

The City of Santa Fe and the Office of Economic Development

Solicitation RFP#: 23/16/P

Redevelopment of the Midtown Performing Arts Center

Pre-Proposal Conference Q&A

Round 1

1. Parcel plan attached to the RFP is for the Visual Arts Center (VAC) <page 8>. Can we get a parcel plan for the PAC?
[Yes. The parcel map will be uploaded to the City's solicitation website at: https://santafenm.gov/purchasing/solicitations.](https://santafenm.gov/purchasing/solicitations)
2. Will money raised to renovate the building be credited to the selected Offeror's disposition price (lease or sale), if there is one? Is the 20% of the negotiated price deposit in addition to money for renovations? <page 21>. If an Offeror pays \$2.5M to fix, could that affect the disposition price?
[Yes. Property valuation will consider the cost of renovations, which will be negotiated during the Exclusive Negotiation Agreement process.](#)
3. Assuming a lease or sale agreement: how is renovation money consider into a building that the lessee does not own?
[The Development and Disposition Agreement will include negotiated terms that account for costs incurred by the lessee to renovate the building.](#)
4. Protest Period (p21): Can you give some examples of potential protests that could be filed?
[The Finance Department: Purchasing Office manages protests on an individual basis.](#)
5. C-7 (p24) Proposal prices for services. Can you explain this in more detail?
[Unless Offeror is providing a proposal for services, the text "including proposal prices for services" does not apply. However, the Evaluation Committee will be evaluating assumptions made in the Economic Analysis Proposal section of the Offeror's submission.](#)
6. C-16 (p25) Right to waive minor irregularities and mandatory requirements: Can you give examples of what these could be?
[Minor irregularities are determined during the evaluation. Irregularities would be matters of form rather than substance or insignificant mistakes that can be waived without prejudice to the Offerors and their proposals.](#)
7. C-20 (p26) Right to Publish: If a potential respondent has been fairly public about their approach to redeveloping a property at Midtown, can you clarify what a respondent is and is not allowed to say or do?
[The City advises all potential Offerors to act professionally and in good faith to maintain the integrity of the competitive process by keeping the actual contents of the RFP submission confidential. Direct information included in an Offeror's proposal becomes the property of the City and should be kept confidential meaning:](#)

“Throughout the duration of this procurement process and contract term, Offerors and contractors must secure from the City written approval prior to the release of any information that pertains to the potential work or activities covered by this procurement and/or City contracts deriving from this procurement. “

8. Scope of work (p34) includes programming and renovation. Will we get a list of known needs to determine what is required to bring the building up to code?
The City’s Office of Public Works has contracted a third party to perform initial building systems assessments. Once they are completed, the documents uploaded to the City’ solicitation website at: <https://santafenm.gov/purchasing/solicitations>.
However, the documents are certified to the City and not to additional recipients of the documents. It is advised and expected that the awarded Selected Offerors that enters in the Exclusive Negotiation Agreement will perform its own assessments during the due diligence period.
9. (p38) B-3-c: Site plan is to include parking. Are there plans for parking within the master plan? Should the proposal state the anticipated need?
The master plan considers a district parking structure as development occurs and there is enough parking demand to warrant a structure. The City anticipates using existing and possibly additional areas for temporary parking until a permanent structure is built.
Offerors should identify circulation and the need for critical parking spaces, as well as loading/unloading to service the property and building needs and may adjust the proposed lot area accordingly. On-site public parking is strongly discouraged.
10. Organizational References (p39): If an organization was started specifically for this RFP and proposed project, could the Offeror provide references of members of our team to demonstrate capacity and experience?
Yes. However, this RFP is not only for programming a performing arts facility. The RFP is for the redevelopment and operations of a performing arts facility. As such, the demonstrable capacity and experience to undertake finance, design, construction, and other development activities, as well as property and asset management of real estate is essential.
11. D-2 (p42) Can you explain the Surety Bond “statement of concurrence?”
The “Offeror(s) must have the ability to secure a Performance Surety Bond in favor of the Agency to insure the Contractor’s performance upon any subsequent contract award”. It is not required as part of the RFP submission.
12. (P44) B “Offerors shall not project City funding subsidies in the Operating Budget.” Does this mean we cannot assume a Service Value Lease?
Lease payments will be based on a projected operating budget showing income and revenue sources. The Offeror’s operating budget should not assume City funding subsidies. Budget should consider a mixed income sources model with a range of income sources and performances that generate a mix of revenue streams to pay operating costs.
13. Subcontractors: Are we expected to have all subcontractors selected for the renovation process when we submit our proposals?

No. The Evaluation Committee will be evaluating the Offeror's understanding, experience, and assumptions in estimating hard and soft development costs in their Development Cost and Financing submission. The Exclusive Negotiations Agreement period provides the opportunity to undertake the standard and necessary due diligence activities to develop contract teams, actual costs, building assessments and designs, and other activities to renovate, occupy, and operate the facility.

14. Since the City plans to do an appraisal of the property, what number should we assume when we budget for a disposition agreement?

Property valuation for lease or sale will be at the discretion of the Offeror analysis. Actual valuation will occur as part of the disposition process for a Development and Disposition agreement and approval. The City may use Net Operating Income as a basis for evaluation and determining value.

15. Our programs will ramp-up over the course of several years. Should we include several operating budgets (eg: year 1, year 3, year 5) to show our plans for growth?

Yes. A single operating model should be multi-year and illustrate business growth over time. We would advise a minimum 15-year operating budget. However, investors, donors, and lending institutions may want to see longer budgeting periods. The City will request the same budgeting periods to be consistent with other financial and development partners.

General RFP Questions

1. Will the City consider a primary applicant with no experience as a developer/owner if there is adequate expertise on the team?

Yes. The RFP submission should show experience, capacity, and other qualifications in real estate development, property management, and operating the facility.

2. Please explain the local preference points (6% and 60 points?)

If an Offeror submits New Mexico Taxation and Revenue Department- issued Resident Business certification, pursuant to Section II.C.28 of the RFP, the Offeror is awarded a maximum of up to an additional 60 points, or 6% of the total points earned by the Offeror.

Note: Correction to Table 1: Evaluation Factors Point Summary Table, under Section V.A., Table 1, D.4. Local Preference (Section IV.C.8) / 60 points, shall be edited to be:

D.4. Local Preference (Section II.C.8)

6% (up to 60 points)

3. Does everyone on the team need to show a resident business certificate to get the maximum local preference points?

It depends. If one entity is submitting the proposal and will be the awardee, then that entity needs to provide the resident business certificate to obtain the local preference points. If there are multiple entities or parties submitting the proposal they will all need to provide a resident business license to obtain the local preference points Please refer to Section II.C.28 if the Offeror proposes an award of an additional 3% if an Offeror has included all local resident business contractors.

4. Will City share sign-in lists of all who attend meetings (site tours and Q&A sessions) for all 3 RFP pre-proposal meetings?

Yes. Please go to the City's solicitation website at <https://santafenm.gov/purchasing/solicitations>.

5. Is it possible to extend the RFP submission due date?

Yes. Please go to the City's solicitation website for extension dates: <https://santafenm.gov/purchasing/solicitations>.

6. What is required in the Statement of Concurrence that is to be submitted in the Offeror's proposal, demonstrating the Offeror's ability to secure a Performance Surety Bond. Offeror should basically affirmatively restate Section D.2 with the Offeror's name and signature.