



REQUEST FOR PROPOSALS

REAL ESTATE DEVELOPMENT PROJECT
AT BERKLEY RIVERFRONT - "PARCEL 9"

DATE OF ISSUANCE:
May 5, 2023

SECTION I. INSTRUCTIONS AND CONDITIONS

INTRODUCTION

The Port Authority of Kansas City, Missouri (“Port KC”), a political subdivision authorized under Chapter 68, RSMo, is inviting professional, highly qualified real estate development entities (each a “Proposer”) to submit their proposals (each a “Proposal”) for the development of a mixed-used project that includes a parking structure providing transient parking and additional vertical development consisting of mixed-uses that include multi-family residential, retail, office and/or hotel components, or any combination of the foregoing (collectively, the “Development Project”), all to be located on an approximately 4.57 acre tract of land identified as “PARCEL 9” (the “Development Site”) by the preliminary Master Planned Development approved pursuant to Ordinance No. 140583, on July 31, 2014, as amended by that certain Ordinance No. 200550 adopted on July 16, 2020, and by that certain Ordinance No. 220941 adopted on November 11, 2022, and any subsequent amendments thereto.

Requirements with respect to phasing of the Development Project and any minimum deliverables that must be included in any Proposal are detailed elsewhere in this Request for Proposals (the “RFP”).

PORT KC BACKGROUND

Port KC’s mission is to grow the economy of Kansas City’s port district through transportation, global commerce and development.

Port KC possesses broad governmental and business enterprise powers for promoting economic development and job creation. The most important of these powers include the following:

- To acquire, own, construct, redevelop, lease, maintain, and conduct land reclamation, residential, commercial and mixed-use development, industrial parks, facilities, terminals, terminal facilities and any other type of port facility;
- To promote and expand inland and river port commercial throughput of cargo and freight;
- To identify and pursue redevelopment opportunities at blighted and historic preservation sites;
- To redevelop the Downtown Kansas City Riverfront to promote and develop new opportunities for residence, commerce and leisure; and
- To promote the full integration of multi-modal transportation assets to increase commercial opportunities locally, nationally and internationally.

INVITATION

Port KC is seeking the services of a professional, highly qualified real estate development entity to provide comprehensive services related to the financing, design, construction, operation and maintenance of the Development Project on the Development Site. This RFP is an invitation by Port KC for Proposers to submit an offer, which may be subject to subsequent discussions and negotiations. It is not a request for a competitive bid. By submitting a Proposal, the Proposer agrees that the Proposer does not obtain any right in or expectation to a contract with Port KC or a vested interest or a property right in a contract with Port KC, regardless of the amount of time, effort and expense expended by the Proposer. A Proposer shall be solely responsible and liable for any and all costs incurred by the Proposer.

This RFP consists of the following sections:

SECTION I.	INSTRUCTIONS AND CONDITIONS
SECTION II.	BUSINESS / FIRM PROFILE AND LEGAL STRUCTURE
SECTION III.	EXPERIENCE
SECTION IV.	MANAGEMENT
SECTION V.	DEVELOPMENT APPROACH
SECTION VI.	REFERENCES
SECTION VII.	SUSTAINABILITY
SECTION VIII.	DEVELOPMENT FINANCE INFORMATION
SECTION IX.	PUBLIC INCENTIVES
SECTION X.	ENVIRONMENTAL INFORMATION

EXAMINATION OF ALL RFP DOCUMENTS AND REQUIREMENTS

Each Proposer shall carefully examine all RFP documents and thoroughly familiarize themselves with all RFP requirements prior to submitting a Proposal to ensure that Proposer's Proposal meets the intent and requirements of this RFP.

Before submitting a Proposal to Port KC, each Proposer shall be responsible for making all investigations and examinations that are necessary to ascertain any and all conditions and requirements that affect the requirements of this RFP. Failure to make such investigations and examinations shall not relieve the Proposer from Proposer's obligation to comply, in every detail, with all provisions and requirements of the RFP.

By submitting a Proposal to Port KC, Proposer certifies that Proposer has provided Port KC with written notice of all ambiguities, conflicts, mistakes, errors or discrepancies that Proposer has discovered in the RFP.

TIMELINE

The following timeline shall be applicable unless modified by Port KC pursuant to addendum to this RFP:

- RFP Issued: May 5, 2023
- Deadline for questions: May 26, 2023 - 5:00 PM (CT)
- Due Date for Proposals: June 5, 2023 - 5:00 PM (CT)
- Port KC provides all Proposals to Selection Committee: June 6, 2023
- Selection Committee Shortlists the Proposals: June 13, 2023
- Interviews of Shortlisted Proposers (if desired by Selection Committee): June 20, 2023
- Shortlisted Proposers Ranked by Selection Committee and delivered to Port KC: June 21, 2023
- Contract Negotiations Commence: June 22, 2023
- Development Project Commences: Fall 2023

Site Visit. Any Proposer wishing to visit or otherwise perform inspections or testing of the Development Site must coordinate those efforts and secure prior written approval from Port KC.

Access to Records. Port KC's real estate broker maintains a virtual database of various records relevant to the Development Site and Berkley Riverfront. A statement of interest and request for access should be submitted to info@portkc.com prior to developing and submitting any Proposal. A Port KC staff member will respond by email with the login credentials within one to two (1-2) business days of receipt.

Questions. Any general questions, requests for clarification or notices of ambiguities, conflicts, mistakes, errors or discrepancies in this RFP must be submitted to info@portkc.com before May 26, 2023 at 5:00 PM (CT). Proposers shall not contact individual Port KC staff members for purposes of discussing the Development Project, RFP, or any matter related to the foregoing. Unless otherwise specified, any and all inquiries must be directed to info@portkc.com. Such questions will then be routed from to the appropriate Port KC staff member(s) without further action by the inquirer. **Failure to follow this procedure may result in a Proposer's disqualification.** A written response will be generated promptly, with a goal of within one to two (1-2) business days of receipt. All questions and answers will be posted anonymously in the form of an addendum to this RFP on Port KC's website at www.portkc.com/development-finance/

Submittal. Proposers shall submit one (1) electronic copy and six (6) hard copies of their Proposal. Proposals will be accepted by Port KC at 110 Berkley Plaza, Kansas City, Missouri, 64120, until **June 5, 2023 at 5:00 PM (CT)**. Any proposals, modifications, or revisions received by Port KC after that date and time will not be considered, regardless of the cause for any late submittal. It is the Proposer's responsibility to ensure timely receipt by Port KC at the location designated herein.

Notwithstanding anything herein to the contrary, Port KC reserves the right to change or extend any and all dates including the due date for Proposals for any reason and at any time, including after the Due Date for Proposals shall have expired. Any such change or extension shall be equally applicable to all Proposers.

MINIMUM PROJECT STANDARDS

The Development Project may be undertaken in one or more phases, but shall include the following minimum deliverables:

A. The Development Project must initially include a minimum of one thousand (1,000) parking stalls to be located in a vertical parking structure, each of which parking stalls must be available for transient parking on a first-come-first-served, year-round, 24/7 basis. The selected Proposer will generally be permitted to charge and retain the posted rates, which posted rates will be set in accordance with market standards. During ticketed events hosted at the KC Current stadium located to the immediate north of Parcel 9, the selected Proposer will be permitted to charge an event rate, which event rate will likewise be set in accordance with market standards. Developer should anticipate that some portion of the event revenues would be shared with Port KC. While Proposers are not required to include the terms of any proposed revenue share within their Proposals, they are specifically advised that this issue will be subject to negotiation.

At such time as the multi-family residential, retail, office and/or hotel components, or any combination of the foregoing are constructed, the parking shall be expanded so that the Development Project includes a minimum of one thousand five hundred (1,500) parking stalls, each of which shall be made available for transient parking and shall be subject to the same terms and conditions as detailed herein.

B. The Development Project must include additional mixed-use components that may be located above any parking structure, adjacent to any parking structure, and/or as a wrap to any parking structure. The additional mixed-used components must include one or more of the following:

1. Multi-Family Residential - No less than three-hundred fifty (350) units, which may consist of some combination of studio, one-bedroom and two-bedroom units; and/or
2. Retail (including food & beverage and/or entertainment venues) – No less than ten thousand (10,000) square feet of leasable space; and/or
3. Office – No less than one hundred thousand (100,000) square feet of first-class leasable space; and/or
4. Hotel – No less than two hundred (200) key boutique facility, *i.e.*, not a corporately owned or franchised flagged facility. Port KC is restricted from selling, leasing or providing any financial incentives for a corporately owned or franchised flagged facility prior to August 23, 2024.

Proposers are specifically advised that Port KC is party to various agreements with the developer of the KC Current stadium and that those agreements contain various provisions with respect to parking. There is no scenario under which Port KC will accept a Proposal that provides for less than the minimum parking deliverables contemplated by this RFP, and any such Proposal will be summarily rejected as non-responsive.

The proposed phasing, in the event a Proposer wishes to proposed a multi-phases approached, must be identified in the Proposal. Generally, any phasing is subject to negotiation. Notwithstanding the foregoing, the minimum requirement of 1,000 parking stalls **must** be included as part of any first phase. There is no scenario under which Port KC will accept a Proposal that delays delivery of this parking to a subsequent phase, and any such Proposal will be summarily rejected as non-responsive.

DIVISION OF DEVELOPMENT RIGHTS

Port KC is aware that the mixed-use nature of the Development Project required by this RFP might necessitate that the selected Proposer partner with one or more other development entities, and that an assignment, in whole or in part, of any development rights may be in the best interests of Port KC and the development of Berkley Riverfront. Port KC is willing to consider Proposals that contemplate dividing Parcel 9 into discrete sub-parcels and/or establishing a condominium structure over the surface and/or vertical air rights for purposes of facilitating development on a phased basis or by one or more development entities.

SELECTION PROCESS

Proposals will be evaluated by a selection committee of five (5) members (the “**Selection Committee**”) to be identified by the President & CEO of Port KC, who may also elect to serve as one of said members. At least one member of the Selection Committee will include a representative of Cushman & Wakefield, which entity serves as Port KC’s broker of record and property manager with respect to Berkley Riverfront.

Upon receipt of the Proposals, the Selection Committee will review each Proposal to determine consistency with the requirements of this RFP, and may summarily reject any Proposals that are deemed non-responsive by virtue of their non-compliance or non-conformity. The Selection Committee will then

evaluate both the Proposer's qualifications and proposed Development Project.

The Selection Committee will develop a shortlist of the best Proposals. The Selection Committee may determine that interviews with one or more Proposers is necessary, but no Proposer will be entitled to an interview except upon request of the Selection Committee. During any interviews, the Proposer will present their Proposal in keeping with the goals and criteria described in this RFP. The Selection Committee will then rank the shortlisted Proposals and provide its rankings to Port KC.

Port KC will enter into negotiations with the top ranked Proposer. In the event they are unable to agree upon terms, Port KC will proceed down the list by ranked order until such time as the terms of the Development Project has been successfully negotiated or Port KC elects, in its sole discretion, to terminate the RFP and its efforts to pursue the Development Project on the Development Site.

Any evaluation criteria or weighting of criteria is used only as a tool to assist in selecting the best Proposal. Evaluation scores or ranks do not create any right in or expectation to a contract with Port KC regardless of any score or ranking given to any Proposal. In other words, even if the Selection Committee gives a Proposal the highest rank, the Proposer still has no expectation of a contract with Port KC and Port KC may choose to contract with any other Proposer regardless of the score or rank of the other Proposer.

Port KC will develop the criteria for scoring and ranking Proposals and may change criteria and criteria weights at any time including after the due date for Proposals.

RESERVATION OF RIGHTS IN SELECTION PROCESS

The Selection Committee, in reviewing and ranking Proposals, and Port KC, in negotiating the terms of any contract with the ranked Proposers, may do any or all of the following:

- Interview none, one, some or all of the Proposers who submit Proposals;
- Discuss and negotiate anything and everything with any Proposer or Proposers at any time;
- Request additional information from any or all Proposers;
- Request a Proposer or Proposers to submit a new Proposal;
- Request one or more best and final Proposals from any or all Proposers;
- Accept and reject any Proposal in whole or in part;
- Require a Proposer or Proposers to make modifications to their initial Proposals;
- Reject all Proposals.

Without limiting the foregoing, Port KC reserves the absolute and unconditional right to reject any or all Proposals received in response to this RFP at any time prior to the execution of any agreements for the Development Project. No Proposer obtains any right in or expectation to a contract with Port KC or a vested interest or a property right in a contract with Port KC, regardless of the amount of time, effort and expense expended by the Proposer, and regardless of ranking. Proposer shall be solely responsible and liable for any and all costs incurred by Proposer.

DISPOSITION OF PROPOSALS

Port KC reserves the right to reject any and all Proposals, to accept portions of any Proposal(s), and to negotiate the terms of any Proposal(s) in determining whether to award any contract.

WAIVER OR MODIFICATION OF RFP REQUIREMENTS

Port KC, in its sole discretion, may waive or modify everything or anything contained in this RFP at any time including after the Proposal due date. If Port KC modifies the RFP after the due date for Proposals, Port KC may, in its sole discretion, solicit new Proposals in an amended RFP from anyone or everyone regardless whether a person submitted a Proposal in response to the original RFP.

Port KC reserves the right to waive informalities or irregularities in Proposals, to accept or reject any or all Proposals, to cancel this RFP in part or in its entirety, and to re-solicit Proposals if it is in the best interest of Port KC as determined by Port KC in its sole discretion.

EVALUATION CRITERIA

The Selection Committee will evaluate the Proposals with regards to the merits of the proposed Development Project, the extent to which it would fulfill Port KC's objectives with regards to the development of the Project Site, and the Proposer's capacity to successfully deliver the Development Project.

Project Evaluation Criteria

Criteria include, but are not limited to, the following:

1. Extent to which the Proposal supports Port KC's expectations with respect to the development of Berkley Riverfront as reflected in the MPD;
2. Extent to which the Proposal provides added business and economic activity to Berkley Riverfront;
3. Extent to which the Proposal supports existing business and community activities in Berkley Riverfront;
4. The amount of private equity proposed to be contributed and non-public funding sources leveraged;
5. Extent to which the Proposal supports and encourages broader redevelopment efforts throughout Berkley Riverfront; and
6. How the Proposal relates to the existing facilities and/or land uses in close proximity to the Development Site.

Project Developer Evaluation Criteria

Criteria include, but are not limited to, the following:

1. The team's financial capability and administrative capacity to undertake the proposed Development Project;
2. Overall quality of the development team as shown by their previous experience, as well as that of their principals and participants;
3. The team's expertise in catalytic redevelopment and executing high quality projects of similar scope and scale;
4. The team's caliber of proposed design professionals;
5. The team's experience in successfully structuring and implementing innovative public/private partnerships; and
6. The team's proof of project financing (financing commitment letter or letter of interest).

FORM AND CONTENT OF PROPOSAL

Proposals shall be limited to no more than fifty (50) pages, inclusive of any attachments, shall utilize Times New Roman 12-point font, and shall be organized and tabbed as follows:

- TAB A Development Project Details
- TAB B Business / Firm Profile and Legal Structure
- TAB C Experience
- TAB D Management
- TAB E Development Approach
- TAB F References
- TAB G Sustainability
- TAB H Development Finance Information
- TAB I Public Incentives

All information requested or required to be provided by this RFP shall be provided under the applicable Tab.

SUBMITTAL OF PROPOSAL

Any incomplete Proposal may be rejected by Port KC or the Selection Committee.

By submitting a Proposal, Proposer agrees that Proposer's Proposal shall constitute a firm irrevocable offer to Port KC that Proposer shall not withdraw or modify without Port KC's approval for one hundred eighty (180) days after the Proposal due date. Proposer agrees that even if Port KC negotiates or makes a counter offer to Proposer on Proposer's original Proposal or any subsequent Proposal submitted by Proposer, Proposer grants to Port KC, in Port KC's sole discretion, the unconditional right for Port KC to accept Proposer's original Proposal and Port KC's negotiation or counter offer shall not be deemed to be a counter offer.

PORT KC POLICIES

The selected Proposer will be obligated to comply with all Port KC policies applicable to the construction of improvements anticipated to be owned by Port KC including, without limitation, M/WBE and Construction Workforce, Payment Bonds, Prompt Pay, OSHA 10-hour certification, E-Verify, Public Procurement and, to the extent applicable, Prevailing Wage requirements. The policies can be found at <https://portkc.com/development-finance/> and are incorporated herein by reference.

OWNERSHIP OF PROPOSALS

By submitting its Proposal, Proposer hereby agrees that Proposer's Proposal and any supplementary material submitted by the Proposer shall become property of Port KC.

DISCLOSURE OF PROPRIETARY INFORMATION

A Proposer may attempt to restrict the disclosure of scientific and technological innovations in which the Proposer has a proprietary interest, or other information that is protected from public disclosure by law, which is contained in the Proposal by marking each response of each such document prominently with the words "**PROPRIETARY INFORMATION**" in red, bold 20-point font.

After either a contract is executed pursuant to the RFP, or all submittals are rejected, if access to documents marked "**PROPRIETARY INFORMATION**", as provided above, is requested under the Missouri Sunshine Law, Port KC will notify the Proposer of the request, and it shall be the burden of the Proposer to establish that such documents are exempt from disclosure under the law.

If the Proposer elects to challenge a formal request for such information made to Port KC and if the Proposer is unsuccessful in keeping such information closed, the Proposer shall pay for any and all costs, attorney fees and fines that are a result of Proposer's attempt to keep the information closed.

Notwithstanding the foregoing, in response to a formal request for information, Port KC reserves the right to release any documents if Port KC determines that such information is a public record pursuant to the Missouri Sunshine Law. Port KC shall have no liability to any Proposer or anyone else for releasing any Proprietary Information of a Proposer even if Port KC is negligent in releasing or disclosing any Proprietary Information of any Proposer.

CLOSED RECORDS

All Proposals including interviews, presentations and documents, and meetings relating thereto may remain closed records or meetings under the Missouri Sunshine Law until a contract is executed or until all Proposals are rejected by Port KC. If Port KC amends this RFP, Proposals submitted in response to the original RFP may remain closed records until a contract is executed or all Proposals submitted in response to the amended RFP are rejected.

SECTION II. BUSINESS/FIRM PROFILE AND LEGAL STRUCTURE

The Proposal must include the following information as listed below:

1. Legal name of Proposer, address, phone, fax, e-mail, Federal ID#, and website address.
2. Brief history of Proposer including date the business/firm was established under the current name.
3. List all services provided by Proposer.
4. Number of total employees including number of total employees in Kansas City, Missouri and number of employees in Greater Kansas City Area.
5. Type of ownership, or legal structure of Proposer.
6. Identification of any occasions in which Proposer failed to complete work for which a development contract was executed.
7. Identification of any civil or criminal actions pending against the Proposer or any key personnel related in any way to contracting.
8. Brief history of Proposer's contractual litigation, arbitration, and mediation cases for the last five (5) years.
9. Identification of any public or quasi-public entities from which the Proposer has been barred.
10. Proof of financial capacity to complete the Development Project, such as Dun and Bradstreet, audited financial statements, and bonding capacity.

SECTION III. EXPERIENCE

Describe the five (5) most relevant or comparable developments completed by your business/firm during the past five (5) years.

For each listed development, provide a narrative that includes:

- Assigned project personnel
- Development scope
- Development cost
- Contracting entity's contact person, e-mail address, cell phone number, and telephone number
- Summary of how your business/firm delivered services
- Pricing and contractual compensation terms

SECTION IV. MANAGEMENT

The Proposal must include the following information as listed below:

1. Listing of all partners and their respective roles.
2. The proposed capital ownership structure.

3. Organizational chart for the assigned project personnel.

SECTION V. DEVELOPMENT APPROACH

The Proposal must include the following information as listed below:

1. A preliminary site program and design demonstrating a development that addresses the issues detailed throughout this RFP. Proposals that do not achieve each component of the program must include a detailed explanation of such deviation.
2. A description of and conceptual drawings for the proposed development program inclusive of, but not limited to, the following: total gross building area, footprint of specific uses, description of appropriate urban design elements including street level pedestrian orientation/activation and connections to adjacent Berkley Riverfront properties.
3. Approximate date the development team is available to begin work on the Development Project.

Although there is no obligation to do so, each Proposer should feel free to provide a description of other factors not accounted for in the RFP that will underscore the Proposer's qualifications to undertake the Development Project and identify what is "unique" about their development concept.

SECTION VI. REFERENCES

Proposers are required to provide three (3) client references, including contact information, for similar projects that the Proposer has completed within the past five (5) years.

It is preferred that at least one (1) client reference be a government sector client.

SECTION VII. SUSTAINABILITY

Port KC supports a greater use of "green solutions" or enhanced sustainability measures that consider environmental quality, social equity and economic vitality.

Proposers should incorporate sustainability and efficiency into the planning, design, construction, operation and maintenance of the proposed Development Project. Proposers should highlight each component of the Development Project that they feel deserves consideration in this context, and demonstrate how sustainability and efficiency are integrated are proposed to be integrated.

If it is not possible to comprehensively integrate significant sustainability measures, Proposers should highlight elements they feel deserve consideration in this context.

Proposals must include a concise summary of the Proposer's policies, strategies, and actions that demonstrate a philosophy and commitment to sustainability.

SECTION VIII. DEVELOPMENT FINANCE INFORMATION

All Proposers shall submit a preliminary financial proposal consistent with the issues detailed throughout this RFP. Proposals shall include, but shall not necessarily be limited to:

1. 10 year operations pro forma.
2. 10 year cash flow pro forma detailing all sources and uses of cash, including distributable incomes.
3. Project capital sources and uses.
4. Term sheets for all debt and equity to be secured by private financing.
5. Evidence of the Proposer's ability to obtain or provide the necessary financing proposed. Proposers should secure the participation of financial institutions in the preparation and submission of their Proposal.
6. A description of how the Proposer will secure the completion of the Development Project to the satisfaction of Port KC. For example, completion guarantees, surety bonds, letters or credit, etc.
7. A preliminary development budget detailing both soft and hard costs.

As stated above, financial Information should include term sheets for all sources, types and terms of anticipated financing, construction and permanent, debt and equity. Proposers with letters from lenders and, if applicable, equity investors, stating an intention to provide funding will be viewed more favorably.

Proposals must clearly identify the existence and extent of any funding gaps for purposes of enabling Port KC to determine what public assistance, if any, may be required for the successful delivery of the Development Project. The existence of any such funding gap should not deter any Proposer from responding to this RFP. Port KC anticipates that the parking obligations will result in a financial gap of some amount and that these matters will be part of any negotiations.

SECTION IX. PUBLIC INCENTIVES

All Proposers shall identify any and all public assistance they intend to request in conjunction with the Development Project, both as to types and amounts.

Any incentives in the form of real property tax relief and/or sales tax relief on construction materials are anticipated to be provided pursuant to a bond-financed sale-leaseback structure under Chapter 68, RSMo. Port KC may choose to reject any Proposal that proposes to utilize any other mechanism or agency for purposes of abating or exempting taxes. Proposers can anticipate that any real property tax exemption might include exemption of up to 100% of the real property taxes, in addition to 100% exemption of sales taxes on any materials used or consumed in the construction of the Development Project.

In the event a Proposer intends to seek assistance from the City in the form of the redirected sales, utility or earnings taxes, the Proposer will identify the source and amount thereof. The selected Proposer will be required to pursue the award of such incentives with the City pursuant to its processes and procedures for considering the same, and Port KC shall not be obligated to assist in those efforts.

Proposals that identify mechanism by which any reliance on incentives might be minimized will be regarded more favorably.

SECTION X. ENVIRONMENTAL INFORMATION

The Development Site will be offered for sale on an "AS IS" basis and without any representations or warranties.