



REQUEST FOR QUALIFICATIONS

Master Developer Services for the
Former Naval Station Roosevelt Roads, Ceiba, Puerto Rico

Issued by the Local Redevelopment Authority for Naval Station Roosevelt Roads
Monday, June 30, 2014

Bidder Registration Forms Due **Wednesday, July 16, 2014 by 3:00 PM AST**
By email to: iramasterdeveloper@lra.pr.gov

Optional Pre-Submittal Meeting and Property Tour:
Thursday, July 17, 2014 at 10:00 AM AST
at Building 1205 at Naval Station Roosevelt Roads

Statement of Qualifications Deadline for Respondents:
Thursday, August 07, 2014 at 3:00 PM AST

One (1) Original, Seven (7) Copies, and One (1) CD-ROM of Each Submission Shall Be Submitted
to:

Local Redevelopment Authority for Naval Station Roosevelt Roads
Fomento Industrial Building
#355 Roosevelt Ave. Suite 106
Hato Rey, PR 00918

For more information, visit WWW.ROOSEVELTROADS.PR.GOV

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Exhibit List

(All Exhibits are Available at www.rooseveltroads.pr.gov and Incorporated Herein by Reference)

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2004 Reuse Plan(for reference only)	Exhibit D-3

Existing Buildings Assessment	Exhibit E
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Acts Containing Incentives:

Act No. 118 (Municipal Economic Development and Tourism Incentives Act)	Exhibit F-1
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Act No. 74 (Puerto Rico Tourism Development Act of 2010)	Exhibit F-3

Environmental Documents:

Navy’s Environmental Remediation Schedules	Exhibit G-1
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1. Overview of NSRR Redevelopment Opportunities

1.1 Invitation. The Commonwealth of Puerto Rico (“Commonwealth”), through the Local Redevelopment Authority for Naval Station Roosevelt Roads (“LRA”), is issuing this Request for Qualifications (“RFQ”) to obtain Statements of Qualifications (“SOQs”) (collectively, a “Submission”) from highly qualified developers that have the expertise and ability to design, build, operate, maintain and finance one of the most exciting redevelopment opportunities anywhere. More specifically, the LRA is soliciting Submissions from developers interested in developing the entire project, approximately 3,000 acres of developable land, at the former Naval Station Roosevelt Roads (“NSRR”) in the eastern region of Puerto Rico.

1.1.1 Who Should Submit an SOQ. The LRA invites interested developers to submit SOQs expressing interest in developing the entire project, approximately 3,000 acres of developable land or, one or more of the nine (9) zones in which the development has been divided. See Part 2 for zone description. Developers wishing to serve as the master developer for the entire NSRR project should submit one SOQ covering all available zones meeting all requirements applicable to Respondents described in Part 2.

The selection of the developer(s) will be handled through a multi-step procurement process as outlined in Part 2. The SOQ focuses on the developer’s qualifications, and the second phase will more specifically explore the plans of prequalified respondents for the redevelopment. Developers interested in submitting an SOQ are described herein as “Respondents.”

1.2 LRA's Redevelopment Goals. The closure of NSRR by the Navy in 2004, created sudden and severe economic hardship to both the local communities and the Commonwealth. In 2008, the Navy began the Public Benefit Conveyance process of certain facilities – the airport and conservation areas to the Commonwealth of Puerto Rico, the hospital to a non-profit organization and Los Machos Beach to the Municipality of Ceiba. However, it wasn’t until May 2013 that the Navy transferred the totality of 3,409 acres of lands and facilities through an Economic Development Conveyance process to the Local Redevelopment Authority, referred to herein as the “Property”. Now that the LRA has obtained control of this land, the LRA wishes to select a master developer who will enable sustainable job creation and economic impact. To achieve these goals, the LRA has divided the Property into nine (9) zones ranging from an airside industrial park, institutional clusters, to a waterfront district, eco-tourism lodges and housing. These are further described in Part 2 and in the 2014 Development Zones Master Plan for the Roosevelt Roads Redevelopment. The 2014 Development Zones Master Plan is attached as Exhibit D-1. The 2010 Addendum to the 2004 Reuse Plan is also attached as Exhibit D-2 and may be reviewed for reference purposes only. A summary of the uses, job creation estimates, and order of magnitude costs included within the 2014 Development Zones Master Plan are as follows:

2014 Rev. Main Developments	Main uses	Const. Area (sf)	Jobs	Const. Investment
A Forrestal Drive Corridor		4,390,000	9,796	\$ 1,067,500,000
A1 Waterfront District		2,685,000	6,978	740,500,000
i Commercial Mixed Use	Signature Mixed-use Development	2,310,000	6,497	693,000,000
ii Transportation	Ferry terminal	50,000	13	6,500,000
iii Marina	Mega yacht / cruiseships	175,000	88	23,000,000
iv Park	Golf / public parks	150,000	380	18,000,000
A2 Forrestal Bayview Hills		1,400,000	1,951	259,500,000
i Hospitality	Urban ocean-view hotels, health tourism lodging	320,000	600	96,000,000
ii Commercial Mixed Use	Mix of retail, services, food and entertainment	300,000	1,000	53,000,000
iii Healthcare	Medical offices, other health related services	130,000	325	13,000,000
iv Residential	Lowrise multifamily, retirement housing	650,000	26	97,500,000
A3 Commercial Marina		305,000	867	67,500,000
i Marina	Small vessel marina with dry stack storage	25,000	50	3,500,000
ii Hospitality	Nautical tourism-oriented lodging	80,000	150	24,000,000
iii Commercial Mixed Use	Nautical tourism-oriented commercial and services	200,000	667	40,000,000
B Industrial Clusters		530,000	662	\$ 48,500,000
B1 Waterfront Industrial		230,000	275	19,000,000
i Industrial	Dry-dock for boat building and repairs	200,000	200	16,000,000
ii Office	Office space to support industrial tenants	30,000	75	3,000,000
B2 Fuel Terminal		50,000	50	4,000,000
8d Industrial	Fuel storage terminal and support spaces	50,000	50	4,000,000
B3 Light Industrial Support		240,000	325	23,500,000
i Office	Office space to support industrial tenants nearby	50,000	125	7,500,000
ii Industrial	Light industrial supporting larger industries nearby	190,000	200	16,000,000
B4 Water Treatment Plant		10,000	12	2,000,000
Infrastructure Support	Water treatment plant	10,000	12	2,000,000
2014 Rev. Main Developments	Main uses	Const. Area (sf)	Jobs	Const. Investment
C Green Belt		1,580,000	1,556	\$ 345,975,000
C1 Marsh Vista		315,000	210	63,900,000
i Golf	18-hole golf course	35,000	100	23,400,000
ii Residential	Single family detached, "eco-housing"	250,000	10	37,500,000
iii Commercial Mixed Use	Small retail, food and services helping neighborhood	30,000	100	3,000,000
C2 Punta Puerca		830,000	1,115	204,300,000
i Hospitality	Eco-lodging	560,000	1,050	168,000,000
ii Institutional	Visitors center, museum, sustainability research	50,000	50	3,500,000
iii Residential Villas	Eco-housing for vacationers or permanent residents	200,000	10	30,000,000
iv Transportation	Water taxi terminal	20,000	5	2,800,000
C3 Punta Medio Mundo		120,000	112	17,875,000
i Research	Environmental research facility	25,000	21	4,625,000
ii Hospitality	Off-the grid lodging	70,000	75	10,000,000
iii Office	Office space supporting research component	25,000	16	3,250,000
C4 Las Delicias Hills		285,000	113	55,900,000
i Residential	Golf-oriented housing clusters	250,000	25	32,500,000
ii Golf	18-hole golf course	35,000	88	23,400,000
C5 Ensenada Honda Lowlands		15,000	3	2,000,000
i Passive Recreation	Trails, boardwalks, parkland	15,000	3	2,000,000
ii Pier	Former USCG wharf reuse as commercial / tourism pier	20,000	20	1,600,000
C6 Gualdalcanal		15,000	3	2,000,000
i Passive Recreation	Trails, boardwalks, parkland	15,000	3	2,000,000
D Langley Drive Corridor		1,995,000	2,496	\$ 339,000,000
D1 Langley Urban Strip		1,895,000	2,246	324,000,000
i Commercial Mixed Use	Adaptive reuse of retail, institutional buildings	475,000	1,583	95,000,000
ii Residential	Lowrise multifamily, retirement housing	1,100,000	63	165,000,000
iii Hospitality	Former Navy Lodge reuse for business travelers	320,000	600	64,000,000
D2 South Princeton Hill		100,000	250	15,000,000
i Research / museum	R&D center or Museum facility	100,000	250	15,000,000

2014 Rev. Main Developments	Main uses	Const. Area (sf)	Jobs	Const. Investment
E Airside Commercial		1,475,000	1,588	\$ 129,500,000
E1 Airside Light Industrial Park		775,000	888	63,500,000
i Light Industrial	Aerospace / aviation oriented industries	700,000	700	56,000,000
ii Office	Administrative and support services for the airport	75,000	188	7,500,000
E2 Airside Institutional Cluster		700,000	700	66,000,000
i Institutional	Government and private institutions	500,000	500	40,000,000
ii Higher Education	Colleges and/or technical institutions	200,000	200	26,000,000
F Bundy Uplands		1,320,000	2,137	\$ 199,500,000
F1 Bundy Campus		650,000	1,517	83,000,000
i High-tech Industrial	High-tech production and R&D facilities	100,000	100	8,000,000
ii Conference Center	Corporate retreats and training facilities	500,000	1,250	65,000,000
iii Commercial Mixed Use	Small retail, food and services helping neighborhood	50,000	167	10,000,000
F2 Ocean Hills		670,000	620	116,500,000
i Hotels	Lodges and short-term rentals, business oriented	320,000	600	64,000,000
ii Residential	Sustainable, "treetop" residential clusters	350,000	20	52,500,000
G Capehart Coastal Lands		1,080,000	1,520	\$ 222,900,000
G1 Inland Capehart		630,000	1,497	110,400,000
i K/12 Education	Reuse of former schools for same purposes	80,000	80	10,400,000
ii Office	Office park for corporate headquarters	500,000	1,250	90,000,000
iii Commercial Mixed Use	Small retail, food and services helping neighborhood	50,000	167	10,000,000
G2 Cascajo Peninsula		450,000	23	112,500,000
i Residential	Waterfront residential	450,000	23	112,500,000
H Ceiba Ensanche		30,000	83	\$ 3,900,000
i Commercial Mixed Use	Small retail, food and services, Welcome Center	10,000	33	1,300,000
ii Office	Public agencies and private services	20,000	50	2,600,000
2014 Rev. Main Developments		12,665,000	20,116	\$ 2,379,775,000

1.3 The Opportunities. This RFQ offers the private sector unique opportunities and attractive incentives to participate in the redevelopment of all or a portion of the 3,000 acre redevelopment project at NSRR. Not only is the vast size and availability of land unusual, but so is the unparalleled access by sea and air, the year-round tropical climate, passport-free travel for United States citizens, and the wide ranging redevelopment opportunities.

1.3.1 Incentives. Puerto Rico Tourism Company and Puerto Rico Industrial Company tax incentives may apply, including those described in Act No. 73 (New Economic Incentives Act of Puerto Rico), attached as Exhibit F-2; Act No. 74 (Puerto Rico Tourism Development Act of 2010), attached as Exhibit F-3; Act No. 118, Act 20 and Act 22.

Act No. 118. Respondents may be interested in the incentive under Act No. 118 (Municipal Economic Development and Tourism Incentives Act) attached as Exhibit F-1. Act No. 118 offers preferential tax rates ranging from twenty-five percent (25%) to only eight percent (8%) of net gaming revenues to developers interested in constructing and operating a project that includes: (a) a world class hotel with a rating no less than four stars from the Mobil Star rating system recognized in the tourism industry; (b) commercial and recreation establishments; and (c) the necessary elements to comply with the definition of tourist facilities as stated in Act No. 118. The term of a Decree under Act No. 118 is thirty (30) years. The Decree can be renewed for two (2) additional ten (10) year periods if substantial renovation or expansion is undertaken.

Investment of Private Capital in the Project	Preferential Tax Rate
\$500,000,000 up to \$750,000,000	25%
\$750,000,000 up to \$1,000,000,000	15%
\$1,000,000,000 up to \$1,250,000,000	10%
\$1,250,000,000 or more	8%

A Selection Committee is responsible under Act No. 118 to administer and oversee its provisions. This Decree-awarding selection committee contains five (5) members (“Act No. 118 Selection Committee”). The Act No. 118 Selection Committee is chaired by the Commonwealth's Secretary of the Department of Economic and Commerce (who is also the chairman of the LRA). Members of the Act No. 118 Selection Committee include the Commonwealth's Secretary of the Treasury, Executive Director of the Tourism Company, the Commission of Municipal Affairs, and one member appointed by the Governor.

Respondents are encouraged to review Article 6 of Act No. 118 which describes the additional selection requirements imposed on those seeking a Decree.

Some respondents may be interested in reviewing the gaming feasibility analysis attached as Exhibit K.

The Export Services Act 20 (Act 20 of 2012) looks to establish and develop in Puerto Rico an international export services center. This act seeks to encourage local service providers to expand their services to persons outside of Puerto Rico, promote the development of new businesses in Puerto Rico and stimulate the inbound transfer of foreign service providers to Puerto Rico. The tax benefits are as follows:

- 4% corporate tax rate, which may be reduced to 3%
- 100% tax exemption on dividends or profit distributions from export services businesses
- 100% exemption on property taxes for certain export service businesses services
- Decree of 20 years, renewable for an additional 10 years, guaranteeing these rates

Almost all services provided for export are eligible including research and development, advertisement and public relations, consulting, investment banking, asset management and other financial services, and professional services such as legal, accounting, architectural and engineering services.

The Individual Investors Act 22 (Act 22 of 2012) seeks to attract new residents to Puerto Rico by providing a total exemption from Puerto Rico income taxes on all passive income realized or accrued after such individuals become bona fide residents of Puerto Rico. To qualify, the new resident must not have been a resident of Puerto Rico at any time from January 16, 1997 through January 16, 2012.

The Act provides the following benefits to new Puerto Rico bona-fide residents on qualified investments:

- 100% tax exemption from Puerto Rico income taxes on all dividends
- 100% tax exemption from Puerto Rico income taxes on all interest
- 100% tax exemption from Puerto Rico income taxes on all short-term, and long-term capital gains accrued after the individual becomes a bona- fide resident of Puerto Rico (“Puerto Rico Gain”).

For additional information regarding Tax Incentives in Puerto Rico visit www.businessinpuertorico.com .

1.3.2 Zones. Respondents should express their interest through an SOQ for all (several or one) of the following development zones, which are shown on Exhibit A-2 and further described in Part 2 and in the 2014 Development Zones Master Plan attached as Exhibit D-1.

Development Zones	
<p>A. “Forrestal Waterfront Urban Corridor”</p> <p>B. “Industrial Clusters”</p> <p>C. “Green Belt”</p> <p>D. “Langley Drive Commercial Corridor”</p> <p>E. “Airside Commercial Clusters”</p>	<p>F. “Bundy Uplands: Corporate Retreat and Learning Center”</p> <p>G. “Capehart Costal Lands”</p> <p>H. “Ceiba Gateway”</p> <p>I. “Highway Portal”</p>

1.4 The Role of Key Parties.

1.4.1 The Local Redevelopment Authority for Naval Station Roosevelt Roads.

The Roosevelt Roads Naval Base Lands and Facilities Redevelopment Authority Act, otherwise known as “Law No. 508,” was enacted on September 29, 2004 and establishes the powers, duties, and responsibilities of the LRA. On August 30, 2006, the Office of Economic Adjustment of the Department of Defense recognized the LRA, as the local redevelopment authority for purposes of implementing the local redevelopment plan at NSRR.

1.4.1.1 The LRA is a public corporation and government instrumentality of the Commonwealth. The LRA is governed by a nine (9) member Board of Directors (“LRA Board”). The President of the LRA is the Commonwealth's Secretary of Economic Development and Commerce. Other LRA Board members include representatives designated by the President of the Senate, the Speaker of the House, the Governor, and mayors of the communities surrounding NSRR.

1.4.1.2 Law No. 508 authorizes the LRA to, among other items, have full dominion over its properties; negotiate and grant any contracts, leases, or other agreements necessary or convenient to exercise the LRA's powers and authorities; design, construct, or modify any facility that the LRA considers necessary or convenient; acquire and dispose of property (with the consent of the Legislative Assembly for any sales); and issue bonds.

1.4.1.3 The LRA and the Navy executed that certain *Economic Development Conveyance Memorandum of Agreement between the United States of America Acting by and through the Department of the Navy and the Local Redevelopment Authority for Naval Station Roosevelt Roads* dated December 20, 2011 and Amendment No. 1 dated December 11, 2012 (as amended, the “EDC Agreement”) to set forth the terms and conditions of the transfer of land at NSRR to the LRA. Pursuant to the EDC Agreement, the LRA and Navy have executed numerous deeds, bills of sale, easements, and that certain *Lease in Furtherance of Conveyance between the United States of America and Local Redevelopment Authority for Naval Station Roosevelt Roads at the Former Naval Station Roosevelt Roads, Puerto Rico* dated January 25, 2012, as amended on March 20, 2013 and May 6, 2013 (as amended, the “LIFOC” - Lease in Furtherance of Conveyance).

1.4.1.4 Law No. 508 created the LRA for an initial term of ten (10) years and required the LRA to submit a report to the Governor and Legislative Assembly recommending whether it is necessary to extend the LRA's term. The LRA has issued such report and expects that Law No. 508 will be amended to extend the LRA's lifespan through 2045. In the very unlikely event that legislation extending the LRA's term is not enacted, the Commonwealth through the Department of Economic Development and Commerce, would assume the role of the LRA for the duration of the development.

1.4.1.5 The LRA identified the visions for the redevelopment of NSRR and is issuing this RFQ to seek feedback from the private sector and commence the

redevelopment of NSRR. A subcommittee of the LRA Board may select one or more developer(s) to proceed with the procurement process, as outlined below.

1.4.2 The Navy. After executing the EDC Agreement with the LRA, the Navy transferred land, personal property, and utilities at NSRR to the LRA. The Navy currently retains ownership to the land leased to the LRA under the LIFO to perform environmental remediation on such parcels, as described below. As the environmental remediation is completed, the Navy is obligated to transfer such remaining land to the LRA by deed.

1.4.3 The Selected Developer(s). The selected developer(s) will be responsible for designing, building, operating, maintaining, and financing the development for the selected zones. The selected developer(s) will also be responsible for horizontal development, including utilities, roads, and other improvements. Additional expectations for the selected developer(s) include:

- Obtaining all requisite regulatory and governmental approvals to enable the redevelopment of the Property;
- Acquiring leasehold, fee-simple or other appropriate interests in the Property according to agreements between the LRA and the selected developer(s) and adhering to the performance schedules contained therein related to the long-term development, financing and management of the Property;
- Coordinating development activities for site-specific developments and/or development of existing uses described in the development agreement(s);
- Securing financing for construction of necessary buildings, land improvements and infrastructure (Note: the Commonwealth will not provide any funding to the selected developer(s));
- If necessary and as agreed to by the LRA, expedite the Navy's clean-up process by participating in the financing and/or managing of hazardous materials remediation as part of the development process;
- Comply with all applicable laws and regulations; and
- Work with the communities surrounding NSRR and other existing tenants at NSRR in implementing development in furtherance of the LRA's goals as set forth in this RFQ.

1.5 Federal Property Transfer Process. Pursuant to the processes outlined in the Base Closure Act and its implementing regulations, the LRA received the Property from the Navy as an economic development conveyance ("EDC"), subject to the terms and conditions set forth in the EDC Agreement.

1.6 The Property. The NSRR property is truly a unique and rare resource, having been isolated from normal development trends since the early part of the last century and situated at the foothills of El Yunque National Rainforest – one of the world's greatest natural wonders. The property represents an interesting mix of natural ecological areas (approximately

3,340 acres of which are already under the care of the Conservation Trust), physical infrastructure, a major airfield with an 11,000 foot runway (already under the care of the Puerto Rico Ports Authority and not included in this RFQ), and waterfront development areas (providing distinctive development potentials). The LRA controls approximately 3,400 acres at NSRR and is seeking to redevelop this property (the “Property,” as shown on Exhibit A-1) in accordance with the uses outlined in this RFQ.

1.6.1 Parcels 1, 2, and 3. For purposes of negotiating with the Navy, the Property was divided into three parcels, as shown on Exhibit A-1. The LRA owns approximately 2,039 acres in Parcels 1 and 2 and approximately 1,370 acres in Parcel 3. In addition, the LRA leases from the Navy approximately 122 acres in Parcel 1 and approximately 356 acres in Parcel 3. The leased property will be conveyed to the LRA as the environmental remediation is completed, as described below. Now that the LRA owns approximately 3,400 acres, they are considered as the “Property” under this RFQ, and references to Parcels 1, 2, and 3 are no longer significant, but are useful for purposes of reviewing due diligence materials.

1.6.2 Property History. NSRR, including the Property, has been used as a military installation since its acquisition and development by the Navy in the 1940s until its closure on March 31, 2004.

1.6.2.1 Prior to acquisition by the Navy, the Navy environmental reports identify that NSRR was previously used for sugar cane cultivation and cattle grazing, with no significant industrial facilities or environmental concerns being identified with respect to activities conducted on the former NSRR prior to Navy ownership.

1.6.2.2 Pursuant to Section 8132 of the Department of Defense Appropriations Act for Fiscal Year 2004 (Public Act No. 108-87), the Navy was directed to close NSRR pursuant to the procedures and authorities contained in the Defense Base Closure and Realignment Act of 1990, as amended (title XXIX of Public Law No. 101-510, 10 U.S.C. § 2687 note) (the “Base Closure Act”). The Navy closed NSRR on March 31, 2004, and all industrial and commercial operations on the former NSRR with a significant potential for environmental contamination were ceased.

1.6.2.3 In December 2004, the LRA prepared an initial reuse plan for the Property, which is attached for reference only as Exhibit D-3. Subsequently, in April 2010, the LRA presented an update to the 2004 plan to reflect market changes and economic development enhancements. This Reuse Plan Addendum is attached here for reference only as Exhibit D-2. In 2014, the LRA published a 2014 Development Zones Master Plan for Roosevelt Roads, attached here as Exhibit D-1, which further describes the development zones and many of the redevelopment goals of the LRA which are summarized in this RFQ. This 2014 Development Zones Master Plan complements the 2014 Special Plan published by the Puerto Rico Planning Board, attached here as Exhibit H-1, which supersedes the 2011 Zoning Master Plan, attached here as Exhibit H-2, for reference only.

1.6.2.4 Since the 2004 closure, the Navy has transferred land at NSRR to the LRA for economic development purposes, the Puerto Rico Ports Authority for airport purposes, the Commonwealth's Department of Natural and Environmental Resources for conservation purposes, the Municipality of Ceiba for municipality purposes, and to a non-profit entity for use as a hospital.

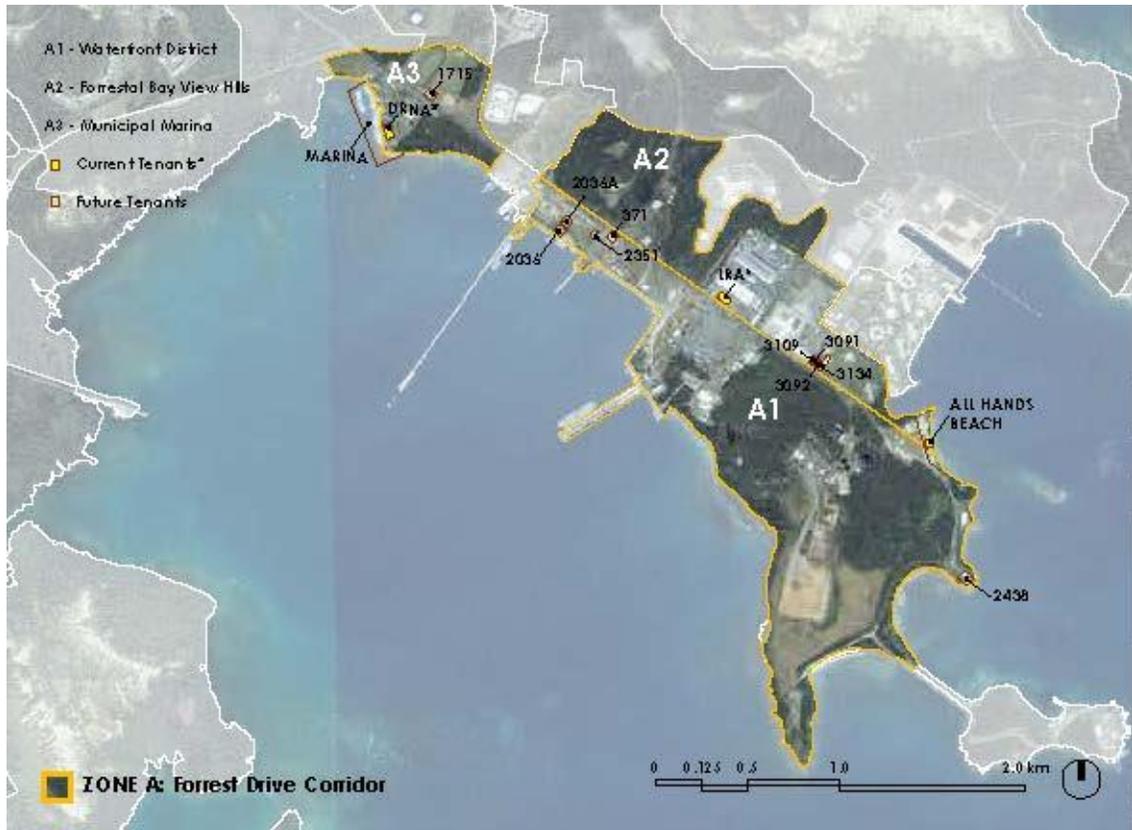
1.6.2.5 The Navy still owns the portion of NSRR for which it is performing environmental remediation, and this property is being leased to the LRA pursuant to the LIFOC. This property will be available for redevelopment once the remediation work has been completed. Please refer to Exhibits G-1, G-2 and G-3 for environmental documentation regarding remediation work and schedule. In addition, there are other federal owners (the US Army Reserve, Puerto Rico National Guard, and Department of Homeland Security) of property at NSRR. Federal property is not available for redevelopment. See figure below with location of federal properties.



1.6.2.6 Since acquiring ownership of the Property, the LRA has entered in short-term lease agreements for 5 years or less, for certain portions of the Property to various interim users who are using the Property. The Department of Natural Resources currently occupies a portion of building 2334 for office uses; the Municipality of Ceiba currently manages All Hands Beach and is under negotiation to occupy the remaining portion of building 2334 and the marina. Such leases were entered to enable immediate job creation and reuse of the Property, or to enable the LRA to receive in-kind consideration from other governmental

agencies, while the LRA engaged in this procurement process. The LRA is in the process of negotiating an additional eight (8) short-term leases for small businesses including eco-tourism companies offering hiking, bike and boat tours, bird watching excursions, snorkeling, diving and equipment rental, kayaking and other water sports, as well as small food vendors.

These are all short-term leases of up to 5 years. If the selected Respondent(s) determines that the location of these tenants will impede the development contemplated by this RFQ, the selected Respondent(s) may relocate tenants at the Respondent(s)' cost and/or not renew the leases. See image below for current and potential future tenant location.



Long-term agreement projects which are currently under the planning and/or negotiating phase are:

- CROEC - The existing elementary school will become the Residential Center of Educative Opportunities of Ceiba ("C.R.O.E.C."). CROEC will be a magnet secondary High School specialized in math, science and technology. The program includes room and board for students. It will be operated by the Puerto Rico Department of Education and sponsored by the Governor of Puerto Rico.
- Puerto Rico National Youth Challenge School - The existing high school will become the Puerto Rico National Youth Challenge School, sponsored by the Puerto Rico National Guard. The NG Youth Challenge School targets disadvantaged youth and high school

dropouts. The program includes room and board for students. Expected lease term: 25 years.

- Shipyard - The LRA has entered into an exclusive negotiating agreement with Astivenca, a shipyard company from Venezuela who is currently evaluating the feasibility of establishing a shipyard operation on the existing drydock area at FNSRR. Their one year exclusive negotiating agreement is due on March 2015. At this time, a long term-lease agreement would be executed with the LRA. Expected lease term: 20 years with option to renew for 10 additional years.
- Tank Farm - The LRA published an RFP for Leasehold Improvement and Commercialization of the Fueling Pier and Tank Farm at the FNSRR by means of a lease agreement. Proposals will be received on July 8th, 2014. An Agreement is expected to be executed by December 2014. Expected lease term: 20 years

1.6.3 Environmental Remediation of Leased Property. The Navy is performing environmental remediation on the approximately 478 acres leased to the LRA pursuant to the LIFOC.

1.6.3.1 The Navy provided clean-up schedules, which were attached to the EDC Agreement, are attached as Exhibit G-1, and a map showing the locations of the solid waste management units (“SWMUs”) is attached as Exhibit G-2. Such schedules also include the Navy's estimated cost to complete clean-up on each of the SWMUs. The EDC Agreement provides that at any time, the Navy and the LRA may enter into early transfer negotiations for the conveyance of any leased parcel or sub-parcel by means of a covenant deferral pursuant to Section 120(h)(3)(C) of the Comprehensive Environmental Response, Compensation and Liability Act (“CERCLA”). In such event, the LRA and Navy would negotiate a mutually acceptable environmental services cooperative agreement. The LRA would entertain requesting that the Navy engage in such negotiations if the selected developer(s) identified a need for an early transfer and provided a plan for the environmental remediation of such property.

1.6.3.2 The environmental reports provided by the Navy to the LRA are attached as Exhibit G-3. The environmental reports also describe the environmental remediation occurring at NSRR.

1.6.3.3 Uses on the portions of the Property subject to the LIFOC may be limited, as set forth in the LIFOC, until such time as the environmental remediation is completed.

1.6.4 Surrounding Communities. The Property is adjoined by the communities of Ceiba and Naguabo. Nearby islands are Vieques and Culebra. It is important to the LRA that these communities are regularly briefed by the selected developer(s) and are involved in the redevelopment of the Property.

1.6.5 Infrastructure and Utilities. The LRA currently owns all of the infrastructure and utility systems at the NSRR. The military based design was capable of supplying all the base operation demands of residents, including: schools, office buildings, shops, commercial areas, hospital, tank farm, piers, recycling plants, landfill and a shipyard, among others.

The main utilities are comprised of the electrical power and water/wastewater systems. The electrical power infrastructure including substations, transformers, electrical lines and rights of usage are property of the LRA but are currently being used by the Puerto Rico Electrical Power Authority (PREPA) to provide power to the NSRR. The principal substation is connected to a PREPA substation in Daguao via a 38 kv line which provides an electrical capacity of approximately 38,250 kva.

The water utility system is owned and operated by the LRA. It consists of a water treatment plant (WTP), booster pump stations, and water storage tanks that serve the entire base. The WTP has a design capacity of 4 MGD with a raw reservoir of 43.6 M gals and 3 water storage tanks of 2.25M gals. The wastewater utility system consist of pump stations, force main, gravity pipe lines and three secondary wastewater treatment plants (WWTP): Bundy, Capehart and Forrestal, with a design capacity of 655,000, 466,000 and 998,000 GPD respectively. This system is not in operation but it could be refurbished for reuse. Although the LRA is planning to transfer all infrastructure and utility systems to the corresponding public utility company, the LRA may consider the option of an agreement with the selected Master Developer to act as the utility operator. For reference only, respondents should familiarize themselves with the Infrastructure Master Plan attached as Exhibit I-1 and the Infrastructure Guidelines attached as Exhibit I-2.

1.6.6 Zoning. The 2014 Special Plan published by the Puerto Rico Planning Board is attached here as Exhibit H-1.

1.6.7 Buildings. A map showing the location of and information regarding all buildings on the Property is attached as Exhibit A-2. An existing buildings assessment report is attached as Exhibit E. Existing buildings will be included in any lease or conveyance for the zone in an “as is, where is” condition.

1.7 The Developer(s) Selection Process. The selection process for the Master Developer(s) will require a second phase RFP response. These processes are further described in Part 2.

1.8 Bidder Registration Form. Interested bidders must submit the Bidder Registration Form attached hereto as Exhibit-B to the LRA by e-mail at Iramasterdeveloper@lra.pr.gov no later than Wednesday, July 16 2014 at 3:00 PM AST.

1.9 Optional Pre-Submittal Meeting and Property Tour. The LRA will host an optional pre-submittal meeting and Property tour on Thursday, July 17, 2014 at [10:00 AM AST] at Building 1205 at NSRR. Only those bidders who submitted the bidder registration form

prior to Wednesday, July 16 2014 at 3:00 PM AST, may attend. During such visit, the LRA will provide an overview of this RFQ, provide a tour of the Property, and answer any questions. Any handouts and written responses to questions (which are the only binding responses) will be posted on www.rooseveltroads.pr.gov following the meeting. This optional pre-submittal meeting and Property tour will be the only opportunity for respondents to view the Property guided by LRA representatives, prior to submission of SOQs and Proposals. Respondents may visit the property accessible to the public during normal access hours 6:00am-6:00pm without the presence of an LRA representative.

1.10 Additional Information. All exhibits, additional information, and any questions/answers received on this RFQ will be posted on the LRA's website at www.rooseveltroads.pr.gov on the RFQ section. Questions can be submitted via e-mail only to lramasterdeveloper@lra.pr.gov; no telephone inquiries will be accepted. All information posted on www.rooseveltroads.pr.gov on the RFQ section of the LRA website, is deemed incorporated into this RFQ.

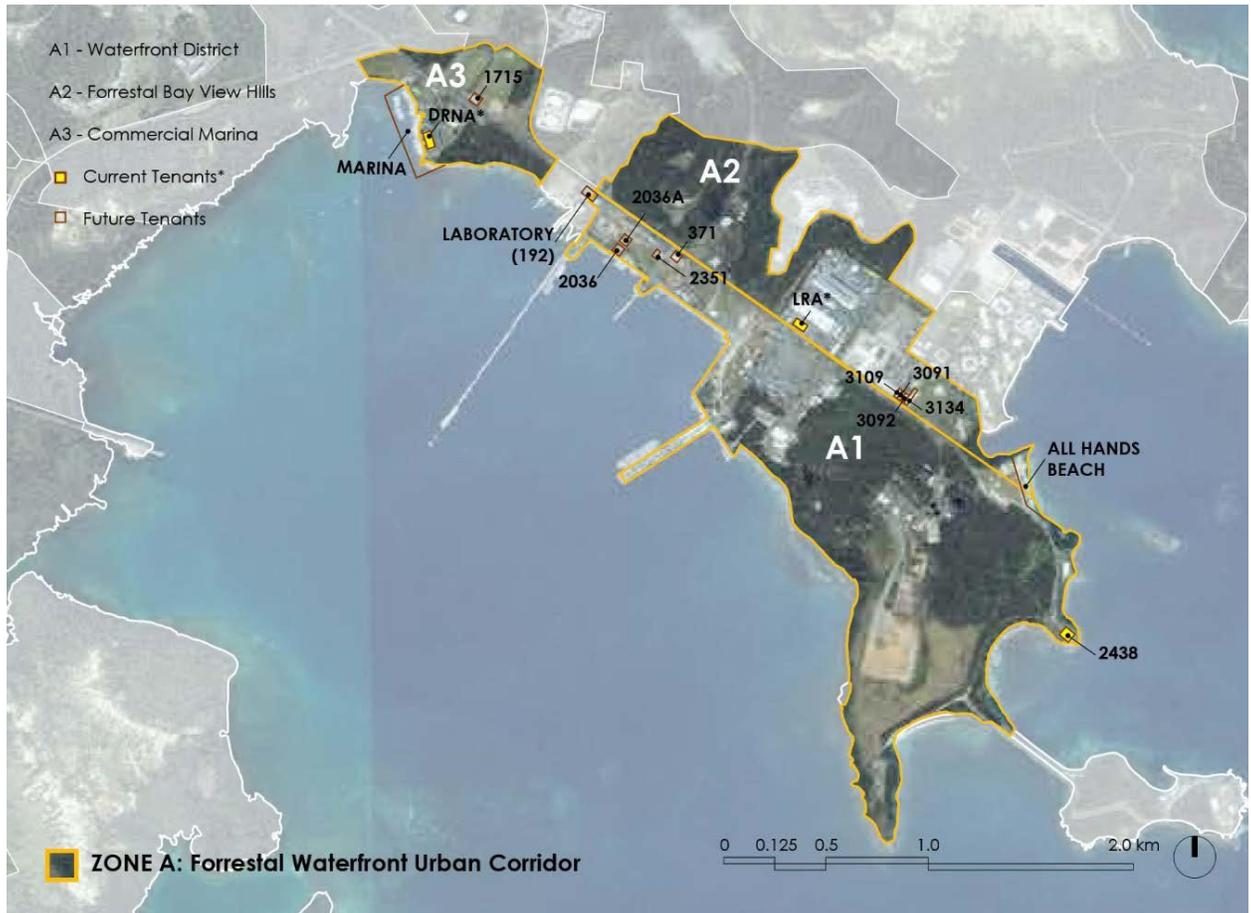
2. Request for Qualifications Opportunities: Redevelopment of Zones

2.1 Description of Zones. Descriptions of the zones are as follows:



As mentioned in section 1.3.2, Respondents should express their interest through an SOQ for all (several or one) of the following development zones, which are shown on the figure above and described below, and further detailed in the 2014 Development Zones Master Plan attached as Exhibit D-1.

2.1.1 **Zone A: “Forrestal Waterfront Urban Corridor”**. Approximate area: 466-acres. A long, waterfront corridor divided in its long (east-west) side by the Forrestal Drive arterial road, the Forrestal Waterfront Urban Corridor faces Roosevelt Roads’ three main piers and Ensenada Honda. The Roosevelt Roads redevelopment initiative has centered in the densification of this flat, waterfront area. This zone is the ideal location for the master plan’s waterfront destination anchor and supporting, high-density mixed uses.

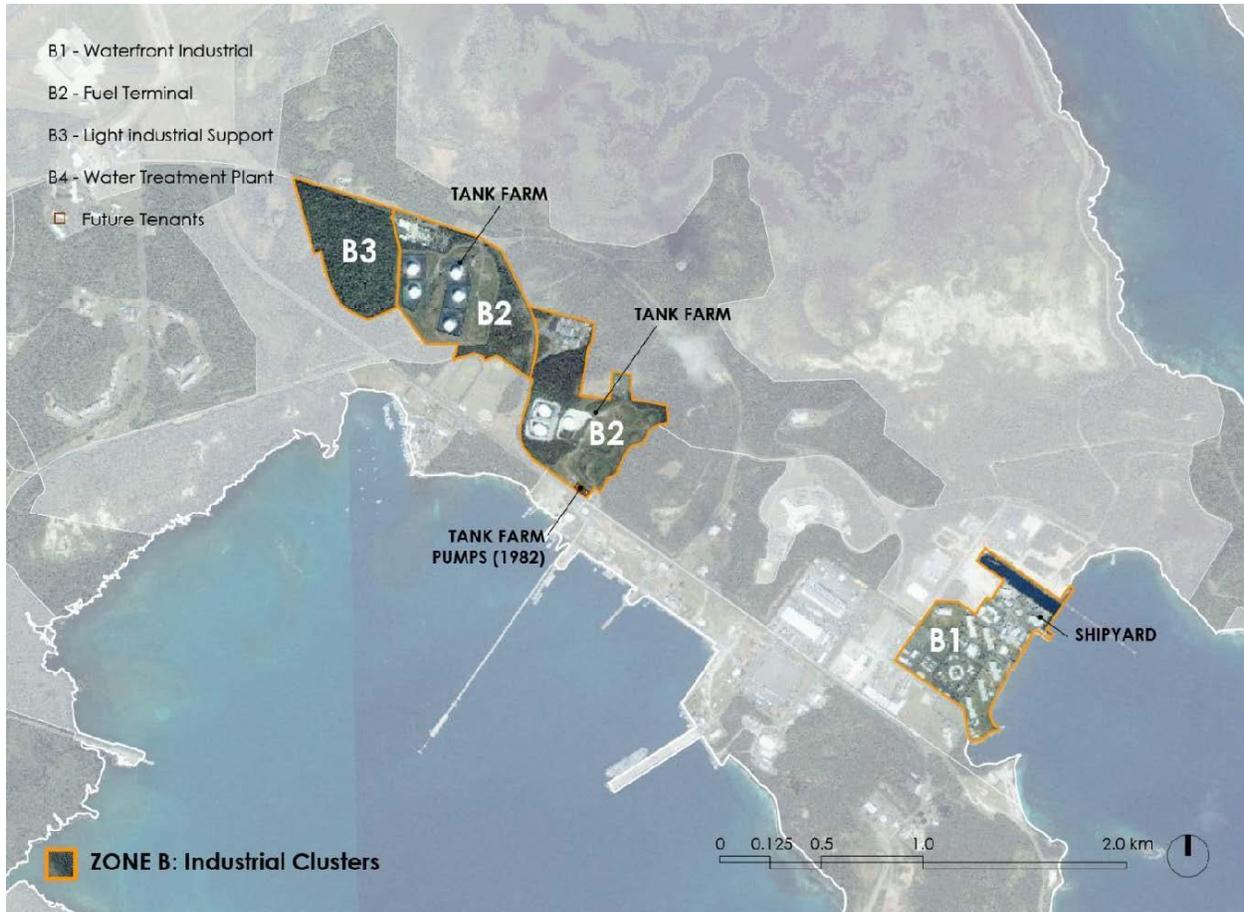


This zone offers a prime waterfront location with a mixed-use, high density development framework. Forrestal Dr. –Roosevelt Roads’ most important arterial- dissects the zone from northwest to southeast. Among the specific features of this zone are:

- Premier waterfront location (approx. 5,800 linear feet of piers and 15,600 of water frontage)
- Mostly flat terrain
- “All-Hands” public beach
- Portions located in south-facing hills with excellent views of Ensenada Honda bay
- The RR Hospital (not part of this plan) is adjacent to this zone
- Subzone 1 includes a rural parcel (the former, capped landfill) that could be dedicated to golf and/or civic gardens
- The Commercial Marina, with more than 70 slips is located in this zone.

2.1.2 **Zone B: “Industrial Clusters”**. Approximate area: 178-acres. The Industrial Clusters are a series of four separate parcels that share their zoning as industrial lands. These parcels were used for industrial purposes when Roosevelt Roads was used as a military naval station. The 2014 Zoning Special Plan and/or Reuse Plan promotes naval or marine-related industrial uses for subzone B1; heavy-industrial uses exclusively related to fuel storage terminal products for subzone B2; and light industrial uses compatible with the fuel terminal for subzone B3. Subzone B4 is reserved for a potable water treatment facility.

Overall, Zone B contains ideal industrial lands with the great characteristic of having direct access to deep-draft ports and to an important airport.



Among the specific features of this zone are:

- Flat, waterfront property with access to a dry slip and 45 feet-deep port.
- Fuel terminal with over 34,000,000 gallon storing capacity and 40 feet deep fueling pier.
- Potable water filtration facility with large reservoir.
- Additional industrial-zoned lands available for select light and/or heavy industrial uses.
- Favorable locations, with buffer distance from residential and other sensitive uses.

2.1.3 Zone C: “Green Belt”. Approximate area: 888-acres. The Green Belt groups six separate parcels that share a common characteristic of being rural and adjacent to sensitive lands. Uses in these parcels require approval of a special government committee and must adhere to low-density, sustainability planning and design standards. These areas enjoy enviable ocean vistas and accept various types of low-impact developments.

The rural settings that these six parcels share provide ideal settings for upscale projects that use nature and sustainability as their main selling point.



Among the specific features of this zone are:

- Ocean views
- Immediacy to protected natural settings ideal for nature trails, golf amenities, ecotourism services and similar uses
- Access to the sea shore from subzones 2,3 and 5
- Elevated, oceanfront parcels in subzones 2 and 3
- Natural settings ideal for “green” developments
- Possibility of uses including eco-oriented hotels, golf, sport fields, residential, corporate retreats, R&D centers, etc.

2.1.4 Zone D: “Langley Drive Commercial Corridor”. Approximate area: 260-acres . The Langley Drive Commercial Corridor runs parallel to the Langley Dr. arterial. This strip of land presents important opportunities as a location for “town center” type of programs such as service offices, places of worship, retail, food service, business lodging and other urban amenities. The area includes higher land appropriate for suburban residential and related uses. The existing buildings and former uses within this zone make this area an ideal setting for a “town center”.



Among the specific features of this zone are:

- Existing commercial buildings including free standing, big box retail, places of worship, and gas station
- Existing residential buildings include detached housing and apartments appropriate as rental properties
- This zone is the gateway to Capehart, bringing additional traffic to its businesses
- Gently sloped terrain elevated away from the flood plain.

2.1.5 Zone E: “Airside Commercial Clusters”. Approximate area: 368-acres
Leveraging on the adjacent Ceiba Airport, the Airside Commercial Clusters are planned for light industrial (manufacturing/distribution), aerospace and institutional uses. This flat terrain is accessed from the North via Tarawa Drive and from the South from Langley Drive.

This zone is located adjacent to the Ceiba Airport. This location presents development opportunities for projects related to the aerospace industry or airside manufacturing/distribution opportunities.



Among the specific features of this zone are:

- Direct access to the Ceiba Airport’s 11,000 feet runway and hangars
- Appropriate location for educational or institutional cluster and light industrial airside manufacturing and/or distribution
- Flat terrain with little or no contamination

2.1.6 Zone F: “Bundy Uplands: Corporate Retreat and Learning Center”. Approximate area: 372-acres. The Bundy Uplands: Corporate Retreat and Learning Center is a large zone within Roosevelt Roads elevated from sea level and distant from the large urban corridors of Langley and Forrestal Drives. The zone is subdivided into inland uplands and coastal mountainside parcels.

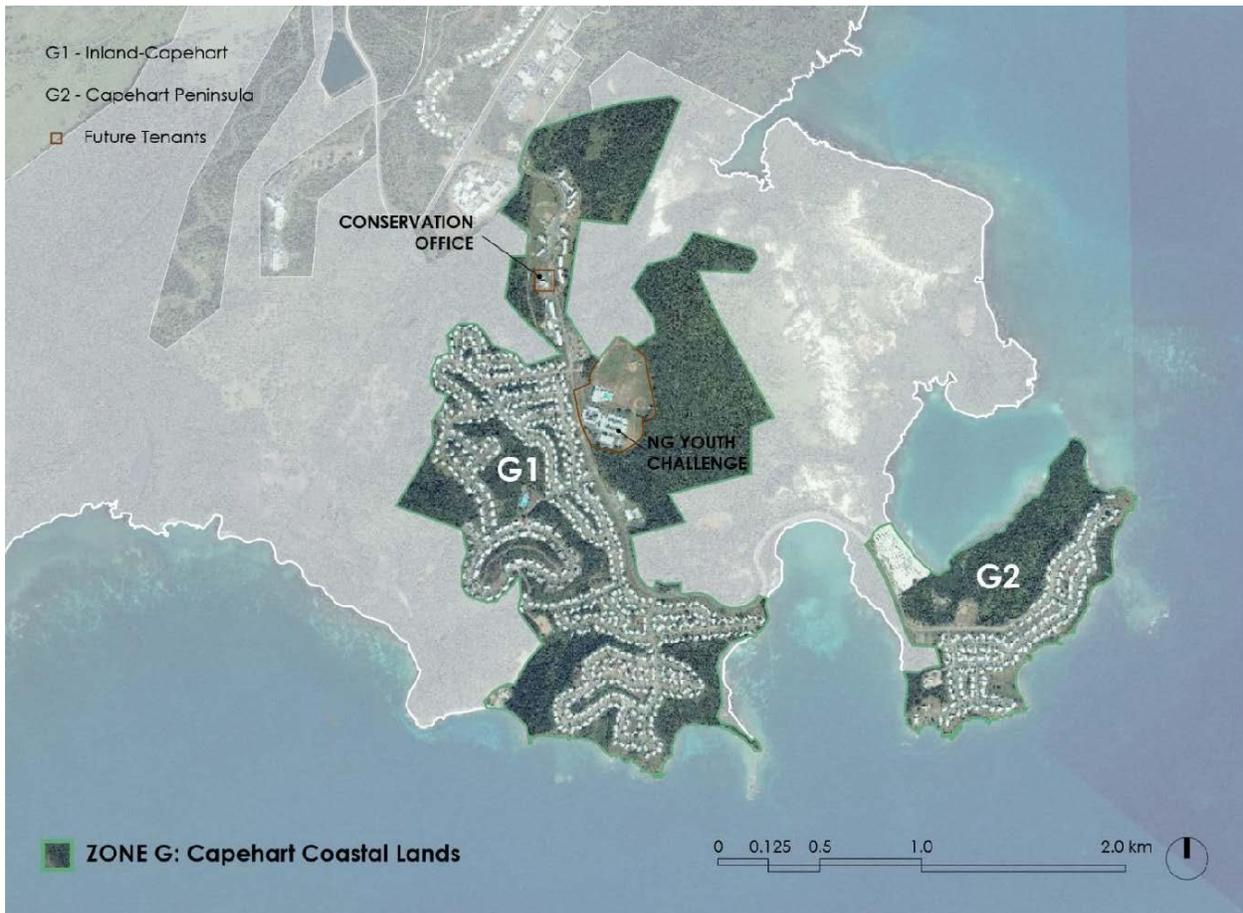
The “detached” nature of this site, together with the lush vegetation surrounding it makes this zone a very distinct area within Roosevelt Roads.



Among the specific features of this zone are:

- Sloped site with rural setting
- Coastal hills enjoy superb views of the ocean “down below”
- Privileged rustic location prime for corporate retreats, conference centers, or large R&D campus
- Very close to the former Gate 3 and Highway PR-53
- Rural access to the adjacent Algodones Bay in Naguabo.

2.1.7 Zone G: “Capehart Coastal Lands”. Approximate area: 500-acres. The Capehart Coastal Lands comprise the former single family residential clusters within Roosevelt Roads. These two subzones (inland and peninsula) share its access via FDR Drive, which connects to Langley Drive. The zone is appropriate for large and medium scale corporate offices, multifamily and single family residential and tourist-oriented developments that leverage on the existing beach, the gorgeous ocean views, proximity to schools and limited traffic.



Capehart is a coveted piece of land given its oceanfront location, existing beach and high, dry terrain. Among the specific features of this zone are:

- The “Playa Blanca” public beach is located between the two subzones.
- High, dry peninsula with over 11,000 linear feet of water frontage.
- Two schools fall within this zone.
- Limited traffic due to the fact that FDR Road is a dead-end roadway.

2.1.8 **Zone H: “Ceiba Gateway”**. Approximate area: 75-acres. An obvious urban growth area for the municipality of Ceiba, the Ceiba Gateway zone is planned as an urban expansion district. The planned uses for this zone include public beach, a northern gateway facility for the Roosevelt Roads redevelopment, commercial and recreational spaces, among others.



Among the specific features of this zone are:

- Flat terrain
- Direct access to the Ceiba urban center
- Walking distance for Ceiba residents
- Gateway characteristics given it was the site of “Gate 1” of the former Naval Station

2.1.9 Zone I: “Highway Portal”. Approximate area: 306-acres. The Highway Portal acts as the “southern gateway” to Roosevelt Roads and is the fastest way to enter the former Naval Base from Highway PR-53. This zone comprises two subzones, the highway portal and the lowlands.



Among the specific features of this zone are:

- Closest parcel to Highway PR-53
- Adjacent to the airport runway
- Possibility of incorporating active and passive sports and recreational uses, including sports academies.
- Lowlands with conservation value

2.2 Requirements for SOQs.

2.2.1 Cover Transmittal Letter. Respondents should submit a signed cover letter which acknowledges that the respondent has received, examined, and is familiar with the RFQ, including all exhibits and information posted on www.rooseveltroads.pr.gov. The cover letter must identify which zone(s) the Zone Respondent is proposing to develop and should provide an executive summary of the SOQ. The cover letter should be signed by a person that has full authority to bind the Zone Respondent to the SOQ and to all terms and conditions of the RFQ (if multiple team members are included in the SOQ, an authorized representative from each team member may sign the same cover letter or submit separate cover letters containing these representations).

2.2.2 Presentation of Qualifications. Each SOQ should address the following items, in the order listed below:

2.2.2.1 Part 1: Qualifications and Past Performance. Information should be provided that will enable the LRA to evaluate the Respondent's qualifications and past performance. At a minimum, the following items should be addressed in this section of the SOQ and apply to both the primary Zone Respondent and any identified team members:

2.2.2.1.1 A description of the Respondent's organizational history and background.

2.2.2.1.2 A description of the role to be played and qualifications of key personnel and any team members. In an appendix, attach biographies of key personnel and an organizational chart if more than one entity is involved in the SOQ.

2.2.2.1.3 A summary of the Respondent's experience in managing large, complex projects of a similar nature to the zone(s) for which interest is being expressed. To the extent possible, the narrative should specifically describe how the Respondent's experience demonstrates that it has the skills and experience necessary as a team to develop the identified zone(s) at NSRR.

2.2.2.1.4 Although the evaluation will be performed for the team, identify up to three examples of projects completed within the last fifteen (15) years that demonstrate relevant experience for each team member. In particular, any projects that were public-private partnerships, located on former military bases or federally owned properties, that entailed redevelopment of a similar scale/nature as the zone for which the respondent is expressing an interest, or required the respondent to finance, design, construct, operate and maintain the project should be described. For each example provided, identify (i) the role the team member played in the project, (ii) the period of performance, and (iii) contact information for the client's contracting officer or similar supervising party for the project.

2.2.2.2 Part 2: Financial Capability. Information should be provided that will enable the LRA to preliminarily determine whether the Zone Respondent will have the ability to finance the proposed redevelopment. Respondents may receive a stronger evaluation depending upon the level of detail and commitment relative to the project financing. At a minimum, the following items should be addressed in this section of the SOQ:

2.2.2.2.1 Provide a general overview of the Respondent's financial stability.

2.2.2.2.2 Provide a description of the Respondent's strategy for financing the redevelopment of the zone(s) for which interest is expressed. If applicable, describe any constraints or parameters tied to your capital funds, if any (i.e., maximum period of time for investment, restrictions as to type of projects that can be funded).

2.2.2.2.3 In an appendix, attach the Respondent's audited financial statements from the previous three (3) years showing the Respondent's net worth and current financial status, including all statements of changes in financial position and identifying any projects with negative cash flows, amount of the Respondent's non-recourse debt, and any non-performing loans. In the event funds are to be borrowed to finance any portion of the total investment made by the Zone Respondent, include a letter of interest from a bank or other lending institution.

2.2.2.2.4 Identify up to three (3) examples of projects completed within the last fifteen (15) years that demonstrate the Respondent's ability to secure financing to implement projects of similar size and scope. For each example, identify (i) the size and/or scope of the project, (ii) the role the Zone Respondent played in the project, (iii) brief description of such projects and their financing structure, (iv) the period of performance, and (v) the contact information for the client's contracting officer or similar supervising party for the project. Also identify any "failed" projects within the last ten (10) years.

2.2.2.2.5 Provide the contact information for up to three (3) banking/investment references that have provided the Zone Respondent with financing of a magnitude similar to what is required for the redevelopment of the zone(s) for which interest is expressed.

2.2.2.3 Part 3: Preliminary Development Concept. Each SOQ must include a description of the Respondent's proposed preliminary development concept for the zone(s) for which interest is expressed. The purpose of the preliminary development concept at this RFQ phase is merely to allow the LRA to determine: (i) whether the respondent understands the technical and regulatory issues and other development considerations outlined in this RFQ; (ii) whether the proposed preliminary development concept is consistent with the nature of the development opportunity; and (iii) to help the LRA determine whether it is best to select one or multiple developers to complete the redevelopment of the various zones. At a minimum, the following items should be addressed in this section of the SOQ:

2.2.2.3.1 Provide a narrative description of your preliminary development concept for each zone in which interest is expressed. Such description should include a land use diagram that describes the proposed locations of the uses contemplated under the Respondent's preliminary development concept and estimates the number of square feet to be dedicated to such uses. (Limited conceptual illustrations may be included, but should not be emphasized.)

2.2.2.3.2 Provide a tentative redevelopment schedule and identify any conditions that must be satisfied prior to commencing the redevelopment of the zone(s) for which interest is expressed. In addition, identify a proposed phasing plan, including any milestones both within and outside of the zone(s) for which interest is expressed.

2.3 Deadline for SOQs. All SOQs must be received by the LRA prior to 3:00 PM AST on [Thursday, August 07, 2014]. All SOQs must contain one (1) signed original, seven (7) copies, and one (1) electronic copy on CD-ROM. The materials shall be submitted in sealed packages and addressed to: Malu Blázquez, Executive Director, Local Redevelopment Authority for Naval Station Roosevelt Roads, Fomento Industrial Building, #355 Roosevelt Ave. Suite 106, Hato Rey, PR 00918. The sealed package should be labeled with the respondent's name, address, and contact person, and will be time-stamped upon receipt. Electronic, telegraphic and facsimile offers and modifications will not be considered without express prior written authorization. Any SOQ received after the time and date specified above may be rejected and may be returned to the sender unopened.

2.4 Page Limitations. While there is no page limitation for the SOQs, Respondents are *strongly* encouraged to be concise in their responses.

2.5 Evaluation Factors. Respondents will be evaluated during the RFQ stage based upon the evaluation factors listed below. The evaluation factors are listed in descending order of importance with the first having the most weight and with each of the following evaluation factors having equal or lesser weight than the one preceding it.

Factor 1	Qualifications and Past Performance	40%
Factor 2	Financial Capability	40%
Factor 3	Preliminary Development Concept	20%

2.6 Oral Presentations. The LRA, at its sole discretion, may require all or a short-listed group of the Respondents to participate in oral presentations. Details regarding the date, format, and other logistics for oral presentations will be provided to Respondents at a later date.

2.7 Developer(s) Selection Process. A phased process has been established by the LRA for selecting the developer(s) for the zones.

2.7.1 Phase 1 involves this RFQ. The intent of this phase is to identify candidates who have the proven capacity, track record, and interest to develop the Property.

The intent of this first phase is to obtain substantiated evidence of performance capacity and the capability to complete an undertaking of this magnitude, along with verification of prior or present involvement in projects similar to the redevelopment of NSRR. Phase 1 will also enable the LRA to better understand the interest in the private sector and determine whether the redevelopment will best be handled by one developer (responsible for all zones), or more than one developer. Prequalified respondents will be identified in this phase and invited to participate in Phase 2.

2.7.2 Phase 2, the Request for Proposals (“RFP”) stage, will require the preparation and submission of detailed project and participant information that will provide a sufficient basis for the LRA to assess the responsiveness to the RFP, adherence to the LRA's vision for redevelopment of the Property, market feasibility, innovative ideas, strength of community benefits, timing for redevelopment, number of jobs created, and strength of the financial response. Prequalified respondents who intend to submit proposals during Phase 2 will be required to present their qualifications and redevelopment concepts to the LRA and possibly at a public meeting prior to final selection. At the completion of Phase 2, the LRA will select one or more developers.

2.8 Developer(s) Selection Timeline. The LRA's expected timeline for selection of the developer(s) is set forth in the tables below. Please note that the activities and timetable are only a guide and are subject to change at the LRA's sole discretion.

Phase 1 for Master Developer	
• Issuance of the RFQ	[June 30, 2014]
• Deadline for Submission of Bidder Registration Form	[July 16, 2014 at 3:00 PM AST] by email to: lramasterdeveloper@lra.pr.gov
• Optional Pre-Submittal Meeting and Property Tour	[July 17, 2014 at 10:00 AM AST]
• Deadline for Questions on the RFQ	[July 31, 2014]
• Deadline for Posted Responses to Questions	[August 05, 2014]
• Submission Deadline	[August 07, 2014 at 3:00 PM AST]
Phase 2 for Selected Respondents	
• Announcement of Prequalified Respondents	On or about [August 26, 2014]
• Issuance of the RFP to the Prequalified Respondents	On or about [August 29, 2014]
• Additional Site Visits for Prequalified Respondents	On or about [September 18, 2014]
• Deadline for Questions on the RFP	On or about [November 7, 2014]
• Deadline for Posted Responses to Questions	On or about [November 14, 2014]
• Proposal Submission Deadline	On or about [November 21, 2014]
• Presentations by Prequalified Respondents	On or about [December 9, 10 and 11, 2014]
• Selection of top developer(s)	On or about [December 19, 2014]

3. Miscellaneous Terms and Conditions Applicable to All Respondents

3.1 Legal Requirements. Respondents are responsible for complying with all legal requirements set forth in Exhibit C.

3.2 Questions and Information. Any questions, requests for clarification, and general information requests must be sent by e-mail to the LRA at Iramasterdeveloper@lra.pr.gov in accordance with the deadlines set forth above; no telephone inquiries will be accepted. The LRA will provide all prospective respondents with copies of any questions it receives and any answers, clarifications and/or information it provides in response thereto. Such information will be posted on www.rooseveltroads.pr.gov on the RFQ section, on a rolling basis. Only written responses posted on the website will be considered binding.

3.3 Reference Documents. To assist respondents in preparing to respond to this RFQ, the LRA has created a website at www.rooseveltroads.pr.gov. The website contains all exhibits and other documents which will be of assistance in the development of the Submissions.

3.4 Amendments to this RFQ. This RFQ may be amended by formal amendment, document, letter, or facsimile. If this RFQ is amended, then all terms and conditions that are not amended remain unchanged. Any amendments will be posted on www.rooseveltroads.pr.gov on the RFQ section and sent to registered participants by email.

3.5 Authorizations by Submission of an SOQ. Any and all information provided by a respondent and its team members may be used by the LRA to conduct credit and background checks. The respondent agrees to execute any additional documentation requested by the LRA to evidence this consent. At its discretion, LRA staff may contact references and industry sources, investigate previous projects and current commitments, interview some or all of the proposed development team members, and take any other information into account in its evaluation of the responses. The LRA reserves the right to request clarifications or additional information and to request that respondents make presentations to the LRA, community groups, or others.

3.6 Teaming Arrangements and Special Purpose Entities. Multiple respondents may form a joint venture for the purpose of submitting a Submission in response to this RFQ. A special purpose entity may be created for the purpose of submitting a Submission. The LRA may require that financial and performance guarantees be provided by these and other respondents as well as team members. (Note: the LRA will not be involved in facilitating partnering or teaming arrangements.) When a joint venture will be utilized, please present information for both entities and include with your Submission a copy of the legal documentation establishing the joint venture.

3.7 Hold Harmless. By participating in this RFQ process, each respondent agrees to indemnify and hold harmless the LRA and its officers, employees, contractors and advisors from

and against any and all real estate and other brokerage fees or commissions, finder's fees, and any other forms of compensation related in any way to activities undertaken by any person as a result of such person's efforts towards and/or participation in this RFQ process or the submission by such person of a proposal, and liabilities, losses, costs, and expenses (including reasonable attorney's fees and expenses) incurred by any indemnified party as a result of, or in connection with, any claim asserted or arising as a result of, or in connection with, this RFQ process. This includes any and all activities related to the LRA's exclusive negotiations with the selected developer(s).

3.8 Public Information. All information submitted in response to this RFQ becomes property of the LRA. The documents and other records submitted to the LRA are part of the public record and subject to public disclosure; accordingly, information submitted should be expected to be subject to public availability. Therefore, any response submitted which contains confidential information must be conspicuously marked on the outside as containing confidential information, and each page upon which confidential information appears must be conspicuously marked as containing confidential information.

3.9 Organizational Conflicts of Interest. Each respondent should clearly identify in its Submission any person or entity that has assisted the respondent to prepare its Submission that has advised, or is currently advising, the LRA on any aspect of the redevelopment at NSRR.

3.10 Other Terms and Conditions. Law No. 508 and its regulations, as well as all applicable Puerto Rico and Federal laws and regulations, will govern this RFQ and all agreements entered into in connection with this RFQ.

3.11 Not a Contract. This RFQ does not constitute an offer to enter into a contract with any individual or entity, thus no contract of any kind is formed under, or arises from, this RFQ.

3.12 Confidentiality of Information Associated to LRA. Information associated to the LRA or a government entity obtained by the respondents as a result of participation in this RFQ is confidential and must not be disclosed without prior written authorization from the LRA.

3.13 Reservation of Rights. The LRA reserves the right, in its sole and absolute discretion, to:

3.13.1 Change or amend the business opportunities described in this RFQ;

3.13.2 Cancel or suspend this RFQ process or any or all phases, at any time for any reason;

3.13.3 Accept or reject any Submission based on the selection criteria and as determined by the discretion of the LRA;

3.13.4 Waive any defect as to form or content of this RFQ or any response thereto;

3.13.5 Not accept any or all Submissions;

3.13.6 Select one or multiple developers that will best meet the LRA's needs and objectives, regardless of differences in fees and expenses among responders to this RFQ;

3.13.7 Reject all or any Submissions without any obligation, compensation or reimbursement to any respondent or any of its team members; and

3.13.8 Extend any date, time period or deadline provided in this RFQ, upon notice to all respondents.

3.14 Restriction of Damages. Each respondent agrees that:

3.14.1 In the event that any or all Submissions are rejected, or this RFQ is modified, suspended or cancelled for any reason, neither the LRA nor any of its officers, employees, contractors or advisors will be liable, under any circumstances;

3.14.2 By participating in this RFQ process, each respondent agrees to indemnify and hold harmless the LRA and its officers, employees, contractors and advisors from and against any and all real estate and other brokerage fees or commissions, finder's fees, and any other forms of compensation related in any way to activities undertaken by any person as a result of such person's efforts towards and/or participation in this RFQ process or the submission by such person of a proposal, and liabilities, losses, costs, and expenses (including reasonable attorney's fees and expenses) incurred by any indemnified party as a result of, or in connection with, any claim asserted or arising as a result of, or in connection with, this RFQ process. This includes any and all activities related to the LRA's exclusive negotiations with the selected developer(s).

3.15 Disclosure.

3.15.1 As required by Law No. 508, the information submitted by the respondents will be published on the Internet once the contract is adjudicated.

3.15.2 All public information generated in relation to the process, including communications with the media and the public, must be coordinated with, and is subject to prior approval of the LRA.

3.16 No Obligation to Accept Submissions. The LRA is not obligated to accept a Submission where, at the discretion of the LRA, it is not in compliance with the requirements of this RFQ; or it includes a false or misleading statement, claim or information; or background checks reveal any false statements in the Submission.

3.17 No Collusion or Fraud. Each respondent is held responsible to ensure that its participation in this RFQ process is conducted without collusion or fraud.