

**Puerto Rico Highways and Transportation Authority
Reopened Request for Qualifications**

**Joint Development Opportunity
Roosevelt Station, Parcel A
Tren Urbano: San Juan, Puerto Rico**

1.0 INTRODUCTION

1.1 Purpose of this Reopened Request for Qualifications

The Puerto Rico Highways and Transportation Authority (“the Authority”) is presently implementing Phase I of Tren Urbano, which will commence passenger service in 2004. In connection with Tren Urbano, the Authority is soliciting private developers to undertake transit-oriented joint development projects on certain surplus properties owned by the Authority at various stations.

This document is the Reopened Request for Qualifications (“RRFQ”) for Roosevelt Station Parcel A (“the subject Parcel”). For this Parcel, the Authority contemplates a dense, mixed-use joint development project of office and/or residential use, with substantial retail space at the lower levels, as described more fully in Section 1.4 below. Through this RRFQ and the Statements of Qualifications submitted in response to it, the Authority hopes to assess each team’s financial, design, construction, and management capabilities, and their overall capacity to envision and implement a first-class, transit-oriented joint development project.

As explained herein, certain development teams are already qualified for the subject Parcel, as a result of their response to an earlier Request for Qualifications (“the original RFQ”). Those teams remain qualified and need not respond to this RRFQ. The Authority is issuing the RRFQ at this time in order to allow additional teams the opportunity to qualify for the subject Parcel. Once any additional qualified teams have been identified, a Request for Proposals (“RFP”) for the development of the subject Parcel will be issued to the Qualified Developer List. Selection of the winning development team (“the designated developer”) is anticipated in mid-2004.

1.2 Outline of Developer Selection Process

The developer selection process for the Tren Urbano Joint Development Program is being implemented in two stages:

- **RFQ (Qualifications) Stage.** Through the original RFQ, issued in April 2002, the Authority invited Statements of Qualifications from teams wishing to be considered for any or all of ten specific joint development parcels, including the subject Parcel (Roosevelt Parcel A). Based on those Statements of Qualifications and its own due diligence, the Authority assessed each team's capacity to undertake first-class transit-oriented joint development projects and selected a Qualified Developer List for each parcel. The Qualified Developer Lists were published on September 17, 2002.

- RFP (Proposals) Stage. In the second stage of the developer selection process, the Authority, from time to time, issues Requests for Proposals (RFPs) to the Qualified Developers for specific joint development parcels. The Authority is preparing to issue its RFP for the subject Parcel, Roosevelt Station Parcel A.

Because over a year has passed since the issuance of the Qualified Developer Lists, the Authority has determined that it is in the best interests of Tren Urbano to invite additional teams to become qualified developers and submit proposals for the subject Parcel. Therefore, interested developers who did not previously qualify are invited to respond to this RRFQ.

1.3 Roosevelt Station

1.3.1 The Station Area

As shown in Figure 1 (“Location Map”), Roosevelt Station is situated at the intersection of Avenida Muñoz Rivera and Avenida Franklin D. Roosevelt, in the heart of the Hato Rey financial district or “Golden Mile”. It is one of four adjacent stations along Avenida Muñoz Rivera which are expected to reinforce a “spinal” pattern of transit-oriented development (the others are Piñero, Domenech, and Hato Rey; see Figure 2, “Context Map: Hato Rey Segment”, and Figure 3, “Hato Rey Corridor Aerial Photograph”).

The 500-meter “zone of influence” surrounding Roosevelt Station contains:

- west of the station, the Avenida Roosevelt corridor including Parque Gándara, Urbanización Juan B. Huyke, and the commercial strip along the avenue itself;
- east of the station, Avenida Ponce de León, Universidad Politécnica, and the mixed residential and commercial area;
- north of the station, along Avenidas Muñoz Rivera and Ponce de León, the Golden Mile’s principal cluster of high-rise financial buildings;
- south of the station, along Avenida Muñoz Rivera, a predominantly commercial area of lower density.

1.3.2 The Transit Program

Roosevelt Station consists of an elevated platform spanning Avenida Franklin D. Roosevelt, with dual headhouses on the north and south sides. The station has a projected ridership of approximately 6,800 daily boardings. It is designed as key intermodal and pedestrian hub, with the following features:

- feeder service by several AMA bus routes;
- retail concession space within the station itself.

1.4 The Joint Development Parcel

The subject Parcel is shown in Figure 1 (“Location Map”) and Figure 4 (“Site Aerial Photograph”). It is located at the southwest corner of Avenida Muñoz Rivera and Avenida Franklin D. Roosevelt, immediately adjoining the south entrance of Roosevelt Station. The parcel has approximately 230 meters of frontage along Avenida Muñoz Rivera, and a land area of approximately 16,622 square meters (4.2 cuerdas).

The Authority envisions a dense, high-rise, mixed-use joint development project of predominantly office and/or residential use on the upper levels and a substantial retail component at street level. The joint development project should also incorporate a direct entrance into the station. The Authority expects this development to reflect the highest architectural quality.

1.5 Goals and Objectives

In pursuing joint development projects, the Authority wishes to achieve the following goals (“the Joint Development Project Goals”):

- *Reinforcement of transit ridership.* Successful joint development projects will generate additional passengers for Tren Urbano and the feeder bus lines which serve the affected stations, while enhancing the sense of activity and security in the station areas.
- *Promotion of transit-oriented development.* The Authority hopes to demonstrate the viability of transit-oriented development from a financial and urbanistic standpoint. Transit-oriented development is characterized by a relatively dense concentration of development in the immediate station area; a pedestrian environment that is safe, highly interconnected, and rich in amenities; parking requirements significantly lower than those in non-transit locations; and a mix of uses that promotes activity during nights and weekends as well as normal business hours.
- *Job creation,* including construction jobs in all projects and permanent jobs in those projects with non-residential uses.
- *Revenue.* Subject to the goals outlined above and to any applicable federal requirements, the Authority expects to receive land disposition proceeds which reflect over time the highest and best transit-oriented use of each joint development parcel.

2.0 FORMAL SOLICITATION

2.1 Legal Basis Of Request

2.1.1 Role of the Authority

The Puerto Rico Highways and Transportation Authority is a body politic and corporate, organized under the laws of the Commonwealth of Puerto Rico. It is undertaking Phase I of Tren Urbano, a federally-assisted demonstration project, through seven design-build contracts. Upon the commencement of revenue service in 2004, Tren Urbano will be operated for a period of five years by the systems contractor, the Siemens Transit Team (“STT”). At the Authority's option, the STT operations contract may be extended for a second five-year period.

Under Law 207 of 25 August 2000, the Authority is authorized to initiate transit-oriented joint development projects in the vicinity of Tren Urbano stations by disposing of land or air rights not needed for the construction or operation of Tren Urbano. “Joint development” refers to commercial, residential, or institutional uses which are physically or functionally related to a transit facility and are undertaken on Authority property or through some other real estate or business relationship with the Authority.

In general, the Authority prefers to maintain ownership of its joint development parcels and enter into long-term leases with the designated developers. Proposals involving the full or partial sale of a joint development parcel will be considered if necessitated by private financing requirements, particularly with respect to residential development.

2.1.2 Evaluation and Selection Process

The Authority will review each Statement of Qualifications submitted in response to this RRFQ to determine whether the Respondent is qualified to undertake the project. The Qualified Developer List for the subject Parcel will then be amended to reflect the addition of any teams that become qualified as a result of this RRFQ. A Request for Proposals (RFP) will subsequently be issued to the amended Qualified Developer List for Roosevelt Station Parcel A.

With respect to the RFP, the Authority will conduct the evaluation and selection process under the provisions of Article VIII of the Authority's Bid Regulations. At the conclusion of that process, the Authority intends to designate a developer with whom it will execute a Joint Development Agreement governing disposition of the Parcel, implementation of the project, and the on-going contractual relationship between the developer and the Authority.

All selection decisions, with respect to both the RRFQ and the RFP, shall be made by the Executive Director of the Authority, who shall receive written recommendations from the Authority's Board of Awards. Consistent with the provisions of Article VIII of the Bid Regulations, the Executive Director has appointed an Evaluation Committee and a Technical Committee with expertise in matters related to the evaluation of joint development proposals. The Evaluation Committee, with the assistance of the

Technical Committee, shall review the RRFQ and RFP submittals and advise the Board of Awards in formulating its recommendations.

2.2 Schedule for Developer Selection and Negotiation

2.2.1 Submittal of Qualifications

Respondents will submit ten (10) copies of their Statement of Qualifications, one (1) unbound copy capable of being reproduced in black and white, and two (2) electronic copies of the financial information, in a sealed envelope marked “*Statement of Qualifications: Roosevelt Parcel A*”. The Statement of Qualifications and all supporting documents must be received prior to 2:00 PM local time (EST) on Tuesday, March 23, 2004, at:

Puerto Rico Highways and Transportation Authority
c/o Tren Urbano Office
Attention: Executive Director Jack T. Allison
398 Jesús T. Piñero Avenue
San Juan, PR 00918.

Any inquiries regarding this RRFQ prior to the above-noted deadline of March 23, 2004 must be directed exclusively and in writing to Executive Director Jack T. Allison at the above address. The response to any such inquiries will be issued in writing to all recipients of this RRFQ.

2.2.2 Subsequent Steps

The Authority contemplates the following schedule, subject to change at its sole discretion.

Issuance of RRFQ for Roosevelt, Parcel A	February 20, 2004
Statement of Qualifications Due	March 23, 2004
Determination of Amended Qualified Developer List	April, 2004
Issuance of Request for Proposals (RFP) for Development	April, 2004
Provisional Award of Developer Designation	June, 2004
Joint Development Agreement	September, 2004
Closing Date (Conveyance and Start of Construction)	Mid-2005

2.3 RRFQ Evaluation Criteria

The Authority seeks to establish an amended Qualified Developer List for the subject Parcel, consisting of Respondents who: (i) submit a timely Statement of Qualifications responsive to this RRFQ and the Joint Development Project Goals stated in Section 1.5; and (ii) demonstrate through their Statements of Qualifications the requisite experience and financial capacity to undertake a joint development project of the scale envisioned. Selection of Qualified Developers will be based on criteria including but not limited to:

- prior experience in successfully completing projects of similar scale and complexity;
- strengths of the development team and its members;

- financial capacity;
- overall understanding and approach to transit-oriented development, including the Joint Development Project Goals;
- familiarity with the development process in Puerto Rico.

2.4 Reservation of Rights and Disclaimers

The Authority issued the original RFQ of April 2002 and is issuing this RRFQ pursuant to its determination that such a process best serves the interests of the Authority and Tren Urbano, and not because of any legal requirement to do so. The Authority shall not be responsible in any manner for costs associated with responses to the RRFQ. The Authority reserves the unqualified right, in its sole and absolute discretion:

- To undertake discussions with one or more Respondents or any third party; to waive any irregularities, defects, or non-compliance in the filing or contents of any of Qualifications; and to select as Qualified Developers those Respondents which in its sole judgment will, under the circumstances, best serve the interests of the Authority and Tren Urbano.
- To amend the terms of this RRFQ at any time, and to request modifications to any Statement of Qualifications at any time, consistent with the provisions of Article VIII of the Authority's Bid Regulations.
- To request further information from any Respondent, and to interview any Respondents to more fully understand their responses to this RRFQ.
- To choose or reject any Statement of Qualifications; to reject any and all Statements of Qualifications, without any liability to any Respondent for damages or for costs associated with the Respondent's participation in this process.
- To suspend or terminate the RFQ/RRFQ/RFP process at any time prior to the execution of a Joint Development Agreement, without any liability to any Respondent for damages or for costs associated with the Respondent's participation in this process.

2.5 Legal Rights and Recourse

Any legal issue arising from the issuance of this RRFQ, the future issuance of an RFP, the selection of Qualified Developers and the Designated Developer as defined herein, the negotiation of Joint Development Agreements, or any other matter associated with this RFP shall be interpreted and adjudicated under the laws of Puerto Rico and exclusively in and by the Courts of the Commonwealth of Puerto Rico. In the event a person adversely affected by a decision of the Authority pursuant to this RFP wishes to challenge such decision, the provisions of Law 170 of 12 August 1988, as amended, and Regulations for Bid 02-001 of 30 June 1995, shall apply.

2.6 Confidentiality of Documents

As provided in the Authority's Bid Regulations, all Proposals and ancillary materials submitted in response to this RRFQ and the future RFP will be kept confidential by the Authority until a Joint

Development Agreement has been signed. To the extent allowed by law, information which is customarily proprietary, or which has been designated as confidential by the Respondent, will not be made public by the Authority at any time.

3.0 CONTENT AND FORMAT OF SUBMITTAL

Respondents shall submit a complete, clear, and concise Statement of Qualifications. The Statement should contain: (i) an Executive Summary of not more than five (5) pages, and (ii) all relevant information described in Sections 3.1-3.5 below.

3.1 Description of Proposed Development Team

The Authority expects that each Respondent to this RRFQ will present a full development team which has the experience and capacity to design, build, operate, and maintain a major joint development project. Such teams shall include, at minimum, a lead development entity, an architect, a general contractor or construction manager, and a property manager. To participate in this RRFQ and the subsequent RFP, a Respondent must be in full compliance with the eligibility requirements of Law 458 of 29 December 2000, as amended by Law 84 of 29 July 2001; these requirements apply to all members of the Respondent's development team as described in this Section.

The description of the proposed development team should therefore include:

- The Respondent's team composition, including the lead development entity and other key firms, including organizational charts showing relationships among the project team members. The description should indicate the proposed form of business organization and the relationships between the Respondent and any parent companies or subsidiaries that might also take part in a joint development project.
- A statement identifying: the project principal with whom the Authority would negotiate a Joint Development Agreement; the project manager; and key support personnel, including projected time commitments, resumes, and relevant experience.
- A statement disclosing any real or potential conflict of interest between the Respondent or any principals of the proposed development team and the Authority (including its Tren Urbano Office and any consultants or contractors involved in the Tren Urbano project) or any other public agency.
- A statement affirming that the Respondent, including all members of its development team, are in full compliance with the eligibility requirements of Law 458 of 29 December 2000, as amended by Law 84 of 29 July 2001.

3.2 Understanding and Approach

This is the Respondent's preliminary presentation of its approach to transit-oriented joint development. It should include:

- A general discussion of the Respondent's understanding and approach to the Joint Development Project Goals outlined in Section 1.5 above.
- A summary of, and references for, the previous experience of the development team or its key members in developing and operating transit-oriented development projects or major urban development projects.

3.3 Development Team's Financial Capability

This information will enable the Authority to evaluate each team's financial capacity to undertake a project of the scale and type contemplated. It should include:

- Annual Reports and/or audited financial statements for the most recent three years showing assets and liabilities (including contingent liabilities) of the development entity. Financial information should be submitted for the lead development entity, all other critical development team members, and any parent companies or subsidiaries named in the team description. Portions indicated as confidential will be treated accordingly, to the degree allowed under prevailing law.
- Names and addresses of financial references for the developer and any other named sources of equity capital or debt financing.
- Evidence that the Respondent's General Contractor or Construction Manager can and will post performance and payment bonds applicable to this Project.