REQUEST FOR QUALIFICATIONS:
Student Housing P3 Partner for the University of Cincinnati

Opportunity to enter into a Public-Private Partnership with the University of Cincinnati related to the undergraduate student housing portfolio

Distribution/Advertisement: December 17, 2018
Submittal Deadline: February 8, 2019
The University of Cincinnati serves the people of Ohio, the nation, and the world as a premier, public, urban research university dedicated to undergraduate, graduate, and professional education, experience-based learning, and research. We are committed to excellence and diversity in our students, faculty, staff, and all of our activities. We provide an inclusive environment where innovation and freedom of intellectual inquiry flourish. Through scholarship, service, partnerships, and leadership, we create opportunity, develop educated and engaged citizens, enhance the economy and enrich our University, city, state, and global community.
1. Introduction and Overview

1.1. Introduction to Opportunity
The University of Cincinnati (the “University” or “UC”) is pleased to present this Request for Qualifications (“RFQ”) to prospective entities or groups of entities (“Proposers”) interested in entering into a long-term partnership with the University for the operations and maintenance of UC’s undergraduate student housing program. The selected Proposer (“P3 Partner”) will (i) operate and maintain UC’s existing 11-building, 4,690-bed undergraduate housing program along with an additional 780-beds at Stratford Heights, (ii) possibly operate and maintain University Park Apartments, which the University currently manages but does not currently own, and (iii) be responsible for meeting excess demand for on-campus housing that is currently satisfied through block leasing (collectively, the “Project”).

Proposers interested in becoming the University’s student housing P3 Partner must first submit a Statement of Qualification (“SOQ”) that adheres to the requirements set forth in this RFQ. This RFQ is the first step in a two-stage process. The University will subsequently invite selected Qualified Proposers to submit a more comprehensive proposal for the Project through a Request for Proposals (“RFP”) (together with the RFQ, the “Procurement”).

1.1.1. Procurement Schedule
The tentative Procurement schedule is as follows. Note that UC reserves the right to modify this schedule in its sole discretion.

<table>
<thead>
<tr>
<th>Event</th>
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</table>

1.1.2. Website
Additional information and corresponding documentation regarding this Procurement, including detailed information about the subject properties, can be found at the following website: uchousinginitiative.com
1.2. University of Cincinnati Overview

University of Cincinnati, Ohio’s premier urban research university, traces its origins back to 1819.

UC is a four-year public research university with a growing enrollment of more than 45,900 undergraduate and graduate students (of which 34,819 are undergraduates) and has been named “Among the top tier of the Best National Universities,” according to *U.S. News & World Report*. The University of Cincinnati attracts students from all 50 of the United States and from 114 countries outside the U.S. and has seen historical enrollment growth of 1.3% annually on average—which the University considers to be a reasonable expectation of continued growth in the future.

As of 2018, the University employs 3,039 faculty members across 402 programs of study, offering students an average student-to-faculty ratio of 16 to 1. These departments include highly ranked* programs, including:

<table>
<thead>
<tr>
<th>Accounting (10th)</th>
<th>MBA for Highest Financial Value (10th)</th>
<th>Nursing DNP Program</th>
</tr>
</thead>
<tbody>
<tr>
<td>Aerospace Engineering</td>
<td>MBA best part-time program</td>
<td>Nursing Midwifery</td>
</tr>
<tr>
<td>Audiology (graduate)</td>
<td>Medical Research</td>
<td>Business Analytics (InformationWeek)</td>
</tr>
<tr>
<td>Creative Writing</td>
<td>Music (6th)</td>
<td>Otolaryngology (graduate)</td>
</tr>
<tr>
<td>Civil Engineering</td>
<td>Musical Theatre (2nd, <em>Buzzfeed</em>)</td>
<td>Paleontology (6th)</td>
</tr>
<tr>
<td>Cooperative Education</td>
<td>Criminal Justice (3rd)</td>
<td>Pediatrics (3rd)</td>
</tr>
<tr>
<td>Drama</td>
<td>Pharmacy</td>
<td>Speech – Language Pathology (graduate)</td>
</tr>
<tr>
<td>Environmental Engineering</td>
<td>Nursing Anesthesia</td>
<td></td>
</tr>
<tr>
<td>Interior Design (4th)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Industrial Design (2nd)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

*As ranked by *U.S. News and Business Reports* unless otherwise noted
1. Introduction and Overview

1.2. University of Cincinnati Overview

The University of Cincinnati has a robust alumni network, comprising 300,000 living members across the globe, who contributed $23 million to the University Foundation in FY 2017. Combined with foundation gifts, friend gifts, corporate gifts, and employee, parent, and student giving, the UC Foundation earned over $140 million in total commitments in FY 2017. These gifts and other contributions are the groundwork for the University's healthy endowment of approximately $1.3 billion, which over the last 10 years has earned an average annualized return of 4.7%, and in the previous fiscal year earned 13.5%.

The University of Cincinnati is a NCAA Division I-FBS school that has received six national championships and 77 conference championships in over 10 sports. The Cincinnati Bearcats athletic programs include track and field, baseball, basketball, football, golf, lacrosse, soccer, swimming and diving, tennis, and volleyball. The school's colors, red and black, are in style year-round in the University's numerous athletic facilities, which include the 40,000-seat Nippert Arena, the venerable home of the University of Cincinnati football team since 1901; the newly renovated 13,176-seat Fifth Third Arena, home of the Bearcats men's and women's basketball and volleyball teams; the Keating Aquatic Center, The University's natatorium which features an 12,000-square foot, eight-lane, 50-meter swimming course with an integrated diving well; and many others included in the University's expansive Richard E. Lindner Varsity Village.

With nearly 200 years of history as a research pioneer, UC scientists, researchers, and engineers have been responsible for world's first electronic organ, antihistamine, the heart-lung machine, and oral polio vaccine. Governmental, industrial and nonprofit sources award the University Office of Research hundreds of millions of dollars annually for its research efforts, earning over $201 million in FY 2018.
1. Introduction and Overview

1.3. Project Overview

1.3.1. Overview and University Objectives

The scope of the opportunity will include the operation and maintenance of 11 on-campus, University-owned undergraduate housing facilities comprising approximately 4,690 beds. In addition, the University has a financial interest in and block leases beds in two (2) 501c3-owned student housing facilities, Stratford Heights and University Park Apartments (“UPA”), comprising 1,534 beds. UC is the property manager for UPA, and with respect to Stratford Heights the University is responsible for all operations and maintenance. It is envisioned that as part of the Project, the P3 Partner will take over UC’s current responsibilities for UPA and Stratford Heights at a minimum. The University is also considering the option of buying these facilities prior to or simultaneously with the execution of an agreement for the Project. In this scenario, both of these facilities would be operated and maintained by the P3 Partner.

UC also leases approximately 820 additional beds in five (5) different properties owned by private parties unaffiliated with the University. As part of the Project, the P3 Partner will be responsible for meeting the demand for these 820 beds in the near-term and future demand from increasing enrollment over the long-term. The University is open to a variety of options for doing so and encourages creative ideas. For more information, please refer to RFQ Response Requirements.

The scope of the Project does not include the operation, maintenance, or development of any dining, parking, or retail facilities on UC’s campus, including those that may be physically integrated into the subject housing facilities, unless otherwise noted.

The University’s key objectives for the Project are as follows:

1. **Partnering** with a P3 Partner that will deliver a high level of service to students and their parents, coordinating closely with the University’s Campus Services and the Division of Student Affairs to provide an affordable, engaging, and safe environment for students.

2. **Ensuring** that student housing facilities are operated and maintained over the agreement term to the quality level set by the University, including undertaking current deferred maintenance and renovating beds as needed over the term.

3. **Transferring** responsibility to the P3 Partner to meet existing and future unmet demand for on-campus housing, which UC currently accomplishes through block leasing. This may include the design, construction, financing, operations, and maintenance of new housing capacity in the future.

4. **Monetizing** the current housing portfolio in a way that balances the maximization of upfront proceeds while maintaining affordable student room rates (maximum rate increase of 3% annually during the agreement term).

5. **Maintaining** or improving its credit rating.
1. Introduction and Overview

1.3.2 Statutory Authority
The University anticipates that this Project will be executed in accordance with the Ohio Revised Code, Title 33, Chapter 3345: State Universities - General Powers.

1.3.3. Project Structure
The University anticipates entering into a concession and/or lease agreement with the P3 Partner, with a term of between thirty-five (35) and sixty-five (65) years. The University is open to considering shorter or longer terms if they are deemed to better meet the Project objectives.

The University is open to various financing structures including tax-exempt debt, taxable debt and/or equity. Proposers should consider the University’s key objectives when determining the proposed financing approach.

The University of Cincinnati, as a state university of the State of Ohio, is exempt from property, ad valorem and excise taxes. A private entity may or may not be subject to various taxes depending on the final structure of the agreement. The University will work with Proposers and their advisors to assess tax implications of the Project.
1. Introduction and Overview

1.4. Undergraduate Housing Program Overview

The University's housing portfolio is fully integrated into the campus environment, with all properties, including the two properties owned by the 501(c)3’s, located on campus. The only exception is Bellevue Gardens, which is located just northeast of campus.
1. Introduction and Overview
1. Introduction and Overview

1.4. Undergraduate Housing Program Overview

1.4.1. Portfolio Overview

The University’s current owned undergraduate housing program includes 11 buildings with a maximum potential occupancy of 4,690 beds. One of these buildings, Bellevue Gardens, is a 40-bed apartment style property, which the University plans to convert into a 100-bed property.

In addition, the University currently manages two properties that are owned by distinct and separate 501(c)3 organizations. These properties are considered “on-campus housing” for the purposes of planning and operating UC’s overall undergraduate housing program.

The first property is Stratford Heights, which includes 780 beds and is owned by the University Heights Community Urban Redevelopment Corporation (“UHCURC”). The University operates and maintains Stratford Heights and has a controlling interest on the Board of Directors for UHCURC. The University owns most, though not all, of the underlying land and leases the land to UHCURC. The University negotiates a block lease rate annually for this property. Student rates are approved annually by the Board of Trustees. The University Endowment has a financial investment in the facility in the form of subordinated debt, and the University itself has invested nearly $6.9 million into the property since fiscal year 2010 for various improvements and repairs.

Stratford Heights also includes two parking garages and three surface lots which the University operates on behalf of residents, students, faculty, and staff. The net revenues from this parking program directly fund outstanding debt on the property, and will continue to flow to the property as a part of this effort.

The second property is University Park Apartments (“UPA”), which includes 754 beds and a retail program and is owned by the Clifton Heights Community Urban Redevelopment Corporation (“CHCURC”). Like Stratford Heights, the University is the property manager for UPA, however, facilities management services are provided by CHCURC. The University Endowment has a financial investment in the facility in the form of subordinated debt. The block lease pricing is currently set through academic year 2023 per a lease agreement, and student rates are approved annually by the University’s board. After 2023, the block lease rate will be set annually by the CHCURC board with input from the University. The University has one of five seats on the CHCURC board. The University also owns the underlying land and leases the land to CHCURC. Upon the expiration of the lease in 2037 – coterminous with the expiration of the project’s public bonds – the facility will revert to the University. The University has also committed to leasing the retail space back to CHCURC upon this reversion.

These two properties, while not outright owned by UC, will be part of the Project inasmuch as the University’s current responsibilities will need to be undertaken by the P3 Partner. The University is inviting Proposers to provide potential options for incorporating these facilities into the Project structure. For more information, please refer to RFQ Response Requirements.
1. Introduction and Overview

The undergraduate housing program includes 11 buildings with a maximum potential occupancy of 4,690 beds.

1,820,540
Square Feet

Room rates have increased by an average of 2.0% annually.

L-R, T-B:
1) Dabney
2) Marian Spencer
3) Morgens & Scioto
4) CRC
5) University Park
   Apartments
6) Calhoun
7) Daniels
8) Turner and Schneider
## 1. Introduction and Overview

The table below summarizes both the core, UC-owned facilities and the two UC-managed facilities:

<table>
<thead>
<tr>
<th>Property</th>
<th>Beds (Max Occupancy)</th>
<th>Square Feet</th>
<th>Year Built/Renovated</th>
<th>Other Facilities</th>
<th>Owner</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bellevue Gardens</td>
<td>40</td>
<td>48,657</td>
<td>2002</td>
<td></td>
<td>UC</td>
</tr>
<tr>
<td>Calhoun</td>
<td>816</td>
<td>172,967</td>
<td>1964</td>
<td></td>
<td>UC</td>
</tr>
<tr>
<td>CRC</td>
<td>226</td>
<td>79,000</td>
<td>2005</td>
<td>Attached to REC Center Complex</td>
<td>UC</td>
</tr>
<tr>
<td>Dabney</td>
<td>414</td>
<td>78,026</td>
<td>1957</td>
<td>Office</td>
<td>UC</td>
</tr>
<tr>
<td>Daniels</td>
<td>780</td>
<td>148,081</td>
<td>1967</td>
<td></td>
<td>UC</td>
</tr>
<tr>
<td>Marian Spencer</td>
<td>328</td>
<td>118,468</td>
<td>2018</td>
<td>Dining hall, retail, office</td>
<td>UC</td>
</tr>
<tr>
<td>Morgens</td>
<td>455</td>
<td>142,846</td>
<td>1964/2013</td>
<td></td>
<td>UC</td>
</tr>
<tr>
<td>Schneider</td>
<td>168</td>
<td>71,194</td>
<td>2002</td>
<td></td>
<td>UC</td>
</tr>
<tr>
<td>Scioto</td>
<td>471</td>
<td>154,923</td>
<td>1964/2016</td>
<td></td>
<td>UC</td>
</tr>
<tr>
<td>Siddall</td>
<td>572</td>
<td>121,409</td>
<td>1964</td>
<td></td>
<td>UC</td>
</tr>
<tr>
<td>Turner</td>
<td>420</td>
<td>161,136</td>
<td>2002</td>
<td></td>
<td>UC</td>
</tr>
<tr>
<td><strong>Total UC-Owned</strong></td>
<td><strong>4,690</strong></td>
<td><strong>1,296,706</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Stratford Heights</td>
<td>780</td>
<td>286,531</td>
<td>2005</td>
<td>Office space, parking</td>
<td>UHCURC</td>
</tr>
<tr>
<td>University Park Apartments</td>
<td>754</td>
<td>237,303</td>
<td>2005</td>
<td>Ground-floor retail</td>
<td>CHCURC</td>
</tr>
<tr>
<td><strong>Total UC-Managed</strong></td>
<td><strong>1,534</strong></td>
<td><strong>523,834</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Grand Total</strong></td>
<td><strong>6,224</strong></td>
<td><strong>1,820,540</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Finally, as noted, the University currently block-leases 820 beds in privately owned properties near campus. The total number of beds the University leases changes slightly from year to year. The table below summarizes the University’s block leases for the 2018-2019 school year:

<table>
<thead>
<tr>
<th>Property</th>
<th>Address</th>
<th>Beds (Max Occupancy)</th>
</tr>
</thead>
<tbody>
<tr>
<td>101 Corry</td>
<td>101 E Corry St</td>
<td>172</td>
</tr>
<tr>
<td>Campus Park</td>
<td>195 E McMillan St</td>
<td>248</td>
</tr>
<tr>
<td>Stetson Square</td>
<td>3010 Eden Ave</td>
<td>108</td>
</tr>
<tr>
<td>University Edge</td>
<td>3250 Jefferson Ave</td>
<td>260</td>
</tr>
<tr>
<td>USquare</td>
<td>255 Calhoun St</td>
<td>32</td>
</tr>
<tr>
<td><strong>Grand Total</strong></td>
<td><strong>820</strong></td>
<td></td>
</tr>
</tbody>
</table>

Between academic year 2013-14 and the current academic year, room rates have increased by an average of 2.0% annually: room rates in 2013-14 were $7,424 per bed per academic year, and in 2018-19, this rate increased to $8,251 per bed per academic year.
1. Introduction and Overview

Occupancy in the core, UC-owned undergraduate housing program has consistently exceeded 95% since 2013 in the Fall Semester. In the Spring Semester, which typically experiences lower occupancy due to academic-year internships, occupancy in UC-owned facilities has consistently remained above 90%. As demand continues to grow with enrollment, and with the opening of Marian Spencer Hall in the 2017-2018 academic year, which added 328 beds, occupancy remains at 98% for the Fall Semester.
1. Introduction and Overview

1.4.2. Renovation Program
Since fiscal year 2014, the University has invested over $12.8 million in property improvements and maintenance to its core, UC-owned housing program. The University has also conducted major, mid-life gut rehabs of both Morgens and Scioto, totaling $35 million and $38 million in 2013 and 2016, respectively. UC has also directly invested nearly $6.9 million in Stratford Heights since FY2010. Detailed history by property and work order can be found on the website.

The University has identified $13.4 million in near-term improvements and maintenance needs in its core housing program, which the University intends to carry out in the current academic year.

Finally, the University has identified $140 million in major, mid-life renovation projects for Calhoun, Daniels, and Siddall as shown in the table below. The P3 Partner would be expected to perform and fund these major renovations, as well as develop and fund the capital maintenance program required to maintain all of the buildings over the term of the agreement.

<table>
<thead>
<tr>
<th>Facility</th>
<th>Year Opened</th>
<th>Original Lifespan (Years)</th>
<th>Anticipated Year of Next Major Renovation</th>
<th>Scope of Next Major Renovation</th>
<th>Estimated Cost of Next Major Renovation (millions, 2018$)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Calhoun</td>
<td>1964</td>
<td>100</td>
<td>2020</td>
<td>Mid-life: Systems, flooring, façade</td>
<td>$55</td>
</tr>
<tr>
<td>Daniels</td>
<td>1967</td>
<td>100</td>
<td>2024</td>
<td>Mid-life: Systems, flooring, maybe façade</td>
<td>$45</td>
</tr>
<tr>
<td>Siddall</td>
<td>1964</td>
<td>100</td>
<td>2022</td>
<td>Mid-life: Systems, flooring, façade</td>
<td>$40</td>
</tr>
</tbody>
</table>

The P3 Partner will be expected to undertake the capital program required to maintain the buildings over the term of the agreement. The above scheduled renovation program is for illustrative purposes only and will be subject to more in-depth planning and coordination between the P3 Partner and the University. It is being provided here to facilitate Proposer responses to the RFQ submission requirements.
The RFP will provide detail regarding University design and construction standards and other requirements related to the timing of the work and the handback condition. When implementing the renovation program, the P3 Partner will be expected to adhere to Ohio Prevailing Wage regulations as outlined in Ohio Revised Code (“ORC”) Chapters 4115 and may be subject to the process for effecting public improvements outlined in ORC Chapter 153.

1.5. Scope of Services

1.5.1. P3 Partner Responsibilities

The University anticipates the scope of the P3 Partner’s responsibilities will be as outlined below. This scope applies to the 11 UC-owned facilities and Stratford Heights. The scope of services for UPA will be finalized prior to issuance of the RFP but may only include the responsibilities currently undertaken by UC:

- **Operations:** The P3 Partner will perform all undergraduate student housing operations functions except for those outlined in Section 1.5.2 below, which will be retained by the University.

- **Capacity Increases:** The P3 Partner will meet near-term unmet demand (currently met through multiple leases in off-campus, privately owned properties as described previously) and long-term unmet demand.

- **Facilities Management (FM):** The P3 Partner will be responsible during the term of the agreement for management, maintenance, and repair of the facilities, including the operation and maintenance of the facilities and associated infrastructure including elevators. This includes FM services such as cleaning, pest control, waste management and recycling services, utilities management within the facilities, environmental and sustainability services, emergency management coordination, and FM helpdesk services. The University desires that the facilities are maintained at an APPA Level 3 standards of service.

- **Fleet:** The P3 Partner will be responsible for providing and maintaining building vehicles to engineering and custodial staff.

- **Furniture, Fixtures and Equipment (FF&E):** The P3 Partner will be responsible for the refresh/updates of moveable and non-moveable furniture, fixtures, and equipment.

- **Lifecycle Maintenance:** The P3 Partner will be responsible for the ongoing capital maintenance and investment required to meet the performance standards in the agreement, including the handback condition established.

- **Handback:** At the end of the term, the facilities will be handed back to the University (or an affiliated entity) in the condition outlined in the agreement.
1.5.2. University Retained Responsibilities
The University anticipates retaining responsibility for the following aspects of the undergraduate student housing program, for which the University will be compensated by the P3 Partner:

1. Resident life functions
2. Marketing and coordinating with the P3 Partner on room assignments
3. Billing and collections
4. Hosting, marketing, and managing summer conferences
5. Grounds maintenance
6. Information technology services
7. Public safety
8. Fire safety
9. Student accounts
10. Providing a shuttle services subsidy for students
2. Solicitation Schedule, Instructions, and UC Contact
2. Solicitation Schedule, Instructions, and UC Contact

2.1. Solicitation Process

The University anticipates that the solicitation, receipt, and evaluation of the SOQ’s and the process for selecting Qualified Proposers will follow the time frame below. The University retains the right to modify this schedule as needed.

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While UC intends to proceed with the project in the manner described herein, UC may, at its sole discretion, choose not to proceed with the project without obligation or liability to any Proposer. UC reserves the right, in its sole and absolute discretion, to (a) modify or cancel the selection process at any time (including any terms within this RFQ or subsequent RFP), or not award the project for any reason; (b) waive non-material irregularities; (c) reject any, or all, submittals to the RFQ or seek new submittals; or (d) seek clarification or additional information from Proposers as it deems necessary to complete the evaluation of the response. Proposers responding to this RFQ shall bear all expenses in connection with their submittals and responses. Further, UC reserves the right to alter the dates above at any time. In the event of any change to the schedule above, all addendums to the RFQ will be posted at the website.

It will be the Proposer's responsibility to determine if any addenda to this RFQ have been posted on the website up to the final date of submittal. UC may issue an addendum prior to the deadline for submittal of questions date or submittal due date. The actual timing and sequence of events resulting from this RFQ shall ultimately be determined by UC and may be adjusted at the discretion of UC.

All information related to this solicitation, including answers to questions posed, schedule changes and all addendums to the RFQ, will be posted to the website: [http://www.uchousinginitiative.com/](http://www.uchousinginitiative.com/)
2. Solicitation Schedule, Instructions, and UC Contact

2.2. Facility Tours

Tours of the subject housing facilities will be held January 7th and January 8th. The exact time of the tours is TBD and will be communicated via addendum. Proposers are encouraged to attend one of the tours. The tours will be done in groups at this stage. Please email Michael Myres at michael.myres@uc.edu if you would like to attend a tour. In your email, indicate which date you prefer and the names and affiliated firms of all attendees. Please limit your attendance to three individuals.

2.3. Submission Instructions

SOQ's shall use a minimum font size of 11. The Proposer shall submit one hard copy document marked “Original,” five (5) hard copy documents marked “Copy,” and one “high quality” digital PDF file (on a flash drive). All pages must be numbered. Information submitted as separate packages should also follow these instructions. Submissions must be delivered no later than: February 8, 2019, by 5:00PM EST directly to:

Michael Myres
Purchasing Department
University of Cincinnati
51 Goodman Drive, Room 320
Cincinnati OH 45221

Late Statements of Qualifications (“SOQ's”) will not, and incomplete SOQ's may not, be considered. The University will not accept SOQ's submitted by telephone, facsimile (fax) transmission, or any other method other than described above and delivered to Michael Myres (the “Procurement Contact”).

2.4. Notification of Public Record

Proposers are hereby notified that bids are public record. Once bids have been opened they may be considered public record as defined in Ohio Revised Code (“ORC”) Section 149.43 and are subject to inspection and copying. Proposers may request that certain information, such as trade secrets or proprietary data, be designated as confidential and not considered as public records. Such requests must be accompanied by the statutory exemption from Ohio's Public Records Act, Chapter 149 of the O.R.C. Any confidential material shall accompany the bid in a sealed container marked “confidential,” and shall be readily separable from the bid to facilitate public inspection of nonconfidential portion. Financial offer and terms of payment shall not be considered as confidential. The decision as to whether such trade secrets or proprietary data shall be disclosed at the bid opening rests solely with the State. However, to ensure fair and impartial evaluation, SOQ’s and related documents submitted in response to an RFQ or RFP are not available for public inspection and copying under section 149.43 of the ORC until after final execution of an agreement between the P3 Partner and the University.
2. Solicitation Schedule, Instructions, and UC Contact

2.5. Questions

Any questions or requests concerning this effort will be accepted until 5:00 P.M. ET on January 9, 2019. Questions will be answered at the University's discretion, and the University reserves the right to not respond to certain questions. The University will issue an addendum with answers to questions. All questions shall be in written form and directed only to Michael Myres by e-mail at michael.myres@uc.edu. The University reserves the right to not respond to questions submitted by Proposers after the cut-off date indicated above.

2.6. Communications

Absolutely no communications or contact by the Proposer or its agents may be made with anyone at the University regarding this RFQ from the time the bid is out until the time an award is made, aside from communications made with approval of Mike Myres. Such unauthorized contact constitutes grounds to reject the SOQ.

In addition, the University has granted Jones Lang LaSalle Incorporated (“JLL”) the exclusive right to consummate a transaction between the University and a P3 Partner for the Project. Proposers, their agents, and associates shall refrain from contacting or soliciting JLL for any purpose relating to the substance of this RFQ, and especially for influencing the content of the competitive solicitation or the award of the agreement. For clarity, JLL is not permitted to propose on or finance this Project, including as a member of a Proposer team. Failure to comply with this provision may result in the disqualification of the Proposer from the procurement process at the sole discretion of the University.

All media inquiries must be directed to the following contact:

M.B. Reilly
Director, Public Relations
University of Cincinnati
Edwards II, Suite 3330
49 W. Corry Blvd.
P.O. Box 210065
Cincinnati, Ohio 45221-0065
reillymb@ucmail.uc.edu
513-556-1824
513-556-3232 (fax)
3. RFQ Response Requirements
3. RFQ Response Requirements

A complete, concise, and professional response to this RFQ will enable UC to identify the most qualified Proposers to then be invited to respond to the RFP.

Proposers’ experience with projects with similar requirements to those outlined in Section 1.5 will be a critical element in UC’s evaluation of responses to this RFQ.

Proposers shall submit their RFQ responses in the format described below. Each section of the RFQ response shall be tabbed and labeled in the order shown below.

3.1. Administrative Items

3.1.1. Submittal Cover
The submittal cover shall include the title of the RFQ, submittal date, the name of the Proposer, principal contact, address, telephone number, fax number, email address and web site address if applicable. The “Proposer” shall be the legal entity who would be party to a contract awarded through an RFP issued under this initiative.

3.1.2. Table of Contents
The table of contents shall follow the format described in the RFQ, be complete and clear, indicating section headers and pages.

3.1.3. Transmittal Letter
A duly authorized official of the Proposer must execute the transmittal letter. For Proposers that are joint ventures, partnerships, limited liability companies or other associations, the transmittal shall be appended with letters on the letterhead stationery of each team member, executed by authorized officials of each team member, stating that representations, statements and commitments made in the RFQ on behalf of the team member’s firm have been authorized by, are correct, and accurately represent the role of the team member’s firm in the Proposer’s team. The transmittal letter template is Form A on the website.

3.1.4. Certifications
Proposers shall complete Form B, which can be found on the website. If the Proposer is a joint venture or partnership, Form B must be provided for each partner signed by an authorized representative.

3.2. Relevant Experience

3.2.1. Proposer Overview
Include a complete but succinct description of the Proposer including the identification and overview of the firm or along with how many on campus and off campus student housing beds the Proposer is currently managing. If the Proposer is a joint venture or partnership, this section should describe the joint venture/partnership relationship, including if the firm or firms are minority owned, as well as the Proposer’s governance structure. This section should also identify the lead contact for each firm, including contact name, address, phone number and email address. For clarity, the Proposer team is not expected to include an architect or general contractor. Proposers should describe how each member of the Team has worked together in the past.
3. RFQ Response Requirements

3.2.1. Minimum Requirements of the Proposer Team
The Proposer must demonstrate recent (within the last five (5) years) experience operating and maintaining an aggregate portfolio of at least 3,000 undergraduate on-campus student housing beds.

3.2.2. Proposer Team Personnel
This section shall identify the key personnel on the Proposer’s team, including any key personnel of joint venture or partnership partners. Proposers should complete Form C for each key professional identified. At a minimum, the key personnel shall include:

1. Firm Executive. The “Firm Executive” shall be an individual with the authority to make binding decisions on behalf of the Proposer. The Firm Executive must have at least ten (10) years of student housing development or operations experience.

2. Facility Manager. The “Facility Manager” shall be the individual with primary responsibility for facilities operations and maintenance for the Project.

The Proposer may include up to six (6) additional key individuals who the Proposer believes are of critical importance to the Proposer’s performance of the Project.

3.2.4. Organization Chart
This section shall include an organization chart containing the names of each firm which make up the Proposer team and all key personnel, with titles and their specific task assigned for this project. This section shall not exceed one (1) double-sided page.

3.2.5. Project Related Experience
This section shall be used to provide up to eight (8) examples of the Proposer’s experience in the past ten (10) years specifically related to operating and maintaining student housing facilities.

In addition, the Proposer should provide a minimum of two (2) but no more than five (5) examples of student housing public-private partnership projects where the Proposer successfully financed either a new development or a concession of existing housing (or both) in the past ten (10) years. These projects may overlap with the eight (8) projects above.

Project examples shall use Forms D1 and D2 on the website. For each project listed, a reference should be provided including full name, organization, title, telephone number and email address.

3.3. Financial Capacity

3.3.1. Proof of Financial Capacity
Proposers must provide evidence of their financial capacity, financial success over time, and demonstrate their credit worthiness to undertake the Project. For Proposers that are not publicly traded, audited financial statements in U.S. dollars for the three most recent years must be provided. If the Proposer is a joint venture or partnership, financial statements for each partner are required.

In addition to financial statements, additional evidence may include but is not limited to financial references, letters from financial institutions with whom the Proposer has a relationship, credit rating reports, and the identification of sources of equity or debt capital that may or will be used for the Project.
3. RFQ Response Requirements

3.4. Project Approach

The “Project Approach” shall be written in a narrated, non-technical style not to exceed five (5) double-sided pages and shall contain sufficient information for reviewers with both technical and non-technical backgrounds to become familiar with each Proposer’s approach to various aspects of the Project. The Project Approach shall address the following topics:

1. Briefly describe your general approach to the operation and management of on-campus undergraduate student housing and how you would propose working with the University to ensure success for this Project.

2. Identify challenges and risks in managing on-campus student housing within the context of a public-private partnership and suggest innovative solutions or mitigation measures.

3. Describe how you would approach the provision of adequate, qualified labor for the Project, including your preliminary plan for the existing union employees.

4. Describe your general approach to maintaining student affordability and satisfaction in accordance with the University’s mission.

5. Describe your approach to upholding the University’s commitment to sustainability and LEED certified buildings and renovations while maintaining the aesthetic of the University’s world-renowned campus architecture.

6. Describe your approach to meeting the current excess demand on campus that is being satisfied through various block leases. The University is open to a variety of ideas including but not limited to: continuing with the existing block leasing program, consolidating the block leasing, purchasing a building to meet this demand, or developing new housing capacity.

7. Describe your approach to integrating Stratford Heights and UPA into the Project, with the understanding that while the University does not directly own either property, it operates and has a financial interest in both. Ideas could include, but are not limited to: buying the properties, suggesting that the University buy the properties prior to executing an agreement for the Project, entering into an operating agreement with the University and/or the 501c3 entities to operate and maintain the buildings during the Project agreement term.

8. Describe your general process for working with universities to complete the planning, design and construction of major renovations or new student housing facilities, including how you ensure that the project fits into the campus fabric.

9. Describe how the Project will contribute to the University’s commitment to sustainability and LEED certified buildings and renovations while maintaining the aesthetic of the University’s world-renowned campus architecture.
3. RFQ Response Requirements

10. Describe how your approach to the project would help maintain or even improve the university's credit rating.

11. Provide an overview of the financing approach that you believe would be best suited to meeting the University's objectives for this Project, and the concession/lease term that would be required to effectuate this financing approach.

12. Provide a discussion of your preferred concession/lease term and why that is the optimal length of time.

3.5. Upfront Payment Estimate

Proposers shall provide to UC an indicative, non-binding estimate of the potential value of an upfront payment based on their preliminary due diligence and proposed approach to the Project.

The University is requesting estimates for two scenarios: one that includes only the core, 11-building program, and one that includes Stratford Heights and UPA. With respect to the second scenario, the Proposer should assume that Stratford Heights and UPA are acquired by the University and become part of UC's owned portfolio.

The University would also like to understand the capitalized value of ongoing share in net operating income, if applicable, for both scenarios. Proposers may provide this additional information if it comports with their proposed transaction structure and financing, though it is optional.

For both scenarios and estimates, please use the following assumptions. Please note that these assumptions are being provided for the purposes of facilitating this estimate and are not necessarily indicative of the terms of the actual agreement with the P3 Partner.

- **Scope of Work:** Proposer should assume they will be responsible for financing all renovation and capital maintenance work as outlined in Section 1.4.2. For purposes of this estimate only, the Proposer should also assume that Bellevue Gardens is converted to a 100-bed program and include a $3.5m outlay. Proposer should assume they will be responsible for financing all renovation and capital maintenance work over their proposed term (either 35 years or 65 years). Proposers should use the estimates in Section 1.4.2 for Calhoun, Daniel and Siddall and their own order of magnitude assumptions for the remainder of the portfolio.

- **Term:** Proposer can assume a term of 35 years or 65 years, or can provide an estimate for both.

- **Maximum annual room rate increase:** 3%.

- **Annual retained service payment to UC:** $1,250 per bed, increasing at 2% annually.

The purpose of providing the University with an estimate of concession value is to help the University understand the potential financial implications of entering into a long-term agreement with a third-party. Proposers will not be bound by the submission, nor will the University score this element of the SOQ.

This estimate shall be provided in a separate package from the rest of the SOQ and marked CONFIDENTIAL.
4. Evaluation Criteria and Process
4. Evaluation Criteria and Process

4.1. Process

Evaluation criteria shall be comprised of Administrative, Financial Capacity, Relevant Experience and Project Approach categories. The Administrative and Financial Capacity criteria will be evaluated on a pass/fail basis. If any Proposer is deemed to fail in either of these categories, the Proposer will not be invited to respond to the subsequent RFP. The Relevant Experience and Project Approach criteria will be scored with a total maximum score of 100 points. Of these, 70 points will be allocated to Relevant Experience, and 30 points will be allocated to Project Approach.

UC anticipates utilizing one or more committees to review and evaluate the SOQ submissions in accordance with the criteria listed in this section. At various times during the deliberations, UC may request additional information or clarification from a Proposer or may request the Proposer to verify or certify certain aspects of its submission. UC may also schedule interviews with one or more Proposers on a one-on-one basis to enhance UC’s understanding of the submissions and obtain clarifications of the materials contained therein. UC may not, however, conduct interviews, so the SOQ must speak for itself. UC may contact firm and personnel references supplied by the Proposer as well as other potential references not listed.

At the end of this evaluation process, Proposers may be required to submit written confirmation of any new information and clarifications provided during an interview. If required, follow-up interviews may be scheduled. Upon receipt of requested clarifications and additional information as described above, if any, the RFQ submissions will be re-evaluated to include the clarifications and additional information.

Evaluations of RFQ submissions are subject to the sole discretion of UC and staff, with assistance from professional and other advisors. UC will make the final determinations of the Proposers selected to receive an RFP, as it deems appropriate, in its sole discretion, and in the best interest of the project and the Board of Trustees.

Each Proposer will be notified in writing via email and a hard copy letter whether or not it has been selected for the shortlist.
4. Evaluation Criteria and Process

4.2. Evaluation Criteria

Each responsive RFQ submission will be evaluated according to the criteria set forth below. The order in which the evaluation criteria appear within each category is not an indication of weighting or importance.

4.2.1. Administrative

The administrative evaluation will be conducted on a pass/fail basis and will consider the following:

1. The quality and completeness of the information submitted in the RFQ including whether the RFQ submission was in the format requested with all required forms and executed letters;

2. The content of the Proposer’s Form B.

4.2.2. Financial Capacity

The financial capacity evaluation will be conducted on a pass/fail basis and will consider the following:

1. The Proposer’s financial standing and perceived ability to undertake, finance, and manage the Project;

2. The Proposer’s past (last ten years) ability to secure and close financing for student housing public-private partnerships;

3. The Proposer’s relationships with lenders and equity partners;

4. The Proposer’s credit quality; and

5. The Proposer’s historical financial performance over an extended period of time.

4.2.3. Relevant Experience

The following list represents the evaluation criteria as it relates to Relevant Experience:

1. The degree to which the Proposer team demonstrates experience that is relevant to the scope of service required in this RFQ. Experience with on-campus undergraduate housing, student housing public-private partnerships, and campus-wide student housing management are considered highly relevant;

2. Evaluation of the reference checks supporting the project examples;

3. The degree of relevant experience of the key personnel;

4. Evaluation of the reference checks supporting the key personnel; and

5. Extent to which the Proposer’s team members and/or Key Personnel have worked together successfully on past projects.
4. Evaluation Criteria and Process

4.2.4. Project Approach
The Project Approach will be evaluated based on how well the Project Approach narrative:

1. Identifies challenges and risks in managing on-campus student housing within the context of a public-private partnership and suggests innovative solutions or mitigation measures;

2. Demonstrates a sound approach to ensuring sufficient levels of qualified labor and personnel will be available to ensure successful operation and maintenance of the student housing facilities;

3. Describes how the Proposer would plan to address existing union labor;

4. Demonstrates that it will maintain student affordability and satisfaction in accordance with the University's mission;

5. Demonstrates an effective and creative approach for meeting UC's near- and long-term unmet demand for on-campus student housing;

6. Provides a view on the optimal way of incorporating Stratford Heights and UPA into the Project and addresses potential opportunities and challenges;

7. Adequately describes the Proposer's general process for working with public universities to complete the planning, design and construction of major renovations or new student housing facilities;

8. Demonstrates how the project will contribute to the University's commitment to sustainability and LEED certified buildings and renovations while maintaining the aesthetic of the University's world-renowned campus architecture;

9. Provides a thoughtful approach to financing the Project that is supported with rationale for why this approach will meet the University's objectives;

10. Demonstrates how the project could maintain or even improve the university's credit rating; and

11. Meets the University's objectives for this Project.
5. General Terms and Conditions
5. General Terms and Conditions

A. Right is reserved to accept, or reject any, or all, bids, combination of items, or lot, and to waive formalities not inconsistent with law.

B. Proposer may not assign or delegate duties under the purchase order without written approval of the Buyer, nor may Proposer change sources of supply or brands identified in the contract without written approval of the Buyer.

C. Any agreement resulting from this Procurement shall be construed in conformance with the laws of the State of Ohio. All provisions of the Revised Code of the State of Ohio, and the Ohio Administrative Code, insofar as they apply to contracting by a state university, are made a part of the agreement.

D. No Proposer or any person acting on their behalf shall, by reason of Race, Color, Sex, Age, Handicap, National Origin or Ancestry discriminate in employment in the performance of work under this contract.

E. Proposer shall comply with provision of Executive Order 11246 as amended by Executive Order 11375 as supplemented by Department of Labor Regulation 41 CFR Part 60, the Copeland Anti-Kickback Act (18 USC 874) as supplemented in Department of Labor Regulation 29 CFR Part 3, the Bacon-Davis Act (40 USC 276a et.seq.), Sections 103 and 107 of the Contract Work Hours and Safety Standard Act (40 USC 327-330) as supplemented by Department of Labor Regulation 29 CFR Part 5, and the Clean Air Act of 1970 (42 USC 1857 et.seq.) to the extent that they are applicable. Proposer shall comply with CERCLA, SARA, and all other federal, state, and local environmental laws and regulations in performing this contract.

F. Proposer warrants that it is not subject to an unresolved finding for recovery under section 9.24 of the Ohio Revised Code. If the warranty is deemed to be false, the purchase order or term contract is void ab initio and the Proposer must immediately repay to the University any funds paid under this order or contract.

G. Debarment: By accepting or performing any part the activities described in this Procurement, the Proposer certifies to the best of its knowledge and belief that it and its principals are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal or State of Ohio department or agency. Debarment, suspension, or proposed debarment by the Federal or State of Ohio Government constitutes grounds for automatic termination of any order. Further, Proposer shall provide immediate written notice to Buyer in the event that during the performance of an order, Proposer or any of Proposer’s principals is debarred, suspended, or proposed for debarment by the Federal Government or any State Government.

H. Taxes: The University of Cincinnati is a state university of the State of Ohio. As such, it is exempt from most taxes, including State Sales and Use taxes, Real Estate taxes and Personal Property taxes. The University is without authority to pay such taxes if billed by Proposer. If any taxes must be paid by Proposer, they should have been reflected in the quotation. The University’s federal taxpayer identification number is 31-6000989.
5. General Terms and Conditions

I. The Proposer agrees to protect, defend, and save the University harmless against any demand for payment for the use of any patented material, process, article or device that may enter into the manufacture, construction, or form a part of the work covered by the agreement.

J. Statutory Conformity: Proposer warrants and represents that goods covered by the contract have been manufactured and transported in accordance with all requirements of the Fair Labor Standards Act and all other applicable federal, state, and municipal laws, rules and regulations.

K. No personnel of Proposer or member of the governing body of any locality or other public official or employee of any such locality in which, or relating to which, the work under this Agreement is being carried out, and who exercise any functions or responsibilities in connection with the review or approval of this Agreement or carrying out of any such work, shall, prior to the completion of said work, voluntarily acquire any personal interest, direct or indirect, which is incompatible or in conflict with the discharge and fulfillment of his or her functions and responsibilities with respect to the carrying out of said work.

Any such person who acquires an incompatible or conflicting personal interest, on or after the effective date of this Agreement, or who involuntarily acquires any such incompatible or conflicting personal interest, shall immediately disclose his or her interest to Agency in writing. Thereafter, he or she shall not participate in any action affecting the work under this Agreement, unless Agency shall determine in its sole discretion that, in the light of the personal interest disclosed, his or her participation in any action would not be contrary to the public interest.

Proposer represents, warrants, and certifies that it and its employees engaged in the administration or performance of the Agreement are knowledgeable of and understand the Ohio Ethics and Conflicts of Interest laws and Executive Order No. 2007-01S. Proposer further represents, warrants, and certifies that neither Proposer nor any of its employees will do any act that is inconsistent with such laws and Executive Order. The Governor’s Executive Orders may be found by accessing the following website: governor.ohio.gov/Media-Room/Executive-Orders.

Proposers, their agents, and associates shall refrain from contacting or soliciting Jones Lang LaSalle for any purpose relating to the substance of this solicitation, and especially for the purpose of influencing the content of the competitive solicitation or the award of the contract. Failure to comply with this provision may result in the disqualification of the Proposer from the solicitation process at the sole discretion of the University.