

## **1. Background**

- 1.1 The State Road and Tollway Authority (“SRTA”) and The Lionstone Group, LLC (“Lionstone”) (SRTA and Lionstone may be referred to collectively as “Owners”), are pleased to offer to qualified developers the opportunity to purchase or ground lease 12.55 acres of land contained within the southeast corner of 17th Street and Northside Drive (the “Property”). The Owners have each engaged Major & Arroll and TJB Properties LLC (collectively, “Owners’ Representative”) to conduct this solicitation on behalf of the Owners. The Property, comprised of two adjoining parcels, enjoys a prominent location at the western entrance of Atlantic Station, offers superb visibility and unmatched vehicular access, and is one of Atlanta’s most sought-after graded development sites, suitable for a wide variety of dense commercial and residential uses. The Owners strongly prefer that the Property be purchased with the purchase price paid in full at closing, but the Prospective Developers may propose an alternative transaction instead. The Owners also strongly prefer that proposals include an Amtrak Station, meeting Amtrak’s requirements, as part of the overall development of the Property; however, if a Prospective Developer proposes to purchase the Property and believes there is a better use of the Property, then the Prospective Developer’s Response may include a proposed development without an Amtrak Station. Amtrak will contribute \$5.9 million to the construction of the Amtrak station and platform that meets Amtrak’s requirements.

## **2. Overview**

- 2.1 A Developer will be selected through a two-step process consisting of this Request for Qualifications (“RFQ”), followed by a Request for Proposals (“RFP”) released only to those developers pre-qualified through this RFQ.
- 2.2 Successfully qualifying through this RFQ will be the only opportunity for a developer to be eligible to submit a proposal in response to the RFP. Developers who are interested in being pre-qualified as potential developers shall be referred to throughout this document and the RFQ process as “Prospective Developers” or “PD’s.”
- 2.3 Owners’ Representative reserves the right to modify the information described in the Offering Memorandum and this RFQ during the procurement process. Any updates will be made immediately available through [www.17thandnorthsideland.syncedpropertydetail.com](http://www.17thandnorthsideland.syncedpropertydetail.com) (“Offering Website”).
- 2.4 Prospective Developers must submit the required information for this RFQ as instructed in this document.

## **3. RFO Process**

The following describes this RFQ process (See schedule in paragraph 3.19 below):



- 3.1 This RFQ may be amended from time to time. Prospective Developers should review the Offering Website daily for the latest information, including amendments.
- 3.2 Question and Answer period for Prospective Developers. Q&A period begins after the release of the RFQ and will continue until the time period set forth below.
- 3.3 Prospective Developers’ written responses (“Prospective Developer Responses”) submitted to Owners’ Representative.
- 3.4 Evaluation of Prospective Developer Responses.
- 3.5 Announce the developers who are Qualified Developers.
- 3.6 Questions may be directed in writing to Owners’ Representative at [info@17thandnorthsideland.syncedpropertydetail.com](mailto:info@17thandnorthsideland.syncedpropertydetail.com). The answers represent a good faith effort to provide useful information but are not binding and not a part of the RFQ process unless specifically

- reflected in an addendum to the RFQ. PD's will be required to include with their Prospective Developer Responses, a signature sheet for each addendum issued by Owners' Representative.
- 3.7 The process set forth in this RFQ will not result in any predetermination by Owners' Representative, nor shall this RFQ be construed as a determination of any kind that is binding on Owners' Representative or the Owners. Further, this RFQ shall not be construed to mean that any Prospective Developer is actually capable of performing the work that will be the subject of the RFP. Rather, the criteria set forth herein is intended only to identify Prospective Developers, based on their financial capacity and prior experience in providing similar or related projects, to potentially undertake a project of this nature and magnitude.
  - 3.8 This RFQ consists solely of this document and attachments thereto, the Offering Memorandum and attachments thereto, and any written addenda to this RFQ as issued by Owners' Representative.
  - 3.9 No other information in any form, including any other information posted on any other website shall be deemed part of this RFQ.
  - 3.10 This RFQ does not obligate Owners' Representative to establish a list of Prospective Developers, issue any RFP, award a Contract or agree to sell property to anyone, including any Prospective Developer. Owners' Representative reserves the right to, amend, modify or cancel this RFQ without prior notice, at any time, at its sole discretion.
  - 3.11 Owners' Representative shall not be liable for any expenses incurred by any party other than Owners' Representative in connection with this RFQ.
  - 3.12 No oral conversations or agreements with any officer, agent, or employee of the State or, in particular, SRTA, or of Lionstone regarding this RFQ are authorized, and if the same shall occur, they shall not affect or modify any terms of this RFQ. No written statements of any persons other than Owners' Representative are authorized, and if the same shall occur, they shall not affect or modify any terms of this RFQ.
  - 3.13 Owners' Representative may, in its sole discretion, waive any irregularities or defects in a Prospective Developer's Response. Owners' Representative reserves the right, but is not required, to seek clarification of a Prospective Developer's Response from the Prospective Developer or verification of information contained in a Prospective Developer's Response from any other source. The inability of Owners' Representative, using the information provided in the Prospective Developer Response, to be able to verify a Prospective Developer's prior experience in relation to the qualification criteria set forth herein shall be grounds to reject such Prospective Developer Response as unacceptable.
  - 3.14 The dates, times, and sequence of events related to this RFQ and the RFP shall ultimately be determined by Owners' Representative. The schedule shown below is subject to change.
  - 3.15 Prospective Developers may not discuss Owners' Representative's requirements, preparation of Prospective Developer Responses, proposals in response to the RFP, or technical questions with any property owner personnel or any of their consultants other than through Rich Arroll or Tom Baranco, or the processes set forth in this RFQ and the resulting RFP. Violation of the foregoing may result in the disqualification of your organization from participation in the RFQ or the RFP process.
  - 3.16 **CONFIDENTIAL/PROPRIETARY INFORMATION.** Confidential/Proprietary Information which the PD does not wish disclosed to anyone other than personnel involved in the evaluation of the Prospective Developer's Response will be kept confidential to the extent permitted by O.C.G.A. § 50-18-70 et. seq if identified as follows: each page shall be identified in boldface at the top as "CONFIDENTIAL" along with the legal basis for the exemption with supporting citations to the Georgia Code. Any section of the Prospective Developer's Response which is to remain confidential shall also be so marked in boldface on the title page of that section. In spite of what is labeled as confidential, the determination as to whether or not information is confidential shall be determined in accordance with Georgia law.
  - 3.17 All material submitted regarding the RFQ shall become the property of Owners' Representative.

3.18 Schedule:

Event	Date
Posting of RFQ	November 15, 2012
Questions will be accepted	November 15, 2012 – November 29, 2012
Last Day for questions submitted to Owners’ Representative	1:00 P.M. Local Time (Atlanta) on November 29, 2012
Last Day Answers will be furnished to the Requester	December 3, 2012
Prospective Developer RFQ Response Due	4:00 P.M. Local Time (Atlanta) on December 6, 2012
Formal Notice of Selection of Qualified Developers	January 3, 2013
Notification to Unsuccessful Prospective Developers	January 4, 2013

**4. Prospective Developer Responses**

- 4.1 The written responses that will be submitted by Prospective Developers and evaluated against the requirements set forth in this RFQ shall be referred to as “Prospective Developer Responses.”
- 4.2 Prospective Developers are invited to submit a Prospective Developer Response in accordance with these instructions. Prospective Developer Responses will be evaluated in accordance with the procedures and criteria set forth herein.
- 4.3 Owners’ Representative is asking that each Prospective Developer provide certain information in accordance with the instructions set forth in Appendix A – Prospective Developer Response Instructions.
- 4.4 Prospective Developer Responses must be received on or before the deadline specified in Appendix A, paragraph 9. Any Prospective Developer Responses received after the time and due date may be rejected.

**5. Evaluation**

- 5.1 Owners’ Representative will deem a Prospective Developer qualified, only if the Prospective Developer’s Response satisfactorily meets the requirements as stated herein and places within the top five (5) of the PD Responses.
- 5.2 It is the intent of Owners’ Representative to pre-qualify a manageable pool of no less than three (3) and no more than five (5) Prospective Developers.
- 5.3 Prospective Developers’ Responses to Appendices B, C, D and E will be evaluated based on how responsive the Prospective Developer’s information is to the evaluation criteria set forth in the Appendices and how relevant the response is to the Project goals.
- 5.4 If, during the evaluation process, Owners’ Representative is unable to assure itself of a PD’s ability to perform, if awarded, Owners’ Representative has the option of requesting from the PD any information deemed necessary to determine the PD’s responsibility. Prospective Developers shall provide the requested information in writing by the date and time indicated in the request for clarification. If the requested information is not timely received, evaluation of the Prospective Developer’s Response may be adversely affected and/or the PD’s Response may be declared non-responsive and eliminated from further consideration.

5.5 Once Prospective Developers have been evaluated based on the written responses, Owners' Representative will prequalify up to the five (5) highest placing Prospective Developers. Prospective Developers that Owners' Representative determines do not have the necessary experience, or that rank lower than the top five (5) will not be prequalified, and thus will not be eligible to submit a more detailed proposal in response to the RFP.

## **Appendix A**

### **Prospective Developer Response Instructions**

Owners' Representative recognizes the amount of effort necessary to prepare a response to this RFQ and leaves it up to the Prospective Developer to determine the exact level of detail necessary to demonstrate that it has the requisite prior and current experience and capabilities to perform the Project.

At the same time, to make this task more manageable, Owners' Representative is asking that each Prospective Developer provide certain information in a prescribed format and limit their responses as instructed in this Appendix A. All information shall be delivered in both hard and electronic copies in accordance with paragraph 7 below.

The Prospective Developer's Response shall be prepared simply and economically, providing a straightforward and concise delineation of Prospective Developer's capabilities to satisfy the requirements of this RFQ. Emphasis on each Prospective Developer's Response will be on completeness and clarity of content.

To expedite the evaluation of Prospective Developer Responses, and regardless of the financial structure of the Response (e.g., lease or purchase), the Prospective Developer shall follow the format and instructions contained below:

- 1) Prospective Developer's Response shall be comprised of the following:
  - a. Cover Letter, including contact information for the point of contact (limit one page).
  - b. Addendum Acknowledgement(s), if applicable.
  - c. Response to Appendix B/Financial Capacity (see paragraph 2 below for additional detail).
  - d. Response to Appendix C/Development Experience (see paragraph 3 below for additional detail).
  - e. Concept drawing including the information requested in Appendix D/Concept Drawing (see paragraph 4 below for additional detail).
  - f. Response to Appendix E/General Economics of the Deal (see paragraph 5 below for additional detail).
- 2) Response to Appendix B/Financial Capacity. The information that the Prospective Developer will provide in response to Appendix B has no page limit. The specific content and decision of what to include within these pages is up to the Prospective Developer but the Prospective Developer, at a minimum, must address in sufficient detail the factors listed in Appendix B.
- 3) Response to Appendix C/Development Experience. Prospective Developer's Response to Appendix C must be no more than three pages in length for each reference project with font & margin limitations as set forth in paragraph 6 below. The Prospective Developer should, as appropriate, provide a summary description of each reference project; the PD's experience/responsibilities on the project; identify which evaluation criteria are met; and the relevance of the PD's experience on the reference project to the needs for this Project. References to specific approach and methods employed, timeframes to achieve results, and other representative information demonstrating the Prospective Developer's qualifications are required. However, the specific content and decision of what to include within the response to Appendix C is up to the Prospective Developer. Submittals that include more project examples are likely to score higher than those that submit fewer. In addition, projects that have greater relevance are likely to score higher. Project examples that address multiple evaluation criteria are likely to be evaluated more favorably than those that address fewer evaluation criteria. Each reference project must be located within the United States.
- 4) Response to Appendix D/Concept Drawing. The Developer may submit only one concept drawing per proposed structure of the deal (no more than two structures may be proposed by any Prospective Developer). In other words, if Developer proposes two types of transactions, i.e., to purchase the Property and to ground lease the property, the Developer may submit one drawing for each deal structure proposed.
- 5) Response to Appendix E/General Economics. Prospective Developer's Response to Appendix E must be no more than three pages in length for each deal structure with font & margin limitations as set forth in paragraph 6 below.

- 6) Each page (except the concept drawing) shall be 8 ½ by 11, have print on only one side of the page, and margins no smaller than 3/4 inch (.75"). The font size shall be no smaller than Courier 10 characters per inch, 12 point or equivalent.
- 7) Prospective Developers shall submit one original and four (4) paper copies with all required signatures, and one electronic copy on a CD of their response. All responses shall be submitted to the Owners' Representative on or before the Prospective Developer Responses Due Date.
- 8) For the paper submission, all responses must be placed in a binder, page numbered, and each page should contain the Prospective Developer's name. Each section of the Prospective Developer Response must be clearly identified. For the CD submission, each section of the Prospective Developer Response must be clearly identified.
- 9) Submit all Prospective Developer Responses **by 4:00 p.m. Local Time (Atlanta) on December 6, 2012** to:

**Major & Arroll  
Att: Rich Arroll  
91 West Wieuca  
Building B, Suite 100  
Atlanta, GA 30342**

## Appendix B Financial Capacity

The Prospective Developer shall provide the following information:

1. Financial Statement.

- A. Recent audited financial statements prepared by an independent certified public accountant (CPA) that shall include, at a minimum, a balance sheet, income statement (i.e., profit/loss statement) and cash flow statement **and**, if the audited or reviewed financial statements were prepared more than six (6) months prior to the issuance of this RFQ, the PD shall submit its most recent internal financial statements (balance sheet, income statement and cash flow statement or budget with entries reflecting revenues and expenditures from the date of the audited or reviewed financial statements to the end of the most recent financial reporting period (i.e., the quarter or month preceding the issuance date of this RFP));

OR

- B. Recent compiled financial statements prepared by an independent CPA that shall include, at a minimum, a balance sheet, income statement (i.e., profit/loss statement), a cash flow statement and, if the compiled financial statements were prepared more than 3 months prior to the issuance of this RFQ, the PD shall submit its most recent internal financial statements (balance sheet, income statement and cash flow statement or budget with entries reflecting revenues and expenditures to date), and other evidence of financial stability such as most recently filed income tax return, evidence of a line of credit/loans/other type of financing with statement of amount in use/outstanding balance (e.g., a complete copy commitment letter, loan agreement, billing statement reflecting the line of credit or statement from lender acknowledging the commitment to fund the PD's stated financing), performance bond, personal guaranty with copies of personal income tax filing and statement of net worth or such other evidence that is accurate, reliable and trustworthy regarding the PD's financial stability.

"Recent" as used in this Appendix A shall be defined as financial statements that were prepared within the 12 months preceding the issuance date of this RFQ.

Consolidated financial statements of the PD's parent or related corporation/business entity shall not be considered unless (1) the PD's actual financial performance for the designated period is separately identified in and/or attached to the consolidated statements, (2) the parent or related corporation/business entity provides the State with a document wherein the parent or related corporation/business entity will be financially responsible for the PD's performance of the contract and the consolidated statement demonstrates the parent or related corporation's/business entity's financial ability to perform the contract, financial stability and/or such other financial considerations identified in the evaluation criteria, and/or (3) PD provides its own internally prepared financial statements and such other evidence of its own financial stability identified above.

The PD's failure to provide any of the above-referenced financial statements or failure to submit all the requested financial statements may result in the rejection of the PD's Response. PDs are also encouraged to explain any negative financial information in its financial statements and are encouraged to provide documentation supporting those explanations. ***All financial information, statements and/or documents provided in response to this proposal requirement shall be kept confidential pursuant to the terms of Georgia law, IF THE PD MARKS THE FINANCIAL INFORMATION AS BEING CONFIDENTIAL AND FURNISHES AN AFFIDAVIT AS SET FORTH IN O.C.G.A. §50-18-72 (A)(34).***

2. Operating Capital. Discuss Prospective Developer's capacity to provide and/or secure operating capital for anticipated costs.
3. Recent and Similar Transactions. Provide experience with recent and similar transactions in which a successful and/or applicable capital structure was created and ultimately executed.
4. Equity Funding Capacity. Provide equity funding capacity for a transaction of this magnitude.
5. Equity Funding Sources. Provide discretionary access to equity funding source(s).

6. Non-discretionary Funding Sources. Discuss the seamless and timely approval process for funding non-discretionary funding sources.
7. Credit References. Provide at least two commercial or institutional credit references. Attach a letter authorizing each credit reference to respond to inquiries from the State.
8. Pipeline Projects. List all other potential real estate deals or other financial obligations that are outstanding as of the date of the PD's Response. This shall include but is not limited to any real estate transactions that may not be listed in the information the PD provides in response to Item 1 of this Appendix B.

## **Appendix C**

### **Prospective Developer Development Experience**

Please furnish details of the Prospective Developer's experience with a minimum of 2 projects similar to that sought in this RFQ, which projects are located within the United States and were completed within the last ten (10) years. For each reference project furnish information that addresses the Prospective Developer's:

1. Demonstrated ability to successfully complete a project of this scope, size, and nature.
2. Approach and methodology, including a schedule to address the various aspects of the development.
3. Demonstrated ability and commitment of sufficient resources to the project to ensure a comprehensive and time sensitive completion.
4. Demonstrated key tenant relationships.
5. Demonstrated knowledge and experience with projects involving the integration of railroad and/or transit uses.
6. Provide performance references for at least two projects used in response to items 1 through 5 above.

## **Appendix D**

### **Prospective Developer Concept Plan**

As part of their submittal, Prospective Developers must include a concept plan indicating their prospective development plans for the subject site. The concept plan must include a high level massing plan that indicates type of uses along with proposed densities. The Prospective Developer does not have to include the name of potential tenants at this time.

## **Appendix E**

### **General Economics**

Prospective Developers must include a general financial layout of their proposed offer. The Prospective Developer should provide as much detail as possible. This information must include:

1. Due diligence timing and requirements
2. Closing timing
3. Earnest money
4. Source of capital funding (i.e., debt and equity)
5. Proposed approach and methodology for this project
6. The structure of the deal (purchase or ground lease) including any payment terms. A Proposal that offers the full cash purchase of the Property at closing will score higher than a Proposal that does not offer the full cash purchase of the Property at closing.