LRA will be in management within NAVY to coordinate with the proponent of the advanced and works on SWMUs. As the sale results of this parcel, the proponent, as the owner, will manage and coordinate work on SWMUs.</p>



DLC LLC	RR,	15	4.4.5.3	<p>“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.”</p> <p>a. Can you clarify what the Community Benefit Agreements entail? Is it a specific form document?</p>	<p>There is no specific form document for the community's Benefits. The Proponent will explain the added value the Proposal will bring to the community, including recruiting individuals from these municipalities.</p>
DLC LLC	RR,	16	5.1	<p>Factor 1: Development Concept, the LRA will evaluate if 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.</p> <p>a. In connection with the above, are there any current tenants, parties in possession, or any persons occupying the Project Property? If so, who are those tenants, parties in possession or persons? What are the terms and conditions of existing leases?</p>	<p>There are no current tenants, parties in possession, or any persons occupying the Project Property or any persons occupying the Project Property.</p>

DLC LLC	RR,	17	5.1	<p>Factor 2 “Qualification and Past Performance” and Factor 3 “Financial Capability and Strategy.”</p> <p>a. Will the LRA consider affiliates and/or parent companies’ experience, qualifications, past performance and financial capacity to evaluate proponents.</p>	Yes, the LRA will consider affiliates’ and/or parent companies’ experiences, qualifications, past performance, and financial capacity to evaluate proponents.
DLC LLC	RR,	18	5.1	<p>Factor 5 “Percentage Participation in Capital Events”.</p> <p>a. Please clarify what this means?</p>	Capital Event means and includes: (i) any transaction involving the sale, exchange, or other disposition of the Project or the Company (but excluding any incidental sales or exchanges of tangible personal property and fixtures), (ii) any financing, refinancing or borrowing secured by the Project or the Company, and (iii) any condemnation or recovery of damage awards and property insurance proceeds (excluding proceeds from any rent or business interruption insurance).
DLC LLC	RR,	19	Claims	<p>Are there any pending or unasserted claims, judicially or extrajudicially, in any way related to the Project Property or any portion thereof? If so, what is the nature and status thereof and the amount being claimed thereunder?</p>	At this moment, no.
DLC LLC	RR,	20	Ownership	<p>Does LRA own or lease all the Project Property subject of the RFP? If not, how does it intend to treat areas which are not owned or leased by the LRA and under what authorization?</p>	The Local Redevelopment Authority (LRA) owns all the Project Property subjected to this RFP 2024-001.
DLC LLC	RR,	21	Ownership	<p>Under what conditions does LRA possess the portions of the Project Property that are not owned by LRA, if any?</p>	The Local Redevelopment Authority (LRA) owns all the Project Property subjected to this RFP 2024-001.

DLC LLC	RR,	22	Approvals	Are there any existing or pending approvals, permits, authorizations for the re-development of the Project Property; if yes, please provide details of each.	Yes, there are pending approvals, permits, and/or authorizations for the redevelopment of the Project Property, with “Departamento de Recursos Naturales y Ambientales (DRNA) —according to its translation and acronym in Spanish, the demarcation process. Refer to O-AG-CERO2-SJ00817-08032023.
DLC LLC	RR,	23	Land Use	Is there any portion of the Project Property subject to conservation rights and/or public use? If so, will the proposals be required to consider such rights and/or use?	Yes, the Project Property is subjected to all applicable conservation rights and/or public uses. Yes.
DLC LLC	RR,	24	Boundaries	<p>a. Is the Capehart WWTP parcel included in the Project Property subject of the RFP?</p> <p>b. If so, has the WWTP's infrastructure been assessed?</p> <p>c. If so, please provide the report?</p> <p>d. Is the so called “Clean Parcel 9” (known as the Industrial Park Lease Parcel) included as part of the Project Property?</p>	<p>a. No.</p> <p>b. Not applicable.</p> <p>c. Not applicable.</p> <p>d. Yes.</p>
DLC LLC	RR,	25	SWMU / AOCs	<p>e. Are there any SWMUs and/or AOCs within the Project Property other than those identified in the LIFOC?</p> <p>f. What are the limitations of each?</p> <p>g. Which SWMUs located within the Project Property are being conveyed or leased?</p>	<p>e. Refer to the answer in Section 2.1.5a.</p> <p>f. Refer to the answer in Section 2.1.5a.</p> <p>g. The proponent must submit both a long-term lease offer and a purchase sale offer in its proposal.</p> <p>h. NAVY oversees the release of restrictions and final clean-up. If the Lease results of these parcels, LRA will be in management within NAVY to coordinate with the proponent of the</p>



				h. What is the plan for those areas not conveyed or leased?	advanced and works on SWMUs. As the sale results of this parcel, the proponent, as the owner, will manage and coordinate work on SWMUs.
DLC LLC	RR,	26	Permits	Maritime Line Resolution - is the maritime line zone already determined by the DNER?	The Maritime Line Resolution previously submitted was suspended.
DLC LLC	RR,	27	Site	During the site visit we noticed what seemed to be condo or rental units near the entrance to the Project Property. Are those units occupied? If so, are they rental or condo units? If not, what is the LRA's plan with respect to those units.	The buildings mentioned are not part of the site of this RFP.
DLC LLC	RR,	28	Environmental	<p>a. Are there any areas of the property pending or undergoing environmental cleanup procedures, including but not limited to, mitigation of open/live munitions or explosives, PCB's, Asbestos, Radon, Lead? If so, have timelines been set for remediation and confirmation of removal?</p> <p>b. Will the Protection Measures addressed in the Biological Assessment stated in the quitclaim deeds (i.e. Threatened and Endangered species conservation measures for all parcels) be mandatory?</p> <p>c. Does the LRA have an Environmental Document approved by the local Permits Management Office for this future project or for the NSRR</p>	<p>a. Refer to the answer in Sections 2.1.5a and 3.10b.</p> <p>b. The selected proponent commits to assuming full responsibility for submitting and managing all requests related to the development, construction, and use of properties in the project as outlined in their proposal for RFP-2024-001. This includes, but is not limited to, obtaining licenses, permits, inspections, managing complaints (if any), certifications, inquiries, authorizations, and any other necessary procedures for the construction or operation of the proposed activities. Likewise, they will handle all requests for licenses, permits, inspections, complaints (if any), certifications, inquiries, authorizations, and any other necessary procedures for the construction or operation of the proposed activities that must be evaluated by the Planning Board, local permit agency (OGPe) and/or Federal Agencies. The</p>



			<p>Property?</p> <p>d. Are there any restrictions on the existing vegetation and or mitigation requirements for the Project Property?</p>	<p>proponent commits to carrying out these procedures in a timely and efficient manner, ensuring compliance with all relevant regulations and legal requirements.</p> <p>c. The selected proponent commits to assuming full responsibility for submitting and managing all requests related to the development, construction, and use of properties in the project as outlined in their proposal for RFP-2024-001. This includes, but is not limited to, obtaining licenses, permits, inspections, managing complaints (if any), certifications, inquiries, authorizations, and any other necessary procedures for the construction or operation of the proposed activities. Likewise, they will handle all requests for licenses, permits, inspections, complaints (if any), certifications, inquiries, authorizations, and any other necessary procedures for the construction or operation of the proposed activities that must be evaluated by the Planning Board, local permit agency (OGPe) and/or Federal Agencies. The proponent commits to carrying out these procedures in a timely and efficient manner, ensuring compliance with all relevant regulations and legal requirements.</p> <p>d. Not at the moment. The selected proponent commits to assuming full responsibility for submitting and managing all requests related to the development, construction, and use of properties in the project as outlined in their proposal for RFP-2024-001. This includes, but is not limited to, obtaining licenses, permits,</p>
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					<p>inspections, managing complaints (if any), certifications, inquiries, authorizations, and any other necessary procedures for the construction or operation of the proposed activities. Likewise, they will handle all requests for licenses, permits, inspections, complaints (if any), certifications, inquiries, authorizations, and any other necessary procedures for the construction or operation of the proposed activities that must be evaluated by the Planning Board, local permit agency (OGPe) and or Federal Agencies. The proponent commits to carrying out these procedures in a timely and efficient manner, ensuring compliance with all relevant regulations and legal requirements.</p>
DLC LLC	RR,	29	Access	How would access/circulation to manage and remediate SWMUs 16 and 71 be undertaken?	<p>If the Lease results of these parcels are positive, LRA will be in management within NAVY to coordinate with the proponent of the advanced and works on SWMUs. In the sale results of this parcel, the proponent, as the owner, will directly coordinate works on SWMUs.</p>
DLC LLC	RR,	30	Access	In the area containing a Natural preserve managed by Para La Naturaleza. Is there a plan for access and management of that area?	<p>The proponent will have to fill in the logistics to meet the needs of Para la Naturaleza.</p>
DLC LLC	RR,	31	Access	If the area connecting Parcels G-1 and G-2 not included in the Lease or Sale, how will that area be maintained and secured and what sort of limitations are there for utility an access easements and additions?	<p>See the Annex Map of Easements and Deed of Constitution of Path Easements thereof. On the Deed of Constitution of Path Easements on pages 27-42.</p>
DLC LLC	RR,	32	Access	If the proponent permitted to relocate all roads within the Project Property? Are there any limitations to the relocation or ability to control access thereto?	<p>Yes, as long as it complies with processes and corresponding agencies.</p>





DLC RR, LLC	33	Federal Requirements	Has the FAA established rules or guidelines for construction and issuance of no-hazard to air navigation determinations?	The selected proponent commits to assuming full responsibility for submitting and managing all requests related to the development, construction, and use of properties in the project as outlined in their proposal for RFP-2024-001. This includes, but is not limited to, obtaining licenses, permits, inspections, managing complaints (if any), certifications, inquiries, authorizations, and any other necessary procedures for the construction or operation of the proposed activities. Likewise, they will handle all requests for licenses, permits, inspections, complaints (if any), certifications, inquiries, authorizations, and any other necessary procedures for the construction or operation of the proposed activities that must be evaluated by the Planning Board, local permit agency (OGPe) and/or Federal Agencies. The proponent commits to carrying out these procedures in a timely and efficient manner, ensuring compliance with all relevant regulations and legal requirements.
Kingdom International	34	Infrastructure	At the Opening presentation informed bidding, and completion of sewer and water infrastructure for late 2026. Could you confirm this is an accurate time frame for EXHIBIT A-3 (MAPS OF PROPERTY) Specifically Sites D1-G1 G2?	<p>Yes, upgrades to the potable water and sanitary systems are planned.</p> <p>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 Page 7 of 20 RFP #2024-001 Capehart Coastal Resort &amp; Golf Club Development at Roosevelt Roads water and sanitary utility connection issues (not with PRASA). The LRA operates, repairs,</p>



				<p>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.</p> <p>For the sanitary system, 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.</p>
Kingdom International	35	Site E-1	On Site E-1 (excluding the radar tower) Is that where the current inoperable cellular antenna is located on the building?	Refer to Exhibit A-3 from the RFP document for property site limits.