



THE TEXAS  
STATE  
UNIVERSITY  
SYSTEM

# REQUEST FOR QUALIFICATIONS

Request for Qualification (“RFQ”) No: 758-19-09095

FOR

Developer for Student Housing Project

ALL RESPONSES MUST BE RECEIVED NO LATER THAN:

**Wednesday, May 15, 2019 AT 2:30 PM CENTRAL**

Prepared by:  
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**Issue Date: 5/1/19**

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## Section 1 – General Information

### 1.1 OBJECTIVE

The Texas State University System, on behalf of Texas State University, requests responses from qualified vendors (“**Respondents**”) to pre-qualify a development team, with significant experience in the development of collegiate student housing. Respondents that are qualified with this Request for Qualification (“**RFQ**”) will be invited to respond to a Request for Proposal (“**RFP**”) expected to be issued on or about May 24, 2019. Only those Respondents that are pre-qualified through this RFQ process will be allowed to respond to the RFP.

This RFQ will be used to collect information about prospective vendors and their approaches, methodologies and technologies that would enable The Texas State University System to select a qualified development team to undertake the master planning, design, construction, and private financing of an, at minimum, 2,100-bed dormitory-style student housing development with minimal parking and dining facilities on the Texas State University campus in San Marcos, Texas (the "**Project**").

### 1.2 DESCRIPTION OF TSUS AND UNIVERSITY

The Texas State University System (“**TSUS**”), founded in 1911, is the first higher education system established in Texas. Beginning as an administrative means to consolidate the support and management of state teacher colleges, TSUS has evolved into a network of higher education institutions stretching from the Texas–Louisiana border to the Big Bend region of West Texas.

Today, seven component institutions offer a broad range of academic and career opportunities. Throughout TSUS, faculty and staff are preparing students to work in and contribute to our global society. TSUS and its component institutions (“**Component Institutions**”) are:

- The Texas State University System Administration, Austin, Texas
- Lamar University, Beaumont, Texas
- Sam Houston State University, Huntsville, Texas
- Sul Ross State University, Alpine, Texas
- Texas State University, San Marcos, Texas
- Lamar Institute of Technology, Beaumont, Texas
- Lamar State College - Orange, Orange, Texas
- Lamar State College - Port Arthur, Port Arthur, Texas

The Texas State University System is governed by a nine-member Board of Regents appointed by the governor. In addition, a nonvoting student regent is appointed annually to the board. The administration, which is led by a board-appointed chancellor, is based in Austin, where it provides support to the Component Institutions and state government.

Texas State University (“**University**”), the largest of the TSUS Component Institutions, has evolved from a small finishing school for teachers into one of the nation's largest and most vibrant universities currently offering 98 undergraduate bachelor's, 93 master's and 14 doctoral degree programs. The University is the 30<sup>th</sup> largest university in the United States (as measured by 2017 enrollment), and the 14<sup>th</sup> largest in terms of on-campus, undergraduate population. Additional information about University can be found by visiting:

<http://www.txstate.edu/about/index.html>

In 2012, the University was designated as a Texas Emerging Research University, and, in 2016, the University jumped two categories in the Carnegie Classification of Institutions of Higher Education and is now considered a Doctoral Institution with Higher Research Activity. The Carnegie Classification has been the leading framework for recognizing and describing institutional diversity in U.S. higher education for the past four and a half decades.

The University's goal is to enable the University to further its mission with regards to education, expanding research, fostering entrepreneurial activities, and promoting economic development. To maximize the University's resources for investment in academic expansion, and to leverage the creative problem-solving capacity of the marketplace, the University plans to pursue development of the Project through private financing secured by lease revenues from the University in accordance with the goals outlined in **Section 1.3** below.

### **1.3 BACKGROUND & PRIMARY GOALS**

The University currently has twenty-three on-campus dormitories with a total capacity of 6,646 beds. On-campus housing at the University is focused primarily on serving the needs of first-time, full-time freshman students; and with some limited exceptions, all first-year freshmen are required to participate in the University's on-campus housing program. Approximately 94 - 96% of all incoming freshmen reside on campus. As the University's enrollment has grown, on-campus housing demand has exceeded capacity for at least eight out of the last ten years.

In addition to housing all full-time freshmen on campus, as part of the University's 2017-2027 Campus Master Plan, the University also set an aspirational goal to provide on-campus housing for transfer students and sophomores who desire to live on campus. Therefore, the University is seeking to expand its on-campus housing program to accommodate one-third of the sophomore class, which in today's numbers, would equal approximately 1,597 additional beds needed.

To accommodate the rising number of freshmen and continuing student housing needs, the University will need approximately 700 additional beds to serve incoming freshmen for the Fall 2021 semester. To achieve its on-campus housing goals, the University is seeking a qualified development team to develop a minimum of 2,100 dormitory-style beds over the course of three phases, with the first 700 beds coming online by Fall of 2021 (the "**Project Plan**").

The Project is expected to become an integral part of the University's housing program and will be promoted alongside residence halls and apartments owned and managed by

the University, in published materials, and on the University's Housing and Residence Life website to eligible prospective and enrolled students and their parents. This housing complex will also support the University's strategic initiatives to grow and diversify its on-campus housing stock.

The primary goals of the University in seeking a qualified development team to assist with the development of a Project Plan and the financing and delivery of the Project are as follows (the "**Project Objectives.**"):

- Identification of a qualified development partner with significant local and national experience in designing, constructing, and financing on-campus student housing;
- Achievement of long-term affordability for students, supported by a balanced approach to quality design, lifecycle costs, sustainability goals, and rental rate parity with the University's current on-campus housing portfolio;
- Utilization of privatized design, construction and delivery methods to achieve the lowest possible life-cycle cost per bed;
- Accelerated delivery using design-build delivery method and value engineering, with an emphasis on the delivery of at least 700 beds by August of 2021; and
- Maximization of site planning efficiency and minimization of on-campus land use requirements, while maintaining the overall design quality and appeal of University's campus.

## Section 2 – Notice to Respondents

### 2.1 General Instructions

- A. Respondents should carefully read the information contained herein.
- B. Submittals and any other information submitted by Respondents in response to this RFQ shall become the property of TSUS.
- C. Failure to comply with the requirements contained in this RFQ may result in rejection of the response.
- D. Responses to **Section 4** of this RFQ cannot exceed twenty (20) pages.

### 2.2 Point of Contact

Any questions or concerns regarding this RFQ must be directed in writing via email to:

Jennifer De Leon  
Email: [Jennifer.deleon@tsus.edu](mailto:Jennifer.deleon@tsus.edu)

TSUS specifically requests that Respondents restrict all contact and questions regarding this RFQ and the resulting RFP to the above-named individual via email. Discussions (written or verbal) related to the services in this RFQ with parties other than the Point of Contact are grounds for Respondent disqualification.

Respondents will have until **Tuesday, May 7, 2019** (the “**Question Deadline**”) to submit written questions to the Point of Contact. All questions submitted and received prior to the Question Deadline will be reviewed, consolidated where possible, and answered in a written addendum. The addendum will be posted on the Texas Electronic State Business Daily (“**ESBD**”) at: <http://www.txsmartbuy.com/sp>. Enter “**758**” in the **Agency Number** field to search ESBD for The Texas State University System solicitations. TSUS will provide responses as soon as practicable following the Question Deadline however, TSUS reserves the right to decline to respond to any question. It is the Respondent's responsibility to continually check the ESBD for Addenda.

### 2.3 Submittal Deadline

TSUS will accept responses until **Wednesday, May 15, 2019 at 2:30pm Central Time**

NOTE: A public opening of responses will not be conducted for this RFQ.

### 2.4 Preparation and Submittal Instructions

- A. Respondents must complete, sign and return the attached Certification of Qualification (ref. **Section 5**) form as part of the RFQ response. Form must be signed by a company official of Respondent (“**Contact**”) authorized to sign for Respondent's firm and enter

into agreements with TSUS and University. Failure to sign and return this form will subject Respondent's response to be disqualified.

B. Submission

1. Responses to the RFQ, including any supplemental printed material referenced with the RFQ, must be submitted and received by the Point of Contact on or before the submittal deadline (ref. **Section 2.3**) and delivered to:

The Texas State University System  
Attn: Jennifer DeLeon  
601 Colorado Street  
Austin, Texas 78701  
Re: RFQ 758-19-09095

2. The materials submitted must be enclosed in a sealed mailing envelope, box or container. The following items must be clearly visible on the outside of the mailing package: the submittal deadline; the RFQ number; and the name and the return address of the Respondent.

C. Number of Copies

Respondent must submit (a) six (6) complete hard copies of the entire response, and (b) one (1) USB flash drive with an electronic copy of the entire response. The USB flash drive must include a protective cover and be labeled with Respondent's name and the RFQ number. An *original* signature by an authorized officer of Respondent's firm must appear on the Certification of Qualification (ref. **Section 5**) of the electronic copy of the entire response and at least one (1) paper copy of the submitted response. The paper copy of the Respondent's response bearing an original signature should contain the mark "original" on the front cover of the response.

D. Pricing

Pricing is not an element of the RFQ process and information related to pricing should not be included in response to this RFQ.

- E. Late responses properly identified will be returned to Respondent unopened. Late responses will not be considered under any circumstances.

*NOTE: It is the responsibility of the Respondent to ensure that their response is submitted to meet the deadline date and time requirements.*

- F. Responses submitted by telephone, facsimile ("**FAX**"), or Email are not acceptable in response to this RFQ.

## 2.5 Submittal Checklist

Respondents are instructed to complete and return the following documents as a part of their response. Failure to return these completed documents may subject the response to disqualification.

- ✓ Responses to Qualification Criteria (Section 4)
- ✓ Signed and Completed Certification of Qualification Form (Section 5)

## 2.6 Criteria for Selection

The evaluation of responses and the selection of qualified Respondents will be based on the information provided by Respondent in its response to **Section 4** of this RFQ. Consideration may be given to additional information if TSUS deems such information relevant.

The criteria to be considered by TSUS in evaluating responses and selecting qualified Respondents, will be those factors listed below:

- A. Prior Experience – **20%**
- B. Development Team Members – **15%**
- C. Project Approach – **30%**
- D. References – **5%**
- E. Respondent Financials – **30%**

TSUS reserves the right to award any, all or none of the Services described in this RFQ after completion of the RFP process.

## 2.7 Notice of Qualification/Non-Qualification

All Respondents will be notified of determination of qualification/non-qualification by the Point of Contact via e-mail.

## 2.8 Schedule of Events

All qualified Respondents will be sent instructions for the RFP. Below is the **anticipated** schedule of events for the RFQ and RFP process. TSUS reserves the right to make modifications to the schedule as needed.

### A. RFQ Schedule of Events

Issuance of RFQ.....	May 1, 2019
Question Deadline.....	May 7, 2019
RFQ Submittal Deadline.....	May 15, 2019 at 2:30 pm
Notification of Qualification.....	May 23, 2019



B. RFP Schedule of Events

Issuance of RFP.....	May 24, 2019
On-site Pre-Proposal Conference.....	June 7, 2019
Question Deadline.....	June 11, 2019
RFP Submittal Deadline.....	June 21, 2019
Finalist Notification and Issuance of Presentation Agenda/Criteria.....	July 8, 2019
On-site Presentations / Interviews with Finalists.....	Week of July 22, 2019
Notification of Award.....	Week of August 5, 2019

C. Construction Deadline

Substantial Completion of Phase 1.....	July 15, 2021
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**2.9 HISTORICALLY UNDERUTILIZED BUSINESSES**

It is the policy of TSUS to promote and encourage contracting and subcontracting opportunities for Historically Underutilized Businesses (“**HUBs**”). Accordingly, TSUS has adopted a policy on the Utilization of Historically Underutilized Businesses. The policy applies to all contracts with an expected value of \$100,000 or more. If TSUS determines that subcontracting opportunities are probable, then a HUB Subcontracting Plan will be a required element any RFP that results from this RFQ.

For additional information, visit: <https://comptroller.texas.gov/purchasing/vendor/hub/>

**2.10 VALIDITY PERIOD**

By submitting a response to this RFQ, Respondent accepts that the response will remain valid for a minimum of ninety (90) days after the submittal deadline to allow time for evaluation of responses, qualification determination, and any unforeseen delays.

**2.11 PUBLIC INFORMATION**

All information, documentation, and other materials submitted in response to this solicitation are considered non-confidential and/or non-proprietary and are subject to public disclosure under the Texas Public Information Act (*Texas Government Code*, Chapter 552.001, et seq.) after the solicitation is completed.

- A. TSUS strictly adheres to all statutes, court decisions and the opinions of the Texas Attorney General with respect to disclosure of public information under the *Texas Public Information Act*, Chapter 552, and *Texas Government Code*.
- B. Respondent is required to make any information created or exchanged with the state pursuant to this contract, and not otherwise exempted from disclosure under the Texas Public Information Act, available in a format that is accessible by the public at no additional charge to the state.
- C. Information provided to Respondent by TSUS, including information from representatives of TSUS or any of its Component Institutions, and information provided to Respondent by members of the public or any other third party shall belong to the TSUS.
- D. Information created or otherwise produced by Respondent shall remain the exclusive property of Respondent. Respondent acknowledges any final report or papers will be provided in accordance with this RFQ, and that any information contained in any report or papers, which Respondent believes is confidential under Texas law will be clearly designated as such by Respondent.
- E. If the TSUS receives a request for public information for any portion of any final report or papers that have been designated by Respondent to be confidential, TSUS will provide notice to Respondent and Respondent may submit a brief to the Office of the Attorney General, as provided by Chapter 552, Tex. Govt. Code.

## **2.12 TSUS'S RESERVATION OF RIGHTS**

TSUS may evaluate the Responses based on the anticipated completion of all or any portion of the Project. TSUS reserves the right to divide the Project into multiple parts, to reject any and all responses and re-solicit for new responses, or to reject any and all responses and temporarily or permanently abandon the Project. TSUS makes no representations, written or oral, that it will enter into any form of agreement with any Respondent to this RFQ for any project and no such representation is intended or should be construed by the issuance of this RFQ.

## **2.13 ACCEPTANCE OF EVALUATION METHODOLOGY**

By submitting its response to this RFQ, Respondent accepts the evaluation process and acknowledges and accepts that the determination of the "qualified" firm(s) will require subjective judgments by TSUS and University.

## **2.14 NON-REIMBURSEMENT FOR COSTS**

Respondent acknowledges and accepts that any costs incurred from the Respondent's participation in this RFQ process shall be at the sole risk and responsibility of the Respondent. Respondents submit responses at their own risk and expense.

## **2.15 CONFLICTS/CONTACT**

Respondents shall not contact existing members of the TSUS Board of Regents, TSUS employees, including those of Component Institutions about this RFQ, or any resulting RFP, until the resulting contract(s), if any, are fully executed.

## **2.16 OWNERSHIP AND USE OF WORK MATERIAL**

All work material, whether or not accepted or rejected by TSUS, is the sole property of TSUS and for its exclusive use and re-use at any time without further compensation and without any restriction.

## **2.17 STATE REGISTRATION OF ENGINEERING FIRMS**

Respondents are advised that the Texas Board of Professional Engineers requires that any entity providing engineering services to the public must register with the Texas Board of Professional Engineers. An entity is defined as a sole proprietorship, firm, partnership, corporation or joint stock association.

## **2.18 STATE REGISTRATION OF ARCHITECTURAL FIRMS**

Respondents are advised that the Texas Board of Architectural Examiners requires that any entity (including architects, landscape architects and interior designers) providing architectural services (including architects, landscape architects and interior designers) to the public must register with the Texas Board of Architectural Examiners. An entity is defined as a sole proprietorship, firm, partnership, corporation or joint stock association.

## **2.19 GROUP PURCHASING AUTHORITY**

Texas law authorizes institutions of higher education (defined by Section 61.003, Education Code) to use the group purchasing procurement method (ref. Section 51.9335, Education Code). Additional Texas institutions of higher education may therefore elect to enter into a contract with the successful firm under any Request for Proposal that may result from this RFQ.

## **2.20 CHANGES IN RESPONDENT ORGANIZATION**

Subject to the limitations set forth herein, TSUS may permit Respondents to add, delete or substitute team members and reorganize their teams during the procurement process unless the change results in actual or potential organizational conflicts of interest or renders Respondent and/or its development team, in TSUS's sole determination, unqualified to develop the Project. Notwithstanding the foregoing, following submittal of responses, the following actions may not be undertaken without the prior written consent of TSUS:

- A. Deletion, substitution or change in composition of a Respondent or development team member identified in Respondent's response, or a change in the role or scope of work of any development team member; and

- B. Deletion or substitution of personnel identified as key personnel in Respondent's response, or a change in the role or position of such personnel.

## Section 3 – Scope of Services Required

The scope of services that will be required of the firm selected, if any, to enter into a public-private relationship with TSUS (the “**Contractor**”) to complete the Project are described in this RFQ. *NOTE: Detailed information will be provided to qualified Respondents in the RFP package.*

### 3.1 PROJECT DESCRIPTION

The Project will consist of (i) dormitory-style beds to be constructed over the course of two or three phases (each a “**Phase**”), (ii) a white-box dining hall space (the “**Dining Hall**”), and (iii) minimal surface parking. The first phase of the Project (“**Phase I**”) will consist of the construction of at least 700 dormitory style beds. University has identified an on-campus site (ref. **APPENDIX TWO**) for construction of Phase I.

The University intends to work with the selected Contractor to prepare a Project Plan for the subsequent phases of the Project to be located on University property. Subsequent Phases may be co-located on the Phase I Site, or on other available sites on campus.

Each phase of the Project Plan will establish a distinctive living-learning environment in alignment with the University's residential life program and will provide a balance of privacy and community to enhance the overall academic experience of the University's students. Each phase of the Project will be managed by the University through its residential life program.

### 3.2 TRANSACTION AND FINANCING STRUCTURE

TSUS intends to enter into an Agreement with the Contractor for the development of a Project Plan for the entire Project to be delivered in up to three (3) Phases (the “**Development Agreement**”). Each Phase will be privately designed, constructed and financed by a special purpose entity organized and controlled by the selected Contractor (the “**Project Owner**”). The Project Owner will enter into a long-term ground lease with the University for each Phase for nominal rent and for a term not to exceed 40 years (each a “**Ground Lease**”). Upon completion of each phase, the improvements will be leased to the University (each an “**Operating Lease**”). The rent payments of the University under each Operating Lease will serve as the sole source of repayment for the private financing secured by the Project Owner for each phase of the Project.

For Phase I of the Project, the University will require delivery of a minimum of 700 beds by July of 2021. However, the University will consider proposals for more than 700 beds in Phase I if substantial completion can be achieved by July of 2021.

It is anticipated that each Phase of the Project will be separately leased to the University. University expects that each Phase of the Project will be separately owned and financed, and that Phases will not be cross-collateralized; however, the University is willing to consider alternative plans of finance utilizing cross-collateralization. Primary consideration will be given to the proposed amount of Operating Lease rent payments payable by the University with respect to each Phase. As such, qualified Respondents should propose financing structures, in response to the RFP, that minimize the cost to the University to the

fullest extent possible, including taxable or tax-exempt bond-financing structures through a 501(c)(3) Project Owner.

**The Operating Leases will be the University's exclusive payment obligation with respect to the Project. None of the faith, credit or taxing power of TSUS, the University, or any other political subdivision of the State of Texas, shall be pledged to the payment of the private financing for the Project, and neither the University nor TSUS shall be liable for the repayment of such financing.**

The transaction structure is generally intended to allocate the various Project risks between the parties as follows:

<b>Project Risk</b>	<b>Bearer of Risk</b>
<b>Design Risk</b>	Developer
<b>Construction Risk</b>	Developer
<b>Operations and Maintenance Risk</b>	University
<b>Environmental Risk</b>	Shared
<b>Financing Risk</b>	Developer
<b>Demand/Usage Risk</b>	University

## Section 4 – Qualification Criteria

RESPONDENT IS CAUTIONED TO READ THE INFORMATION CONTAINED IN THIS RFQ CAREFULLY AND TO SUBMIT A COMPLETE RESPONSE TO ALL REQUIREMENTS AND QUESTIONS AS DIRECTED.

To be considered for selection as a Qualified Respondent, Respondents must address each item in this Section. Responses to the following information and materials (the “**Qualification Materials**”) must be in the order asked and following the same numbering format.

### 4.1 Prior Experience

Submit a narrative description of the Respondent's prior experience in developing collegiate student housing in the United States, including descriptive examples of at least three (3) university student housing projects previously completed by the Respondent. Include the following information:

- Project name, location, contract delivery method, and description;
- Color images (photographic or machine reproductions);
- Final construction cost, including change orders;
- Final project size in gross square feet;
- Final project power and thermal capacity;
- Type of construction (new, renovation, or expansion);
- Actual start and finish dates for design;
- Actual notice to proceed and substantial completion dates for construction;
- Description of professional services prime firm and contractors provided for the project;
- Name of project manager (individual responsible for the overall success of the project); and
- Sources of funding/financing.

### 4.2 Development Team Members

Identify each member of Respondent's development team, including general contractors, architectural and engineering firms, legal counsel and financing partners. Provide a general description of each development team member's experience and qualifications in providing their respective services for student housing serving higher education in the United States.

### 4.3 Project Approach

Summarize Respondent's general strategy and approach for delivering the Project in a manner that will enable the University to achieve the Project Objectives (ref. **Section 1.3**), including the following:

- Describe Respondent's evaluation and design methodology and strategy for optimizing development of the Phase I Site.

- Provide a conceptual draft schedule and work plan for Phase I, identifying major milestones.
- A proposed plan of finance for Phase I, and the extent to which Respondent plans to use commercial bank financing, private equity, and/or tax-exempt bond financing.
- Respondent's suggested phasing approach and proposed timeline for delivery of each phase of the Project beyond Phase I, including the number of beds to be included in each phase. Describe how Respondent would make the best use of available sites, the University brand and affiliation, and the existing Campus facilities.
- Describe Respondent's approach to communicating with University and stakeholders from the Campus and the community.
- Identify the primary risks that Respondent anticipates for the Project, along with Respondent's recommended mitigations for those risks.

#### **4.4 References**

Provide at least three (3) references from prior projects completed by Respondent. Each reference should include the organization, individual name, title, mailing address, phone number, email address and a brief description of the project.

#### **4.5 Respondent Financials**

Provide Respondent's two (2) most recent audited financial statements, including the balance sheet and income statements. If audited financials are not available, include a letter from Respondent's certified public accountant verifying the manner in which Respondent's financial statements were prepared.



## Section 5 – Certification of Qualification

**THIS CERTIFICATION OF QUALIFICATIONS MUST BE COMPLETED, SIGNED, AND RETURNED WITH RESPONDENT'S QUALIFICATION MATERIALS. FAILURE TO COMPLETE, SIGN, AND RETURN THIS CERTIFICATION OF QUALIFICATIONS WITH THE QUALIFICATION MATERIALS MAY RESULT IN THE DISQUALIFICATION OF RESPONDENT.**

By submitting a response to this RFQ, Respondent certifies that, to the best of its knowledge, all responses are true, correct and complete.

- 5.1 Respondent acknowledges this RFQ is a solicitation for the submission of qualifications and is not a contract or an offer to contract. Submission of Qualification Materials by Respondent in response to this RFQ will not create a contract between TSUS and Respondent. TSUS and University have made no representations, warranties, or guarantees, written or oral, that one or more contracts with TSUS or University will be awarded under this RFQ.
- 5.2 By signature hereon, Respondent hereby certifies that he/she is not currently delinquent in payment of any franchise taxes owed the State of Texas under Chapter 11, Tax Code.
- 5.3 By executing this certification, Respondent affirms that he/she has not given, offered, or intends to give at any time hereafter, any economic opportunity, future employment, gift loan, gratuity, special discount, trip, favor, or service to public servant in connection with the submitted response to this RFQ. Failure to sign the certification, or signing it with a false statement, shall void the submitted response or any resulting contracts, and the Respondent shall be removed from all solicitation lists.
- 5.4 By the signature hereon affixed, the Respondent hereby certifies that neither the Respondent or the firm, corporation, partnership, or institution represented by the Respondent or anyone acting for such firm, corporation, or institution has violated the antitrust laws of this State, codified in Section 15.01, et. seq., Texas Business and Commerce Code, or the Federal anti-trust laws, nor communicated directly or indirectly the offer made to any competitor or any other person engaged in such line of business. By signing this certification, Respondent certifies that if a Texas address is shown as the address of the Respondent, Respondent qualified as a Texas Resident Respondent as defined in Rule 1 TAC 113.8.

**5.5 Acknowledgement of Addenda:** The undersigned Respondent hereby acknowledges receipt of the following Addenda issued as a part of this solicitation (initial only if applicable).

No. 1 \_\_\_\_\_ No. 2 \_\_\_\_\_ No. 3 \_\_\_\_\_ No. 4 \_\_\_\_\_ No. 5 \_\_\_\_\_  
**Note:** If there was only one (1) Addendum issued, initial just the first blank after No. 1, not all five (5) blanks above.

Federal Employer Identification Number (FEIN): \_\_\_\_\_

Respondent/Company: \_\_\_\_\_

Signature: \_\_\_\_\_ Date: \_\_\_\_\_

Name (typed/printed): \_\_\_\_\_

Title: \_\_\_\_\_

Address: \_\_\_\_\_

Telephone Number: \_\_\_\_\_ E-mail: \_\_\_\_\_

## APPENDIX ONE

### Preliminary Draft - RFP Information

RFP proposals will be reviewed based upon (i) the extent to which the proposal demonstrates the qualified Respondent's ability to deliver Phase I on or before July 15, 2021 in accordance with the Project Requirements and the Project Objectives, and (ii) the Project Plan, the number of beds delivered in each Phase, overall development delivery schedule, compatibility with existing University residence hall types and design standards, amenities supporting student success, operating efficiencies, and affordability. A component of affordability is the ability of the University to maintain its current student housing rate structure for residents of the Project. Current housing options and rate structures are available at:

<https://www.reslife.txstate.edu/livingoptions/options.html>

#### 1. PROJECT SCOPE

The qualified Respondent ("**Contractor**") will be responsible for the design, build, and finance delivery of the Project as a master planned phased development of (i) a minimum of 2,100 dormitory-style beds to be constructed over the course of two or three Phases, (ii) a white-box dining hall (the "**Dining Hall**"), and (iii) minimal surface parking. Upon completion of each Phase of the Project, the University will take possession of the completed improvements under an Operating Lease, and each Phase of the Project will be managed and operated by the University.

The University has identified the Phase I Site as the location for Phase I of the Project, which must be delivered to the University no later than July 15, 2021. Phase I must include a minimum of 700 dormitory-style beds and minimal surface parking.

University will approach parking from a campus-wide perspective, therefore on-site resident parking is not included as part of the Project scope. Contractor will be required to construct only a minimal number of surface parking spaces for each Phase to accommodate resident assistants, a limited number of visitors, and to satisfy applicable accessibility requirements.

Each Phase of the Project should utilize the University's design standards. Though strict adherence to these standards is not required for the Project, University expects that the design follows the spirit of the guidelines. As an example, University projects are designed to meet LEED standards, but are not submitted for certification.

University will rely on the creative problem-solving of the Contractor to present proposals that most effectively balance industry construction best-practices with University standards to deliver a high-quality facility with a significant life cycle. The University's design standards are available at:

[https://www.facilities.txstate.edu/pdc/Projects\\_Documents/Construction-Standards.html](https://www.facilities.txstate.edu/pdc/Projects_Documents/Construction-Standards.html)

#### 2. HOUSING COMPONENTS

University requires the housing in Phase I to have, at minimum, the following components:

- Front Reception furnishing with secure storage

- One main point of entry & exit
- Building laundry facility, (not floor or individual)
- Community style Bathrooms (Fixture to Student ratio of 1:5 and changing areas for privacy)
- Building Entry Electronic Access Control and Video Documentation systems
- Building Manager Office
- Elevator(s) w/ Video Documentation
- Automatic Fire Detection and Fire Suppression systems
- Package Services Area
- One Community Kitchen and Lounge/Assembly space
- One enclosed study area
- Custodial and Maintenance support spaces
- HVAC Controls by unit
- ADA Units & accessible pathways
- Design for 80" twin beds
- Hard surface unit flooring
- Physical Keys for Units
- Two-bedroom apartments for residence hall directors (1:300 beds)
- WIFI Service
- No CATV or phones in units

### 3. FINANCING REQUIREMENTS

- A. *Lender/Investor Requirements.* All sources of financing for the Project (and each Phase thereof), whether in the form of equity, commercial financing, or bonds, shall come from qualified institutional buyers or institutional accredited investors, and any securities issued with respect to the financing of the Project shall not be registered of the Securities Act of 1933, as amended. Any bonds or other negotiable instruments issued for purposes of financing the Project must be issued as fully registered obligations with corporate or municipal CUSIPs.
- B. *Limitations on Collateral.* Contractor shall be required to make all arrangements to secure private financing for all costs of development and construction of the Project. Contractor will be permitted to mortgage its ground leasehold interest in and to the Phase I Project Site (and future project sites); however, TSUS's fee interest of the Phase I Project Site (and future project sites) shall not be used as security for the financing and shall not be subordinated to the leasehold mortgagee. The Operating Leases will be the University's exclusive payment obligation with respect to the Project. None of the faith, credit or taxing power of TSUS, the University, or any other political subdivision of the State of Texas, shall be pledged to the payment of the private financing for the Project, and neither the University nor TSUS shall be liable for the repayment of such financing. Any ground lease entered into between University and the Contractor shall be conveyed "as-is" without warranties, and subject to existing encumbrances. Upon termination of the ground lease, all improvements will revert to University. The University will retain the option to purchase the improvements at any time during the term of the Ground Lease; subject, however, to the repayment of any existing financing.

### 4. EXPECTED RFP PROPOSAL CONTENTS

TSUS anticipates the following items will be required submittals for any RFP that follows this RFQ:

- A. *Updated Qualification Materials.* To the extent that any information contained in the Qualification Materials is no longer true, correct or complete in all material respects, the Qualified Respondent should clearly identify such information and provide any corrected or supplementary information as may be necessary so as to cause such information to no longer be untrue, incomplete or misleading. All modifications should be separately identified, with an explanation as to the reason for such corrections or updates.
- B. *Phase I Concept.* Provide a narrative description of the proposed concept for Phase I, including (i) the number of beds (minimum of 700), stories, common areas, amenities, and any proposed incorporation of retail space (if any); (ii) the number of surface parking spaces; (iii) generally how the concept satisfies the Project Objectives, including balancing of affordability, sustainability, and quality of construction; and (iv) how the concept plan mitigates impact on any adjoining uses.
- C. *Phase I Program and Site Plan.* Provide an outline program of spaces for Phase I, together with a conceptual aerial site plan showing the orientation of the improvements on the Phase I Site. In the interest of expediting the solicitation process, the University is not requesting renderings, and renderings are not required as part of Proposals.
- D. *Phase I Technical Specifications.* Provide a description of Phase I's technical specifications, and how Phase I will comply with the University's design standards and other Project Requirements (or if applicable, any proposed deviation from the University's design standards or construction methods), including, at minimum: (i) structural systems, (ii) MEP systems, (iii) building envelope and façade, (iv) vertical design assumptions, and (v) overall density and residential unit ratios.
- E. *Preliminary Phase I Budget.* Provide a preliminary budget for the financing and development of Phase I, including, at minimum: (i) predevelopment costs; (ii) soft costs, including developer's fees, design and engineering costs, and other soft costs; (iii) construction hard costs; (iv) FF&E costs; (v) contingency; and (vi) financing costs (including interest costs and closing costs).
- F. *Phase I Plan of Finance.* Provide a detailed plan of finance for Phase I, including, at minimum: (i) the source(s) of financing (commercial bank financing, equity, or tax-exempt bond financing), (ii) assumed interest rate, (iii) financing term, (iv) pro forma debt service schedule, (v) prepayment or no-call restrictions, (vi) capitalized interest requirements and other reserve fund requirements, and (vii) sources of security.
- G. *Phase I Timeline.* Provide a detailed timeline for the financing, development, construction and delivery of Phase I, including, at minimum: (i) the proposed financial closing and Ground Lease execution date, (ii) completion of site work and utility infrastructure, (iii) vertical construction commencement date, and (iv) substantial completion date. Describe any material assumptions with respect to the proposed timeline, including assumptions for inclement weather and unresolved critical path items.
- H. *Phase I Lease Terms.* Provide separate summaries of the material terms for the Ground Lease and Operating Lease, including, at minimum: (i) lender/mortgagee requirements, (ii) restrictions on assignment, (iii) operating and maintenance requirements, (iv) lease term(s) and extension options, (v) rental payments and any periodic adjustments, (vi) defaults and remedies, and (vii) indemnities. Rent payments payable by the University under the Operating Lease should be commensurate with the Qualified Respondent's proposed debt service schedule.

- I. *Overall Project Plan and Concept.* Provide up to three (3) concept plans for the phasing, financing, and development of the Project in its entirety, including the following:
- A general description of the Qualified Respondent's vision, strategy and approach for delivering the Project in a manner that will enable the University to achieve the Project Objectives;
  - The number of Phases (not to exceed three, including Phase I), and the number of beds, the number of surface parking spaces and other amenities to be delivered as part of each Phase, together with a timeline for the commencement and completion of each Phase, including Phase I;
  - The extent to which any subsequent Phases of the Project are expected to deviate from the Qualified Respondent's technical specifications or plan of finance for Phase I;
  - A conceptual budget (with high-level itemization) for each Phase beyond Phase I, and a summary of any material assumptions with respect to the development of each Phase; and
  - Based upon the conceptual budgets for each phase beyond Phase I, provide a pro forma rent schedule for the Operating Leases of each Phase, and the underlying financing assumptions (including interest rates) used to calculate rental payments.

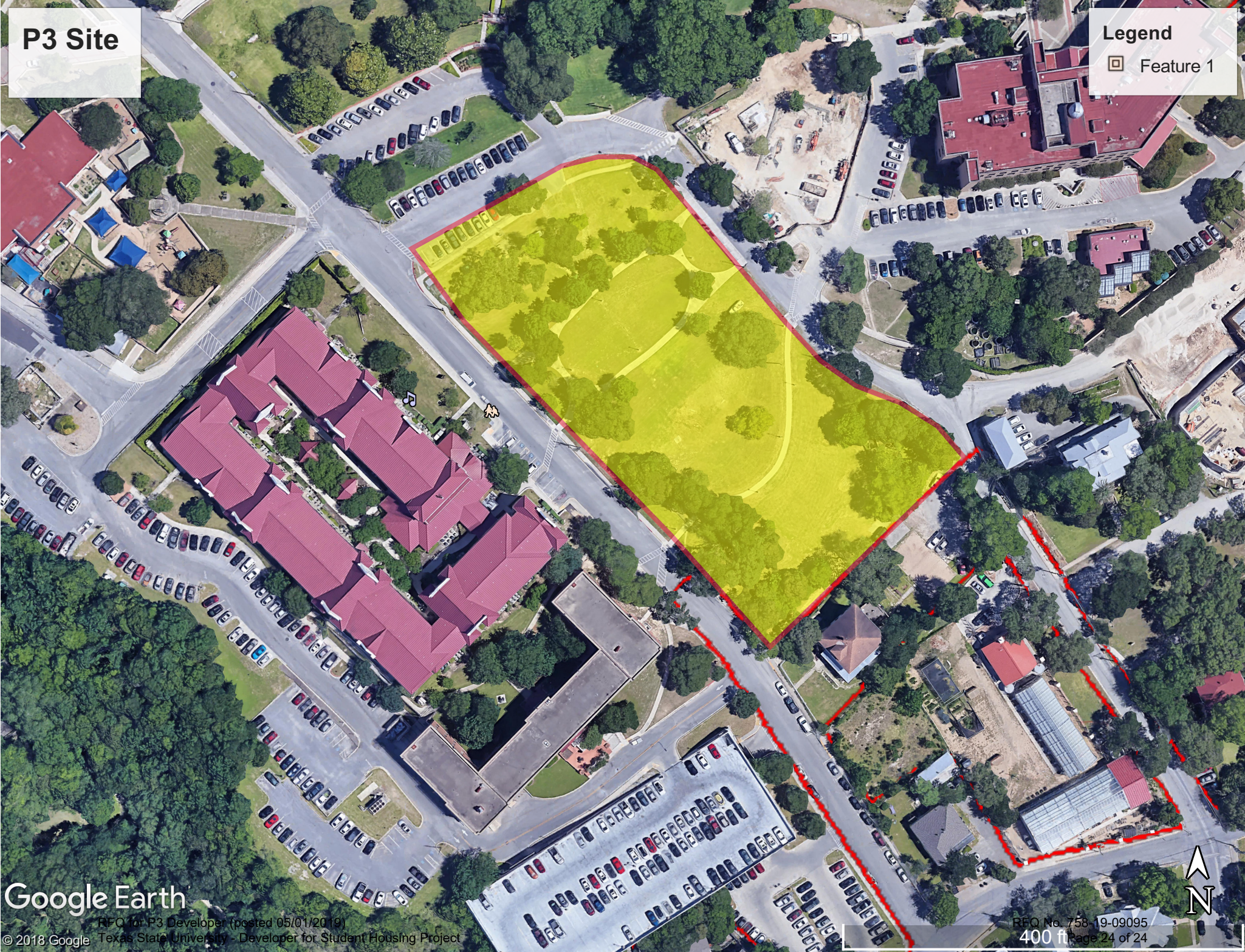
## **APPENDIX TWO**

### **Phase I Site**

See separate .pdf attachment indicating location of Phase I site.

P3 Site

Legend  
□ Feature 1



Google Earth

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# Addendum No. 1

Issued: 5/10/19

Request for Qualification (“RFQ”) No: 758-19-09095

FOR

Developer for Student Housing Project

**Notice To All Potential Respondents:**

This Addendum to the Request for Qualifications (RFQ) No. 758-19-09095, posted on 5/1/2019, modifies bid documents with the amendments and additions noted below.

**Prepared By:**

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**Questions and Answers:**

The questions below were submitted to the Point-of-Contact in writing prior to the question deadline (ref. Section 2.2) of the RFQ and have been answered by TSUS.

1. Would the University consider increasing the 20-page maximum page limit for the RFQ response?

**Answer:** The 20-page limit is restricted to the responses to Section 4 (ref. Section 2.1D of the RFQ). University will allow the response to Section 4.5 (Respondent Financials) to be provided in a separate tabbed section of Respondent's response and will not count towards the 20-page maximum for Section 4. All other answers to Section 4 must be kept to this maximum page amount. Pages should be single sided (only printed on front of page). Answers should be succinct and limited to the scope of the question asked.

2. Are the two years of Respondent audited financials requested in Section 4.5 to be included within the 20 page limit?

**Answer:** Refer to the answer for Question 1 above.

3. If response is printed on front and back of each page, would this be considered a single page or two pages?

**Answer:** Refer to the answer for Question 1 above.

4. Can a clarification be provided on what information is desired in Section 4.1 Prior Experience that requests "Final project power and thermal capacity" for each prior project experience?

**Answer:** This information can be largely inferred at the RFQ stage based on massing, construction type, and overall square footage. Details are not required at this time. Additional discussion during the RFP and post-award will follow in order to determine opportunities to tie into the University's existing electric and thermal grid as opposed to a stand-alone approach.

5. Is an existing conditions / boundary / topo / tree survey available for the Appendix Two site?

**Answer:** Yes. This information will be provided at the RFP stage.

6. Is there a tree preservation requirement / desire with the Appendix Two Site?

**Answer:** The University will identify which trees need to be preserved at the RFP stage. As a designated "Tree Campus USA", the University has a policy of attempting to replace trees that are removed either on-site or in other areas of campus.

7. Is any Geotech information available for the Appendix Two site?

**Answer:** No, Geotech information is not available; however, the University can provide Geotech information for Ingram Hall and Supple Science, which are located nearby and Geotech for other portions of the campus on the west side.

8. Has a storm water analysis been conducted on the Appendix Two site than can be shared with respondents?

**Answer:** The University has a 2013 report for campus storm water that can be made available at the RFP stage.

9. Is a wood-framed structure permissible and/or anticipated?

**Answer:** While student safety is obviously our highest priority, the University is looking for a design that compliments campus, that will stand the test of time, and that captures the best life-cycle value in operation, and construction. All construction types and designs that best capture these goals will be considered.

10. To help guide density analysis, is a particular building height envisioned or are there any restrictions on height outside of the limit noted in the design guidelines?

**Answer:** The campus has buildings taller than the current standard of six stories. Anything taller than six stories would be considered.

11. Is the Phase One site referenced in Appendix Two envisioned to only accommodate Phase 1 or are additional beds desired to be located on the referenced site.

**Answer:** Yes. It is not anticipated that additional phases can be co-located on the referenced site.

12. Is the white-box dining hall scope anticipated to be a component delivered in Phase 1 for August 2021?

**Answer:** No.

13. Will the contemplated dining be on the Phase 1 parcel or in a future phase? Does the University have an estimated GSF or number of students it is trying to serve?

**Answer:** Dining is contemplated in a future phase. Details will vary depending on location and proximity to other residential facilities on campus.

14. Will the RFP identify the future sites?

**Answer:** Yes, potential site locations will be released with the RFP.

15. Is the Hilltop Complex that was initially scheduled to be delivered in 2021 one of the future site? Will that housing be built in addition to the P3 scope or is that permanently on hold? Can that design advancement be shared?

**Answer:** Responses to this solicitation should not include the Hilltop site as an option. The Hilltop design will be available for review with the RFP for informational purposes. However, that design is in full accord with standard university construction guidelines and may not meet the intent of this solicitation. The most likely scenario is that the Hilltop site will be preserved for the university to self-perform at some future date after all three phases proposed here are complete. Even after the roughly 2,100 beds sought in the RFQ are built, the university anticipates the need to continue adding residential beds in the future as we continue to grow. Once awarded, the University will work with the selected team to discuss this as an option.

16. What is the university and TX State system approval process for this project? Will there be design review at each milestone (SD, DD, CD)? If so what is required review time or has that been defined?

**Answer:** Design review will take place at each milestone. Details of suggested timelines should be included in RFP responses.

17. Assume the University or TX State System will issue building permits? Given the condensed design schedule, will there be an opportunity to submit early packages for review?

**Answer:** No, neither the University nor TSUS will issue building permits. The Developer selected for the project will be responsible for any permitting requirements required by local, state or federal entities (i.e. local utilities, environmental regulators, etc.). Yes, early packages will be accepted for review.

18. Has a market study been completed?

**Answer:** As the University is fully taking on occupancy risk, no market study is needed. These beds will allow for University to continue to house the freshmen class, which has a mandatory occupancy requirement at Texas State. We hope to accommodate a small percentage of upper division students who wish to remain on campus. University can provide data on occupancy history and demand to the Qualified Respondents.

19. Are there existing utilities under the site? If so, will those be removed prior to developer construction start by the University?

**Answer:** Yes, there are existing utilities on the site. University will provide additional information in the forthcoming RFP.

20. Is there an ability to expedite the selection to early July?

**Answer:** It is not likely that a selection will occur in early July. However, if University is completely satisfied with the top ranked RFP response and forgoes on-site presentations, it could be possible.

21. Can the University provide more definition around the Operating Lease? Will this be a master lease? Will it run the term of the ground lease/financing?

**Answer:** University is open to a variety of proposals that will best meet the requirements described in the RFQ.

22. Is there a survey of the site? Can we get in CAD or at least the dimensions?

**Answer:** Yes. This information can be provided to the Qualified Respondents.

23. Would the University accept a 350:1 instead of 300:1 ratio for the RD to allow for the potential of two 350 bed communities for the initial phase?

**Answer:** Yes.

24. We are a public company; can we provide a website link to our financials ILO full financial statements?

**Answer:** University prefers actual documents are provided. Refer to the answer for Question 1 for information about how to present the information in the response.

25. Phase 1 will likely include planning for subsequent phases – including the future dining hall – is there a program determined already for the dining hall – i.e. how many seats for the dining hall, type of food venue (market style for instance?) will influence planning size and the ability to maximize Phase 1 site.

**Answer:** Refer to the answer for Question 13 above.

26. The program notes at “at least 700 beds” is there a maximum desired for this phase?

**Answer:** 700 is preferred, depending upon design and physical limitations. No phase should exceed 1,050 beds.

27. Will the project be exempt from real estate taxes?

**Answer:** University requests a deal structure that would make this possible.

28. Will the university master lease all the beds for the duration of the project?

**Answer:** University is open to a variety of proposals that will best meet the requirements described in the RFQ.

29. Will the project receive any revenue from the food service provider to pay for the dining hall?

**Answer:** University Dining Services will fund the dining hall.

30. Can the building be wood frame?

**Answer:** Refer to the answer for Question 9 above.

31. Are the financials (Section 4.4) included in the 20-page limit, as specified on page 6 of the RFQ? Can Financials be included as an appendix?

**Answer:** Refer to the answer for Question 1 above.

32. Are respondents expected to include full resumes for Section 4.2? If so, can they be provided in an appendix?

**Answer:** No, full resumes are not expected. Per Section 4.2 a “general description” of experience and qualifications is requested.

33. Are covers and tabs included in the page limit?

**Answer:** No.

34. Will some sort of Letter of Intent be signed between TSUS and Developer earlier than the Final Agreement/Operating Lease is signed so design can proceed as soon as possible? Or do you expect the Developer to be totally at risk for design cost prior the agreement getting signed?

**Answer:** University will issue an award letter to the selected firm upon completion of the RFP. An overarching agreement will be negotiated and signed between TSUS and the firm. In an effort to expedite the negotiation process, and provide transparency, a sample agreement will be included with the RFP to allow respondents a chance to review the expected terms and conditions of the agreement.

35. The terms Contractor and Developer seem to be used interchangeably. Please confirm. This is an important distinction because we are Developers and plan to team up with a Texas contractor partner creating a Developer/Contractor team.

**Answer:** “Contractor” is defined as the potential firm that TSUS intends to enter into an agreement with to perform the Services upon completion of the RFP. The Contractor selected will be considered the project owner and have responsibility for the design, build, and finance delivery of the project. The selected Contractor can subcontract work to a general contractor in order to fulfill the Services.

36. Any additional information you can provide on TSUS management of the property would be helpful. In other words, confirm Developer has no management duties.

**Answer:** Housing and Residential Life will assume responsibility for day-to-day student life activities, marketing, and assignments. Maintenance and custodial will be subject to negotiation. Dining will be managed by the University’s contractor.

37. Confirm rent payments are net to Developer. TSUS pays any taxes, insurance and other non-controllable expenses.

**Answer:** Proposals should reflect the Developer's desired deal structure which shall be subject to review and negotiation.

38. If more than 700 beds are allowable in Phase 1, what would be considered an upper limit?

**Answer:** Refer to the answer in Question 26.

39. Would there be any advantage to including any amount of retail on the first floor?

**Answer:** Retail space could be considered by the University.

40. Can a list of current on-campus rents be available for current facilities?

**Answer:** Refer to the rate structure web page at: <https://gato-docs.its.txstate.edu/jcr:63ce3e56-e930-41f4-813e-d6e9df7bda04/New%20Room%20Rates%202019-2020.pdf>.

41. Please further define the university goals for sustainability.

**Answer:** The university desires a project that provides optimal life-cycle value over the full term of the proposed deal, and one that is respectful of the environmental stewardship role of the university.

42. Can you confirm that the selected Contractor ("Developer") will not be responsible for any operations, maintenance or management services for the Project?

**Answer:** Refer to the answer in Question 36.

43. Are the three previous student housing projects in Section 4.1 required to be on-campus projects?

**Answer:** Preference is that one on-campus project, at a minimum, be provided.

44. What metrics would TSUS like us to use to provide "Final project power and thermal capacity" in Section 4.1?

**Answer:** Refer to the answer in Question 4.

45. Can we provide a short cover letter outside of the 20-page limit?

**Answer:** Yes.

46. What is the authorized expenditure limit for Texas State University to advance drawings?

**Answer:** University will provide this information in the forthcoming RFP.

47. What approvals will be required (Board of Regents) before the project can advance?

**Answer:** Board of Regents approval will be required after a selection, if any, has been made upon completion of the RFP process.

48. What are the preferred unit types (single vs. double occupancy) and distribution?

**Answer:** The majority of unit types should be double occupancy with some single rooms available. All Resident Assistant rooms must be designed for single occupancy.

49. What services will the University provide (IT, Res Life)?

**Answer:** University is unclear as to what Respondent means.

50. Are there any environmental issues with the site?

**Answer:** None known.

51. Are all utilities and capacity for development available at the site?

**Answer:** University will provide this information in the forthcoming RFP.

52. How many seats will the Dining Facility be expected to hold?

**Answer:** Refer to answer for Question 13 above.

53. Is all FFE and layout design for the Dining Facility by others and not to be included in assumptions for this RFQ?

**Answer:** Developer should work closely with the dining contractor to ensure the dining facility is open for service when housing is ready for occupancy.



54. Can the term of the Ground Lease be extended beyond 40 years?

**Answer:** No.

55. Is the University expecting to enter into a pre-development agreement?

**Answer:** Yes.

56. Will TSUS provide more information and potential sites for future phases as part of the RFP?

**Answer:** Refer to the answer for Question 14 above.

57. Has TSUS performed any studies for the Dining Facility? What is the approximate square footage envisioned?

**Answer:** No studies have been done. Refer to the answer for Question 13 above.

58. Has the university completed a third-party market demand study? Will this be released as part of the RFP?

**Answer:** Refer to the answer for Question 18 above.

**END OF ADDENDUM 1**