



Government of the District of Columbia

Office of the Deputy Mayor
for Planning and Economic Development

ATTACHMENT A

Best and Final Offers for the Tenley-Friendship Library/Janney Elementary School Solicitation

1. Development Program: Please assume that your development project will be required to physically integrate the proposed new Tenley library (“Library”) in a cost effective manner that; incorporates the Library’s program; maximizes available density; proposes an aggressive, realistic and time efficient schedule and minimizes overall project cost

As applicable, describe your revised site plan and development program including: building massing, total development square footage, unit count, and maximum building height. In addition, please provide details of your parking plan including:

- The number of surface and underground spaces;
- The number of spaces for each land use (residential, library, and school); and
- The cost/price per space you seek reimbursement for from the school or library.

Revised drawings may be submitted, but are not required.

2. Financial Proposal/Deal Structure: The District intends to leverage the value created through the development to support a portion of the renovation of Janney Elementary School.

A. Please provide alternative financial proposal/deal structures under each of the following three (3) affordable housing scenarios:

- 30% of all units affordable to households earning at or below 80% AMI (area median income);
- 8% of all units affordable to households earning between 50% and 80% AMI; and
- 100% Market Rate units.

Please utilize the following chart to summarize any public subsidy assumptions related to each of the three proposed scenarios.

Level of AMI (%)	# of Affordable Units	Subsidy/Unit (\$)	Total Subsidy Required (\$)

B. Please propose two financial structures, one that assumes a long-term (99- year) ground lease and one that assumes a fee-simple transaction. Within your financial proposals please include responses to the following:

- Provide the amount and estimated timing of payment to the District for the disposition of the site to the Offeror.
- What is the value of your payment to the District? (Amount of payment to the District, less any required subsidy based upon proposed development scenario).
- Please discuss specific ways a ground lease, relative to a fee simple disposition, would impact your proposed project (e.g. financing approach, proposed program).
- Please estimate the total land value payment to the District for each ground lease option below. Provide a pro-forma and all relevant assumptions for each. Assume the District required the Offeror to lease the ground and to pay for the lease in a lump-sum at closing.
 - i. Estimate the Net Present Value (NPV) of a 99-year unsubordinated ground lease;
 - ii. Estimate the Net Present Value (NPV) of a 99-year subordinated ground lease (where the lease is subordinate to all project debt).

C. Please estimate your Total Project Cost (TPC) and the following sub-categories and ratios (all in 2008 dollars). For all project costs please provide the Total Cost, Cost/Gross Square Foot (SF) and Cost/Net SF.

- Proposed Land Price
 - Hard Costs
 - Soft Costs (excluding financing)
 - Financing Costs
 - Tenant Improvements
 - Other Costs*
 - Total Project Cost
- *If Other Costs, please specify*

Please include a site pro-forma and development budget on CD with active spreadsheets.

4. **Green Space Preservation:** Please provide details of your plan to preserve or increase existing green space for Janney Elementary School.
5. **CBE/LSDBE:** Please provide copies of binding Letters of Intent (LOI) between the Master Developer and its CBE/LSDBE equity and development partners.
6. **Project Schedule:** Please provide a detailed project schedule from award to issuance of Certification of Completion for the project. Specifically please include major development project milestones, including but not limited to:

- Term Sheet execution
- LDA execution
- Closing
- PUD and other approvals (as applicable)
- Project Financing
- Integrated Community/Stakeholder Outreach
- Groundbreaking/Construction Commencement
- Key Construction Milestones (as applicable)
- Certificate of Occupancy by land use (ex. C/O for library, residential or other use if not concurrent)



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ATTACHMENT B

Best and Final Offers for the Tenley-Friendship Library/Janney Elementary School Solicitation

- BAFO responses must be received at DMPED no later than 5:00pm (EST) on Thursday **May 22, 2008**. Please submit **BAFO responses to:**

Attention: Eric Scott
DMPED
1350 Pennsylvania Ave., NW, Suite 317
Washington, D.C. 20004
Eric.Scott@dc.gov

- The Offeror teams may be requested to present their 'best and final' offer to the Selection Panel the week of **June 2, 2008 (Tentative Date)**.
- Please submit an original copy with signatures, seven hard copies and two electronic copies. For electronic copies, all sections should be submitted on the same disk/CD ROM. The electronic submittals shall be compatible with MS Office 2000 (Word, Excel, PowerPoint, Project) and Adobe Acrobat 4.0. All sections of the Proposal should be provided in a ten (10) font size or greater. Please mark all information not releasable to the public as proprietary.
- DMPED will review submitted BAFO responses and will select, in its sole and absolute discretion, one, if any, Offeror, to recommend to the Mayor, who, in his absolute discretion, may accept the recommendations.
- Upon selection, DMPED shall notify the selected Offeror and shall commence exclusive negotiations to reach agreement on a term sheet.
- If DMPED and the selected Offeror are unable to agree on a draft term sheet within a 60 day period after notification of selection, DMPED may terminate negotiations with that Offeror team and begin negotiations with the runner-up team.
- After reaching an executed term sheet, DMPED and selected Offeror will negotiate a land disposition agreement (LDA), which shall set forth the terms and conditions of the development and will allow the selected Offeror to seek to obtain the required approvals and proceed with the development. Such agreements may be subject to Council approval as well as modification, upon mutual agreement, to address issues and alternatives that arise during the approval process.

- Please submit any questions you may have regarding this BAFO in written format to: eric.scott@dc.gov. All questions and answers will be shared with all the responding Offeror teams.

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Press Advisory for Immediate Release

July 10, 2008

Fenty Announces Development Partner for Tenley/Janney Site

(Washington, DC) – Mayor Adrian M. Fenty on Thursday announced the District has selected LCOR as its development partner for the 3.6 acre Tenley Library/Janney Elementary School development site.

“We’ve got a real opportunity to leverage this site to help pay for the cost of improving Janney Elementary, enhance the existing open space and add both market-rate and workforce housing – all atop a Metro station,” Mayor Fenty said. “LCOR is a highly capable developer. They know how to make public-private partnerships work.”

The District selected LCOR after issuing a competitive solicitation last fall. Three development teams responded to the solicitation. The teams were evaluated on vision, financial capacity and past performance.

LCOR has proposed building between 120 and 130 units of housing – primarily above the future Tenley library and a portion of the land that lies between the library and Janney Elementary. LCOR will work closely with the District of Columbia Public Library to ensure a quality integrated structure that will provide a vibrant, mixed-use learning and living environment that will produce an architecturally engaging, LEED certified project.

LCOR will collaborate with DCPL to ensure that any delay to the Library’s construction start will be minimized. LCOR will also work closely with the Janney Elementary School community to ensure that the Janney’s needs are met. This selection presents the opportunity to provide a tremendous financial benefit to Janney Elementary School by using a portion of the proceeds of the deal to support Janney’s modernization. The project will not result in a net loss of green space for Janney.

Keeping with the Administrations commitment to affordable housing, the project will also provide the opportunity to add workforce housing to the Tenley Friendship neighborhood.

In the coming weeks, the District and LCOR will work closely with community stakeholders such as the Advisory Neighborhood Commission and the St. Ann’s community to produce a project that creates a benefit for all involved.

Madigan, Sean (EOM)

From: Scott, Eric (EOM)
Sent: Thursday, July 10, 2008 2:13 PM
To: 'Timothy D. Smith'
Subject: RE: Press Release

See if the attached works.

Eric Scott, Esq.
Deputy Director of Operations
Office of the Deputy Mayor for
Planning and Economic Development
1350 Pennsylvania Ave., NW, Suite 317
Washington DC 20004
(p) 202.727.6696

From: Timothy D. Smith [mailto:TSmith@lcor.com]
Sent: Thursday, July 10, 2008 2:02 PM
To: Scott, Eric (EOM)
Subject: Press Release

Eric,

Great to see you this morning. I look forward to the work ahead...

Do you have a press release that I can send to our home office?

Thanks.

Tim



creating better places

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News

District of Columbia Selects LCOR as Development Partner for Library Site

LCOR's Public/Private Development Track Record a Key Factor in District Decision

WASHINGTON, D.C. (July 10, 2008) — Mayor Adrian M. Fenty today announced that the District of Columbia has selected LCOR as its development partner for the Tenley Library/Janney Elementary School site in Northwest Washington.

“We’ve got a real opportunity to leverage this site to help pay for the cost of improving Janney Elementary, enhance the existing open space and add both market-rate and workforce housing — all atop a Metro station,” Mayor Fenty said. “LCOR is a highly capable developer. They know how to make public-private partnerships work.”

The District selected LCOR after issuing a competitive solicitation in the fall of 2007. Three development teams responded to the solicitation. The teams were evaluated on vision, financial capacity and past performance.

LCOR has proposed building 174 units of market-rate and workforce housing, primarily above the future Tenley library and a portion of the land that lies





between the library and Janney Elementary School. A retail component across Wisconsin Avenue from the Tenleytown/American University Metro station also is envisioned as part of the project. LCOR will develop the school and library while developing the nearby apartments.

LCOR will work closely with the District of Columbia Public Library to ensure a quality integrated facility that provides a vibrant, mixed-use learning and living environment that is architecturally engaging and LEED (Leadership in Energy and Environmental Design) certified.

Specific terms of the agreement between the District and LCOR are still to be determined.

LCOR has a 30-year history in the Washington, D.C. region. Notably, the company designed and built another public school (James F. Oyster Elementary) in Northwest Washington as part of a public/private partnership. That project was completed in 2001.

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Subj: **RE:**
Date: 8/18/2008 12:47:54 PM Eastern Daylight Time
From: eric.scott@dc.gov
To: mfrumin@ndi.org
CC: acsullivan@starpower.net, amybmcvey@msn.com, sherman2@bellatlantic.net,
lucy.eldridge@verizon.net, smithhemb@aol.com, daniel.carozza@verizon.net,
Neil.Albert@dc.gov, MCheh@DCCOUNCIL.US
Sent from the Internet ([Details](#))

Matthew,

Thank you for you comments. We are in the process of developing a schedule that will be place on the DMPED webpage. Just for clarification, LCOR is not actually revising its proposal, DCPL and LCOR are currently working together to solidify a design that meets their combined needs. It has always been our intent to provide the community stakeholders the opportunity to review and comment on the new design.

Eric

ERIC SCOTT, Esq.
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WASHINGTON DC 20004
(P) 202.727.6696

From: Matthew Frumin [mailto:mfrumin@ndi.org]
Sent: Monday, August 18, 2008 11:34 AM
To: Scott, Eric (EOM)
Cc: acsullivan; Amy McVey; Carolyn Sherman; Lucy Eldridge; smithhemb@aol.com; daniel.carozza@verizon.net; Albert, Neil (EOM); Cheh, Mary (COUNCIL)
Subject:

Eric,

I was forwarded the message below to the ANC 3E Special Committee by Anne Sullivan this morning (all of whom are cc'ed on this message). I am a newly minted ANC Commissioner in ANC 3E, but as you know have been interested in this project for some time. My perspective may differ from that of the other ANC 3E Commissioners and from that of the ANC 3E Special Committee. I will not characterize their position, but mine for some time has been that I would like to see the final proposal related to this project and have sufficient opportunity for community review and comment on that proposal. In order for such a proposal to have a prospect of winning any significant community support (including my support), at a minimum, various criteria that have been laid out by the Janney LSRT and Councilmember Cheh (also cc'ed on this message) will need to be met.

Given my perspective, I was partly heartened and partly dismayed by your message this morning.

On the one hand, I am glad to hear that LCOR is revising its February 2008 proposal which was deemed unacceptable by ANC 3E, the ANC 3E Special Committee, Councilmember Cheh, the Janney LSRT and, I believe, Ward3 Vision. So it is good news that that proposal will not be the final proposal since it is by definition a non-starter and pursuit of it would only unnecessarily delay moving forward on the library.

On the other hand, your e-mail suggests truncated input to LCOR as it formulates its final proposal, referencing only consultations between LCOR and DCPL and discussion with the City generally on deal structure. In addition to those consultations, the Mayor's July 10th press release indicated that:

“LCOR will also work closely with the Janney Elementary School community to ensure that the Janney’s needs are met.”

and that

“In the coming weeks, the District and LCOR will work closely with community stakeholders such as the Advisory Neighborhood Commission and the St. Ann’s community to produce a project that creates a benefit for all involved.”

As such, the City committed to have LCOR receive input from at least those three entities – the ANC, the St. Ann’s community and the Janney community – before a new proposal is generated. At a minimum, I think it would also be useful for LCOR to get input from Councilmember Cheh as well.

It is important that this process move quickly so that whether the project goes forward or not, it does not unduly slow the construction of the library. While it may not be feasible to predict precisely when a new proposal can be ready, in the interest of speed and predictability, in my opinion, the City should specify a reasonable schedule, for example:

- LCOR consultations with ANC, St. Ann’s community, Janney community, Councilmember Cheh and others to be completed by September 23rd.
- LCOR final proposal for community review and comment by October 21st.
- Consideration by the City Council not before November 18th or December 2nd (allowing four to six weeks for community comments on the LCOR final proposal).

It seems to me that if such a schedule (even if tweaked a bit as you or LCOR deemed necessary) would be enormously helpful to all concerned. Laying out such a schedule would assure the community and stakeholders that they will have input into the formulation of the final proposal and have an adequate opportunity to react to such proposal. Absent such predictability, many members of the community and representatives of the various stakeholders will be justifiably deeply skeptical of the process and opposition in principle to such a project will only grow more widespread.

Our community has been having an argument about an abstraction now for years. It is time we had a discussion about a concrete proposal. The City can do us and itself an enormous service by providing a structure and predicability to the process going forward by publishing a schedule along the lines described above and following through on its commitment in the Mayor’s July press release to allow the ANC, St. Ann’s community and Janney community the opportunity to provide input to LCOR as it formulates its final proposal.

All the best,
Matthew Frumin

Senior Advisor
National Democratic Institute for International Affairs
2025 M St. NW
Fifth Floor
Washington, DC 20036

(w) 202-728-6347
(m) 202-247-0819

----- Original Message -----

From: [Scott, Eric \(EOM\)](#)

To: [Anne Sullivan](#)

Cc: [Amy McVey](#) ; [Sue Hemberger](#) ; daniel.carozza@verizon.net ; [Albert, Neil \(EOM\)](#)

Sent: Monday, August 18, 2008 8:57 AM

Subject: RE: "process"

Anne,

DCPL is currently working with LCOR to solidify a design that meets their combined needs. Concurrently the District is working with LCOR to reach a deal structure that is viable for both parties. I do not have a specific time frame to provide you however in connection with the Design it is DCPL's desire as well as the District's as a whole to develop a design that can be presented to the community as soon as possible.

Eric

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