



**THE BOARD OF TRUSTEES OF THE ENDOWMENT FUND
Of WESTERN CAROLINA UNIVERSITY**

**REQUEST FOR QUALIFICATIONS
For a Project
Involving
Student Housing
on the
Western Carolina University
Millennial Campus**

DUE DATE: 2/2/18

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ADMINISTRATIVE INFORMATION

I. SCHEDULE OF RFQ ACTIVITIES AND DEADLINES

Request for Qualifications issued	November 2017
Pre-submittal site visits – unaccompanied, unaided at the election of the Developer	November 2017
Written questions due	January 4, 2018
Answers posted to website	January 12, 2018
Responses due	February 2, 2018
Complete review of responses and develop shortlist of Developers	February 2018
Site visits by shortlisted Developers	March 2018
Shortlisted Developers presentations/ interviews	March 2018
Developer selection	April 2018

II. DUE DATE

Responses must be in writing, conform to the requirements of this RFQ, and must be **received** no later than **February 2, 2018, at 5:00 p.m. EST** in the Office of the Vice Chancellor for Administration and Finance, Western Carolina University, 460 HFR Administration Building, Cullowhee, NC 28723.

In order to be considered, all responses must be received at the time and place listed above. Responses submitted late or at a place other than the address listed above will not be considered.

III. CONTACT INFORMATION

All questions must be submitted in writing via email (with a subject heading, “RFQ – Student Housing”) to:

Michael T. Byers
Vice Chancellor for Administration and Finance
Western Carolina University
460 HFR Administration Building
65 West University Way
Cullowhee, NC 28723
mtbyers@wcu.edu

All questions will be answered on the Western Carolina University Facilities Planning, Design, and Construction website: <http://www.wcu.edu/discover/campus-services-and-operations/facilities-management/facilities-planning-design-and-construction/current-projects.aspx>

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PROJECT INFORMATION

I. PROJECT OVERVIEW AND MILLENNIAL CAMPUS

A. Project Overview

Based on expected growth of Western Carolina University and on the University's plans to renew its on-campus housing inventory, The Endowment Fund intends to seek partnership with private developers to cause student housing to be developed near campus. It is our intent to review qualifications and proposed concepts from developers that would generate student housing to meet the short and long run needs created by University growth while pursuing synergies with current and future Millennial initiatives. Western Carolina University ("WCU") owns 344 acres of land located near its Cullowhee campus that was designated by the Board of Governors of The University of North Carolina ("UNC") as "Millennial Campus" in 2006 pursuant to North Carolina General Statutes Chapter 116, Article 21B. State laws pertaining to Millennial Campuses authorize the UNC Board of Governors to issue revenue bonds to construct facilities and buildings on Millennial Campuses that are useful to the conduct of research and other constituent institution operations, and also permit certain commercial activities that customarily cannot be pursued by North Carolina public universities.

B. WCU's Millennial Initiative

The development of the WCU Millennial Campus is intended to facilitate activities that enhance regional economic development beyond the university's traditional educational mission.

Currently, the anchor facility on the Millennial Campus is the Health and Human Sciences Building that opened in 2013 on the uppermost (western-most) section of the Millennial Campus. The building, which houses the College of Health and Human Sciences, is comprised of 160,000 square feet, featuring clinic space, tele-health facilities, laboratory spaces, and meeting/conference rooms in addition to traditional academic spaces. These spaces support the health-related programs of WCU, including communication sciences and disorders, environmental health, nutrition and dietetics, recreational therapy, nursing, physical therapy, and social work. A project to develop a medical office building adjacent to the HHS building is in development.

C. Endowment Fund Ground Lease and Project Approvals

In order to provide for additional flexibility in the development of WCU's Millennial Campus and improve the university's responsiveness to potential business partners, WCU ground leased the Millennial Campus (excluding the HHS Building site) to the Board of Trustees of the Endowment Fund of Western Carolina University (the "Endowment Fund") for a term of ninety-nine (99) years. The

Endowment Fund is a body politic created under the laws of the State of North Carolina, possessing the power to acquire, hold, manage, and dispose of any property, real or personal, in addition to other enumerated powers.

The Endowment Fund plans to enter into sub-ground leases with third parties to finance and construct buildings and other improvements on the Millennial Campus that align with the university's needs and its Millennial Initiative strategies. The Endowment Fund also may enter into sub-ground leases and other agreements with the WCU Research and Development Corporation, a tax-exempt organization described in Section 501(c)(3) of the Internal Revenue Code, or its wholly owned subsidiaries in connection with joint ventures or other collaborations with third-parties.

All development on the Millennial Campus will be subject to the review and approval of certain governing bodies: (1) Jackson County is the Authority Having Jurisdiction over construction, (2) Final project plans must be approved by the Endowment Fund Trustees and the WCU Board of Trustees, (3) Sub-ground leases must be approved by the UNC President, and standard forms of sub-subleases also must be approved by the UNC President.

D. Student Housing Project

The Endowment Fund is issuing this Request for Qualifications ("RFQ") to identify a development team ("Developer" or "Firm") to provide full-service development and project management services, including designing, financing, constructing, and managing a student housing facility (the "Project") on WCU's Millennial Campus (West Campus Area). While the principal use of the building will be to house students (upperclassmen), the Project may also include other services aligned with the Millennial Initiative and amenities for the benefit and convenience of the general public and the university's students and faculty.

The Endowment Fund will enter into a form of development agreement and long-term sub-ground lease with the selected Developer. Ownership of the Project ultimately will revert to the State of North Carolina on behalf of Western Carolina University at the expiration of the ground lease term. The transaction documents will reflect certain requirements of the UNC Board of Governors, including without limitation, the review and approval of Project feasibility plans, the approval of any sub-ground leases and standard forms of building tenant leases, the reversion of improvements to the State of North Carolina at the expiration of the ground lease, and the superior interest of the State's fee simple interest in the leased property.

The Endowment Fund's goal is that the Project will be substantially completed and available for occupancy by August 2020.

The Developer will assume all risk, liabilities, costs, and expenses related to the design, development, construction, maintenance, and management of the Project unless otherwise provided in the agreements between and among the parties.

II. WESTERN CAROLINA UNIVERSITY BACKGROUND

WCU was founded in 1889 to bring higher education and career opportunities to the western region of North Carolina, and became a constituent institution of the University of North Carolina system in 1971. The university's mission is to create learning opportunities that incorporate teaching, research, service, and engagement through on campus, off campus, on-line, and international experiences. The university focuses its undergraduate, masters and doctoral programs, educational outreach, research, creative, and cultural activities to sustain and improve individual lives and enhance economic and community development in Western North Carolina and beyond. WCU has experienced record-breaking enrollment in 5 of the past 6 years, with 11,034 students enrolled in the Fall 2017 semester. Future growth is anticipated at a managed rate as WCU is one of three UNC institutions designated for the NC Promise program. This recent legislation in North Carolina (NC Promise), which will offer WCU students greater affordability, will provide public funding to "buy down" the cost of tuition for WCU students beginning in 2018. The savings to in-state students will be about \$3000 per year.

WCU is classified by the Carnegie Foundation for the Advancement of Teaching as a "Community Engaged" university. Community engagement is defined as those activities and collaborations between institutions of higher education and their larger communities (i.e., local, regional, state, national, and global) for the mutually beneficial exchange of knowledge and resources in a context of partnership and reciprocity.

Community engagement is a fundamental part of the way WCU works: the university conducts its business in partnership with local and regional organizations. Faculty members engage their students in a wide range of community efforts. Faculty and students pursue research topics that emanate from real problems in the region, and the University continually explores new possibilities to integrate instructional, scholarly, and service efforts in response to external challenges and opportunities.

WCU recognizes the value of external partnerships that are integrated into the academic enterprise and support economic and community development as reflected throughout the 2020 Plan. These strategic goals and initiatives are also integral to and incorporated in the new campus master plan, adopted by the Board of Trustees on December 6, 2013, which may be accessed at: <http://www.wcu.edu/learn/office-of-the-provost/oipe/strategic-planning.aspx> .

III. PROJECT SITE

The site for this project is open to proposals with efficient use of land and consideration for future

development. The property comprising the Millennial Campus (West Campus Area) is depicted on Appendix 1. Proposed concepts may also include creative solutions that suggest additional property acquisition / redevelopment opportunities.

IV. PROJECT DESIGN CONCEPTS & CRITERIA

The Project will be positioned as a student housing facility, but may also incorporate mixed use programs to serve other needs, such as dedicated collaborative spaces, office or commercial space, and parking.

The following design concepts and criteria are not intended to be fully comprehensive in scope for the Project, but they establish the Endowment Fund's general preferences for the Project. Alternatives to the criteria given will be considered, particularly if they result in a reduction in the cost of the Project, but the level of quality of the materials and systems noted shall remain consistent.

Improvements shall be constructed in a good and workmanlike manner in accordance with all applicable requirements of state and local laws and ordinances, as well as the regulations of all departments, boards, bureaus, officials, and authorities having jurisdiction.

A. Programming Needs

The following describes the programming needs of the Project, as foreseen by the Endowment Fund:

- A project that serves primarily as a student housing facility, but may also provide other types of revenue producing space like office, retail/commercial.
- Quality architectural detailing and materials at all ground floor elevations
- State of the art high speed internet for tenants
- Pedestrian oriented exterior spaces, as well as site amenities to include furniture, landscaping, courtyard, etc
- Planned service access for deliveries and waste removal (e.g., trash, recyclables, and compost food waste), and facility maintenance access
- Parking solutions to meet the needs of the Project

B. Site & Landscape Design

- The Developer shall provide a survey of the existing conditions for the proposed development.
- The Developer shall investigate the existing geotechnical conditions to determine the basis of the design and construction of the buildings and installation of any retaining walls.
- Site pedestrian and vehicular patterns to be diagrammed and studied with both existing and proposed new development.
- The proposed structure shall be developed to transition and integrate with the topography of

the site.

- Site design to use vernacular materials and design concepts to create campus continuity, which may also create signature outdoor spaces, linkages, and views that foster the mountain region.
- Stormwater BMPs to be considered integral to the Project site development.
- Site utilities, earthwork, and retaining wall construction; the retaining wall should be consistent with existing site improvements
- Lighting shall be provided and sidewalks should connect to existing pedestrian networks where feasible and match/complement existing landscape and lighting fixtures
- The Developer shall submit a list of proposed plant material for review prior to installation

C. Architectural Design

- The Project shall contribute to the architectural context of the campus / surroundings and reinforce WCU's identity and sense of place.
- Architectural massing must appropriately complement the positive conceptual massing and rhythm of the surroundings.
- Building envelope materials to be approved by WCU
- Roof composition to be approved by WCU

D. Utilities

The Developer will be responsible to arrange for all services associated with the operation of the facility, including but not limited to:

- Domestic water
- Sanitary sewer
- Storm drainage
- Natural gas
- Site electrical
- Cable television
- Internet/data/fiber
- Telephone service
- Waste removal
- Maintenance, Housekeeping, Landscaping and Grounds care

V. PROJECT SCHEDULE

Developer selection	April 2018
Letter of Intent – Developer programming and design	May 2018
Begin Endowment Fund due diligence and negotiation of definitive agreements	May 2018 – December 2018
Definitive agreements executed	December 2018
Design & Construction	January 2019 - July 2020
Certificate of Occupancy Issued	July 2020

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REQUEST FOR QUALIFICATIONS

I. GENERAL INFORMATION AND INSTRUCTIONS

The following terms and conditions are binding on all Developers responding to this RFQ.

1. Response Medium. No oral, telephonic, fax or electronic responses will be considered.
2. Delivery of Responses. Responses may be delivered by courier or by United States Mail. If a response is sent by mail, allowance should be made for delivery time. Responses that are delivered via email or via fax will not be considered. The WCU official designated to open responses will determine whether responses have been submitted timely. Responses submitted after the date and/or time provided in this RFQ will not be considered.
3. Premature Opening. Neither the Endowment Fund nor WCU shall be responsible for consequences related to the premature opening of responses that are not properly identified.
4. Erasures or Corrections. All erasures and corrections appearing in a response shall be dated and initialed by the person signing the response.
5. Errors. Developers responding to this RFQ shall immediately notify WCU's Vice Chancellor for Administration and Finance of any ambiguity, inconsistency, conflicting terms or error in the RFQ.
6. Addenda. Any and all interpretations, corrections, revisions, and amendments to the RFQ shall be issued by WCU's Vice Chancellor for Administration and Finance in the form of written addenda. Addenda so issued shall become a part of the RFQ and receipt shall be acknowledged in the response to the RFQ.
7. Endowment Fund Requests for Clarification or Corrections. The Endowment Fund reserves the right to request clarifications or corrections to responses.
8. Ownership of Responses. All responses shall become the property of the Endowment Fund and shall not be returned to Developers.
9. Public Domain. The distribution list for the RFQ will be provided to each Developer on the list. Information submitted by Developers will be treated as confidential until the Endowment Fund announces its selection. Thereafter, the responses will be deemed to be in the public domain and subject to inspection by third parties in accordance with State law. Trade secrets and proprietary information may be protected from disclosure provided that the information is properly identified as such in the response in accordance with State law on public records.
10. Incorporation of Responses. Unless otherwise agreed upon, responses shall be incorporated by reference into the development agreement between the Endowment Fund and the Developer selected in the RFQ process.
11. Signature. An authorized representative of the Developer shall sign the response in ink and in

so doing shall certify that he/she has full authority to bind the Developer. Unsigned responses will not be considered.

12. Compliance. Developers submitting responses shall comply with all applicable local, state, and federal laws, regulations, and ordinances, including State of North Carolina goals for participation by minorities, women, veteran, and small businesses.
13. Permitting and Approvals. Developers will be expected to obtain all development and building permits and regulatory approvals, specifically including the approvals required for the North Carolina Environmental Policy Act, N.C.G.S. 113A. Additionally, Developers will be expected to obtain all regulatory approvals related to the construction of certain health services facilities if applicable (i.e., certificates of need).
14. Indemnification and Hold Harmless. Developers responding to the RFQ agree to indemnify and hold harmless the Endowment Fund, WCU, and UNC, and each of their directors, trustees, governors, officers, employees, and agents from and against any and all liabilities, losses, claims, damages or expenses, which may arise out of or be related to the Developer's response to this RFQ or subsequent performance of obligations under this RFQ, including the submission of specific information, plans, and proposals, and the negotiation of development and other related agreements.
15. RFQ Not Binding/Negotiation of Agreement. It is expressly understood and agreed that this RFQ is not a contract, and selection of a Developer through the review and selection process described in this RFQ does not and is not intended to create any legally binding obligations on the part of the Endowment Fund. In the event the Endowment Fund and the Developer selected fail to agree on the terms of the development agreement, ground lease or management agreement, the Endowment Fund may pursue negotiations with any other Developer(s) or may cancel the RFQ as unsuccessful, at its sole discretion. In either event, neither party shall be entitled to any recourse in the form of damages for benefit conferred or lost.
16. Governing Law. This RFQ and any related agreements and the rights and obligations of the parties hereunder shall in all respects be governed by the substantive law of the State of North Carolina, including all matters of construction, validity, and performance.

II. RESPONSE FORMAT

Developers must submit an original and one (1) digital version (i.e., flash drive or CD) to the person at the address provided in the Administrative Information section of this RFQ. Envelopes containing responses should be marked "2017 Student Housing RFQ".

Responses must address each point listed below; incomplete responses will not be considered. Responses must be organized using the numbering format provided in Section III below. Sections should be separated and bear headings to facilitate review and comparison.

III. INFORMATION REQUESTED

Please provide information in the following format, observing the page limitations specified.

1. Section 1. Letter of Interest. (1 page) A letter, executed by an officer authorized to commit the Firm, stating the Firm's readiness to contract to fulfill the requirements of this RFQ.
2. Section 2. Firm Ownership and Structure. (2 page limit) List all of the Firm's owners, principals, members, managers, officers, directors, employees, and any other individuals who hold an equity interest or other (direct or indirect) controlling interest, or who have management responsibilities. Provide a description of the Firm's ownership and management structure in an organizational chart. List all parent, subsidiary, and affiliated entities.
3. Section 3. Project Team. (5 page limit) Provide a description of the Project team, including contractors and subcontractors. Information should include: names and titles; qualifications, degrees, licenses and certifications; years of experience and special expertise; employment experience, particularly experience on projects of similar size and type; specific responsibilities for this Project; and current work assignments and availability for this Project.
4. Section 4. Financial Capacity and Related Information. (5 page limit) Provide the following information:
 - a. A statement providing WCU and the Endowment Fund the right to inspect financial statements for the previous three (3) fiscal years; and
 - b. Three (3) most recent annual reports; and
 - c. List of all current non-performing loans or loan defaults in the last five (5) years; and
 - d. Description of instances in which a principal or officer of the Developer or any individual member of the development team has been involved in litigation or other legal dispute regarding a real estate venture during the past five (5) years, including information about the disposition of any dispute; and
 - e. Information about instances in which any member of the development team has ever filed bankruptcy or has had projects lost to foreclosure or otherwise taken back by the lender through Deed in Lieu or similar process; and

- f. Written confirmation that, prior to the execution of any binding agreements, the Developer will clearly demonstrate to the satisfaction of the Endowment Fund or WCU its ability to secure debt and that the balance sheet of the Developer is sufficient to provide equity and support debt underwriting requirements relative to unencumbered equity and liquidity during the development risk period.
5. Section 5. Project Experience. (5 page limit) Provide the Firm's five (5) most recently completed projects of similar size and scope. Include the following information: a description of each project; project schedule; project value; a brief description of the services provided by the Firm; and client contact information for each project. Provide the Firm's experience/modification ratio for past three (3) years.
6. Section 6. Development Approach. (5 page limit) Describe the approach the Firm would take in performing the services contemplated for the Project. Include the following information: site analysis and plan; design concepts; opportunities for review by the Endowment Fund or WCU; budget and pro forma development; value engineering potential and approach; schedule control; development of a guaranteed maximum price; and project management.
7. Section 7. References and Background Checks. Provide names and contact information of five (5) references from clients for whom the Firm developed similar projects. Submission of a response to this RFQ serves as consent for the Endowment Fund or WCU to perform credit and related background checks on all individuals and entities listed in Sections 2 and 3 above.
8. Section 8. Minority, Women, and Veteran Business Participation. (1 page limit) Minority, women, and veteran-owned businesses (collectively referred to as historically underutilized businesses or "HUB" for purposes of this RFQ) are encouraged to respond to this RFP. Developers who are not HUB businesses are encouraged to make a commitment to include a HUB business as part of their management team. The verifiable goal for HUB business participation is set at not less than ten percent (10%) of the total value of the work, inclusive of all fees. Describe the program or plan that your Firm has developed to encourage participation by HUB businesses. Provide documentation of HUB participation that your Firm has achieved over the past two (2) years (either as a developer or general contractor). Outline specific efforts that your Firm takes to notify HUB businesses of opportunities for participation. Indicate the HUB participation goal that your Firm expects to achieve on this Project.

IV. EVALUATION AND SELECTION

WCU officials shall evaluate all responses to this RFQ and make recommendations to the Endowment Fund concerning Developers who should be invited to make on-campus presentations to the Endowment Fund (short-listed). The following criteria will be evaluated for these purposes:

1. Qualifications of staff proposed for the Project; and
2. Experience and outcomes in planning, designing, constructing and managing comparable

facilities; and

3. Evidence of effective and efficient construction and project management; and
4. Compatibility with WCU's campus culture and physical environment; and
5. Developer's financial stability and longevity; and
6. Developer's capacity to finance, construct, and manage a project of the size and scope contemplated in this RFQ.

Short-listed Developers will be contacted by WCU officials to arrange site visits and schedule presentations to the Endowment Fund for final selection. Developers who are not short-listed for presentations to the Endowment Fund will be informed in writing at the address provided in their response to the RFQ.

At the conclusion of the presentations, the Endowment Fund will select the Developer and, with WCU's assistance, negotiate and execute a development agreement and a sub-ground lease between the Endowment Fund and Developer for development of the Project, subject to the requisite approvals from WCU and UNC governing bodies and officers.

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**APPENDIX 1
WCU MASTER PLAN DIAGRAM**



West Campus Area