

UNIVERSITY OF CONNECTICUT
REQUEST FOR EXPRESSIONS OF INTEREST (RFEI)
TO DEVELOP AND OPERATE A HOTEL IN STORRS, CONNECTICUT

Responses due by 4:00 p.m. on Thursday, June 22, 2017

1.0 Overview

By issuing this RFEI, the University of Connecticut (“University”) is seeking proposals (“Responses”) from qualified developers (“Respondents”) to design, finance, build and operate a hotel at the University’s Storrs campus. The University desires for the new hotel to be developed at the site of the University’s existing Mansfield Apartments and to open by no later than August 2019. The new hotel will replace the Nathan Hale Inn (“NHI”), which will be converted to student housing.

The site for the new hotel is capable of accommodating additional development in addition to the hotel, such as retail, commercial, office space or other buildings. The University is willing to accept proposals for additional development at the site. Any such proposal must include and prioritize the development and operation of a new hotel.

Respondents should clearly specify whether they are proposing (a) developing a hotel only, using only the portion of the site necessary for the hotel, (b) developing a hotel but obtaining control of the entire site with additional development to be determined later, (c) developing a hotel coupled with additional development, which is conditioned on the development of a hotel, or (d) some other arrangement.

This RFEI outlines the University’s criteria and standards for the development and operation of a hotel at the site. Respondents should be aware that the criteria and standards that apply to any additional development at the site may vary from the criteria and standards outlined in this RFEI for the hotel.

Responses should include proposed terms, conditions and development concept designs for the hotel development and operation and any additional development proposed at the site. Respondents may submit more than one Response, however each Response must be submitted separately.

2.0 Background

2.1 Introduction to UConn

The University is Connecticut’s flagship public university and one of the top public research universities in the nation. UConn enrolls over 30,450 students and awards over 7,600 undergraduate, graduate and professional degrees each year. The Storrs campus is home to 18,800 undergraduate students and employs 3200 full and part-time faculty and staff. For more information on UConn, please visit uconn.edu/about-us.

2.2 Nathan Hale Inn

The University acquired NHI in June 2015. NHI is 98-key hotel located at the Storrs campus. Before it was acquired by the University, NHI had been constructed and managed by a private developer under a ground lease with the University.

NHI is now being operated by a private management company engaged by the University. About half of NHI is being used for student housing. After a new hotel is developed, the University will cease to operate NHI as a hotel. The University expects NHI will be converted into student housing.

2.3 Student Housing at the Site

The Mansfield apartments currently contain 272 beds. Upon completion of the hotel the NHI will convert fully to student housing, making available 100 additional beds.

The University can accommodate the remaining loss of residential housing at the site through existing student housing options.

The University will not entertain proposals for additional development of student housing on the site. The University will meet its future needs for University sponsored student housing at other locations

2.4 Market Study

The University engaged Pinnacle Advisors to conduct a market study for the development of a hotel on or near the Storrs campus. This study is provided with this RFEI for informational purposes only. Respondents must conduct their own due diligence and risk assessment concerning the viability of a hotel in this market.

2.5 RFEI Contact

This RFEI is being issued by the University's Planning, Design and Construction office. Respondents wishing to be informed when answers to questions, supplemental information, or amendments are posted should so notify the University by sending an email to Robert Corbett, Director of Regional Projects and Development, at Robert.Corbett@uconn.edu. Please include "Hotel RFEI" in the subject line.

3.0 Hotel Development Criteria

3.1 Private Project

The hotel will be a privately funded, privately owned and privately operated project. The University will not provide any financial support for the hotel project or otherwise direct or control the construction of the hotel. The construction of the hotel will be the sole responsibility of the developer. Responses must demonstrate the Respondents' qualifications and financial capacity to independently develop and operate a high-quality hotel.

The University, together with its faculty, staff and visitors, may utilize the accommodations, services and amenities provided by the new hotel in the same manner as other paying members of the public. The University will not pre-commit to any such use, however. The developer will have and retain all financial risks for the development and operation of the hotel at the site.

3.2 Property Location

The new hotel will be developed at an approximately 16.9 acre site of University-owned land. This site is located at the southeast corner of the intersection of Storrs Road (Route 195) and South Eagleville Road. A student housing apartment complex with 68 units and 272 beds, known as Mansfield Apartments, currently occupies a portion of the site. The remaining undeveloped land at the site is almost all developable, except for some wetlands located in the southeast corner of the site.

The selected developer will be ground leased the site to develop and operate the hotel. The University has the ability to convey either the entire site or a portion of the site. Respondents may propose additional development at the site, but the new hotel must be developed first.

3.3 Design Standards

The University will have the right to establish minimum design and construction standards for this project. These standards are in lieu of local zoning requirements. No local zoning authority will govern the project. The specific standards that will be required for the project will depend on the attributes of the proposal selected by the University.

All Responses are expected to meet or exceed the following minimum standards:

- The new hotel can have up to 100 guestrooms, or if a greater number is proposed, a clear justification for same shall be submitted with the Response. The hotel type can be either a boutique-style, full service or limited service.
- The height of the new hotel and the scale of the development should be consistent with the surrounding neighborhood development, such as Storrs Center, which is generally in the four to five story range.
- The hotel can be franchised or independently operated, but in either case, must be professionally managed by an experienced hotel operator suitable to the University.
- The hotel shall be constructed with materials with the durability to have a lifespan for the entirety of the ground lease of the property.
- Minimum hotel parking shall be provided at a rate of one (1) space per guestroom. Parking shall also minimally be provided at a rate of one (1) space per 1,000 gross square feet of commercial building area but additional parking may be required depending on the nature of any additional development.
- The University is committed to sustainable design practices. When the University constructs new facilities they are required to meet a minimum of a LEED Gold design requirement. The Town has adopted the Town of Mansfield Storrs Center Design Guidelines for a Sustainable Community dated August 2008. http://www.mansfieldct.gov/filestorage/1904/3389/7092/sustainable_guidelines.pdf Neither the University standard nor the Town standard is legally required for private development on state land. Respondents should explain their approach to sustainability and what standards their proposed development will meet.

3.4 Ground Lease

Respondents are requested to propose the terms, conditions, duration and annual rent for the ground lease in their Response. The University is willing to ground lease all or a portion of the site. The ground lease duration shall be no greater than 98 years, with preference given to shorter terms.

The developer shall be the owner of the hotel and the University will remain the fee owner of the land during the lease term. At the end of the lease term, ownership of the hotel and all related improvements at the site will revert to the University.

No assignment or transfer of the ground lease by the developer will be permitted during the first five years of the hotel's operation. The University will retain a right of first refusal regarding any proposed transfer or assignment of the ground lease. The ground lease may only be assigned or transferred if the University declines the right of first refusal and provides advance written consent.

3.5 Development Schedule

Responses must include a development schedule, which needs to include timetables for approvals, design, construction and phasing of the development, if any. The Mansfield Apartments will be occupied for the 2017-2018 academic year. Construction cannot commence on the site until the summer 2018. It is the University's desire, therefore, to have the hotel construction complete no later than the start of the fall 2019 semester.

4.0 Hotel Development Standards

4.1 Development Costs

Respondents will be responsible for all costs associated with the project, including, but not limited to, all development, design, financing and construction costs. All improvements required to complete the project and operate the project, including, but not limited to, utilities, roads, infrastructure, traffic improvements, and parking, shall be provided by the Respondent at its sole expense.

4.2 CEPA

Development of the site will be subject to the Connecticut Environmental Policy Act (CEPA), which will require an Environmental Impact Evaluation (EIE). Respondents must outline in their Response their expectations, if any, regarding the University's role in the CEPA process and/or preparation of the EIE. The University will need to be the sponsoring agent and submitter of the EIE, but expects that the EIE will be prepared by the Respondent at its sole expense.

4.3 Environmental Remediation

The University is willing to be responsible for the environmental remediation of hazardous substances, if any, within existing structures and soils at the site. Respondents will be responsible for any demolition of existing structures and site improvements after such remediation at its sole expense.

4.4 Taxes

The development of a private hotel and other improvements on University property may be subject to local real estate taxes (except for the land portion which is retained by the University and exempt). Personal property taxes and taxes related to operating revenue are also subject to local, state and federal requirements. As a private development on public land, sales tax on construction materials apply and the project will not be exempt.

4.5 Permitting

Respondents will be responsible for securing all permits for the work, including the general building permits and any approvals required for the project described in its Response. Demolition permits, if necessary, are always issued by the local municipality. If a development on University property meets the threshold requirements identified in CGS 29-276b, the Office of State Building Inspectors has jurisdiction for the issuing of construction and occupancy permits on the development. Otherwise, the authority having jurisdiction on University property is the UConn Office of Public Safety and Fire Marshal's Office.

4.6 Design Approvals

The University will retain approval rights at various stages of the design development (*i.e.*, concept design, schematic design, design development and construction documents) over the building and development aesthetics and appearance, floor plans, materials and details to assure adherence to University's standards as the ground lessor.

The actual construction of the project, however, will be the sole responsibility of the developer. The developer will not be deemed to be acting as a representative or agent of the University at any point or in any respect during the construction of the project. The University will disclaim all right and responsibility to direct or control any aspect of the construction activities taking place on the project.

4.7 Options to Purchase

Respondents must propose terms and conditions for a University option to purchase improvements and the development at the site, which shall exist during the entire lease term, and rights of first refusal on bona fide offers received from third parties.

4.8 Labor Requirements

Because the hotel project is privately funded, privately constructed, privately owned and privately operated, the developer will not be required to pay prevailing wage. Developers will need to determine, and will be responsible for, how it contracts and pays for all labor used on the hotel project.

4.9 Easements and Conservation Areas

Respondents should be aware there is an existing pump station located in the northeast corner of the site and an existing easement running parallel to Route 195 on the site that will need to be maintained. Respondents should also be aware that the Moss Sanctuary conservation area is located to the south of the site. The conservation area does not include the site, but there are access

requirements from the site that must be preserved, and development activity should be sensitive to the conservation area and additional measures may be necessary during construction to protect same.

4.10 Public Safety

For facilities constructed on University property, public safety will continue to be under the jurisdiction of the University.

5.0 Additional Development

The University will accept Responses that propose additional development at the site in addition to the hotel, such as retail, commercial, office space, parking garages or other buildings. In making any such proposal, Respondents must be clear whether their proposal to develop a new hotel is dependent on being authorized to pursue such additional development and, if so, specifically state how. The University must be able to assess the viability and merits of a Response for a hotel-only development if the Response does not depend on a combined hotel and additional development. Any combined hotel and additional development proposal must prioritize the construction of the hotel.

Respondents should also be aware that the specific design and construction standards outlined in this RFEI may not be applicable to additional development at the site. The University will assess, based on the information provided in the Response, the specific design and construction standards that would be applicable to any development at the site other than a hotel. Respondents are encouraged to clarify any assumptions made in the Response for any non-hotel specific development proposed at the site.

Respondents should be aware that if the proposed additional development requires a lease commitment by the University as a means of financing such development, and if the additional development has certain other attributes, it may be subject to prevailing wage requirements.

6.0 Response Requirements

In order for the University to assess the Responses, Respondents shall meet each of the "Response Requirements" described below with regard to the hotel. If Responses do not meet the Response Requirements or have inadequate or unclear documentation such that the University cannot assess the Response Requirements, the University may in its sole discretion determine not to consider such response.

6.1 Programing

Responses must contain a sufficient level of design and documentation, including a space and amenity program, site plan, conceptual elevations, and schematic floor plans, to convey the physical attributes of the hotel, amenities and related developments which the Respondent intends to construct and operate for the hotel project.

6.2 Financial Capacity

Responses must contain sufficient evidence that shows a financial capacity and capability to execute the hotel project described in the Respondent's Response. The determination of the sufficiency of such evidence will be at the sole discretion of the University. Financial statements for the past 5 years shall be provided for each member of the Respondent's team that has a financial stake in the project.

6.3 Financial Structure

Responses shall include sufficient details, information and commitments concerning the financing sources necessary to support implementation of the development and construction of the hotel and related improvements, including but not limited to, identification of a bona fide third party lender or evidence of sufficient assets to self-finance the hotel project.

6.4 Development Budget

Responses shall include a detailed development budget, including the costs of the ground lease, building(s), site improvements, FF&E, design fees, soft costs, contingency, financing, carrying costs, preopening expenses, and all other costs and expenses required to develop and construct the hotel project.

6.5 Operating Statement

Responses shall include a projected operating revenue and expense statement for a time span of not less than 10 years for the hotel project.

6.6 Hotel Operation

Responses shall indicate whether the Respondent will operate the hotel or whether it will be managed by a third-party hotel operator and, if applicable, provide information and documentation concerning the third-party hotel operator. Responses shall indicate and provide documentation on whether the hotel will be under a franchise agreement, national hotel chain flag or similar, or operated independently.

6.7 Schedule

Responses must provide a milestone schedule showing the proposed duration for major activities, completion and occupancy dates, approvals and permitting, design phases, expected review and approval times by the University, and construction sequences and activities.

6.8 Additional Development

Responses proposing additional development at the site must also provide the information and documentation requested above for the proposed additional development.

7.0 Qualification and Evaluation Criteria

The University will use both qualitative and quantitative criteria to evaluate the Responses. Amongst the criteria, the University will consider the following:

- a) Respondent's experience in executing hotel developments similar to its Response,
- b) Proposed financing structure and financial capacity to execute its Response,
- c) Appropriateness and desirability of the proposed hotel and additional development program,
- d) Expected obligations of the University (both monetary and non-monetary), if any, and expected revenue or other benefits to the University from the ground lease or other means,
- e) Adequacy of parking,
- f) Proposed development schedule and timeline,
- g) Appropriateness of the building design to the neighborhood and/or campus and its aesthetics,
- h) Experience working with Universities and colleges on development projects, and
- i) The extent to which economic development is promoted and the Response complements the University's on-going educational mission.

The University will review the Responses and determine which Respondents demonstrate, at the sole discretion of the University, compliance with the requirements in this RFEI and will establish a shortlist from such Respondents. The University may request more detailed information or clarifications from the Respondents, if necessary. The University may then choose to enter negotiations with one or more Respondents.

7.0 Delivery of Responses

7.1 To be considered responsive, written responses must be submitted in **hard copy**, by delivery of five (5) copies to:

University of Connecticut
Office of University Planning, Design and Construction (UPDC)
31 LeDoyt Road
Storrs, Connecticut 06269-2048
Attention: Robert Corbett

7.2 **Hard copies must be received no later than 4:00 p.m. local time on Thursday, June 22, 2017.** Responses must be in actual possession of the Office of University Planning, Design and Construction prior to this time and date; **late submissions will not be considered.**

7.3 All questions and clarification requests must be directed, in writing, to Robert.Corbett@uconn.edu. Please do not phone the Office of University Planning, Design and Construction or other offices of the University. Questions must be submitted in writing **no later than 4:00 p.m. local time on Thursday, June 1, 2017.** The University will endeavor to post Answers to relevant questions by the end of the day on Thursday, June 8, 2017. Answers to relevant questions, without attribution, will be posted on the following University of Connecticut website: evpacfo.uconn.edu. Supplemental information or amendments to this Request for Expressions of Interest, if necessary, will also be posted on this website, so Respondents are advised to check the site

frequently. Respondents may not rely on oral communications or other information disseminated outside the official communication process specified herein.

8.0 Legal Provisions

8.1 The University reserves the right to unilaterally and without cause accept or reject any or all Responses, and to withdraw this RFEI at any time before or after the submittal period has closed. The University may at any time in the process of evaluating Responses seek written clarification and supporting information for a Response. Further, the University reserves the right, in its sole and absolute discretion, in order to obtain facilities and terms in the best interests of the University, (i) to discuss a submission or enter into negotiations with any Respondent without notice to other Respondents; (ii) to enter into discussions or negotiations with respect to the subject matter herein with parties not responding to this RFEI without notice to the Respondents; (iii) to discuss, negotiate and enter into agreements relating to the subject matter of this RFEI with more than one Respondent or any other party (iv) to suspend or discontinue any such discussions or negotiations at any time; (v) to extend, reopen, modify, cancel and/or reissue this RFEI; and (vi) to use the Responses as a basis for negotiation and to negotiate with one or more Respondents on terms other than set forth in this RFEI.

8.2 The University may have previously posted information regarding a new hotel and/or the Mansfield Apartment sites on University websites or had other conversations with Respondents about the possibility of a hotel development on campus or in the area. Respondents should not use any previously issued materials, information or RFEI's previously published by the University or rely on any other conversations in preparing their Responses and should only use information specifically provided with this RFEI.

8.3 All Responses are to be the sole property of the University and response documents will not be returned to the submitting Respondent. Each Respondent, and not the University, shall be responsible for all of its costs associated with its participation in this process, including, but not limited to, costs incurred in the preparation of its Response and submittals, investigation and other due diligence activities, travel, and its participation in any discussions or meetings or negotiations. The University shall in no way be liable for any cost or expense incurred by any Respondent in preparing a Response.

8.4 This RFEI does not constitute an offer by the University or the State. The Respondent waives any right it may have to bring any claim, whether in damages or equity, against the University, its agents and employees, with respect to any matter arising out of any process associated with this RFEI.

8.5 Upon receipt by the University, all Responses are considered a public record or file, subject to the Freedom of Information Act ("FOIA"), and to public disclosure unless otherwise protected. The University may withhold from disclosure the Responses until the completion of the procurement process, pursuant to § 1-210(b) (24) of the Connecticut General Statutes, which provides that nothing in the Freedom of Information Act shall be construed to require the disclosure of:

"Responses to any request for Proposals or bid solicitation issued by a public agency or any record or file made by a public agency in connection with the contract award process, until such contract is executed or negotiations for the award of such contract have ended, whichever occurs earlier, provided the chief executive officer of such public agency certifies that the public interest in the disclosure of such responses, record or file is outweighed by the public interest in the confidentiality of such responses, record or file."

The Respondent is responsible for identifying any and all information it considers a trade secret, commercial or financial information submitted in confidence and not subject to release by statute, unless such earlier claims were already adjudicated by the Freedom of Information Commission.

8.6 No member of a Respondent's team may communicate with members of another Respondent's team to give, receive, or exchange information, or to communicate inducements, that constitute anti-competitive conduct in connection with this RFEI process. Should the Respondent team include subcontractors or team members that are common to another Respondent team(s), the Respondents and common subcontractors or team members must ensure that communications between the parties do not violate this provision.

8.7 Responses made to the University shall constitute acceptance of all of the terms and conditions set forth in this Request by the Respondent.

8.8 Respondents are hereby noticed that at the conclusion of the selection process and successful negotiation, the selected Respondent will be required to enter into a written agreement with the University. No agreement shall be binding and effective upon the University until such time as such agreement is approved by the University's Board of Trustees and the Attorney General's Office. At the time such agreement is executed, respondents shall be required, if applicable, to sign certain affidavits and/or certificates, including but not limited to the following affidavits:

1. Certificate of Authority
2. OPM Ethics Forms 1, 5, 6 and 7
3. Nondiscrimination Certification

Copies of the affidavits and certificates can be obtained at the following link:
<http://www.attorneygeneral.uconn.edu/contracts.html>

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