



**ADDENDUM #1**

**Invitation to Negotiate #2021-2022-01 – On-Campus Student Housing Development**

**February 18, 2022**

Request for Information No: Invitation to Negotiate #2021-2022-01

Request for Information Title: On-Campus Student Housing Development

Proposal Due Date: March 4, 2022 @ 2:00 PM CST

Questions Due Date: February 14, 2022 @ 4:30 PM CST

PLEASE BE ADVISED THAT THE FOLLOWING CHANGES ARE APPLICABLE TO THE ORIGINAL SPECIFICATIONS OF THE ABOVE-REFERENCED SOLICITATION DOCUMENT.

This addendum includes the following:

- **Amendment to Evaluation Criteria Weights:** Section 2.8 on page 14 states:

First, the Evaluation Committee will review the proposals and evaluate them based on (1) experience in student housing development and approach to this Development; (2) proposal regarding and experience in student housing management; (3) ability to meet timeline; (4) financial structure of the deal; and (5) ability to meet College’s needs for integrating student housing into the Niceville campus. The committee will rate each proposal using a 100-point system with each factor being of equal weight (20 points each).

The College has determined that, to ensure clarity of the evaluation, it is in the College’s best interest to reprioritize two of the criteria to be evaluated. That paragraph is therefore amended to state:

First, the Evaluation Committee will review the proposals and evaluate them based on (1) experience in student housing development and approach to this Development (20 points); (2) proposal regarding and experience in student housing management (20 points); (3) ability to meet timeline (20 points); (4) financial structure of the deal (30 points); and (5) ability to meet College’s needs for integrating student housing into the Niceville campus (10 points). The committee will rate each proposal using a 100-point system with each factor being weighted as stated in the prior sentence.

- **Exhibit A Responses to Questions Received:** Answers to questions received are attached.
- **Exhibit B Evaluation Criteria Matrix:** The Evaluation Criteria Matrix provided to the Evaluation Committee is attached.

All other information in the ITN remains unchanged.

THIS ADDENDUM NOW BECOMES A PART OF THE INVITATION TO NEGOTIATE #2021-2022-01.

THE ADDENDUM ACKNOWLEDGMENT FORM SHALL BE SIGNED BY AN AUTHORIZED COMPANY REPRESENTATIVE, DATED, AND RETURNED WITH THE RESPONSE.

COMPANY NAME: \_\_\_\_\_

AUTHORIZED SIGNATURE: \_\_\_\_\_ DATE: \_\_\_\_\_



Exhibit A – Responses to Questions Received

1. **Page 8, term #4, Landscaping: Is the Proposer responsible for initial installation of landscaping and care of landscaping surrounding the development(s) throughout the term of the ground lease?**

As stated at page 8 item 4, the proposer should expect to be responsible for installation of the landscaping and for ongoing maintenance. The College will collaborate with the developer to ensure any cost-saving mechanisms available to the College may be available to the developer.

2. **Page 8, term #5, Parking: Is the Proposer responsible for clearing land and paving parking lots for the new student housing developments?**

As stated at page 8 item 5, eligible residents of the development will be granted parking privileges in existing College parking on the same terms as other students parking on campus. The College anticipates that paving parking lots may be a necessity based on the number of beds to ensure that there is sufficient parking for residents; the developer would be responsible for that work.

3. **How many parking spaces should be included? Item 5 on page 8 and page 107 seem to conflict.**

See previous question.

4. **General questions related to ground lease term: At the completion of the 40-year ground lease, does the College intend to purchase the developments from the Proposer or initiate a new lease with a third-party?**

Upon expiration of the ground lease term, the leased property and the improvements automatically, by operation of law, revert to the ownership of the College.

5. **Proposal submission: Because proposals may not be longer than 50 pages in length, will it be acceptable for Proposers to include team member resumes as supplemental additional exhibit items to meet the 50-page limitation requirement?**

Yes, it is acceptable for proposes to include team member resumes a single supplemental exhibit item. That supplemental exhibit must not exceed 10 pages.

6. **General question- Is there flexibility with the on-campus location of the student housing?**

Yes. ITN Exhibit B shows the preferred site and there may be limited other space, but as stated in section 2.4, proposers should respond regarding the preferred site and may recommend alternative site options.

7. **Please share whatever information you can regarding the change in the preferred site from the site indicated previously.**

If the question is referring to a site referenced outside of this ITN, only information in the ITN should be considered. As shown in the ITN materials, several sites have been considered for this development. The preferred site outlined in section 2.4 is closer to the College's Safety & Security Department and the main entrance.

8. **The new site is further away from student support functions. Does that change the number or type of functions anticipated for the student housing development?**

No. Ultimately, regardless of the final site of the development, building on-campus housing means that many students will have previously unavailable ease of access to their classes, extracurriculars, and student support functions.



Exhibit A Continued – Responses to Questions Received

- 9. Will the site identified on pages 20, 21 and 107 of the RTI be available in full vs. the site design indicated in the master plan drawing on pages 36 and 107? Will the existing drives, paving, etc. continue to be available?**

The question is somewhat unclear. Yes, the currently existing drives, paving, and ingress/egress will continue to be available.

- 10. Is the preferred site essentially flat?**

Yes.

- 11. Are the only non-housing spaces to be included are those described in the MGT program?**

This question is somewhat unclear. If any details conflict between the solicitation text and the MGT study, please follow the solicitation text.

- 12. The ITN indicates a request for 152 beds. The pro forma included in the market study seems to anticipate 300 beds. What is the number of beds we should anticipate in our response?**

As stated in section 2.3, the College anticipates a minimum of 152 beds and is flexible beyond that. The developer should determine the appropriate number based on their own research.

- 13. Will the student housing utility costs be calculated on the same basis as the University pays, or will the utility rates charged to the student housing be different? These utility costs will have a direct impact upon rental rates since the University anticipates that utility costs will be included in rents.**

All utilities are provided by third-party providers, and it will be the responsibility of the developer to enter into service agreements with such providers. The College is happy to cooperate with developer if any discounts are available because College students are filling the units but securing utilities and rates is the developer's responsibility.

- 14. Please provide the locations of the nearest utilities, including sizes, capacities, etc.**

See previous question. Additionally, College utilities run near and around the preferred site. It is unlikely that the development will tie directly into those existing utilities, but as the design plan is finalized that information will be available to proposers.

- 15. Are we to include on-site stormwater detention, or is there a campus system available?**

The College's stormwater drainage system is at 100% capacity and cannot accommodate this structure. The developer will be responsible for stormwater retention, treatment, and abatement. The College will collaborate with the developer on location.

- 16. Will we need to provide an area within the project limits for stormwater treatment and attenuation or could it be located outside of the project boundary?**

See previous question.

- 17. Are there any site access restrictions or requirements we should anticipate?**

Regarding the preferred site, no.



Exhibit A Continued – Responses to Questions Received

- 18. Please elaborate upon the significant drop in enrollment over the last five years, from 5,9994 to 4,801 students. What steps are being taken to increase enrollment? What is the anticipated enrollment for Fall 2023?**

Historically, enrollment in state colleges has been cyclical based on the economy. In times of economic stress, enrollment tends to increase as individuals go back to school to earn a more marketable skill set. In strong economies, enrollment tends to drop. The current national and state trend has been a decrease in enrollment. The College has a dedicated team of recruitment professionals adopting hands-on, community-focused recruitment techniques. Critically, bringing student housing on-campus is a part of the College's approach to build enrollment momentum. The College serves an area of Florida in which students often must drive long distances to attend class, and our high-quality programs often attract students from beyond the two-county area who need housing. This project will alleviate the lack of affordable housing for students in our service area.

- 19. Given the pre-development and design work that must be done, it is unlikely that even 152 beds can be available for the indicted date of Fall 2023. Is that date nonnegotiable?**

The College's strongly preferred opening date is Fall 2023 for the minimum number of beds described in the ITN. Each proposer should forecast whether that completion date is viable and provide their best estimation of a viable completion date.

- 20. Will all student leases, including those for the athletes, be for a term equal to the Academic Year? Is the Academic Year nine months?**

As stated on page 9 item 10, the College is open to proposals regarding the length of resident leases. The College's research suggests that the two most common approaches are either a 12-month lease or, alternatively, a 9-month lease that would tie to the academic year.

- 21. Our understanding is the use of tax-exempt bonds will prohibit any participation by private equity. Does that mean the University anticipates that the financing will limited to a combination of construction/permanent financing and private equity? The market study anticipates tax exempt financing. In any event, the current and projected interest rate environment will almost certainly result in higher interest costs than those anticipated in the market study or otherwise.**

The market study attached to the ITN contemplated that the College or its Foundation would be undertaking the project using tax-exempt debt to finance the project. Under the public-private partnership model offered in the ITN, the developer can choose debt/equity to finance the improvements or use a 501(c)(3) organization to own the project and take advantage of tax-exempt financing.

- 22. Does the University have a preferred issuer of tax-exempt bonds, if tax exempt financing were available for the student housing?**

No, the College does not have a preferred issuer.

- 23. Does the University anticipate that rental rates will be calculated on the basis of per bed or per unit?**

The College anticipates that rental rates will be calculated on a per-bed basis.



Exhibit A Continued – Responses to Questions Received

- 24. The financial underwriters will almost certainly not consider any summer rental income. That means rental rates will have to reflect a term limited to the Academic Year, with corresponding effect upon amounts and affordability.**

The College acknowledges that lenders and underwriters may discount summer revenues.

- 25. We anticipate the units will be rented as furnished. Is that the University's understanding, as well?**

Yes, the College anticipates furnished units.

- 26. Will the student housing project be subject to State/local real property taxes, even though the project is located on State property?**

The determination of ad valorem taxation is made by the County tax assessor. The College will support efforts by the developer to seek a determination by the County tax assessor that the land and the improvements (as leased and developed) should be exempt from property taxes as it is under its current ownership and use by the College.

- 27. The Master Plan shows relocation of the main entrance to the College to line up with Palm Boulevard. Is this part of the scope of work?**

Both an on-campus student housing project and a road-alignment project have been forecast in the Niceville Campus Master Plan for many years. While the College welcomes any creative options to accomplish both, relocating the main entrance is not a part of the scope of work.

- 28. Are there any Environmental Reports, Protective Species, Geotechnical Reports, or other applicable reports available for the proposed site?**

Yes.

- 29. Are there any survey CAD or PDF files available for the proposed site?**

No files of this type are available relative to the project site.

- 30. Are there any wetlands delineated on the proposed site? Or other areas within the University property?**

None on the preferred site to the College's knowledge.

- 31. Is the proposed site currently zoned for the proposed use?**

The College is exempt from local zoning requirements. Student housing would be within the intended uses of the College property.

- 32. What entity will provide fire protection for the proposed improvements and will there be any fire review of the plans outside of NWFSC and if so, who will be providing that review?**

Current fire protection and maintenance services are provided to the College by The Hiller Companies; the State Fire Marshal does not complete College inspections and we are instead required to contract with a licensed fire inspector. The developer will be expected to establish its own fire protection and maintenance contract with a licensed organization of its choice and ensure that all required reviews are complete.

**Exhibit B**

**ITN 2021-2022-01 – On-Campus Student Housing Development**

**EVALUATION CRITERIA MATRIX**

ITN Section(s) <sup>1</sup>	Maximum Points <sup>2</sup>	Evaluation Criteria <sup>3</sup>	Proposer <sup>4</sup>	Proposer	Proposer	Proposer
2.3 2.6.1 - .3 2.6.4, .6, .7	20	<i>Development: Experience and Vision for NWFSC Development</i> Consider experience in developing student housing and any experience specific to public education institutions in Florida. Evaluate the design considering SREF standard and building security, landscaping, parking, and signage considering consistency with the campus aesthetic. Consider the suitability of the unit mix and development design.				
2.3.11 2.6.4 - .5	20	<i>Management: Experience and Vision for NWFSC Development</i> Consider experience in marketing student housing and providing on-site daily management for leasing, maintenance, safety, appearance, and any other student or College need. Consider whether the proposed marketing and management approach will integrate well into College operations and meet student needs.				
2.3 2.6.10	20	<i>Ability to Meet Timeline</i> Consider whether the proposer can meet the preferred August 2023 timeline and the specifics of the timeline proposed. Consider the timeline of critical events in light of the College’s stated need for on-campus student housing as quickly as possible.				
2.2 2.3 2.3.1, .9 2.3.12 - .19 2.3.21	30	<i>Financial Structure</i> Consider terms of ground lease, ability to deliver, and proposed rent and associated payments to the College in exchange for the ground lease. Consider the amount proposed as rent to students, terms controlling rent increases, and length of leases. Evaluate analysis of rate of return on equity contributions and proposed formula to determine purchase price should the College seek to do so.				
2.2 2.6.5, .8, .9 2.6.11, .13	10	<i>Integrating Student Housing into the Campus</i> Consider how the proposer intends to collaborate with the College on design, placement, and size of student housing as well as student amenities, services, and future phases.				
	<b>100</b>	<b>Total</b>				

<sup>1</sup> The Evaluation Committee should consider the entire solicitation. The sections listed in this column draw attention to key provisions that relate to the evaluation category.

<sup>2</sup> No percentages, partial points, or points exceeding the range are permitted (i.e., 25% or 3.25 or 30).

<sup>3</sup> The criteria are set out in the ITN. The descriptions accompanying each category are meant as aids to summarize and assist in assessing each proposal.

<sup>4</sup> Purchasing will insert proposer names and delete or add Proposer columns as needed.

