

# **U.S. DEPARTMENT OF VETERANS AFFAIRS**



## ***REQUEST FOR QUALIFICATIONS***

***NO. VA101-17-R-0365***

**VA GREATER LOS ANGELES HEALTHCARE SYSTEM  
WEST LOS ANGELES CAMPUS  
BUILDINGS 205 & 208  
ENHANCED-USE LEASE DEVELOPMENT PROJECT  
LOS ANGELES, CALIFORNIA**

**March 24, 2017**

**DATE AND TIME RESPONSES DUE:  
Monday, May 8, 2017, 12:00 noon EDT**

## DISCLAIMER

The information presented in this Request for Qualifications and all supplements, revisions, modifications, updates, and addenda thereto (collectively, the “**RFQ**”), including (without limitation) narrative descriptions and information, is not represented to be all of the information that may be material to an Offeror’s decision to submit a response to this RFQ or to develop, construct, manage, and maintain the Project (as defined below) on a portion of VA campus named in Attachments C and D.

Neither the United States Department of Veterans Affairs (“**VA**”), nor any of its contractors, subcontractors, officers, employees, counsel, advisors, or agents make any representation or warranty, whether express, implied, or created by operation of law, as to the accuracy or completeness of this RFQ or any of its contents or materials referred to or provided pursuant to or in connection with this RFQ, and no legal liability with respect thereto is assumed or may be implied. Any information or site description is merely provided to assist Offerors in their independent analysis of the decision to submit a response. The transactions contemplated by this RFQ involve significant risks. Offerors and their advisors should review carefully all the information set forth in the RFQ and any additional information available to them to evaluate such risks.

Except as expressly provided in the Transaction Agreements (as defined in Section 1.3) executed by VA, no additional representation or warranty, whether express, implied, or created by operation of law, will be made by VA. No person has been authorized to make or give on behalf of VA any other written or oral representation, warranty or assurance with respect to the Project or the accuracy or completeness of the information provided in this RFQ or otherwise and, if any such representation, warranty, or assurance is made or given, it may not be relied upon by any Offeror as having been made by or on behalf of VA, and VA shall not have any liability for or with respect to such statements.

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**REQUEST FOR QUALIFICATIONS  
VA GREATER LOS ANGELES HEALTHCARE SYSTEM  
WEST LOS ANGELES CAMPUS BUILDINGS 205 & 208  
ENHANCED-USE LEASE DEVELOPMENT  
LOS ANGELES, CALIFORNIA**

## **1. EXECUTIVE SUMMARY**

**1.1** The United States Department of Veterans Affairs (VA), under its Enhanced-Use Leasing (EUL) authority (38 U.S.C. §§ 8161 to 8169 – included in Attachment A) as amended by the West Los Angeles Leasing Act of 2016 (Public Law 114-226 – included in Attachment B), is pleased to issue this Request for Qualifications (“**RFQ**” or “**Solicitation**”), seeking competitive responses from qualified organizations for an opportunity to redevelop/renovate two historic buildings located at the VA Greater Los Angeles Healthcare System, West Los Angeles Campus located in Los Angeles, California (referenced in Attachments C and D) (the “**EUL Site**”). VA seeks interested developers who can redevelop the buildings to provide supportive housing for homeless Veterans.

**1.2** Under its EUL authority, codified at 38 U.S.C. §§ 8161- 8169), as amended by the West Los Angeles Leasing Act of 2016 (114 P.L. 226, 130 Stat. 926, 2016 Enacted H.R. 5936), VA will lease the EUL Site to selected Offeror (“**Offeror**” or “**Lessee(s)**”) for a term of up to seventy five (75) years.

The Offeror/Lessee(s) under the EUL will, in part, be authorized and responsible for financing, designing, redeveloping, occupying, operating, and maintaining the EUL Site in accordance with detailed development plan (if necessary) approved by VA (“**Development Plans**”) and applicable Federal, state, and local laws, codes, ordinances, and regulations.

VA envisions that development of the EUL Site will consist of repurposing Buildings 205 and 208 into supportive housing units with services for Veterans (the “**Project**”).

Buildings 205 and 208 will require extensive renovations, to include hazardous materials abatements (asbestos and potential lead paint) and seismic correction work to meet the proposed use. The finishes, mechanical, and electrical systems are deteriorated and beyond their useful life. Floor plans of the buildings are included in Attachments E and F.

**1.3** By submitting a response, each Offeror accepts all of the terms and conditions set forth in this RFQ, and its Attachments. Any conflict (whether

actual or perceived) between the EUL Agreement, this RFQ, or provision therein shall be resolved at and in accordance with VA's sole and absolute discretion, notwithstanding any provisions of the "Disclaimer" indicating otherwise, which is included and made part of this RFQ, or any other document.

- 1.4** VA reserves the right, at any time, without notice, at its sole and absolute discretion, to (a) modify, suspend, or waive any terms and conditions of this RFQ; (b) waive any deficiency or irregularity in any response submitted; (c) reject any or all responses; (d) extend any deadline set forth in this RFQ; (e) terminate the RFQ process, in whole or in part; (f) discuss any submission with the Offeror that submitted it and require the submission of additional information regarding any aspect of the Offeror's response; (g) initiate further discussions and/or negotiations directly with an Offeror (after VA selects it for award); and (h) award portions of EUL Site to different Offerors.

## 2. PROPOSED DEVELOPMENT OF EUL SITE

### 2.1 Overview of Solicitation Structure

Through this RFQ, VA is presenting an EUL Site that is available for immediate occupancy by the Offeror. EUL Offerors shall submit a single response to this RFQ to develop the EUL Site as referenced in Attachments C and D. See Sections 4 and 5 of this RFQ for required response content and evaluation criteria.

### 2.2 Location, Background and Description of EUL Site

Under this Solicitation, VA is seeking a Developer to redevelop historic Buildings 205 and 208, approximately four acres, located on the Greater Los Angeles Healthcare System (“**GLAHS Campus**”), located at 11301 Wilshire Boulevard, Los Angeles, California, a property listed on the National Register of Historic Places. The intent of this Solicitation is for the Developer/Lessee to create safe, affordable, housing for homeless Veterans and their families in any housing project created on the EUL Site. The goal of this proposed supportive housing is to provide tenants with the rights of tenancy and links to voluntary and flexible support services for people who are experiencing or who have experienced homelessness.

Supportive housing is a proven, effective means of reintegrating chronically homeless Veterans and their families into the community by addressing their basic needs for housing and providing ongoing support in that housing.

The coordination, communication, and project management services must be in compliance with the master planning process and implementation of the Draft Master Plan Greater Los Angeles Campus (“**DMP**”) (<http://www.losangeles.va.gov/MasterPlan/>).

The GLAHS Campus is one of the largest medical center campuses within the VA system. The campus provides a full continuum of medical services to eligible Veterans and others through the use of its state-of-the-art hospital and through outpatient care, rehabilitation, residential care, and long-term care services. The campus also serves as a center for medical research and education. The GLAHS campus exists in a combined natural and built environment which provides opportunities and constraints to its further development. The natural features (topography, plant materials, as well as microclimate) and built features (historic districts, historic buildings, and landscapes, as well as existing roads), of the GLAHS Campus, will all influence the design decisions made relative to the ongoing master planning process. A key focus for this process will be to enable the GLAHS Campus to effectively function as a vibrant and welcoming environment of a 21st century healthcare facility and community for Veterans and their families, and to assist the VA in ending Veteran homelessness in the Greater Los Angeles area. The vision for the GLAHS Campus includes the efficient and dedicated functionality in which the Veterans visiting the campus will be able to experience a “gold standard” of care, support, services, convenience, and customer service, particularly from the VA’s health, benefits, and cemetery administration.

On January 28, 2016, the Secretary of VA publicly announced the framework of the

DMP for the GLAHS Campus. The DMP in its entirety, along with an Executive Summary and PowerPoint presentation, are located through the following link:

[http://www.losangeles.va.gov/LOSANGELES/features/VAGLAHS\\_Announces\\_Draft\\_Master\\_Plan.asp](http://www.losangeles.va.gov/LOSANGELES/features/VAGLAHS_Announces_Draft_Master_Plan.asp)

VA's plans for the GLAHS Campus include the development of up to 1,200 units of supportive housing and supportive services; and state-of-the-art primary care, mental health, and addiction services to Veterans — particularly chronically homeless, severely disabled, women, and aging Veterans. The housing will be structured based on the latest homelessness prevention and urban planning sciences, consistent with best practices and evidence-based approaches under the Housing First model. VA's objective under this model is for Veterans to have an attractive choice to decide whether to pursue housing on or off the GLAHS Campus, while noting housing on the campus is intended for the most needy, most vulnerable Veterans.

The housing will be carefully planned to help ensure a safe, dignified community environment which will function effectively in its own right, and in coordination with the other care and services provided on the campus, in the Greater Los Angeles area, and the surrounding community. The supportive services will include activities involving the promotion of health and wellness, including nutrition and spiritual wellness; education; vocational training, skills building, or other training related to employment; peer activities, socialization, or physical recreation; assistance with legal issues and Federal benefits; volunteerism; family support services, including child care; and transportation.

VA's goal is to utilize the GLAHS Campus in a more Veteran-centric manner going forward by providing the optimal types, location, mix, and densities of bridge and supportive housing, and supportive services including: mental health, addictions, employment, and social supports. This will ensure VA becomes a positive cornerstone and source of pride and inclusion for Veterans and their families of the Greater Los Angeles area. It will also help VA to function successfully when taking into account the multitude of sophisticated authorities, programs, and services contained in pertinent Federal laws and regulations, including but not limited to, those contained in Title 38 of the United States Code; Title 38 of the United States Code of Federal Regulations; and the "Veterans Choice, Access, and Accountability Act" of 2014, contained in Public Law 113-146.

Attachments C, D, E and F contain information regarding the location, background information, and description of the subject EUL Site. Attachment H includes directions on how to participate in the in-person tours of the EUL Site.

## **2.3 Development Considerations**

In considering whether to submit a response to develop the EUL Site, the Offeror should consider certain factors.

### **2.3.1 National Historic Preservation Act (NHPA)**

Prior to entering into a EUL with VA, the Offeror must fulfill the requirements of the National Historic Preservation Act, 54 U.S.C. §§ 300101, et seq. ("**NHPA**") in conjunction



with the development and finalization of the proposed Development Plans. NHPA requires the consideration of the effects of the Project on historic properties listed or eligible for listing in the National Historic Register and provides representatives of the local government and other interested consulting parties sufficient opportunity to comment on the Development Plan prior to execution of the EUL. Section 106 of the NHPA also requires the seeking of ways to avoid, minimize, or mitigate adverse effects (e.g., demolition) that the Development Plan might have on any historic properties during the execution stage of the EUL. Consummation of this effort will be accomplished by VA. Further, VA will act in concert with the Offeror when necessary in the accomplishment of historical compliance. For guidelines related to historic preservation at VA, visit <http://www.cfm.va.gov/historic/>. Both Buildings 205 and 208 are considered contributing resources to the National Register listed West Los Angeles Veterans Affairs Historic District. See Attachment G for copy of a letter from the State of California Office of Historic Preservation regarding prior consultation for these two buildings that resulted in concurrence with a finding of no adverse effect for a planned renovation project.

### **2.3.2 National Environmental Policy Act and Other Environmental Considerations (NEPA)**

This EUL and the Project will be subject to all applicable Federal, State, and local environmental laws, codes, ordinances, and regulations, including but not limited to, the Comprehensive Environmental Response, Compensation, and Liability Act (“**CERCLA**”), 42 U.S.C. §§ 9601-9675; the Resource Conservation and Recovery Act (“**RCRA**”), the California Environmental Quality Act (“**CEQA**”), 42 U.S.C. §§ 6901, et seq; and the National Environmental Policy Act (“**NEPA**”), 42 U.S.C. §§ 4321-4347. NEPA requires that Federal agencies, including VA, identify and evaluate the potential environmental impacts of a major Federal action (e.g., an EUL) on the human environment. The NEPA analysis will be initiated upon VA’s selection of the Offeror. The Offeror will be required to provide development-specific information to support the analysis and historic compliance. The NEPA analysis must be completed by VA prior to execution of the EUL. Offeror will be responsible for complying with mitigation requirements of the NEPA analysis, if required. In addition, the Offeror will be responsible for complying with regulatory requirements for the removal of any asbestos and/or lead-containing material, if required. Site required environmental studies, reports, site assessments, and any required or appropriate remediation or abatement, as well as compliance with all applicable environmental laws, will be the responsibility of the Offeror, unless and to the extent that VA otherwise agrees at its sole and absolute discretion. Consummation of this effort will be accomplished by VA. VA will act in concert with the Offeror when necessary in the accomplishment of historical compliance.

The NEPA document for the proposed action will be prepared per the project schedule. The document shall briefly summarize VA’s action, considerations of the alternatives, and the decision for implementing the proposed action, including any commitments or minimization measures that will be required. For each resource area to be analyzed as part of the NEPA process, the existing environment will be described, as well as potential environmental impacts of each action alternative. The following resource areas, at a minimum, will be addressed:

- Aesthetics;
- Air Quality;
- Cultural Resources;
- Geology and Soils;
- Hydrology and Water Quality;
- Wildlife and Habitat;
- Noise;
- Land Use;
- Floodplains, Wetlands, and Coastal Zone Management;
- Socioeconomics;
- Community Services;
- Solid and Hazardous Materials;
- Transportation (Traffic and Parking);
- Utilities;
- Environmental Justice;
- Potential for Generating Substantial Controversy; and,
- Cumulative Impacts.

### **2.3.3 Infrastructure**

Any available information about infrastructure at the EUL Site is included in Attachment D. The Offeror will be solely responsible for any and all costs (i.e., direct or indirect costs, insurance, taxes, assessments, etc.) associated with establishing/constructing the infrastructure, distribution lines and systems, and connections (including any connections or reconnections to local utility provider services, meters, taps, etc.), required for the provision of gas, electricity, water, sewer, oil, fiber optics, telephone, fire alarm service, or any other form of utility; communications; power; or fuel to the EUL Site. The Offeror may obtain utilities from VA and/or municipal and/or private sources as appropriate. With respect to any transfer of existing utility meters, the Offeror will be responsible for paying VA (within 30 days of receipt of any bill from VA) the “at-cost” amounts (including any fees or charges to or assessments against VA that are attributable to VA’s provision of utilities to Offeror) for any and all electricity, water, gas, oil, fiber optics, telephone, or any other form of utility, communications, power, or fuel required during construction and/or operation of the EUL Site.

### **2.3.4 Legal Considerations**

#### **A. Overview**

The Offeror is responsible for conducting its own due diligence regarding the EUL Site including, without limitation, whether (a) the development of the EUL Site, as contemplated by the Response, can be accomplished in compliance with applicable Federal, State, and local requirements (including fire, life safety, accessibility, zoning, State and local building codes, and other local land use restrictions); (b) the condition of the EUL Site is suitable for the Offeror's contemplated use; (c) the necessary permits, variances, special exceptions and other governmental actions or approvals required for the contemplated developments can be reasonably obtained (at no cost or expense to VA); and (d) the contemplated use(s) is otherwise practical and economically feasible.

### **B. Taxes**

In accordance with the pertinent provisions of the EUL Statute (i.e., 38 U.S.C. § 8167), the Offeror during the EUL term will be subject to any and all applicable State and local taxes, fees, assessments, and special assessments legally chargeable to the EUL, the Offeror's leasehold interest, and the Offeror's underlying improvements. However, neither VA's interest in the EUL nor the United States' fee interest in the underlying properties shall be subject, directly or indirectly, to any State or local laws relative to taxation, fees, assessments or special assessments.

### **C. Physical Security**

The Offeror shall include in their response an overview of the physical security that will be provided based upon the individual space requirements and tenant mix of the proposed EUL Project.

### **D. Energy Conservation and Sustainable Design Requirements**

The VA Sustainable Design Manual (<http://www.cfm.va.gov/til/sustain.asp>) is the guidance that defines the methodology to incorporate sustainable design in every phase of this EUL Project, from proposals, goal setting, and preliminary planning, through minimal design and construction. VA encourages Offerors to incorporate sustainability over and above the current standards found in the VA Sustainable Design Manual. In previous projects, some developers have proposed more aggressive energy efficiency and sustainability milestones that made their proposals, all other elements considered equal, more attractive.

To take advantage of existing sustainable work in the private sector that is well accepted by the construction industry, VA has determined that using a third-party rating system is the best methodology for achieving VA sustainable building requirements. The Offeror may propose using the Leadership in Energy and Environmental Design (LEED®) rating system, the Green Globes® rating system, or an equivalent rating system. VA requires that the Project achieve at least LEED Silver, Two Green Globes, or an equivalent certification level by the respective rating organization. Offerors proposing an equivalent rating system must submit a memo to the VA Project Manager explaining why the alternative solution is equivalent to one or both of the above rating systems.

### **2.3.5 Prevailing Wages**

Unless the Offeror can demonstrate to the satisfaction of VA in the form of a written determination or written correspondence from the U.S. Department of Labor that the Offeror or the Project are exempt therefrom, Offeror shall comply with the requirements of the Davis-Bacon Act, as amended, 40 U.S.C. § 3141, et seq. and the relevant rules, regulations, and orders of the Secretary of Labor applicable thereto.

### **2.3.6 Handicap Accessibility**

The Offeror will be required to ensure that its design, development, construction, operation, and maintenance plan and activities on the EUL Site comply in all respects with the Americans with Disabilities Act of 1990, 42 U.S.C. §§ 12101, et seq., and the Architectural Barriers Act of 1968, 42 U.S.C. §§ 4151, et seq., as amended.

### **2.3.7 EUL Statutory Requirements**

VA's EUL and statutory requirements are codified at 38 U.S.C. §§ 8161-8169, and the West Los Angeles Leasing Act of 2016 (see Attachments A and B).

### **2.3.8 EUL Site, VA's Goals and Objectives**

VA has the following goals and objectives for the Project:

- Provide safe, affordable, housing for Veterans and their families on the EUL Site.
- Provide housing with and on-site supportive resident services
- Develop a housing model geared towards enabling Veterans to achieve self-sufficiency and live independently.

### **2.3.9 Other Considerations**

When preparing responses to this RFQ, Offerors should be cognizant of the following:

**A.** VA will not participate in, or allow its or the United States' interest in the EUL Site to be used as security for financing for the Project or otherwise, including without limitation, providing any kind of guaranty or act in any way as a beneficiary for a financing vehicle.

**B.** In regard to any proposed Project-related financing to be obtained by the Offeror, VA, as a general rule, will not approve any financing that includes requirements that operate to deny, restrict, or subordinate VA's right to terminate the EUL upon the Offeror's failure to cure an outstanding event of default thereunder. This includes any document, to include the EUL that would prevent VA from terminating the EUL due to "cross default" arising from one or more parcels on the Property. Any proposed Project financing that does not comply with this restriction must be explicitly identified in the RFQ response for VA's unilateral review and evaluation.

**C.** The Offeror must secure all required capital and operating funding for redevelopment of Buildings 205 and 208 prior to EUL execution.

**D.** The successful Offeror must establish and maintain positive relations and communications with State and local governmental authorities to include but not be limited to Los Angeles County and the City of Los Angeles as well as

applicable local communities during negotiations with VA and any of its representatives.

**E.** The successful Offeror must integrate development activities with cultural resources and historical and environmental policy management requirements in support of VA's mission and operations.

**F.** The Offeror will be responsible for coordinating the work schedule(s) with VA in order to minimize disruption to the campus' activities and operations. This coordination includes the work of any contractor or subcontractor that the Offeror retain in connection with the Project.

**G.** The Offeror must identify all support services to be offered to Veteran tenants that would be in addition to the case management and support services offered by VA or a VA-funded provider. These additional support services should include but not be limited to:

- An initial assessment and collaborative case management/self-sufficiency planning in coordination with the Veteran; and VA staff support, coordinate, monitor and evaluate on-going service needs with each Veteran.
- On-site substance abuse/mental health counseling and health assessments and referrals.
- Employment/Income assessment, supported work and community service opportunities based on skills and employment readiness; on-site training of employment skills programs to include computer skills, employment placements and new programs that target mobility for handicapped Veterans.
- Specialized services for women, chronically mentally ill, frail and elderly Veterans that provide enhanced clinical and case management supports and specialty programming

### **3. POST-SELECTION PROJECT PLANS**

Following its selection, the Offeror will be responsible for preparing a detailed Development Plan, Operations & Maintenance Plan and Tenant Selection Plan for the Project. These documents must contain a description of the Project and address comprehensively all significant issues regarding its development, operation, management, and maintenance, including but not limited to the following items:

#### **3.1 Project Overview**

- (1) The specific type of Project contemplated by the Offeror and a comprehensive plan for the redevelopment of the EUL Site;
- (2) Project feasibility, including any anticipated barriers and a plan to overcome those barriers;
- (3) Plan to ensure proposed uses are compatible with VA's mission;
- (4) Development schedule
- (5) Development team composition;
- (6) Community awareness strategies;
- (7) Using small and local businesses such as Services Disabled Veteran Owned Small Business (SDVOSB) and Veteran Owned Small Businesses (VOSB) and;
- (8) Plan to secure applicable zoning, permits and other building and land use requirements, noting any expected obstacles and a strategy to overcome those obstacles.

#### **3.2 Transaction Terms**

- (1) Proposed entity of the Offeror that would serve as the lessee (on behalf of the Offeror) under the EUL, including all ownership structures associated with the lessee; and,
- (2) Proposed term of EUL (i.e., up to a maximum of 75 years).

#### **3.3 Project Financing**

- (1) Financing plan, including sources of funds and any proposed tax abatements;
- (2) Development budgets;
- (3) Pro forma statements for a minimum of the lease term;
- (4) Supportive/resident services budget;
- (5) Sources and uses of funds;
- (6) Plan to obtain Financing Commitment Letters that will provide written assurance(s) from the proposed funding sources that those sources will provide the project financing proposed as part of the Offeror's financing structure at the EUL closing, with all conditions required for such funding clearly articulated; and,
- (7) Plan to execute a Performance bond that will provide a written commitment from a surety to provide a performance bond equal to the total development cost at the EUL closing.

#### **3.4 Construction Plan**

- (1) Conceptual drawings and site plans;
- (2) Analysis of existing land use restrictions governing the EUL Site, development and

- land use recommendations, variances required and plan for obtaining them;
- (3) Preliminary utilities, parking, site accessibility, traffic mitigation, and landscape plans;
  - (4) Impact of proposed Development Plan on historic properties, including documentation required to comply or facilitate compliance with NHPA;
  - (5) Plan for obtaining all necessary public/private entitlements; and,
  - (6) Development and construction management plan.

### **3.5 Project Operations & Tenant Selection**

- (1) Marketing and Leasing Plan, including an ongoing outreach plan to identify and screen potential residents to ensure that the facility is fully occupied;
- (2) Property and asset protection (e.g., security, police, and fire arrangements), management, and maintenance (e.g., a funded maintenance account to cover non-routine repairs), water, gas, electricity sources and arrangements with VA or utility companies;
- (3) Realistic on-site staffing plan for resident management, service needs and other operational considerations, qualifications for positions; and,
- (4) Supportive/resident services plan, which outlines how services appropriate for supportive housing will be coordinated with GLAHS Director of Community Engagement and Reintegration Services (CERS) and managed; the plan must address which services will be provided under each funding source (i.e., HUD-VASH or other services):
  - i. Discuss how residents are to be involved in making facility decisions that affect their lives, including how they are to be involved in selecting supportive/ resident services, establishing personal goals, and developing plan to achieve these goals so that they achieve greater self-determination;
  - ii. Include an employment and income plan designed to help the residents attain long-term housing stability and employment as clinically indicated;
  - iii. Include a plan to minimize legal substance use in Project (Note: Use of illegal substances is prohibited);
  - iv. Identify which supportive/resident services are to be provided on-site; and,
  - v. Discuss how residents are to be assisted in assimilating into the community through access to neighborhood facilities, activities and services.

### **3.6 Energy Conservation and Sustainable Design**

Discuss the building design, construction, and other administrative work necessary to both: 1) comply with the Guiding Principles outlined in VA's Sustainable Design and Energy Reduction Manual; and 2) apply for and receive a minimum of the Silver Certification for the Leadership in Energy and Environmental Design for Homes (LEED-H) of the U.S. Green Building Council's (USGBC) Green Building rating system for homes or Green Globe certification or other similar certification programs.

VA recognizes that formulation of the Development Plan will require the Offeror to work closely and cooperatively with VA. VA will provide final approval and cooperate with the Offeror during the drafting process to facilitate preparation of the final Development Plan. It is anticipated that the Offeror will provide VA with drafts of the Development

Plan throughout the drafting process. The Development Plan will be subject to VA's review and approval and may be subject to review and comment by local government and other stakeholders.

The Offeror will be required to meet the proposed timeline provided by the Offeror in their response, with any such extensions or modifications that VA agrees to at its discretion. If the Offeror fails to complete the Development Plan(s) or any other timeframe in a timely manner, VA shall have the right, at its discretion, to provide written notice terminating all future discussions with and rights of the Offeror under this RFQ. Upon such termination, VA shall neither owe nor pay any fees, costs, expenses, or monetary penalties to the Offeror for any reason(s) regarding or stemming from this RFQ and its process, and VA shall, at its discretion, be free to select another Offeror in order to further pursue the EUL and Project.



## 4. CONTENTS AND PROCESS FOR SUBMISSION OF RESPONSES

### 4.1 Submission of Responses

Offerors interested in the Project should submit their response in accordance with and meeting the following requirements:

### 4.2 Time and Date of Submission

Responses must be received by Monday, May 8, 2017 at 12:00 noon EDT (the “**Closing Time**”). Responses received after the Closing Time will not be considered and will be returned to the Offeror. All responses will be irrevocable after the Closing Time until the date that is 45 calendar days after the Closing Time.

Questions regarding this RFQ may be submitted in writing by emailing [EUL.Team.Management@va.gov](mailto:EUL.Team.Management@va.gov) and a copy cc-d to [maina.gakure@va.gov](mailto:maina.gakure@va.gov) by 12:00 noon EDT on Monday, April 24, 2017. Questions received after this deadline will not be considered. Responses to questions timely submitted to VA will be provided by an amendment to the RFQ. All Government communication regarding this RFQ shall be from the Designated VA Representative, as defined in Section 4.3 below.

### 4.3 Place and Manner of Submission

Responses must be delivered to the Designated VA Representative at the following address:

Maina Gakure, DBA  
Office of Construction & Facilities Management (003C4B)  
Department of Veterans Affairs  
425 I Street, NW  
Washington, D.C. 20001

Responses must be delivered by mail, courier, or hand delivery. Responses will not be accepted if delivered by electronic means (including facsimile).

### 4.4 Packaging and Copies

Responses must be in a sealed envelope or package with the following information conspicuously and legibly written or typed on the outside:

- (1) Offeror's name;
- (2) Offeror's complete mailing address;
- (3) Name and contact information for Offeror's contact person (e.g., telephone, email and facsimile);
- (4) The following statement (to be completed upon delivery to VA):  
“Response Received by VA as of \_\_\_\_\_(time) on \_\_\_\_\_  
(date)”; and,
- (5) In addition, the following sentence must appear in the lower left hand corner of

the envelope or package: “Sealed Response for Buildings 205 and 208 EUL at the Greater Los Angeles Healthcare System Campus.

In order to be considered, Offerors must submit one (1) original and two (2) hard copies of its response plus one (1) electronic working copy of the response on a CD ROM, in PDF format, to VA. In addition, any Excel spreadsheets that allow data to be manipulated must be included in their native (i.e., Excel), unprotected and accessible format. Each hard copy of the response must be submitted in a three-ring binder (to allow VA to easily remove parts for copying and/or circulation). Submissions must be formatted as described in Section 4.2 and contain the content noted and described within Section 4.5.

## **4.5 Response Content**

Each response must contain the following sections in the following order, with each section clearly labeled, beginning on a new page and not exceeding the applicable section page limit.

<b>Section</b>	<b>Description</b>	<b>Page Limit</b>
1.	Cover Letter	1 page
2.	Offeror’s Background and Administrative Information	5 pages
3.	Relevant Offeror Qualifications, Experience, and Past Performance	10 pages
4.	Development Concept, Financial Feasibility, and Timeline	7 pages
5.	Property Management and Supportive/Resident Services Plan	5 pages
6.	Community Relations Experience and Strategy	3 pages

Pages submitted that are in excess of any page limit (including a section page limit) will, at VA’s sole discretion, be discarded and not reviewed or evaluated by VA. Supporting data, such as resumes, explanations of any legal issues, and auditor’s opinion letter, will not count against the page limits. Responses must be typewritten in Arial 11-point font size or greater. For purposes of the response, a “key team member” should be considered any member that will be responsible for approximately 20% or more of the services or fees under this proposed EUL.

### **4.5.1 Cover Letter**

A cover letter (on the Offeror’s letterhead) must state that the Offeror has read and agrees to comply with all of the terms, conditions, and instructions provided in this RFQ. Any requests for waivers or exceptions must be clearly identified in the cover letter, and shall be subject to VA’s review and approval.

### **4.5.2 Offeror’s Background and Administrative Information**

This section must contain the following general information about the Offeror and all key team members. In the case of an Offeror that is a special purpose entity (i.e., an entity that does not have or is not expected to have an ongoing business other than the

development and operation of the Project), include information on each partner, member, or shareholder of the Offeror.

**A. Offeror Administrative Information**

Name; Employer Identification Number; Dunn and Bradstreet (DUNS) number (if available); proof of VetBiz verification; mailing address; telephone number; e-mail address; and facsimile number.

**B. Authorized Representative**

Name (and contact information) of the representative authorized to act on behalf of the Offeror.

**C. Day-to-Day Point of Contact**

Name (and contact information) of the individual designated by the Offeror as the person to whom questions and/or requests for information are to be directed.

**D. Form of Business**

Description of the form of business (whether a corporation, a nonprofit or charitable institution, a partnership, a limited liability company, a business association or a joint venture), the jurisdiction of organization and operation, and a brief history of the organization and its principals:

- (1) Articles of incorporation, partnership, joint venture, or limited liability company agreement (Note: For any Offeror or key team member, as applicable, that is a sole proprietorship, current mailing address, and a summary of current business activity);
- (2) Certificate of good standing;
- (3) By-laws; and,
- (4) Copy of corporate resolutions, certified by a corporate officer, authorizing the Offeror's submission of, or key team member's participation with the Offeror in the submission of, the response and the entity's authority to proceed with the Project (assuming an RFQ award is made and VA's approval is obtained).

**E. Start-Up Date of Operations of Offeror and Key Team Members**

Date(s) that Offeror and key team members began operations.

**4.5.3 Relevant Offeror Qualifications, Experience, Financial Stability and Past Performance**

In this section, the Offeror should include all relevant information necessary to allow VA to assess the Offeror's development qualifications, experience and past performance. Specifically, this section must include the following for each Project:

**A. Offeror / Developer**

- (1) Development Qualifications:** List and explain in sufficient detail the Offeror's relevant development qualifications, experience and past performance, including experience in the Greater Los Angeles area. The Offeror should describe past experience working with the selected team members; proposed teaming structure for the EUL Project; past experience working with VA and Federal, State and local governments, including California government entities, and undertaking residential development, redevelopment and adaptive reuse of historic buildings. Provide an organizational chart showing the relationship between the Offeror and key team members. In addition, Offeror should provide the following information about key team members if they are different entities from the Offeror:
- i. Property Management Firm: List and explain in sufficient detail the proposed property management firm's background and experience, location and number of employees.
  - ii. Supportive/Resident Services Provider: List and explain in sufficient detail the proposed supportive/resident services provider's background and experience, location and number of employees.
- (2) Financial Stability:** Provide a general overview of the Offeror and its team members' financial stability. Provide a summary of the total sources and uses of funds for the Offeror and its team members and if available, attach as an appendix, which does not count against the page limit, the auditor's opinion letter(s) from the Offeror and its team members' most recent financial audit(s) of financial statements.

### **B. Comparable Projects and References**

Description of up to five (5) Projects (past or current) that are comparable in magnitude and complexity to the proposed Project on which either the Offeror or a team member has acted as a prime Offeror. Each project described must have been completed within the past ten (10) years and preferably, at least one of the projects should be located in the Greater Los Angeles area. For each project listed, provide sufficient information to allow VA to identify the project and confirm that the project is comparable in magnitude and complexity to the Project. For each project, provide a reference who VA can contact regarding performance and client or stakeholder (as applicable) satisfaction. Provide the name, title (if any), project role (if any), mailing address, telephone number, facsimile number, and email address for each reference. Including a reference on this list will constitute authorization for VA to contact and discuss the Offeror's or team member's performance.

### **C. Development Key Personnel**

Identify all key development personnel (i.e., persons considered critical to the performance of services), and for each such person provide a:

- (1) Description of their respective role in the Project;
- (2) Discussion of the extent to which key personnel have worked together on other projects similar to the Project; and,
- (3) One (1) page resume that includes a description of the person's duties and

responsibilities, education, skills, expertise, and other qualifications relevant to the Project (Note: Resumes do not count against page limits).

#### **D. Legal Past Performance**

- (1)** State whether the Offeror or key team member, as applicable, has ever been terminated for default, non-compliance, or non-performance on a contract or lease, or debarred from any Federal, State, or local government contracts and, if so, provide the date and a detailed description of the occurrence in an appendix (Note: this additional detail does not count against page limits);
- (2)** List and explain in sufficient detail (include additional detail in an appendix as necessary – detail does not count against page limits) each instance within the past ten (10) years in which the Offeror, any key team member, or any principal, partner, director, or officer of the Offeror was:
  - i. Convicted of or pleaded guilty or *nolo contendere* to a crime (other than a traffic offense);
  - ii. Subject to an order, judgment, or decree (including as a result of a settlement), whether by a court, an administrative agency, or other governmental body, or an arbitral or other alternative dispute resolution tribunal, in any civil proceeding or action in which fraud, gross negligence, willful misconduct, misrepresentation, deceit, dishonesty, breach of any fiduciary duty, embezzlement, looting, conflict of interest, or any similar misdeed was alleged (regardless of whether any wrongdoing was admitted or proven);
  - iii. Subject to an action or other proceeding, whether before a court, an administrative agency, governmental body, or an arbitral or other alternative dispute resolution tribunal, which, if decided in a manner adverse to the Offeror, team member, principal, partner, director, or officer (as applicable), would reasonably be expected to adversely affect the ability of the Offeror or team member to perform its obligations with respect to the Project (including the ability to obtain or repay financing);
  - iv. Debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from covered transactions by any Federal department or agency;
  - v. Notified that it is in default of any Federal contract or grant, the reason for the default, and whether the default was cured;
  - vi. Had one or more public transactions (Federal, State, or local) terminated for cause or default; and,
  - vii. Party to litigation or a formal Alternative Dispute Resolution (ADR) process (e.g., binding arbitration) involving a claim in excess of \$50,000. For those matters involving a claim equal to or in excess of \$500,000,

describe in detail the litigation or ADR process.

#### **4.5.4 Development Concept, Financial Feasibility, and Timeline**

The Offeror must provide a narrative of the Development Concept of the proposed Project, the site construction and building design(s), the financing plan for the Project, and timeline for accomplishing the Project. Specifically, the section should include:

##### **A. Project Description(s)**

Provide an overview of the proposed Project, including but not limited to the type of project (e.g., permanent housing, assisted living, etc.), target populations, and estimated breakdown of units. Offerors should provide a justification that supports the proposed project size for the given target residents. Offerors should support the proposed project size and target population by citing available market demand data and local market knowledge. The Project developed on the EUL Site must be affordable to the applicable target population(s). The Project description should also address any intended phasing associated with the development.

##### **B. Site Construction and Building Design(s)**

Describe the proposed development, refurbishment, and renovation of the Site and the facilities currently located on the Site, including the two historic buildings.

- (1) Include a graphical depiction showing the conceptual layout of the Project on the EUL site. At the Offeror's discretion, such imagery could include conceptual drawings, site plans, and/or floor plans;
- (2) Estimated number and size of units for each project phase (as applicable);
- (3) Describe the proposed A&E firm's background and experience, design philosophy, location, and,
- (4) Describe proposed construction firm's background and experience, location, number of employees, and bonding capacity.

##### **C. Project Financing**

Offerors are requested to submit a preliminary description of the following items for the proposed Project:

- (1) Development Budget(s): Development budget(s) must show estimated (1) total development costs, including hard and soft costs for each project phase (as applicable); (2) financing costs, including types and amounts of debt and equity amounts, and underlying amortization periods; and (3) ownership structure, including percentage of ownership by the Offeror (or in the case of a special purpose entity, each team member);
- (2) Annual Operating Budget(s): Offeror should list all estimated annual revenues, including expected monthly rents by unit type. Offerors should provide the basis/source for the rents contained in the pro forma. In addition, Offeror should list all expected annual operating expenses associated with the Project;

- (3) Annual Supportive/Resident Services Budget(s): Offeror should list all expected annual supportive/resident services expenses; and,
- (4) Sources and Uses: The response must provide list(s) of all capital, operating and supportive/resident services funding sources (e.g., Low Income Housing Tax Credit equity, equity provided by the Offeror, Federal, State and local government funding, grant proceeds, loan proceeds, net operating income generated from tenant rent contributions, rental vouchers, etc.) used to finance the Project. The discussion should include a description and/or documentation demonstrating the Offeror's strategy to obtain financing for the Project, including contingency plan(s) in the event one or more sources of funding are not available.

#### **D. Project Timeline(s)**

The Offeror must provide a timetable for Building 205 and a timetable for Building 208 containing the following key dates:

- (1) Project financing sources: Anticipated application, award and closing dates for each project phase (as applicable);
- (2) Schematic design and construction documents: Completion dates for each project phase (as applicable);
- (3) Construction: Start and completion dates for each project phase (as applicable); and,
- (4) Occupancy: Date the facility(s) are open for operation for each project phase (as applicable).

#### **4.5.5 Property Management and Supportive/Resident Services Plan**

The Offeror will be responsible for ensuring the proper operation, management, and maintenance of the Project during the term of the EUL. This section must contain the following:

##### **A. Property Management Approach and Key Personnel**

Describe Offeror's approach to operation, management, and maintenance of the Project in accordance with private sector standards. The Offeror should include detailed information (i.e., entity name, resumes, headquarters and principal places of business, etc.) on any personnel that are proposed to be responsible for management of the Project (Note: Resumes do not count against the page limits).

##### **B. Supportive/Resident Services Offered and Key Personnel**

Identify which supportive/resident services are to be provided on-site, as well as who is going to provide them. Offeror must clearly differentiate between any services proposed to be provided as a part of the HUD-VASH Program versus other unrelated services proposed to be provided by the Offeror. Offeror must also provide detailed information about the following topics: needs assessment and outreach strategy; service delivery strategy; coordination with other programs and service providers; and performance objectives.

The Offeror should include detailed information (i.e., entity name, resumes, headquarters and principal places of business, etc.) on any personnel that are proposed to be responsible for supportive/resident services at the Project (Note: Resumes do not count against the page limits).

#### **4.5.6 Community Relations Experience and Strategy**

This section should include an explanation of the Offeror's experience and customized project-specific approach to managing community relations and interacting with State and local government officials (i.e., zoning, environmental, SHPO, local community, etc.). Specifically, this section must contain the following:

##### **A. Community Relations Experience**

Describe any experience in managing relations with the surrounding community, specifically any experience in the Greater Los Angeles area.

##### **B. Community Relations Strategy**

Describe Offeror's customized project-specific approach to establishing constructive dialogue and maintaining proactive contact with key public officials, private stakeholders, working with small and local businesses, including SDVOSB and 8A businesses. Offerors should also provide an outline describing strategies to overcome any potential challenges based on knowledge of existing community relations dynamics.

## **5. EVALUATION CRITERIA**

### **5.1 Initial Review**

Following the RFQ submission deadline, VA will initially review all submissions for completeness and adherence to the requirements and conditions set out in this RFQ.

### **5.2 Formal Presentations**

Complete and acceptable submissions will be further reviewed and evaluated by VA, ranked in order, and a "competitive range" established. Offerors whose submissions are found to be within the competitive range may be given the opportunity, at VA's sole discretion, to make a formal presentation to VA and receive questions regarding their response. If a presentation is required, notice will be provided to those Offerors asked to make a presentation and the details regarding that presentation (i.e., length of presentation, etc.) will be provided in the notice. Based thereon, VA may ask Offerors within the competitive range to submit their Final Revised Responses ("**FRR**"). Once submitted, VA will treat each Offeror's FRR as a firm response submission that supersedes that Offeror's response originally submitted.

### **5.3 Selection Process**

The Government intends to review all factors for award in making a best value selection. After the final evaluation of the responses, VA will select the Offeror whose response offers the **best overall value**. Selection will be based on an integrated assessment of the factors set forth below. Upon selection of the selected developer, the developer will



commence work on the Development Plan, as outlined in Section 3 of this RFQ, with the intent to execute the EUL.

## **5.4 Evaluation Factors**

The responses will be evaluated on the basis of the following factors that are equally weighted. The evaluation factors are as follows:

### **5.4.1 Relevant Offeror Qualifications, Experience, Financial Stability and Past Performance**

VA will review the extent to which the Offeror and its team members have demonstrated expertise and a proven track record in developing and operating multifamily, permanent, supportive housing projects. Offerors should show that they have experience with projects of similar size and scope to the proposed Project and have completed or placed in service at least one comparable, currently-operating housing project of a size comparable to or larger than the Project contemplated in this RFQ, preferably in the greater Los Angeles area. Offerors should demonstrate expertise in adaptive reuse of historic property. Offerors should possess a strong, positive reputation for reliability, service, and a commitment to serving Veterans and their families. VA will assess the financial stability of the Offeror and its team members. VA will also review the Offeror and its team members' history of complying with agreements and not defaulting on financial responsibilities.

### **5.4.2 Development Concept, Financial Feasibility, and Timeline**

VA will evaluate the feasibility of the Offeror's development concept and proposed site construction/building design. VA will assess the viability of the proposed financing plan for the Project. The development concept should reflect VA's goals and objectives, (see Sections 2.3.8 of this RFQ). Offerors should provide a realistic project development timeline for VA's review.

### **5.4.3 Property Management and Supportive/Resident Services**

VA will evaluate the Offeror's approach to delivering property management and supportive/resident services to the Project and ensuring the long-term viability of the Project. VA will review the qualifications of the proposed key personnel to determine their ability to deliver the proposed property management and supportive/resident services to the Project. Both the property management and supportive/resident services plan should be customized to the proposed product type and the Offeror should be familiar with and have developed strong working relationships with local community organizations.

### **5.4.4 Community Relations Experience and Strategy**

Although community approval is not required for this Project, VA intends to evaluate the Offeror and its team members' experience with and strategy for managing community relations. Offerors should demonstrate local market knowledge and experience and a customized Project community relations strategy that accounts for potential community opposition to the Project.

## **6. MISCELLANEOUS TERMS AND CONDITIONS APPLICABLE TO THIS RFQ**

### **6.1 Questions and Information**

Questions, requests for clarifications, and general information requests must be sent by email to [EUL.Team.Management@va.gov](mailto:EUL.Team.Management@va.gov) and a copy cc-d to [maina.gakure@va.gov](mailto:maina.gakure@va.gov); deadline for submitting questions is 12:00 noon EDT on Monday, April 24, 2017. VA, in its sole and absolute discretion, reserves the right to provide all prospective Offerors with copies of any Offeror questions it receives and any answers, clarifications, and/or information it provides in response thereto, if it determines that doing so may be of general interest to potential Offerors.

### **6.2 Authorizations by Submission of Response**

Any and all information provided by an Offeror and its team members may be used by VA to conduct credit and background checks.

### **6.3 Teaming Arrangements and Special Purpose Entities**

Multiple Offerors may form a joint venture for the purpose of submitting a response in response to this RFQ. A special purpose entity may also be created for the purpose of submitting a response. VA may require that financial and performance guarantees be provided by these and other Offerors as well as team members. Supportive housing development and management can be a complex and challenging process and may require substantial expertise. Potential Offerors who do not have strong experience or skills in these areas may consider submitting responses jointly with entities whose experience can complement their own. (Note: VA will not be involved in facilitating partnering or teaming arrangements.)

### **6.4 Hold Harmless**

By participating in the RFQ process, each Offeror agrees to indemnify and hold harmless VA and the United States and each of their respective officers, employees, contractors, and advisors from and against any and all real estate and other brokerage fees or commissions, finder's fees, and other forms of compensation related in any way to activities undertaken by any person as a result of such person's efforts towards and/or participation in this RFQ process or the submission by such person of a response, and liabilities, losses, costs, and expenses (including reasonable attorney's fees and expenses) incurred by any indemnified party (including VA) as a result of, or in connection with, any claim asserted or arising as a result of, or in connection with, this RFQ process.

### **6.5 Ineligibility**

The following persons (including entities) are ineligible to be an Offeror or a team member of an Offeror or otherwise participate in the Project (including as a contractor, subcontractor, or professional): (a) any person that has been debarred or suspended from doing business with VA; (b) any person that is listed on the most current "System

for Award Management” published by the U.S. General Services Administration at <https://www.sam.gov/portal/public/SAM/>, as updated from time to time; (c) any person who poses a security or safety risk, as determined by the Secretary of State, including but not limited to any person who either represents a country, or is a member of or provides political, financial, or military support to a group, that is listed in the most current “Country Reports on Terrorism” report, issued by the Secretary of State in compliance with 22 U.S.C. § 2656f(a), available from the Superintendent of Documents, U.S. Government Printing Office, Washington D.C. 20402 and also available at: <http://www.state.gov/j/ct/rls/crt/>; and (d) any person who is subject to a criminal indictment or information for a felony in any U.S. court. VA reserves the right to require any participant in the Project to confirm that it is not ineligible under the foregoing criteria.

## **6.6 Additional Information**

All of the information required to be provided in each response pursuant to Section 4 of this RFQ is important to VA’s analysis and evaluation of the response. VA may utilize all information provided in a response in evaluating the response. Neither VA nor any of its contractors, subcontractors, officers, employees, counsel, advisors, or agents, make any representation or warranty, whether express, implied, or created by operation of law, as to the accuracy or completeness of this RFQ or any of its contents or materials referred to therein, and no legal liability with respect thereto is assumed or may be implied.

VA reserves the right to (a) update, supplement, and revise this RFQ; (b) make an selection under this RFQ as a result of initial offers submitted; (c) reject any or all Offers at any time prior to award and cancel this Solicitation; (d) award to other than the offer with the highest level of consideration offered; (e) independently waive informalities and minor irregularities in offers received; and (f) make a selection and then enter into negotiations with a selected Offeror on the basis of initial offers received without discussions. Therefore, all initial offers should comprehensively address each of the requirements set forth herein, and contain the Offeror’s best terms.

By submitting a response, each Offeror accepts all of the terms and conditions set forth in this RFQ, and any updates, supplements and amendments thereto. Any conflict (whether actual or perceived) between different parts of this RFQ, as between an Offeror and VA, shall be resolved at the sole and absolute discretion of VA.

In no event shall VA be liable for any fees, costs, or expenses associated with any of the Offeror’s (or their brokers, if any) activities (e.g., preparation, discussions, clarifications, submissions, or negotiations), relating directly or indirectly to this Solicitation. Accordingly, as a condition of submitting its response, each Offeror hereby agrees to indemnify and hold VA harmless for any and all such fees, claims, liabilities, and costs arising in connection with this RFQ and its underlying process.

Any relationship between VA and an Offeror arising from the Solicitation is subject to the specific limitations, terms, conditions, and representations expressed in this RFQ.

Any substantive questions or concerns to include conflicts, apparent conflicts, or any other substantive matters regarding this RFQ which may arise during preparation of an Offeror's response should be addressed, in writing, via the dedicated email address: EUL.Team.Management@va.gov.

## **ATTACHMENT A – VA’S ENHANCED-USE LEASING STATUTE – (38 U.S.C. §§ 8161-8169)**

TITLE 38. VETERANS' BENEFITS  
PART VI. ACQUISITION AND DISPOSITION OF PROPERTY CHAPTER 81.  
ACQUISITION AND OPERATION OF HOSPITAL AND DOMICILIARY FACILITIES;  
PROCUREMENT AND SUPPLY;  
ENHANCED-USE LEASES OF REAL PROPERTY  
SUBCHAPTER V. ENHANCED-USE LEASES OF REAL PROPERTY

### **§ 8161. Definitions**

For the purposes of this subchapter:

(1) The term “enhanced-use lease” means a written lease entered into by the Secretary under this subchapter [38 USCS §§ 8161 *et seq.*].

(2) The term “congressional veterans’ affairs committees” means the Committees on Veterans’ Affairs of the Senate and the House of Representatives.

(3) The term “supportive housing” means housing that engages tenants in on-site and community-based support services for veterans or their families that are at risk of homelessness or are homeless. Such term may include the following:

(A) Transitional housing.

(B) Single-room occupancy.

(C) Permanent housing.

(D) Congregate living housing.

(E) Independent living housing.

(F) Assisted living housing.

(G) Other modalities of housing.

(4) The term “lessee” means the party with whom the Secretary has entered into an enhanced-use lease under this subchapter [38 USCS §§ 8161 *et seq.*].

(5) The term “major enhanced-use lease” means an enhanced-use lease that includes consideration consisting of an average annual rent of more than \$ 10,000,000.

### **§ 8162. Enhanced-use leases**

(a)

(1) The Secretary may in accordance with this subchapter enter into leases with respect to real property that is under the jurisdiction or control of the Secretary. Any such lease under this subchapter may be referred to as an “enhanced-use lease”. The Secretary may dispose of any such property that is leased to another party under this subchapter in accordance with section 8164 of this title. The Secretary may exercise the authority provided by this subchapter

notwithstanding section 8122 of this title, subchapter II of chapter 5 of title 40, sections 541–555 and 1302 of title 40, or any other provision of law (other than Federal laws relating to environmental and historic preservation) inconsistent with this section. The applicability of this subchapter to section 421(b) of the Veterans' Benefits and Services Act of 1988 (Public Law 100–322; 102 Stat. 553) is covered by subsection (c).

(2) The Secretary may enter into an enhanced-use lease only for the provision of supportive housing and the [1] lease is not inconsistent with and will not adversely affect the mission of the Department.

(3) The provisions of sections 3141–3144, 3146, and 3147 of title 40 shall not, by reason of this section, become inapplicable to property that is leased to another party under an enhanced-use lease.

(4) A property that is leased to another party under an enhanced-use lease may not be considered to be unutilized or underutilized for purposes of section 501 of the McKinney-Vento Homeless Assistance Act (42 U.S.C. 11411).

(b)

(1) If the Secretary has determined that a property should be leased to another party through an enhanced-use lease, the Secretary shall, at the Secretary's discretion, select the party with whom the lease will be entered into using such selection procedures as the Secretary considers appropriate.

(2) The term of an enhanced-use lease may not exceed 75 years.

(3)

(A) For any enhanced-use lease entered into by the Secretary, the lease consideration provided to the Secretary shall consist solely of cash at fair value as determined by the Secretary.

(B) The Secretary shall receive no other type of consideration for an enhanced-use lease besides cash.

(C) The Secretary may enter into an enhanced-use lease without receiving consideration.

(D) The Secretary may not waive or postpone the obligation of a lessee to pay any consideration under an enhanced-use lease, including monthly rent.

(4) The terms of an enhanced-use lease may provide for the Secretary to use minor construction funds for capital contribution payments.

(5) The terms of an enhanced-use lease may not provide for any acquisition, contract, demonstration, exchange, grant, incentive, procurement, sale, other transaction authority, service agreement, use agreement, lease, or lease-back by the Secretary or Federal Government.

(6) The Secretary may not enter into an enhanced-use lease without certification in advance in writing by the Director of the Office of Management and Budget that such lease complies with the requirements of this subchapter.

(c) The entering into an enhanced-use lease covering any land or improvement described in section 421(b)(2) of the Veterans' Benefits and Services Act of 1988 (Public Law 100–322; 102 Stat. 553) or section 224(a) of the Military Construction and Veterans Affairs and Related Agencies Appropriations Act, 2008, other than an enhanced-use lease under the Los Angeles Homeless Veterans Leasing Act of 2016, shall be considered to be prohibited by such sections unless specifically authorized by law.

(d)

(1) Nothing in this subchapter [38 USCS §§ 8161 *et seq.*] authorizes the Secretary to enter into an enhanced-use lease that provides for, is contingent upon, or otherwise authorizes the Federal Government to guarantee a loan made by a third party to a lessee for purposes of the enhanced-use lease.

(2) Nothing in this subchapter [38 USCS §§ 8161 *et seq.*] shall be construed to abrogate or constitute a waiver of the sovereign immunity of the United States with respect to any loan, financing, or other financial agreement entered into by the lessee and a third party relating to an enhanced-use lease.

**§ 8163. Hearing and notice requirements regarding proposed leases**

(a) If the Secretary proposes to enter into an enhanced-use lease with respect to certain property, the Secretary shall conduct a public hearing before entering into the lease. The hearing shall be conducted in the community in which the property is located. At the hearing, the Secretary shall receive the views of veterans service organizations and other interested parties regarding the proposed lease of the property and the possible effects of the uses to be made of the property under a lease of the general character then contemplated. The possible effects to be addressed at the hearing shall include effects on—

(1) local commerce and other aspects of the local community;

(2) programs administered by the Department; and

(3) services to veterans in the community.

(b) Before conducting such a hearing, the Secretary shall provide reasonable notice to the congressional veterans' affairs committees and to the public of the proposed lease and of the hearing. The notice shall include the following:

(1) The time and place of the hearing.

(2) Identification of the property proposed to be leased.

(3) A description of the proposed uses of the property under the lease.

(4) A description of how the uses to be made of the property under a lease of the general character then contemplated—

(A) would—

(i) contribute in a cost-effective manner to the mission of the Department;

(ii) not be inconsistent with the mission of the Department;

(iii) not adversely affect the mission of the Department; and

(iv) affect services to veterans; or

(B) would result in a demonstrable improvement of services to eligible veterans in the geographic service-delivery area within which the property is located.

(5) A description of how those uses would affect services to veterans.

(c)

(1) If after a hearing under subsection (a) the Secretary intends to enter into an enhanced-use lease of the property involved, the Secretary shall notify the congressional veterans' affairs committees, the Committees on Appropriations of the House of Representatives and the Senate, and the Committees on the Budget of the House of Representatives and the Senate of the Secretary's intention to enter into such lease, shall publish a notice of such intention in the Federal Register, and shall submit to the congressional veterans' affairs committees a copy of the proposed lease. With respect to a major enhanced-use lease, upon the request of the congressional veterans' affairs committees, not later than 30 days after the date of such notice, the Secretary shall testify before the committees on the major enhanced-use lease, including with respect to the status of the lease, the cost, and the plans to carry out the activities under the lease. The Secretary may not delegate such testifying below the level of the head of the Office of Asset Enterprise Management of the Department or any successor to such office.

(2) The Secretary may not enter into an enhanced use lease until the end of the 45-day period beginning on the date of the submission of notice under paragraph (1).

(3) Each notice under paragraph (1) shall include the following:

(A) An identification of the property involved.

(B) An explanation of the background of, rationale for, and economic factors in support of, the proposed lease.

(C) A summary of the views expressed by interested parties at the public hearing conducted in connection with the proposed designation, together with a summary of the Secretary's evaluation of those views.

(D) A description of the provisions of the proposed lease.

(E) A description of how the proposed lease—

(i) would—

(I) contribute in a cost-effective manner to the mission of the Department;

(II) not be inconsistent with the mission of the Department;

(III) not adversely affect the mission of the Department; and

(IV) affect services to veterans; or

(ii) would result in a demonstrable improvement of services to eligible veterans in the geographic service-delivery area within which the property is located.

(F) A description of how the proposed lease would affect services to veterans.

(G) A summary of a cost-benefit analysis of the proposed lease.



**§ 8164. Authority for disposition of leased property**

(a) If, during the term of an enhanced-use lease or within 30 days after the end of the term of the lease, the Secretary determines that the leased property is no longer needed by the Department, the Secretary may initiate action for the transfer to the lessee of all right, title, and interest of the United States in the property. A disposition of property may not be made under this section unless the Secretary determines that the disposition under this section rather than under section 8118 or 8122 of this title is in the best interests of the Department.

(b) A disposition under this section may be made in return for cash at fair value as the Secretary determines is in the best interest of the United States and upon such other terms and conditions as the Secretary considers appropriate.

(c) Not less than 45 days before a disposition of property is made under this section, the Secretary shall notify the congressional veterans' affairs committees of the Secretary's intent to dispose of the property and shall publish notice of the proposed disposition in the Federal Register. The notice shall describe the background of, rationale for, and economic factors in support of, the proposed disposition (including a cost-benefit analysis summary) and the method, terms, and conditions of the proposed disposition.

**§ 8165. Use of proceeds**

(a)

(1) Funds received by the Department under an enhanced-use lease and remaining after any deduction from those funds under subsection (b) shall be deposited in the Department of Veterans Affairs Medical Care Collections Fund established under section 1729A of this title.

(2) Funds received by the Department from a disposal of leased property under section 8164 of this title shall be deposited into the Department of Veterans Affairs Construction, Major Projects account or Construction, Minor Projects account, as the Secretary considers appropriate.

(b) An amount sufficient to pay for any expenses incurred by the Secretary in any fiscal year in connection with an enhanced-use lease shall be deducted from the proceeds of the lease for that fiscal year and may be used by the Secretary to reimburse the account from which the funds were used to pay such expenses. The Secretary may use the proceeds from any enhanced-use lease to reimburse applicable appropriations of the Department for any expenses incurred in the development of additional enhanced-use leases.

**§ 8166. Construction standards**

The construction, alteration, repair, remodeling, or improvement of a property that is the subject of an enhanced-use lease shall be carried out so as to comply with all applicable provisions of Federal, State, and local law relating to land use, building standards, permits, and inspections.

**§ 8167. Exemption from State and local taxes**

(a) Improvements and Operations Not Exempted.— The improvements and operations on land leased by a person with an enhanced-use lease from the Secretary shall be subject to all applicable provisions of Federal, State, or local law relating to taxation, fees, and assessments.

(b) Underlying Fee Title Interest Exempted.— The underlying fee title interest of the United States in any land subject to an enhanced-use lease shall not be subject, directly or indirectly, to any provision of State or local law relating to taxation, fees, or assessments.

**§ 8168. Annual reports****(a) Report on administration of leases.**

(1) Not later than 120 days after the date of the enactment of the Honoring America's Veterans and Caring for Camp Lejeune Families Act of 2012 [enacted Aug. 6, 2012] and not less frequently than once each year thereafter, the Secretary shall submit to the congressional veterans' affairs committees, the Committees on Appropriations of the House of Representatives and the Senate, and the Committees on the Budget of the House of Representatives and the Senate a report on enhanced-use leases.

(2) Each report under paragraph (1) shall include the following:

(A) Identification of the actions taken by the Secretary to implement and administer enhanced-use leases.

(B) For the most recent fiscal year covered by the report, the amounts deposited into the Medical Care Collection Fund account that were derived from enhanced-use leases.

(C) Identification of the actions taken by the Secretary using the amounts described in subparagraph (B).

(D) Documents of the Department supporting the contents of the report described in subparagraphs (A) through (C).

**(b) Report on lease consideration.**

(1) Each year, as part of the annual budget submission of the President to the congressional veterans' affairs committees, the Committees on Appropriations of the House of Representatives and the Senate, and the Committees on the Budget of the House of Representatives and the Senate under section 1105(a) of title 31, the Secretary shall submit to the congressional veterans' affairs committees, the Committees on Appropriations of the House of Representatives and the Senate, and the Committees on the Budget of the House of Representatives and the Senate a detailed report of the consideration received by the Secretary for each enhanced-use lease under this subchapter [38 USCS §§ 8161 et seq.].

(2) Each report under paragraph (1) shall include the following with respect to each enhanced-use lease covered by the report:

(A) An overview of how the Secretary is using consideration received by the Secretary under the lease to support veterans.

(B) The amount of consideration received by the Secretary under the lease.

(C) The amount of any revenues collected by the Secretary relating to the lease not covered by subparagraph (B), including a description of any in-kind assistance or services provided by the lessee to the Secretary or to veterans under an agreement entered into by the Secretary pursuant to any provision of law.

(D) The costs to the Secretary of carrying out the lease.

(E) Documents of the Department supporting the contents of the report described in subparagraphs (A) through (D).

**§ 8169. Expiration**

The authority of the Secretary to enter into enhanced-use leases under this subchapter expires on December 31, 2023.

## **ATTACHMENT B – THE WEST LOS ANGELES LEASING ACT OF 2016**

PUBLIC LAW 114–226—SEPT. 29, 2016  
WEST LOS ANGELES LEASING ACT OF 2016

130 STAT. 926 PUBLIC LAW 114–226—SEPT. 29, 2016  
Public Law 114–226  
114th Congress

An Act

To authorize the Secretary of Veterans Affairs to enter into certain leases at the Department of Veterans Affairs West Los Angeles Campus in Los Angeles, California, to make certain improvements to the enhanced-use lease authority of the Department, and for other purposes.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

### **SECTION 1. SHORT TITLE.**

This Act may be cited as the “West Los Angeles Leasing Act of 2016”.

### **SEC. 2. AUTHORITY TO ENTER INTO CERTAIN LEASES AT THE DEPARTMENT OF VETERANS AFFAIRS WEST LOS ANGELES CAMPUS.**

(a) IN GENERAL.—The Secretary of Veterans Affairs may carry out leases described in subsection (b) at the Department of Veterans Affairs West Los Angeles Campus in Los Angeles, California (hereinafter in this section referred to as the “Campus”).

(b) LEASES DESCRIBED.—Leases described in this subsection are the following:

(1) Any enhanced-use lease of real property under subchapter V of chapter 81 of title 38, United States Code, for purposes of providing supportive housing, as that term is defined in section 8161(3) of such title, that principally benefit veterans and their families.

(2) Any lease of real property for a term not to exceed 50 years to a third party to provide services that principally benefit veterans and their families and that are limited to one or more of the following purposes:

(A) The promotion of health and wellness, including nutrition and spiritual wellness.

(B) Education.

(C) Vocational training, skills building, or other training related to employment.

(D) Peer activities, socialization, or physical recreation.

(E) Assistance with legal issues and Federal benefits.

(F) Volunteerism.

(G) Family support services, including child care.

(H) Transportation.

(I) Services in support of one or more of the purposes specified in subparagraphs (A) through (H).

(3) A lease of real property for a term not to exceed 10 years to The Regents of the University of California, a corporation organized under the laws of the State of California, on behalf of its University of California, Los Angeles (UCLA) campus (hereinafter in this section referred to as "The Regents"), if—

(A) the lease is consistent with the master plan described in subsection (g);

(B) the provision of services to veterans is the predominant focus of the activities of The Regents at the Campus during the term of the lease;

(C) The Regents expressly agrees to provide, during the term of the lease and to an extent and in a manner that the Secretary considers appropriate, additional services and support (for which The Regents is not compensated by the Secretary or through an existing medical affiliation agreement) that—

(i) principally benefit veterans and their families, including veterans that are severely disabled, women, aging, or homeless; and

(ii) may consist of activities relating to the medical, clinical, therapeutic, dietary, rehabilitative, legal, mental, spiritual, physical, recreational, research, and counseling needs of veterans and their families or any of the purposes specified in any of subparagraphs (A) through (I) of paragraph (2); and

(D) The Regents maintains records documenting the value of the additional services and support that The Regents provides pursuant to subparagraph (C) for the duration of the lease and makes such records available to the Secretary.

(c) **LIMITATION ON LAND-SHARING AGREEMENTS.**—The Secretary may not carry out any land-sharing agreement pursuant to section 8153 of title 38, United States Code, at the Campus unless such agreement—

(1) provides additional health-care resources to the Campus; and

(2) benefits veterans and their families other than from the generation of revenue for the Department of Veterans Affairs.

(d) **REVENUES FROM LEASES AT THE CAMPUS.**—Any funds received by the Secretary under a lease described in subsection (b) shall be credited to the applicable Department medical facilities account and shall be available, without fiscal year limitation and without further appropriation, exclusively for the renovation and maintenance of the land and facilities at the

Campus.

(e) EASEMENTS.—

(1) IN GENERAL.—Notwithstanding any other provision of law (other than Federal laws relating to environmental and historic preservation), pursuant to section 8124 of title 38, United States Code, the Secretary may grant easements or rights-of-way on, above, or under lands at the Campus to—

(A) any local or regional public transportation authority to access, construct, use, operate, maintain, repair, or reconstruct public mass transit facilities, including, fixed guideway facilities and transportation centers; and

(B) the State of California, County of Los Angeles, City of Los Angeles, or any agency or political subdivision thereof, or any public utility company (including any company providing electricity, gas, water, sewage, or telecommunication services to the public) for the purpose of providing such public utilities.

(2) IMPROVEMENTS.—Any improvements proposed pursuant to an easement or right-of-way authorized under paragraph (1) shall be subject to such terms and conditions as the Secretary considers appropriate.

(3) TERMINATION.—Any easement or right-of-way authorized under paragraph (1) shall be terminated upon the abandonment or nonuse of the easement or right-of-way and all right, title, and interest in the land covered by the easement or right-of-way shall revert to the United States.

(f) PROHIBITION ON SALE OF PROPERTY.—Notwithstanding section 8164 of title 38, United States Code, the Secretary may not sell or otherwise convey to a third party fee simple title to any real property or improvements to real property made at the Campus.

(g) CONSISTENCY WITH MASTER PLAN.—The Secretary shall ensure that each lease carried out under this section is consistent with the draft master plan approved by the Secretary on January 28, 2016, or successor master plans.

(h) COMPLIANCE WITH CERTAIN LAWS.—

(1) LAWS RELATING TO LEASES AND LAND USE.—If the Inspector General of the Department of Veterans Affairs determines, as part of an audit report or evaluation conducted by the Inspector General, that the Department is not in compliance with all Federal laws relating to leases and land use at the Campus, or that significant mismanagement has occurred with respect to leases or land use at the Campus, the Secretary may not enter into any lease or land-sharing agreement at the Campus, or renew any such lease or land-sharing agreement that is not in compliance with such laws, until the Secretary certifies to the Committees on Veterans' Affairs of the Senate and House of Representatives, the Committees on Appropriations of the Senate and House of Representatives, and each Member of the Senate and the House of Representatives who represents the area in which the Campus is located that all recommendations included in the audit report or evaluation have been implemented.

(2) COMPLIANCE OF PARTICULAR LEASES.—Except as otherwise expressly

provided by this section, no lease may be entered into or renewed under this section unless the lease complies with chapter 33 of title 41, United States Code, and all Federal laws relating to environmental and historic preservation.

(i) VETERANS AND COMMUNITY OVERSIGHT AND ENGAGEMENT BOARD.—

(1) IN GENERAL.—Not later than 180 days after the date of the enactment of this Act, the Secretary shall establish a Veterans and Community Oversight and Engagement Board (in this subsection referred to as the “Board”) for the Campus to coordinate locally with the Department of Veterans Affairs to—

(A) identify the goals of the community and veteran partnership;

(B) provide advice and recommendations to the Secretary to improve services and outcomes for veterans, members of the Armed Forces, and the families of such veterans and members; and

(C) provide advice and recommendations on the implementation of the draft master plan approved by the Secretary on January 28, 2016, and on the creation and implementation of any successor master plans.

(2) MEMBERS.—The Board shall be comprised of a number of members that the Secretary determines appropriate, of which not less than 50 percent shall be veterans. The nonveteran members shall be family members of veterans, veteran advocates, service providers, real estate professionals familiar with housing development projects, or stakeholders.

(3) COMMUNITY INPUT.—In carrying out paragraph (1), the Board shall—

(A) provide the community opportunities to collaborate and communicate with the Board, including by conducting public forums on the Campus; and

(B) focus on local issues regarding the Department that are identified by the community, including with respect to health care, implementation of the draft master plan and any subsequent plans, benefits, and memorial services at the Campus.

(j) NOTIFICATION AND REPORTS.—

(1) CONGRESSIONAL NOTIFICATION.—With respect to each lease or land-sharing agreement intended to be entered into or renewed at the Campus, the Secretary shall notify the Committees on Veterans’ Affairs of the Senate and House of Representatives, the Committees on Appropriations of the Senate and House of Representatives, and each Member of the Senate and the House of Representatives who represents the area in which the Campus is located of the intent of the Secretary to enter into or renew the lease or land-sharing agreement not later than 45 days before entering into or renewing

the lease or land-sharing agreement.

(2) ANNUAL REPORT.—Not later than one year after the date of the enactment of this Act, and not less frequently than annually thereafter, the Secretary shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives, the Committees on Appropriations of the Senate and House of Representatives, and each Member of the Senate and the House of Representatives who represents the area in which the Campus is located an annual report evaluating all leases and land-sharing agreements carried out at the Campus, including—

(A) an evaluation of the management of the revenue generated by the leases; and

(B) the records described in subsection (b)(3)(D).

(3) INSPECTOR GENERAL REPORT.—

(A) IN GENERAL.—Not later than each of two years and five years after the date of the enactment of this Act, and as determined necessary by the Inspector General of the Department of Veterans Affairs thereafter, the Inspector General shall submit to the Committees on Veterans' Affairs of the Senate and House of Representatives and the Committees on Appropriations of the Senate and House of Representatives, and each Member of the Senate and the House of Representatives who represents the area in which the Campus is located a report on all leases carried out at the Campus and the management by the Department of the use of land at the Campus, including an assessment of the efforts of the Department to implement the master plan described in subsection (g) with respect to the Campus.

(B) CONSIDERATION OF ANNUAL REPORT.—In preparing each report required by subparagraph (A), the Inspector General shall take into account the most recent report submitted to Congress by the Secretary under paragraph (2).

(k) RULE OF CONSTRUCTION.—Nothing in this section shall be construed as a limitation on the authority of the Secretary to enter into other agreements regarding the Campus that are authorized by law and not inconsistent with this section.

(l) PRINCIPALLY BENEFIT VETERANS AND THEIR FAMILIES DEFINED.—In this section the term “principally benefit veterans and their families”, with respect to services provided by a person or entity under a lease of property or land-sharing agreement—

(1) means services—

(A) provided exclusively to veterans and their families; or

(B) that are designed for the particular needs of veterans and their families, as opposed to the general public, and any benefit of those services to the general public is distinct from the intended benefit to veterans and their families; and

(2) excludes services in which the only benefit to veterans and their families is the generation of revenue for the Department of Veterans Affairs.



(m) CONFORMING AMENDMENTS.—

(1) PROHIBITION ON DISPOSAL OF PROPERTY.—Section 224(a) of the Military Construction and Veterans Affairs and Related Agencies Appropriations Act, 2008 (Public Law 110–161; 121 Stat. 2272) is amended by striking “The Secretary of Veterans Affairs” and inserting “Except as authorized under the Los Angeles Homeless Veterans Leasing Act of 2016, the Secretary of Veterans Affairs”.

(2) ENHANCED-USE LEASES.—Section 8162(c) of title 38, United States Code, is amended by inserting “, other than an enhanced-use lease under the Los Angeles Homeless Veterans Leasing Act of 2016,” before “shall be considered”.

**SEC. 3. IMPROVEMENTS TO ENHANCED-USE LEASE AUTHORITY OF DEPARTMENT OF VETERANS AFFAIRS.**

(a) PROHIBITION ON WAIVER OF OBLIGATION OF LESSEE.—Paragraph (3) of section 8162(b) of title 38, United States Code, is amended by adding at the following new subparagraph:

“(D) The Secretary may not waive or postpone the obligation of a lessee to pay any consideration under an enhanced-use lease, including monthly rent.”.

(b) CLARIFICATION OF LIABILITY OF FEDERAL GOVERNMENT TO THIRD PARTIES.—Section 8162 of such title is amended by adding at the end the following new subsection:

“(d)(1) Nothing in this subchapter authorizes the Secretary to enter into an enhanced-use lease that provides for, is contingent upon, or otherwise authorizes the Federal Government to guarantee a loan made by a third party to a lessee for purposes of the enhanced-use lease.

“(2) Nothing in this subchapter shall be construed to abrogate or constitute a waiver of the sovereign immunity of the United States with respect to any loan, financing, or other financial agreement entered into by the lessee and a third party relating to an enhanced-use lease.”.

(c) TRANSPARENCY.—

(1) NOTICE.—Section 8163(c)(1) of such title is amended—

(A) by inserting “, the Committees on Appropriations of the House of Representatives and the Senate, and the Committees on the Budget of the House of Representatives and the Senate” after “congressional veterans’ affairs committees”;

(B) by striking “and shall publish” and inserting “,shall publish”;

(C) by inserting before the period at the end the following: “, and shall submit to the congressional veterans’ affairs committees a copy of the proposed lease”; and

(D) by adding at the end the following new sentence: “With respect to a major enhanced-use lease, upon the request of the congressional veterans’ affairs committees, not later than 30 days after the date of such notice, the Secretary shall testify before the committees on the major enhanced-use lease, including with respect to the status of the lease, the cost, and the plans to carry out the activities under the lease. The Secretary may not delegate such testifying below the level of the head of the Office of Asset Enterprise Management of the Department or any successor to such office.”.

(2) ANNUAL REPORTS.—Section 8168 of such title is amended—

(A) by striking “to Congress” each place it appears and inserting “to the congressional veterans’ affairs committees, the Committees on Appropriations of the House of Representatives and the Senate, and the Committees on the Budget of the House of Representatives and the Senate”;

(B) in subsection (a)—

(i) by striking “Not later” and inserting “(1) Not later”;

(ii) by striking “a report” and all that follows through the period at the end and inserting “a report on enhanced-use leases.”; and

(iii) by adding at the end the following new paragraph “(2) Each report under paragraph (1) shall include the following:

“(A) Identification of the actions taken by the Secretary to implement and administer enhanced-use leases.

“(B) For the most recent fiscal year covered by the report, the amounts deposited into the Medical Care Collection Fund account that were derived from enhanced-use leases.

“(C) Identification of the actions taken by the Secretary using the amounts described in subparagraph (B).

“(D) Documents of the Department supporting the contents of the report described in subparagraphs (A) through (C).”; and

(C) in subsection (b)—

(i) by striking “Each year” and inserting “(1) Each year”;

(ii) by striking “this subchapter,” and all that follows through the period at the end and inserting “this subchapter.”; and

(iii) by adding at the end the following new paragraph: “(2) Each report under paragraph (1) shall include the following with respect to each enhanced-use lease covered by the report:

“(A) An overview of how the Secretary is using consideration

received by the Secretary under the lease to support veterans.

“(B) The amount of consideration received by the Secretary under the lease.

“(C) The amount of any revenues collected by the Secretary relating to the lease not covered by subparagraph (B), including a description of any in-kind assistance or services provided by the lessee to the Secretary or to veterans under an agreement entered into by the Secretary pursuant to any provision of law.

“(D) The costs to the Secretary of carrying out the lease.

“(E) Documents of the Department supporting the contents of the report described in subparagraphs (A) through (D).”.

(d) **ADDITIONAL DEFINITIONS.**—Section 8161 of such title is amended by adding at the end the following new paragraphs:

“(4) The term ‘lessee’ means the party with whom the Secretary has entered into an enhanced-use lease under this subchapter.

“(5) The term ‘major enhanced-use lease’ means an enhanced-use lease that includes consideration consisting of an average annual rent of more than \$10,000,000.”.

(e) **COMPTROLLER GENERAL AUDIT.**—

(1) **REPORT.**—Not later than 270 days after the date of the enactment of this Act, the Comptroller General of the United States shall submit to the appropriate congressional committees a report containing an audit of the enhanced-use lease program of the Department of Veterans Affairs under subchapter V of chapter 81 of title 38, United States Code.

(2) **MATTERS INCLUDED.**—The report under paragraph (1) shall include the following:

(A) The financial impact of the enhanced-use lease authority on the Department of Veterans Affairs and whether the revenue realized from such authority and other financial benefits would have been realized without such authority.

(B) The use by the Secretary of such authority and whether the arrangements made under such authority would have been made without such authority.

(C) An identification of the controls that are in place to ensure accountability and transparency and to protect the Federal Government.

(D) An overall assessment of the activities of the Secretary under such authority to ensure procurement cost avoidance, negotiated cost avoidance, in-contract cost avoidance, and rate reductions.

(3) **APPROPRIATE CONGRESSIONAL COMMITTEES DEFINED.**— In this subsection, the term “appropriate congressional committees” means—

(A) the Committees on Veterans' Affairs of the House of Representatives and the Senate;

(B) the Committees on Appropriations of the House of Representatives and the Senate; and

(C) the Committees on the Budget of the House of Representatives and the Senate.

Approved September 29, 2016.

## ATTACHMENT C – EUL PARCEL BOUNDARY

The following image illustrates the expected EUL parcel boundary.



## ATTACHMENT D – EUL SITE INFORMATION

The following table contains site information for the EUL Site listed in this RFQ.

<b>Campus Background</b>	See Section 2.2 for information on the subject campus
<b>Location of Campus</b>	<p>The GLAHCS Campus address is 11301 Wilshire Boulevard, Los Angeles, CA 90073.</p> <p>The Campus is located at the major intersection of Sepulveda Boulevard, Interstate 405 (also known as the San Diego Freeway), and Wilshire Boulevard in Los Angeles, California, and is generally bounded by Barrington Avenue, Bringham Avenue, San Vicente Boulevard and Federal Avenue on the west; Ohio Avenue on the south; and Veteran Avenue on the east.</p> <p>It is located within 4 miles from downtown Santa Monica and 14 miles from downtown Los Angeles. The campus shares an edge with the Brentwood neighborhood on the west and to its north, with the Westwood neighborhood and the I-405 freeway on the east, and the West Los Angeles neighborhood on the south. Santa Monica is the nearest downtown area.</p>
<b>EUL Site</b>	<p>Approximately four acres of relatively flat land with two historic buildings located on the EUL Site, Building 205 and Building 208.</p> <p>The EUL Site is located on the northern half of the GLAHCS Campus, just south of the Heroes Golf Course and east of the MacArthur soccer fields.</p> <p>The EUL Site is generally bounded by Patton Avenue and Bonsall Avenue.</p> <p>Building 205 (in Gross Square Feet): 53,047 sf, 3 floors Built in 1937 Prior function: Vacant, formerly Outpatient Psychiatry (Hospital Building) Contributing Resource to the historic district</p> <p>Building 208 (in Gross Square Feet): 47,265 sf, 3 floors Built in 1945 Prior function: Health/Vocational Rehabilitation Medicine (Hospital Building) Contributing Resource to the historic district</p> <p>Additional Building Information: Buildings 205 and 208 will require extensive renovations, to include hazardous materials abatements (asbestos and potential lead paint) and seismic correction work to meet the proposed use. The finishes, mechanical, and electrical systems are deteriorated and beyond their useful life.</p>
<b>Parking</b>	<p>The EUL Site includes:</p> <ul style="list-style-type: none"> <li>• Building 208 Parking Lot at the northeastern end of the EUL Site includes approximately 18 uncovered parking spaces.</li> <li>• Parking Lot #27 at the southern end of the EUL Site includes approximately 15 uncovered parking spaces.</li> </ul> <p>The availability of Parking Lot #28 at the northwestern end of the EUL site is to be determined based on expected parking demand and discussions between VA and selected developer (Note: This lot includes approximately 30-35 uncovered parking spaces).</p>

<b>Utilities</b>	It is the responsibility of the selected developer to pay for all utilities either through separate metering or reimbursement of VA.
<b>Access and Road Infrastructure</b>	<p>The EUL Site can be accessed by vehicles directly from Bonsall Avenue and the Lessee shall have a non-exclusive right to other VAMC roads that lead to the EUL Site.</p> <p>The bus lines that run along Wilshire Boulevard including the #4 San Vicente Boulevard, #3 Montana Avenue, #720 Metro Rapid Line, #2 Wilshire Boulevard, and #20 Metro Local Line. The commute into downtown Santa Monica is 16 minutes by car, 19 minutes by bus, 21 minutes by bike, and over an hour by foot. There are two bus lines that enter the GLA campus. The first is the LADOT Commuter Express line that runs down Sepulveda Blvd, and enters the low lands of the eastern side of campus to service. The second is the Santa Monica Big Blue Bus, which travels through the south campus from Wilshire Boulevard to Ohio Avenue.</p>

## **ATTACHMENT E – BUILDING 205 FLOOR PLANS**

See attached.



## **ATTACHMENT F – BUILDING 208 FLOOR PLANS**

See attached.

**ATTACHMENT G – LETTER FROM STATE OFFICE OF HISTORIC  
PRESERVATION REGARDING BUILDINGS 205 & 208**

See attached.

## **ATTACHMENT H – SITE TOUR**

The Site Tour will provide Offerors with an opportunity to learn more about the EUL opportunity, see the EUL Site, enter the existing facilities (if possible), and understand how the EUL Site relates to the rest of the VA campus and community.

**Date:** April 20, 2017 at 2:00pm PST

**Location:**

Wadsworth Theater  
West Los Angeles Medical Center  
11301 Wilshire Blvd.  
Los Angeles, CA 90073

If you are interested in attending the Site Tour, please email Kelli Emery at [kelli.emery@va.gov](mailto:kelli.emery@va.gov) to confirm your attendance. When emailing, please note in the subject, "WLA B205 & 208 EUL Site Tour Registration".