



**REQUEST FOR PROPOSALS
RFP 2015-001**

Healthcare Related Services for the Hospital Parcel
at Former Naval Station Roosevelt Roads, Ceiba, Puerto Rico

Issued by the Local Redevelopment Authority for Naval Station Roosevelt Roads in
collaboration with the Puerto Rico Medical Tourism Corporation

Thursday, October 29, 2015

Proposal Deadline for Respondents:

Friday, January 08, 2016 at 3:00 PM AST

One (1) Original, Seven (7) Copies, and One (1) CD-ROM of Each Proposal 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

WWW.STARHEALTHCAREPUERTORICO.COM

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EXHIBIT LIST

(All Exhibits are available at www.rooseveltroads.pr.gov and incorporated herein by reference)

Maps of the Property:

Aerial Map of NSRR (Showing Parcels 1, 2, and 3).....Exhibit A-1
Map of Zones.....Exhibit A-2

Bidder Registration Form Exhibit B

Legal Requirements..... Exhibit C

Reuse Plans:

2014 Development Zones Master Plan (2010 Reuse Plan Addendum
updated by the 2014 Special Plan)Exhibit D-1
2010 Reuse Plan Addendum (for reference only)Exhibit D-2
2004 Reuse Plan (for reference only)Exhibit D-3

Existing Buildings:

Station Map Exhibit E-1
CAD File of Station Map Exhibit E-2
Existing Buildings Assessment.....Exhibit E-3
Existing Hospital DrawingsExhibit E-4

Acts Containing Incentives:

Act No. 73 (Economic Incentives Act for the Development of Puerto Rico).....	Exhibit F-1
Act No. 20 (Act to Promote Export Services of 2012).....	Exhibit F-2
Act No. 74 (Puerto Rico Tourism Development Act of 2010).....	Exhibit F-3
Act No. 22 (Act to Promote the Transfer of Individual Investors of 2012)	Exhibit F-4

Environmental Documents:

Navy's Environmental Remediation Schedules.....	Exhibit G-1
Navy's SWMU Location Map	Exhibit G-2
Navy's Environmental Reports (for reference only).....	Exhibit G-3
Geo marine Parcel Map	Exhibit G-4

Zoning Master Plans:

2014 Special Plan (in Spanish).....	Exhibit H-1
2014 Special Plan Topic 4 (in English)	Exhibit H-2
2014 Special Plan Map	Exhibit H-3
2011 Zoning Master Plan (for reference only)	Exhibit H-4

Infrastructure Documents:

2015 Phase I Infrastructure Master Plan	Exhibit I-0
2012 Infrastructure Master Plan (for reference only).....	Exhibit I-1
2012 Infrastructure Design Guidelines (for reference only)	Exhibit I-2

Plan for a Medical Tourism Program in Puerto Rico	Exhibit J-1
Law 145-2015 Medical Tourism Law in Puerto Rico	Exhibit J-2

Amendment No. 2 EDC Agreement	Exhibit K-1
Hospital Survey and Legal Description Hospital Parcel	Exhibit K-2
FOST Hospital Parcel 50.....	Exhibit K-3

Rural Development USDA-Factsheet.....	Exhibit L
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Regulation 112-Puerto Rico Department of Health	Exhibit M-1
Regulation 117 -Puerto Rico Department of Health	Exhibit M-2
Law 2-1975	Exhibit M-3
Law 101-1965	Exhibit M-4

Note: Respondents should review all the above plans and reports prior to creating a redevelopment vision for the Property.

A. INVITATION TO SUBMIT PROPOSALS

I. Introduction

On September 1st, 2015, US Department of Health and Human Services transferred the Hospital Parcel back to the US Navy. The Navy transferred the Hospital Parcel (the "Property"), to the Local Redevelopment Authority for Naval Station Roosevelt Roads ("LRA"). The LRA now wishes to select a Proponent that will develop the property into a world-class health care facility, and enable sustainable job creation and economic impact.

The Commonwealth of Puerto Rico ("Commonwealth"), through the LRA, is issuing this Request for Proposals ("RFP") to obtain proposals (a "Proposal") from interested Respondents ("Respondents") for Healthcare Related Services for the Hospital Parcel, which includes the Former Naval Station Roosevelt Roads Hospital, among other structures, located in Ceiba, Puerto Rico. This request for proposals is led by the LRA, in collaboration with the Puerto Rico Medical Tourism Corporation (a subsidiary of the Puerto Rico Tourism Company), with the purpose of encouraging the medical tourism sector and potential specialized medical service operators that may include, but are not limited to, rehabilitation hospitals, teaching hospitals with academic affiliations, trauma centers, children's hospitals, seniors' (geriatric) hospitals, and hospitals for dealing with specific medical needs such as psychiatric problems, certain disease categories such as cardiac, oncology, or orthopedic problems, and so forth. **All potential healthcare related operators may respond to this RFP.**

The Roosevelt Roads Healthcare Facility (RRHF) Project will be a long term partnership between the LRA and the Selected Proponent to establish the RRHF as the foundation of the medical tourism industry in Puerto Rico and/or specialized medical services in the community. Note that it is the LRA's preference to enter into a long-term ground lease with the Selected Proponent. The LRA anticipates the RRHF to be operational in 2017.



Image 1: Existing hospital facility in NSRR



Image 2: Existing hospital facility in NSRR

II. RFP Process

- a. Bidder Registration Form. Interested bidders must submit the Bidder Registration Form attached hereto as Exhibit-B to the LRA by e-mail at lradevelopment@lra.pr.gov no later than **Thursday, November 12, 2015 at 3:00 PM AST**.
- b. Pre-Submittal Meeting and Property Tour. The LRA will host a pre-submittal meeting and Property tour on **Monday, November 16, 2015**. The pre-submittal meeting will take place at 9:00 AM AST at the 4th Floor Theater in the Fomento Industrial Building #355 Roosevelt Ave. Suite 106 Hato Rey, PR 00918. The Property Tour will take place at 2:00 PM AST at the Former Naval Station Roosevelt Roads Hospital in Ceiba. Only those bidders who submitted the bidder registration form prior to Thursday, November 12, 2015 at 3:00 PM AST, may attend. During such visit, the LRA will provide an overview of this RFP, 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 on the RFP Hospital Parcel section, following the meeting. This 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 Proposals.
- c. Additional Information. All exhibits, additional information, and any questions/answers received on this RFP will be posted on the LRA's website at www.rooseveltroads.pr.gov on the RFP Hospital Parcel section. Questions can be submitted via e-mail only to lradevelopment@lra.pr.gov; no telephone inquiries will be accepted. All information posted on www.rooseveltroads.pr.gov on the RFP Hospital Parcel section of the LRA website, is deemed incorporated into this RFP.
- d. Proponent Selection Timeline. The LRA's expected timeline for selection of the Proponent is set forth in the table below. Please note that the activities and timeline are only a guide and are subject to change at the LRA's sole discretion.

Proponent Selection Timeline	
• Issuance of the RFP	Thursday, October 29, 2015
• Deadline for Submission of Bidder Registration Form	Thursday, November 12, 2015 at 3:00 PM AST by email to: lradevelopment@lra.pr.gov
• Pre-Submittal Meeting and Property Tour	Monday, November 16, 2015 at 9:00 AM AST in San Juan and 2:00 PM AST in Ceiba
• Deadline for Questions on the RFQ	Friday, December 11, 2015
• Deadline for Posted Responses to Questions	Friday, December 18, 2015
• Submission Deadline	Friday, January 08, 2016 at 3:00 PM AST
• Selection of Proponent	On or about January 27, 2016

B. PROJECT SUMMARY

I. The Role of the LRA

On September 29, 2004, Puerto Rico Law 508 created the LRA for Naval Station Roosevelt Roads to implement the NSRR Redevelopment Project. The LRA's main objective is to work with the private sector, in collaboration with all government sectors, to redevelop Roosevelt Roads to its full potential to create a thriving community, stimulate economic activity and create employment opportunities.

a. Section 6(a) of Law 508-2004, as amended, states the purposes of the LRA as follows:

"... (a) The Authority is created for the following purposes:

1. Implement the Plan for the Re-use of Roosevelt Roads Naval Station to be drafted by the Authority for Local Development.
2. Follow-up on all and any transactions made by the effective date of this Act by the Authority for Local Development.
3. Obtain the designation by the Department of Defense as Authority for Local Development in charge of implementing the Plan for the Re-use of the Roosevelt Roads Naval Station.
4. Direct, supervise, regulate and maintain the economic development of the land and facilities of the Roosevelt Roads Naval Station.
5. Conduct other activities deemed convenient and pertinent to the purposes of this Act.

..."

b. 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 Parcel to a non-profit organization and Los Machos Beach to the Municipality of Ceiba.

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, created through Law 508-2004, as amended. On December 20, 2011, the United States of America, acting by and through the Department of the Navy ("Navy"), and the LRA entered into that certain *Economic Development Conveyance Memorandum of Agreement between the United States of America acting by and through the Navy and the Local Redevelopment Authority for Naval Station Roosevelt Roads* ("EDC Agreement" for Parcel 3). On January 25-26, 2012, the Government transferred to the LRA approximately one thousand and three

hundred and seventy (1,370) acres in Parcel 3 via 31 quitclaim deeds (hereinafter referred to as "Parcel 3"), and that certain *Lease in Furtherance of Conveyance between the United States of America and the Local Redevelopment Authority for Naval Station Roosevelt Roads* (as amended, the "LIFOC"); and on May 6, 2013, through EDC Amendment No. 1, the Navy conveyed to the LRA one parcel of approximately one thousand, five hundred forty-two (1,542) acres at NSRR referred to as Parcel 1 and a parcel consisting approximately of four hundred ninety-seven (497) acres at NSRR referred to as Parcel 2. On September 1st, 2015, the LRA and the Navy executed Amendment No. 2 to the "EDC Agreement" to transfer the Hospital Parcel to the LRA. Respondents are encouraged to familiarize themselves with the terms and conditions set forth in the Amendment No. 2 EDC Agreement, which is attached hereto as Exhibit K-1.

Some of the LRA's redevelopment goals include:

1. Achieve a high quality mixed use development which creates a sense of place and community by integrating the Project within the community.
 2. Create new jobs and economic development for the region.
 3. Incorporate the best applicable and sustainable design principles which encourage smart growth and best practices for neighborhood development by (i) promoting the location and design of neighborhoods that reduce vehicle miles travelled (VMT); (ii) creating developments where jobs and services are accessible by foot or public transit; (iii) promoting an array of green building and green infrastructure practices, particularly more efficient energy and water use.
- c. Planning Efforts. To achieve the LRA's goals for the Property, in October 2014, the Puerto Rico Planning Board issued a new land use plan 2014 Special Plan (ROTFU) to further define the development parameters for the NSRR. To complement the new land use plan, the LRA issued the 2014 Development Zones Master Plan, (based on the amended 2010 Reuse Plan, which was linked to the Navy transfer of land in 2013).
1. 2014 Special Plan. This land use plan was published by the Puerto Rico Planning Board and is included as Exhibit H-1.
 2. 2014 Development Zones Master Plan. The LRA issued the 2014 Development Zones Master Plan (included as Exhibit D-1 in the RFP. The 2010 Addendum to the 2004 Reuse Plan is also attached as Exhibit D-2 and may be reviewed for reference purposes only). This plan presents nine (9) zones within the Property, ranging from an airside industrial park, institutional clusters, to a waterfront district, eco-tourism lodges and housing. The nine (9) zones are depicted in the image below.

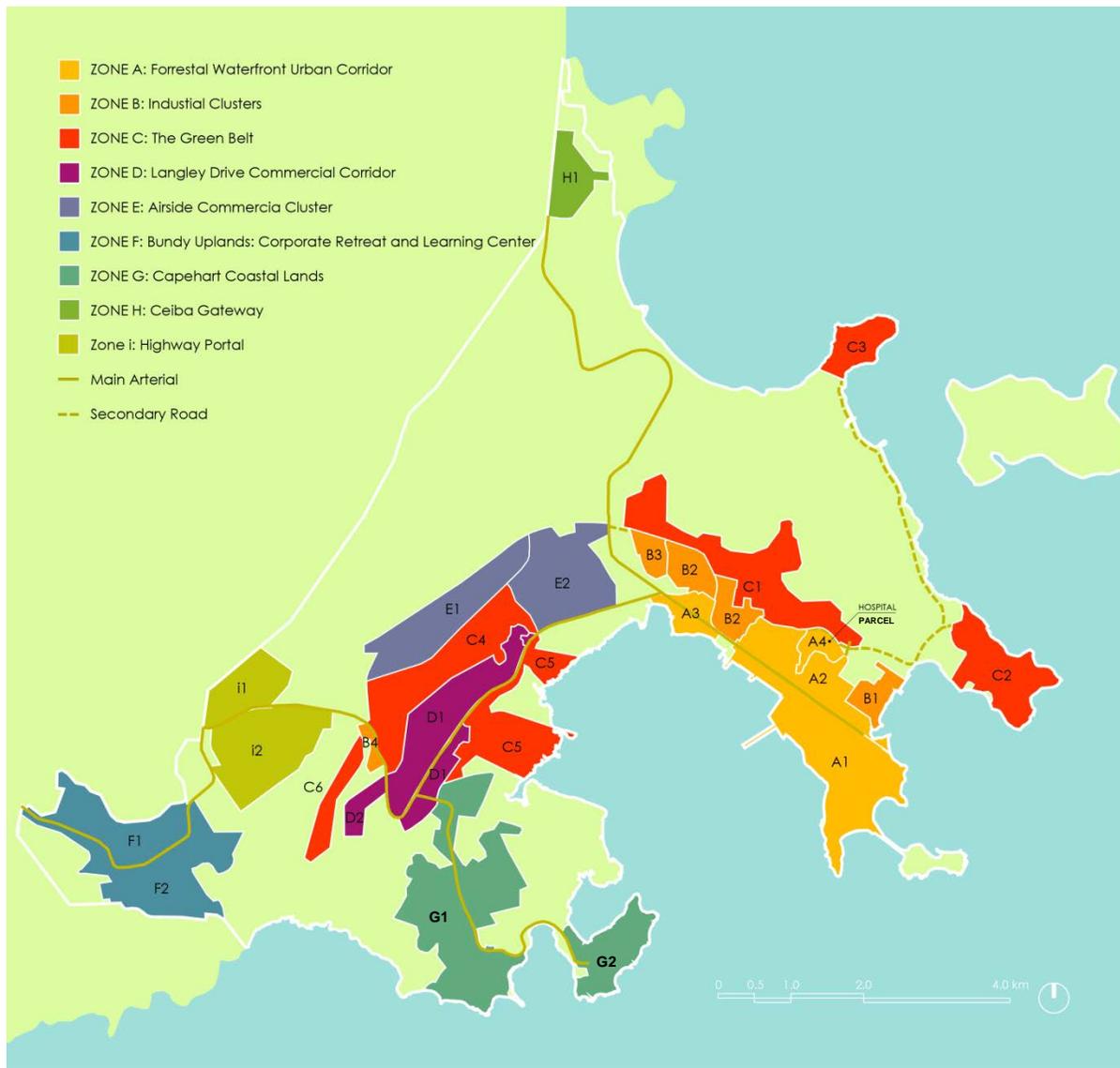


Image 3: 2014 Development Zones Master Plan

II. The Role of the Selected Proponent

The Selected Proponent must develop the Property in accordance with the specified use of Healthcare Related Services. Healthcare Related Services may include the medical tourism sector and/or all potential specialized medical services. As mentioned in Section A. Invitation to Submit Proposals. I. Introduction, the Roosevelt Roads Healthcare Facility (RRHF) Project will be a long term partnership between the LRA and the Selected Proponent to establish the RRHF as the foundation of the medical tourism industry in Puerto Rico and/or specialized medical services in the community. For additional information regarding the Medical Tourism in Puerto Rico, please reference Exhibit J-1 Plan for a Medical Tourism Program in Puerto Rico and Exhibit J-2 Law 145-2015 Medical Tourism Law in Puerto Rico or visit the Puerto Rico Medical Tourism Corporation website WWW.STARHEALTHCAREPUERTORICO.COM.

As further set forth herein, the Selected Proponent will be responsible for designing, constructing, commissioning, operating, maintaining, and financing the development of the Property. The Selected Proponent will also be responsible for horizontal development, including utilities, roads, and other improvements.

The Selected Proponent will be responsible for the provision of all clinical and other related services within the Hospital Parcel. The Selected Proponent will be responsible for satisfying all requirements for private hospital licensing and certification, applicable legislation and regulation, and delivering the services required to comply with those requirements. The quality and safety of services provided at the RRHF will be consistent with the high standards and policies determined by government, regulatory and professional bodies. This will be enforced through the performance indicators and targets mandated in the contract.

The Selected Proponent must achieve and maintain all service standards, licenses, certifications and accreditation required for the RRHF. The Selected Proponent will obtain all requisite regulatory and governmental approvals and permits to enable the redevelopment of the Property. Regarding real property rights, the Selected Proponent will acquire a long-term ground leasehold or other appropriate interests in the Property according to agreements between the LRA and the Selected Proponent and adhering to the performance schedules contained therein related to the long-term development, financing, and management of the Property. The Selected Proponent will coordinate all development activities with the LRA, in the terms described in the contract. The Selected Proponent will define specific design standards and schemes based on the 2014 Special Plan and the 2014 Development Zones Master Plan. The Selected Proponent will need to work with the LRA to make sure its development plan for the Property meets the criteria of the 2014 Development Zones Master Plan. The Selected Proponent must comply with all applicable laws and regulations.

- a. Construction. The Selected Proponent will be responsible for the construction and coordination of all selected off-site and all on-site improvements, including streetscapes, parking areas, utilities and roads, building cores and shells, tenant improvements, fixtures and equipment, and on-site landscaping. The Selected Proponent will be required to

comply with all applicable local, state and federal regulations. The Selected Proponent will also be responsible for packaging selected land parcels and/or buildings in the event of development by third party developers or builders. The Selected Proponent will be responsible for the ongoing operation, maintenance and security of buildings, infrastructure, and grounds at the Property throughout all phases of development.

The Selected Proponent will develop a flexible and innovative plan with buildings and infrastructure that responds to the redevelopment plan sustainability goals and can easily evolve with technology and market demand. The Selected Proponent must include a LEED Accredited Professional in their team for such efforts.

- b. Financing. The Selected Proponent will secure financing for construction of necessary buildings, land improvements and infrastructure. The Commonwealth will not provide any direct funding to the Selected Proponent for this project but, several incentives have been identified. As further described in Section C. Proposal Requirements. VII. Financial Offer, Capacity, and Strategy: Ability to Operate. c. Financing Strategy, Respondents should familiarize themselves with incentives and federal financing programs.

Puerto Rico currently offers a wide array of economic incentives which include:

1. Economic Incentives for the Development of Puerto Rico Act, as amended (Act 73-2008), see Exhibit F-1
2. Act to Promote Export Services, as amended (Act 20-2012), Exhibit F-2
3. Puerto Rico Tourism Development Act of 2010 (Act No. 74), Exhibit F-3
4. Act to Promote the Transfer of Individual Investors, as amended (Act 22-2012), Exhibit F-4

Our economic incentives programs generally offer a 4% fixed corporate income tax rate, certain exemptions on municipal license and property tax exemptions. In addition, individuals who relocate to Puerto Rico can enjoy a 100% exemption on Puerto Rico income taxes from capital gains, interest and dividends. Research and Development tax credits for up to 50% of eligible investments are also available.

Puerto Rico Industrial Development Company (PRIDCO) offers funding from the Special Economic Development Fund (FEDE, Spanish acronym) based on job creation, infrastructure development, machinery and equipment, among others.

- c. Environmental Considerations. The Selected Proponent shall provide the appropriate amount and type of General Liability Insurance (GL) and Pollution Legal Liability (PLL) Insurance policies to protect human health and the environment from any and all environmental releases or damages. In addition to protecting the Selected Proponent, these policies shall include the LRA and its Board Members and staff and the Commonwealth of Puerto Rico as additional insured and hold them harmless from and

against any and all claims related to development and environmental liability at the Property, if any.

- d. Regulations and Certifications. The Selected Proponent must comply with all regulations and certifications required by the Commonwealth of Puerto Rico and the Puerto Rico Department of Health, including but not limited to Law 2-1975 (see Exhibit M-3) and its Regulation 112 (See Exhibit M-1), Law 101-1965 (see Exhibit M-4) and Regulation 117 (see Exhibit M-2) and all other regulations applicable to the type of facility that will be developed.
- e. Community. The Selected Proponent will work with the communities surrounding NSRR and other existing tenants at NSRR in implementing development and providing benefits in furtherance of the LRA's goals as set forth in the RFP and Law 508-2004. The Property is adjoined by the communities of the municipalities of Ceiba and Naguabo. Nearby islands municipalities are Vieques and Culebra. It is important to the LRA that these communities benefit from the redevelopment of the Property.

The LRA assumes that the Respondents in receipt of this RFP are fully informed and familiar with the 2014 Development Zones Master Plan and the Land Use Plan for Roosevelt Roads, included as exhibits to this RFP. Respondents that submit a Proposal are responsible for becoming fully informed regarding all circumstances, information, laws and any other matters that might, in any way, affect the Respondent's roles and responsibilities in the Project. Any failure to become fully knowledgeable of any other matters that might, in any way, affect the Project will be at the Respondent's sole risk. The LRA assumes no responsibility for assumptions or conclusions made by Respondents on the basis of information provided in this RFP, or through any other sources.

III. The Property



Image 4: Location of the Hospital Parcel within the NSRR

The former US Naval Hospital Roosevelt Roads, is located in Ceiba, Puerto Rico within the NSRR property. The location of the Hospital and the surrounding area represent an interesting mix of natural ecological areas, physical infrastructure, a major airfield with an 11,000 foot runway (administered by the Puerto Rico Ports Authority), and waterfront development areas, which provide a unique and distinctive development potential. The LRA controls approximately 3,400 acres at NSRR and is seeking to redevelop the entire property, including the Hospital Parcel, in accordance with the uses outlined in the RFP.

- a. Location and Facilities. The Hospital facility is located in approximately 27 acres of land, north of development Zone A. It is located on a ridge top overlooking the Ensenada Honda waterfront. It is comprised of multiple numbered facilities related to the former NSRR hospital complex. Major buildings on the approximately 27-acres subject property are: Building 1790 - Former Hospital, Building 1810 - Former Hospital Storage, Building 1791 - Former BEQ Hospital Corpsman. Additional facilities include a telephone cable hut, a compressed gas storage area, an electrical sub-station, a bus stop shelter, a helicopter landing pad, an outdoor basketball court and an open air cabana hut.

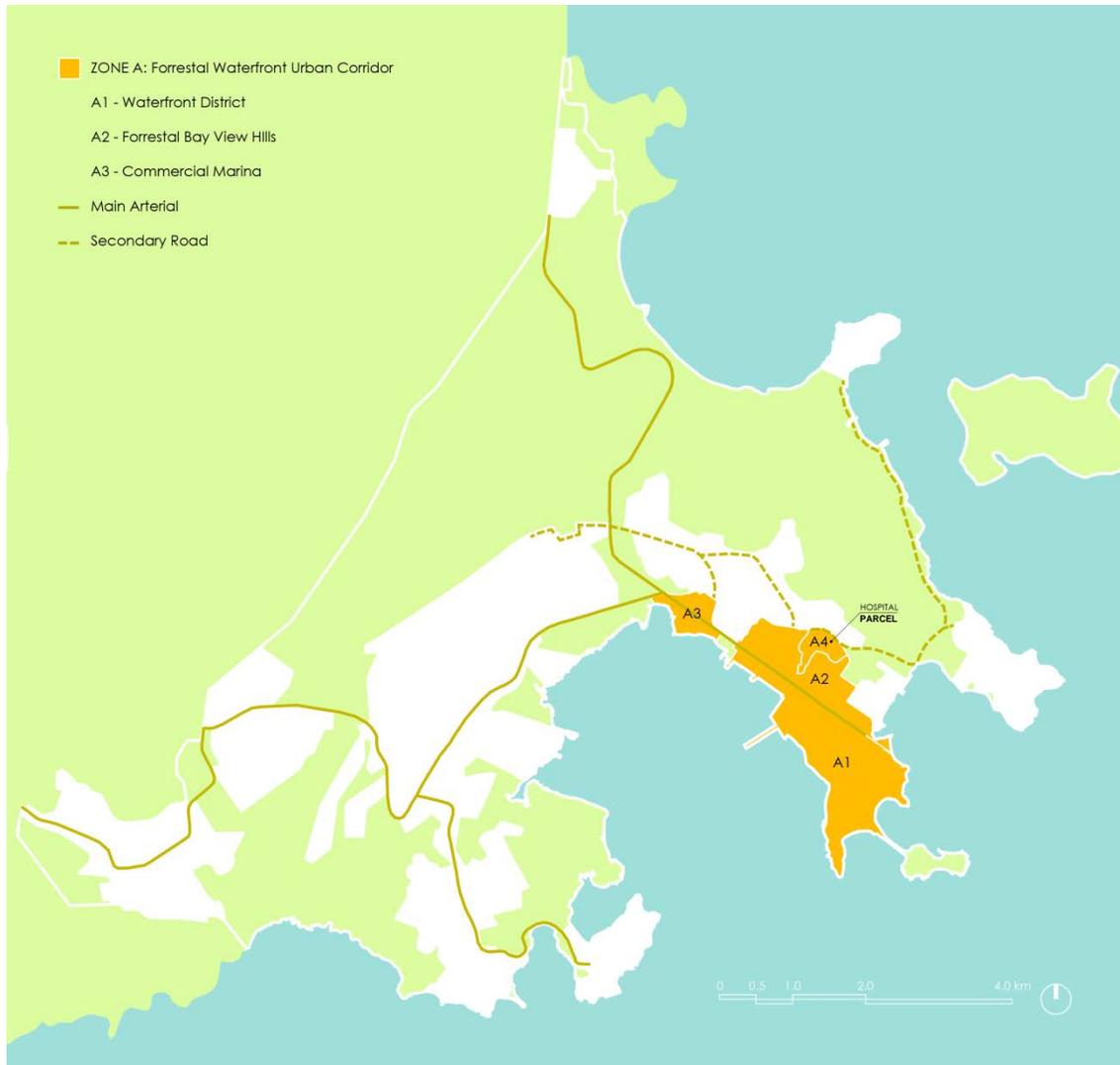


Image 5: Location of the Hospital Parcel within Development Zone A

The Property will be provided to the Selected Proponent in “as-is” condition, without representation or warranty by the LRA as to physical or environmental condition of the land or any existing structures. Please note that all related property including medical equipment and built-in furniture, within the available real property is included in this RFP. The LRA makes no representations regarding the character or extent of soil or subsurface conditions or the conditions and existence of utilities that may be encountered during the course of any work, development, construction or occupancy of the Property.

The Respondents will be responsible for undertaking an independent analysis of the Property conditions including any environmental, health and safety issues and should not rely on any reports or information related to such issues provided to the Selected Proponent by the LRA.

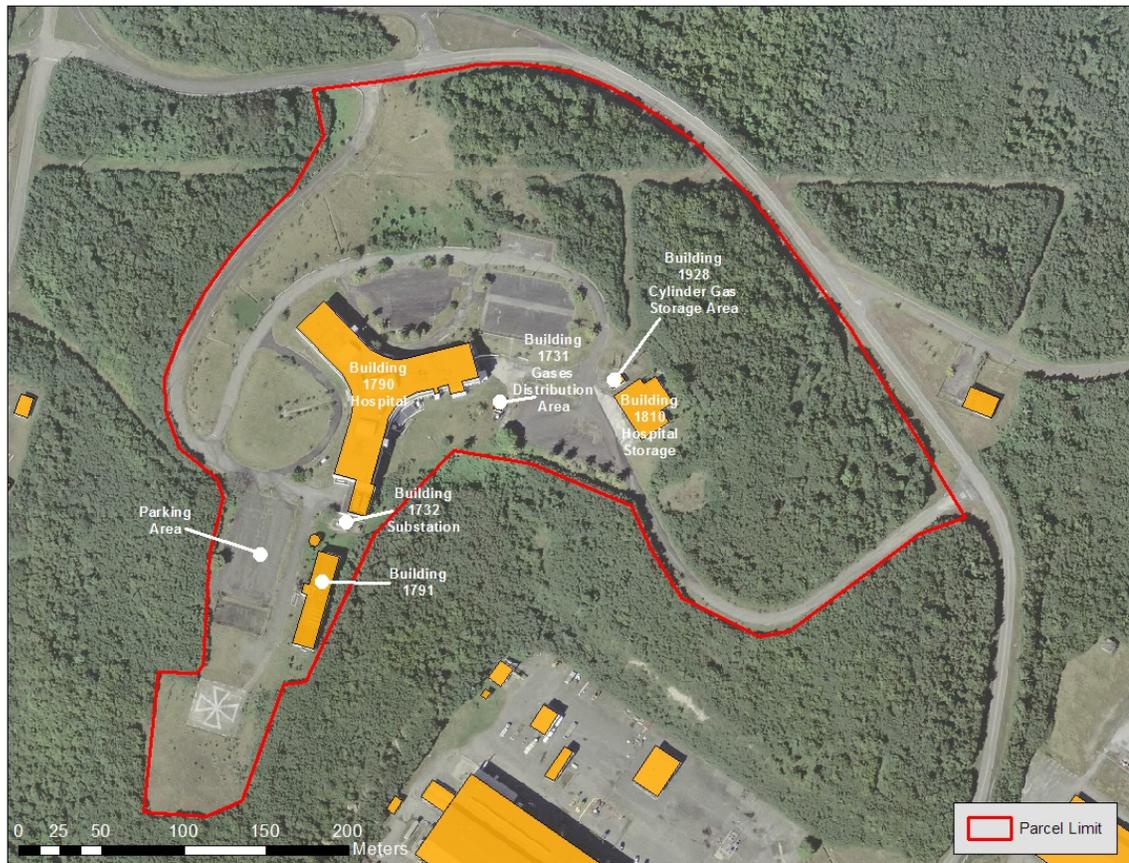


Image 6: Location of existing buildings within the Hospital Parcel

- b. **Buildings.** Maps and assessments relating to existing buildings on the Property are included as exhibits. See [Exhibit E-1](#), [Exhibit E-2](#), and [Exhibit E-3](#). See [Exhibit E-4](#) for Existing Hospital Drawings.
1. Description of the Building 1790: The subject Property was used as a 36-bed hospital since its development in 1973-2004. The existing structure consists of a two story building and a lower level with an individual entrance, covering approximately 130,000 square feet of construction. At the present time, the building has no water or electricity service.

The basement, which has approximately 30,000 square feet of construction, includes the kitchen, cafeteria, administrative offices, warehouse, and the cleaning and maintenance functions.

The ground level, of approximately 50,000 square feet, contained ancillary services such as: the admissions office, medical offices, general practitioners, and physical medicine specialists, among others. It also included radiology, pharmacy, laboratory, admissions area, and emergency medical services. The second floor, of approximately 50,000 square feet, housed the 36-beds.

2. Description of the Building 1791: Former BEQ Hospital Corpsman is a two story structure of approximately 12,422 square feet that was used to accommodate patient families that would visit during the patient's hospitalization. It also includes evaluation rooms and training rooms.
 3. Description of the Building 1810: Former Hospital Storage, houses the water pump and fire prevention systems. It is a single-story building of approximately 8,944 square feet.
 4. Description of the Building 1731: This was the Gas Distribution/Storage for the Hospital. Built in 1974, this is a one-story structure of approximately 300 square feet.
 5. Description of the Building 1928: This was the Cylinder Gas Storage for the Hospital.
- c. Infrastructure and Utilities. The LRA currently owns all of the utility systems and infrastructure at the NSRR. In essence, the design was capable of supplying all of the naval base operation demands of residents, including schools, office buildings, community buildings, golf course with clubhouse, shops, commercial areas, hospital, tank farm, piers, recycling plant, landfill and a shipyard, among others. These systems are completely independent from the public networks adjacent to the naval base, which are property of PRASA (Puerto Rico Aqueducts and Sewer Authority) and PREPA (Puerto Rico Electrical Power Authority) among other utility companies.

Although the utility infrastructure may be transferred to Puerto Rico's utility companies in the future, the LRA currently operates all of the utilities and must enter into a utilities agreement with the Selected Proponent to specify connection fees and utility rates.

Attached hereto as Exhibit I-0, find the 2015 Infrastructure Master Plan for Phase I for your review, which includes the Hospital Parcel. For reference only, see Exhibit I-1, 2012 Infrastructure Master Plan and Exhibit I-2, 2012 Infrastructure Guidelines. Note: that at the time of the publication of the 2012 Infrastructure Master Plan and the 2012 Infrastructure Guidelines, the Hospital Parcel was not part of the LRA property.

C. PROPOSAL REQUIREMENTS

Respondents must submit a complete package in order to be considered. The ideal proposal submission package identifies each of the sections below.

Respondents should submit a signed cover letter which acknowledges that the respondent has received, examined, and is familiar with the RFP, including all exhibits and information posted on www.rooseveltroads.pr.gov. The cover letter should provide an executive summary of the proposal. The cover letter should be signed by a person that has full authority to bind the Respondent to all terms and conditions of the RFP/Proposal.

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

All Proposals must be submitted in English.

Use the following format to complete your Proposal. Include any supporting documentation as attachments. Each Proposal should address all of the following items, in the order listed below.

I. Identification of Proponent

- a. State the legal name of the Respondent.
- b. Give the name, title, contact information and address of the person authorized to act on behalf of the Respondent's team.
- c. Give the address and telephone number of Respondent.
- d. A description of the Respondent's organizational history and background should be included. Respondent should provide an organizational chart and information that clearly explains the relationship, as well as the ownership and management structure among the lead Respondent and any team members, their respective roles and contributions to the Project, and the structure of team decision-making.

II. Organizational Eligibility of Proponent

- a. Provide a copy of the document showing statutory or other authority under which your organization is permitted to acquire a leasehold for the proposed use. A copy of the applicable certification from the Corporations Division of the Secretary of State's Office, where the Proponent is registered, will satisfy this requirement.
- b. Identify all possible lessees, sub-organizations, affiliates, etc., that may participate in

and/or operate the proposed program on the requested property. Identify which portions of the Hospital Parcel Property the Respondent seeks to sub-lease to third party developers and specify the methods for qualifying such companies (RFP, by invitation, etc.). Clarify which role (if any) the LRA will have in vetting such third parties.

1. If any of the above entities will be paying rent to the Proponent, provide a draft agreement detailing the rental terms, including the amount to be charged.
 2. Provide commitment letters, memorandums of agreement, or any other documentation detailing the planned cooperation between the Proponent and all entities listed above.
- c. Indicate whether the Respondent is accredited, approved, or licensed by Federal or State accrediting, approving, or licensing authority. If so, give the name of such authority and provide documentation.

III. Services Proponent Plans to Offer

- a. Identify the services the Proponent will provide through the use of the Property. Please provide a specific and detailed account. Information should be provided that will enable the LRA to evaluate the Respondent's concept and development plan for the Project.
1. Respondents should describe in detail their overall concept and vision for the Project, including how the Property will be developed and the type of healthcare facility that will be developed: rehabilitation hospitals, teaching hospitals with academic affiliations, trauma centers, children's hospitals, seniors' (geriatric) hospitals, and hospitals for dealing with specific medical needs such as psychiatric problems, certain disease categories such as cardiac, oncology, or orthopedic problems, and so forth.

IV. Experience of the Proponent

- a. Demonstrate that the Proponent is qualified to implement the program of use. Provide a description of:
1. The full range of services currently provided by Proponent and the length of time any current programs have been operating;
 2. The organization's present staff in terms of numbers and qualifications;

3. The proposed level of staffing and qualifications of such staff as needed for the proposed program; and
 4. Past experience and demonstrated success of the Proponent relevant to the proposed program. A summary of the Respondent's experience in operating hospital/medical facilities of similar nature 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 Property at NSRR.
- b. Identify whether the services proposed by the Proponent are similar in scope to those currently being offered by Proponent. If proposed services are greater or different than services currently offered by Proponent, how does Proponent intend to account for this gap in experience?
 - c. If possible, please provide written recommendations, endorsements, and studies from appropriate State agencies, public officials of State and local governments, and recognized national or local sponsoring associations or organizations, attesting to the successful operation of your organization.

V. Need for Services Offered by Proponent

- a. Identify the need for the services the Proponent will provide through the use of the Property. Indicate the service area (city, county, etc.), population to be served, and an estimation of the number of public health clients to be served annually after full utilization.
- b. List other facilities in the service area that currently offer the same type of service you propose to offer, including the number of clients and/or beds. Provide information to support the need for additional services in the service area. Include any surveys, reports, or documentation to support your analysis.
- c. Identify any real estate owned or leased by the Respondent. If applicable, include a statement that the real estate owned or leased by the Respondent is not suitable for the proposed program of utilization.

VI. Utilization of the Property by Proponent

- a. After reviewing the existing buildings, structures and infrastructure and their potential for re-use, Respondents should identify which the Respondent intends to

reuse and which will be demolished. Give a general description of the development plan. The description should include the amount of acreage and improvements, e.g., buildings, structures, etc. Identify buildings as follows:

Building No.:
Building Name:
Area (square feet):

- b. Identify which additional portions of the Property (if any), in addition to the Hospital Parcel, the Respondent seeks to lease from the LRA.
- c. Give information for items (1), (2), (3) and (4) as applicable:
 1. Indicate any zoning/land use regulations that are applicable to the subject property, and assure that the proposed program will conform to such regulations.
 2. State that the renovation of existing buildings, or construction of any new structures, will meet State and local building codes and/or regulations for the proposed program of use.
 3. Report the exact description of utilities required.
 4. Identify any easements, including overhead and underground, which are reported with the property, or are to be otherwise acquired for use in connection with the property.
- d. Submit a rough draft plan of the entire property, including:
 1. The nature and location of existing improvements and details of any proposed renovations;
 2. The location of proposed services within the building;
 3. The estimated square-footage use of each component of the proposed program; and
 4. The location, type, size, and proposed use of any new structures to be built on the property.
- e. Implementation Time. Describe the time required for completion of improvements and for bringing the property to full utilization. Please note that an Proponent must place the property into its proposed use within twelve (12) months from the date of transfer, or thirty-six (36) months where new construction or major renovations are required.
- f. A description of how the proposed improvements will promote the use of all means and measures, including best practices and technologies, to encourage and promote sustainable and balanced development, by incorporating the latest principles in ecological and sustainable design. Describe how the Property will be developed by using low impact design, energy efficiency/renewable energy strategies best

practices. Special attention will be given to the design/construction and maintenance measures taken to avoid impacts to the surrounding protected lands and the endangered species found near the property.

VII. Financial Offer, Capacity, and Strategy: Ability to Operate

Information should be provided that will enable the LRA to evaluate the Respondent's financial offer and capacity to undertake the proposed Project.

- a. Financial Offer. Respondent shall propose the financial compensation that the Respondent proposes to pay to the LRA in exchange for the long-term lease of the requested Property. Respondents should note that the LRA is interested in maximizing revenues received by the LRA, while at the same time ensuring the long-term financial viability of the Project. The financial offer should detail any assumptions and/or requirements for the proposed financial consideration to be provided to the LRA. Information should be presented in a payment schedule.
- b. Financial Capacity. Respondent shall include a description of the financial capacity of Respondent and provide supporting documentation in the form of annual reports, audited statements, balance sheets, profit and loss statements, evidence of lines of credit and uncommitted discretionary sources of equity, and/or any other material financial statements. Financial statements for the last three (3) years must be provided. If Respondent is a new company, all company team members' personal financial statements shall be provided. Financial statements can be marked as confidential and submitted separately.
- c. Financing Strategy. It is critical to the LRA that Respondents be able to finance their proposed Project. While Respondents are encouraged to familiarize themselves with any available tax benefits, note that neither the LRA nor the Commonwealth intends to provide any public subsidy to fill any funding gaps or shortfalls. Respondents should provide a narrative description of the proposed debt and equity composition of the Project and other financial assumptions that will allow the LRA to evaluate the financial feasibility of the proposed Project. Respondents should familiarize themselves with financing programs under the Rural Development of the United States Department of Agriculture such as the Community Facilities Direct Loan & Grant, and/or any other program from the federal government. See Exhibit L for Program Fact Sheet. All financial models must be unlocked, fully functional with active formulas in Microsoft Excel and submitted on a CD-ROM. It is understood that all assumptions cannot be known at this time, but Respondents are asked to provide their best assumptions and/or specifically identify where it is not possible to make reasonable assumptions. The following information must be provided in this Section:

1. The Respondent's proposed equity commitment to the Project and the timing of disbursement of that commitment, including letters of commitment from each equity investor for its Proposal, stating the full terms and conditions under which such amounts will be provided to the Project and with a schedule of disbursement consistent with the Respondent's requirement for construction and permanent financing.
 2. Detailed description of which, if any, federal government or other public funding sources the Respondent intends to attract to the Project, coordination with the implementing agency and its timing.
 3. Satisfactory evidence of Respondent's ability to secure project debt, including tentative commitment letters from prospective lenders.
- d. Detail the estimated costs anticipated to prepare the property for full utilization, including:
1. A sources and uses table which includes an initial "order of magnitude" estimate of the cost of the Project along with potential sources and expected construction and development fees.
 2. A conceptual level development budget showing the Project's total development costs, estimating the assumed value of the Property, construction costs, architectural, engineering and related fees. The Respondent should submit estimated total project costs. The submittal shall include, but is not limited to: hard and soft costs based on industry standards; all development fees, general contractor fees and overhead costs separately identified; demonstration of how equity and debt or other methods of financing fully fund this Project; operating expenses analysis, and any other project-specific return metrics; and all the assumptions used in the financial model.
 3. A narrative statement explaining the economic feasibility of the proposed development. Respondents should provide full term conceptual development pro-formas describing estimated development costs and projected project income for income producing elements of the Project.
- e. Detail the estimated costs anticipated to operate the Property, including any maintenance costs.

VIII. Local Impact

- a. Local Job Generation. Information should be provided that will enable the LRA to evaluate the expected local impact from the proposed Project. One of the LRA's primary goals for this Project is to create local jobs. Respondents should

1. Identify the percentage of contract dollar volume of the conceptual level development budget, the Respondent will strive to award to firms based in Puerto Rico. Please note that the LRA's goal is for at least 33% (a higher percentage will improve your overall evaluation) of the redevelopment budget to be awarded to firms based in Puerto Rico.
 2. Provide an economic impact plan which identifies: (i) the number, type and phasing of local jobs to be created, indicate the share of local vs. expat jobs that the Respondent plans to hire. The higher the local jobs vs. expats, the better; (ii) projected local annual payroll associated with the proposed redevelopment plan at full build-out
- b. Benefits to Community. The LRA promotes the hiring of Puerto Rican workers, particularly from the immediate community, as available by the prevailing labor market. The community includes the residents of Ceiba, Naguabo and the adjoining towns of Culebra, Fajardo, Humacao, Las Piedras, Luquillo, Rio Grande and Vieques. Describe the benefits the Project will provide to the community. Proposals shall include a draft of a Community Benefit Agreement (CBA), which should establish initiatives related to community involvement strategies in the areas of project design, communications, community relations and community economic development. Proposals shall also include the process the Respondent will follow to validate the CBA with the community. Initiatives included in the CBA may include, but are not limited to:
1. Include first choice offer to community local business and residents and the opportunity to implement socioeconomic projects approved by the coalition and the LRA's board of directors;
 2. Create a local hiring program with a minimum of 15% of total job opportunities set aside for local community residents for the construction phase and the implementation of the project subject to this RFP. Show how the Respondent will meet local hiring goals;
 3. Establish a local contracting, job referral and training center for local community residents, to maintain a data base of available opportunities for local business and job seekers. Show how the Respondent will meet this requirement.
 4. Establish other community benefits the Respondent is willing to provide. Describe how the Respondent will meet these benefits.

IX. Other Information

- a. Legal Action History. Provide a listing and brief description of all legal actions for the past five years in which any firm that is part of the Respondent's team has been: a debtor in bankruptcy; a defendant in a lawsuit for deficient performance under a contract or failure to comply with laws or regulations; a defendant in an administrative action for deficient performance on a project or failure to comply with laws or regulations; or a defendant in any criminal action. Please clearly state if no legal action against the Respondent and Respondent team members has occurred.
- b. Acknowledgment of Responsibilities. Respondents should specifically acknowledge and address the following responsibilities. Respondents should reference these responsibilities in the Proposal by section and page. The responsibilities of the Selected Proponent will be defined and described in the agreements to be negotiated between the Selected Proponent and the LRA. For purposes of this Proposal, Respondents should assume the following Selected Proponent responsibilities, in addition to those mentioned in Section II Role of the Selected Proponent (with the express understanding that the actual Selected Proponent responsibilities may be expanded during negotiations):
 1. Obtaining all requisite regulatory and governmental approvals to enable the redevelopment of the Property.
 2. Acquiring leasehold, fee-simple or other appropriate interests in the Property according to any agreements between the LRA and the Selected Proponent and adhering to the performance schedules contained therein related to the long-term development, financing, and management of the Property.
 3. Securing financing for construction of the entire Project, including buildings, land improvements, infrastructure, pre-development costs, and any development costs.
 4. Being responsible for the on-going operation, maintenance and security of buildings, infrastructure, and grounds under the agreement with the LRA, in the Property throughout all phases of development. In the case of sub-leasing or selling to third party developers, being ultimately responsible for the same issues.
 5. Complying with all applicable laws and regulations.
 6. Working in cooperation with the communities surrounding NSRR and other existing tenants at NSRR in implementing development in furtherance of the LRA's goals.

7. Developing detailed schedules for the planning, design, financing, construction and maintenance activities. These activities include the coordination of all agencies, consultants, architects, engineers, contractors, and property management functions.
 8. Working in cooperation with the LRA.
- c. Deadline for Proposals. **All Proposals must be received by the LRA prior to 3:00 PM AST on Friday, January 08, 2016.** All Proposals 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 Proposal received after the time and date specified above may be rejected and may be returned to the sender unopened.

D. SELECTION CRITERIA AND PROCESS

I. Evaluation Factors

Respondents will be evaluated based upon the evaluation factors listed below. All Respondents will be evaluated based on the strength of their entire proposal as compared with the criteria listed below, along with balancing the best interests of the LRA.

Factor 1: Experience of the Proponent	<ul style="list-style-type: none"> • Demonstrates, through the experience and expertise of the organization in past projects, that the proposed team is qualified to execute the proposed development plan. • Has successfully completed and operated projects of a similar scale and scope to the proposed Project. • Proposed team is well-organized, has clear management structure, and has experience working together on similar projects. 	25%
Factor 2: Financial Capability and Strategy	<ul style="list-style-type: none"> • Presentation of a financially viable Project. • Possession of financial resources and commitments to execute the Project requirements with no LRA or Commonwealth-based subsidy. • Provides evidence of organizational and financial capability to ensure successful and timely delivery of the Project. 	25%
Factor 3: Development Concept: Services Proponent Plans to Offer	<ul style="list-style-type: none"> • Presents market-viable, concrete ideas for the Property redevelopment • Realistic Project timelines and phasing plans are presented with clear milestones that will enable the Property to be put into reuse as soon as practicable. • Conceptual plans demonstrate an understanding of the LRA's development goals and present a clear plan for implementation. 	20%
Factor 4: Financial Offer	<ul style="list-style-type: none"> • Willingness to provide the LRA with a competitive offer as fair consideration. 	15%
Factor 5: Local Impact	<ul style="list-style-type: none"> • Elements of the Project may improve the quality of life for the surrounding community. • Share of total contracting/subcontracting dollars to local companies (construction including: design and construction management and other professional services such as accounting, legal, etc.) in excess of minimums requested. • Ratio of total projected local vs. expat jobs to be hired. • Project will result in new jobs being created for local residents. 	15%

- a. Oral Presentations. The LRA, at its sole discretion, expects to 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.

- b. Best and Final Offer. If Respondents are asked to submit a "Best and Final Offer" (BAFO), Respondents are expected to adhere to the additional guidance of the LRA and submit a final revised Proposal for the LRA's final consideration. Upon receiving the BAFO, the LRA reserves the right to conduct additional rounds of requests for information, interviews, and request further discussions and negotiations if the BAFO lacks adequate information to make a final selection.

E. MISCELLANEOUS

I. Terms and Conditions Applicable to All Respondents

- a. Legal Requirements. Respondents are responsible for complying with all legal requirements set forth in Exhibit C.
- b. Questions and Information. Any questions, requests for clarification, and general information requests must be sent by e-mail to the LRA at lradepvelopment@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 RFP Hospital Parcel section, on a rolling basis. Only written responses posted on the website will be considered binding.
- c. Reference Documents. To assist Respondents in preparing to respond to this RFP, the LRA has created a website at www.rooseveltroads.pr.gov RFP Hospital Parcel section. The website contains all exhibits and other documents which will be of assistance in the development of the Proposals.
- d. Amendments to this RFP. This RFP may be amended by formal amendment, document, letter, or facsimile. If this RFP 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 RFP Hospital Parcel section and sent to registered applicants by email.
- e. Authorizations by Proposal. 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.
- f. Teaming Arrangements and Special Purpose Entities. Multiple Respondents may form a joint venture for the purpose of submitting a Proposal. A special purpose entity may be created for the purpose of submitting a Proposal. 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 Proposal a copy of the legal documentation establishing the joint venture.

- g. Hold Harmless. By participating in this RFP 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 RFP 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 RFP process. This includes any and all activities related to the LRA's exclusive negotiations with the Selected Proponent.
- h. Public Information. All information submitted in response to this RFP becomes property of the LRA. The documents and other records submitted to the LRA are part of the public record and may be 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.
- i. Organizational Conflicts of Interest. Each Respondent should clearly identify in its Proposal any person or entity that has assisted the Respondent to prepare its Proposal that has advised, or is currently advising, the LRA on any aspect of the redevelopment at NSRR.
- j. 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 RFP and all agreements entered into in connection with this RFP.
- k. Not a Contract. This RFP 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 RFP, except where specifically stated otherwise.
- l. 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 RFP is to be deemed confidential by the Respondents and must not be disclosed without prior written authorization from the LRA.
- m. Reservation of Rights. The LRA reserves the right, in its sole and absolute discretion, to:
 - 1. Change or amend the business opportunities described in this RFP;

2. Cancel or suspend this RFP process or any or all phases, at any time for any reason;
3. Accept or reject any Proposal based on the selection criteria and as determined by the discretion of the LRA;
4. Waive any defect as to form or content of this RFP or any response thereto;
5. Not accept any or all Proposals;
6. Select one or multiple Respondents that will best meet the LRA's needs and objectives, regardless of differences in fees and expenses among responders to this RFP;
7. Reject all or any Proposals without any obligation, compensation or reimbursement to any Respondent or any of its team members; and
8. Extend any date, time period or deadline provided in this RFP, upon notice to all Respondents.

n. Restriction of Damages. Each Respondent agrees that:

1. In the event that any or all Proposals are rejected, or this RFP 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.
2. By participating in this RFP 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 RFP 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 RFP process. This includes any and all activities related to the LRA's exclusive negotiations with the Selected Proponent.

o. Disclosure.

1. As required by Law No. 508, the information submitted by the Respondents will be published on the Internet once the contract is adjudicated, with the exception of the information identified as confidential.

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.

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

q. No Collusion or Fraud. Each Respondent is held responsible to ensure that its participation in this RFP process is conducted without collusion or fraud.