

March 14, 2018

ATTENTION INTERESTED PROPONENTS:

Request for Proposal

You are hereby invited to submit to Red Rock Global, LLC ("RRG"), a proposal for **the leasing and redevelopment of property of the Dewey Beach Lions Club, Inc., now or formerly the site of Northbeach Restaurant.** Red Rock Global, LLC (RRG), on behalf of the Dewey Beach Lions Club, Inc. ("LIONS CLUB"), seeks a qualified Proponent to design, construct, finance leasehold improvements, operate and maintain a world class commercial and/or residential development on approximately 1.84 acres of land adjacent to the existing Dewey Beach Lions Club, located at 125 McKinley Street.

Proponents must register, expressing their interest, by email directly to RRG by March 30, 2018, 5 p.m. Questions regarding this Request for Proposal should be submitted in writing by April 6, 5:00 p.m. EST. The RRG's response to any submitted questions will be circulated to all registered Proponents by April 13, 2018, 5:00 p.m. **Your formal response ("Proposal") to this Request for Proposal ("RFP") must be electronically submitted to Red Rock Global, with 5 hard copies submitted directly to the Dewey Beach Lions Club, Inc. by June 8, 2018, by 5:00 p.m.**

****ABSOLUTELY NO PROPOSALS WILL BE ACCEPTED AFTER 5:00 P.M., June 8, 2018****

If you have any questions regarding this opportunity, please contact Michael Tabb, Managing Principal, Red Rock Global, LLC, by email at mtabb@redrockgloabl.net by March 21, 2018.

RRG reserves the right to cancel this solicitation and to accept or reject, in whole or in part, any or all Proposals, if directed by the LIONS CLUB. Thank you for your interest.

Sincerely,



Michael E. Tabb
Managing Principal
Red Rock Global, LLC

Information and Instructions to Proponents

1. **The Opportunity:** THE DEWEY BEACH LIONS CLUB, INC. (“LIONS CLUB”) seeks an innovative and qualified development team to design, construct, finance, operate and maintain a first-class commercial and/or residential project (the “Project”) on approximately 1.84 acres of land adjacent to the Dewey Beach Lions Club. Accordingly, the LIONS CLUB is issuing this Request for Proposals (“RFP”) through Red Rock Global, LLC (“RRG”) to solicit interest from experienced and financially robust developers or teams (each a “Proponent”), one of which will be ultimately awarded a Ground Lease & Agreement to develop the Property and deliver the Project, upon final approval of the LIONS CLUB.

LIONS CLUB has the following goals for the Project:

1. Achieve long term financial benefit for the LIONS CLUB.
2. Offer area amenities/benefits to the local business and residential community, and Lions Club members.
3. Create a sustainable and innovative design that captures a variety of features for a high-quality facility capable of long term operations.
4. Coordinate with the town of Dewey Beach to be supportive of existing redevelopment plans, design considerations and use limitations.

2. **Minimum Qualifications:** To be eligible to participate in this procurement, Proponent must meet the following minimum qualifications:

- 2.1 Each Proponent shall be able to demonstrate its track record for developing, owning and operating similar commercial and/or residential developments within the past five years.
- 2.2 Each Proponent shall present a team complete with developer, architect, capital partner and operator (“Proponent Team”). Inclusion of a general contractor is preferred, but not required.
- 2.3 Each Proponent shall demonstrate the financial strength necessary to complete its proposed project. Demonstration of financial strength may be demonstrated through financial statements, commitment letters from qualified lenders or other proof of financial resources and financing, acceptable to the LIONS CLUB.

3. **Required Submission**

- 3.1 **General Contents of Proposals:** A Proponent must submit a complete Proposal in response to this RFP in the format specified in this RFP; no other format will be considered.
- 3.2 **Executive Summary:** The executive summary must include a letter with the Proponent’s name, address, telephone number, fax number or email address, signed by a person authorized to act on behalf of the Proponent, with documentation confirming such authority. It should also designate one (1) contact

person to whom all future correspondence and/or communications will be directed by RRG concerning this Proposal, if that person is different from the authorized person executing the letter. At a minimum, the Executive Summary must contain the following information:

3.2.1 Complete legal name of the Proponent and the name of the individuals and/or legal entities that comprise the Proponent, as applicable (hereinafter collectively referred to as “Proponent”).

3.2.2 A declarative statement as to whether the Proponent or any member of the Proponent’s Team has any open disputes or is involved in any litigation associated with work in progress or completed in either the private and public sector during the past five (5) years.

3.3 Organizational Structure: The Proponent’s Organizational Structure section of the Proposal should introduce the proposed Proponent Team by providing the Proponent’s Organizational Chart both graphically and in narrative format.

3.3.1 Management Plan: Based on the Proponent’s Organizational Structure, describe how the Proponent will manage the Property under the Ground Lease and Agreement.

3.4 Conceptual Submittal: Proponent is required to provide a conceptual narrative describing the Proponent’s Project. Renderings are optional; however, they are highly encouraged to demonstrate the overall development concept of the Project. The narrative must include physical attributes, amenities, level of proposed services and any additional information necessary to fully describe the Project. Renderings may include:

- Site plans
- Massing diagrams
- Exterior elevations
- Floor plans of major areas
- Parking plans

There are two redevelopment options for proposed Projects. **Option 1** is the lease of the existing Northbeach Restaurant site only. The lease under Option 1 will include Tract 1 of the diagram below, which includes the land and improvements totaling approximately 51,320 sf. **Offers for Option 1** should be presented in traditional lease terms including a clear statement of the proposed use and restrictions reflecting compliance with Dewey Beach codes and ordinances relating to such proposed use; and proposed essential terms reflecting annual triple net rental rate, escalations, the proposed initial term, options for lease extensions and any additional terms relevant or unique to the proposed use required for the LIONS CLUB’s reasonable evaluation of the Project.

Option 2 is the lease of the existing Northbeach Restaurant site and the adjacent paved parking area for a new residential development. This option includes Tract 1 and Tract 2 depicted on the diagram below and includes the land and improvements totaling approximately 79,324 sf. **Offers for Option 2** should be presented as terms for a long term ground lease, including a clear statement of the proposed use and restrictions reflecting compliance with Dewey Beach codes and ordinances relating to such proposed use; and proposed essential terms including annual ground lease rate, escalations, the proposed initial term, options for lease extensions and any additional terms relevant or unique to the proposed use required for the LIONS CLUB's reasonable evaluation of the Project.



- 3.5 Project Schedule:** Proponent shall also provide RRG with an overview of its intended Project schedule. Proponent must note key milestones, including but not limited to securing financing, design and permitting, preconstruction (including conceptual schematic, and design drawings), groundbreaking and construction, project opening, and planned major capital maintenance.
- 3.6 Sustainability Elements:** In addition, Proponent shall describe its proposed sustainability program for the Development. Proposals should reflect sustainable development, demonstrating their ability to lower energy consumption, water use, waste (trash to landfills) and greenhouse gas emissions.
- 3.7 Financial:** Each Proposal should provide a clear financial offer for the terms that Proponent would be willing to execute a lease of land and improvements (Option 1) or a long-term ground lease (Option 2), as well as a detailed financing plan for the Project.
- 3.7.1 Traditional Lease or Ground Lease Offer. Each Proposal must provide the financial terms and conditions proposed for a lease of Tract 1, or for a ground lease of Tracts 1 & 2.
 - 3.7.2 Financing. Each Proposal must include a plan detailing funding for the Project, including letters of interest or commitment from proposed funding sources, if applicable.

4. Selection Criteria

Criteria	Max Score	Earned Score
Team Qualifications	15	
Concept	25	
Financial Strength of Team	15	
Financial Offer	35	
Community Benefit	10	

5. No Offer by RRG; Firm Offer by Proponent: This RFP does not constitute an offer by RRG to enter a Lease and cannot be accepted by any Proponent to form a lease with RRG. This RFP is only an invitation for Proposals from interested Proponents for a Project on lands of the LIONS CLUB, and no Proposal shall bind RRG or its client, the Lions Club.

6. Submission Timeline:

- RFP Issued March 14, 2018
- Registration of Interest Due March 30, 2018
- RFP Questions Due April 6, 2018
- RFP Questions Responses Provided April 13, 2018
- RFP’s Due June 8, 2018
- Short List for Interviews Announced June 29, 2018
- Interview Period July 9, 2018 – August 10, 2018
- Recommendation Made for Selection August 31, 2018
- Selection Made September 21, 2018

7. Ownership of Proposals: Each Proposal submitted to RRG will become the property of the Dewey Beach Lions Club, without compensation to a Proponent, for the Lions Club’s use, in its sole discretion.

8. Proponent’s Examination of RFP: Each Proponent is responsible for examining with appropriate care the complete RFP and all addenda, and for informing itself with respect to all conditions which might in any way affect the cost or the performance of the Project. Failure to do so will be at the sole risk of the Proponent, who is deemed to have included all costs for performance of the Project in its Proposal.

RRG may, by addendum, modify any provision or part of the RFP at any time prior to the proposal due date and time. The Proponent shall not rely on oral clarifications to the RFP. Proponents shall only consider clarifications confirmed by a written Addendum issued by RRG as authoritative.

- 9. Rejection of Proposals; Cancellation of Solicitation: Waiver of Technicalities:** RRG reserves the right to reject any Proposal or all Proposals or to waive any technical defect in a Proposal. RRG also may cancel this RFP at any time.

- 10. Award of Lease or Ground Lease; Execution:** If a Lease or Ground Lease is awarded pursuant to this procurement, the Lions Club will prepare and forward to the successful Proponent a Lease or Ground Lease for execution. By submitting a proposal in response to this RFP, each Proponent acknowledges and agrees that subject to review, it will be bound by the terms of the negotiated Lease or Ground Lease Agreement in the event a Lease or Ground Lease is awarded to it.

- 11. Electronic Proposal Documents.** This RFP is being made available to all Proponents by electronic means. By responding to this RFP, Proponent acknowledges and accepts full responsibility to ensure that it is responding to the correct form of RFP, including any addenda issued by RRG. Proponent acknowledges and agrees that in the event of a conflict between the RFP in the Proponent's possession and the version last circulated by RRG, the version last circulated by RRG shall govern.