

Eglin AFB Enhanced Use Lease
Industry Forum Questions and Answers
January 11, 2007

No.	Question & Answer
1.	Q: Why would the Air Force provide fire protection for outside the gate buildings? Will taxes be paid to local authorities?
	A: The jurisdiction of this project was recently changed to Concurrent Legislative Jurisdiction. Okaloosa County will provide fire and police protection on the site. The base is now coordinating the hand-off of these services with the appropriate local service providers. As stated in Title 10, Section 2667 (e), "The interest of a lessee of property leased under this section may be taxed by State or local governments."
2.	Q: Are studies done by the Economic Development Council (EDC) or Research Engineering and Educational Facility (REEF) available to contractors?
	A: Please contact the EDC directly.
3.	Q: What would the impact of the test wing move to Edwards AFB have on the 2015 missions?
	A: TBD
4.	Q: Phase II and Phase III seem to take 12 months: How can a lease be signed by October?
	A: Phase II is now three months old; it will end in the March-April time-frame. Phase III will be six months in length ending in September.
5.	Q: Can the developer get a list of the Air Force needs (unfunded requirements)?
	A: The Base will identify examples of desired in-kind consideration in the RFQ.
6.	Q: What is the timing of the BRAC-related enhancements?
	A: The Eglin AFB BRAC transitions are planned to be completed by 15 Sep 2011.
7.	Q: When will the strike force, threat reduction mission come on line at Eglin AFB? Is there funding in place to do this. Are further DoD or Congressional steps necessary?
	A: The Joint Strike Fighter (JSF) Initial Joint Training Site and all other BRAC related mission transitions are expected to occur in accordance with BRAC directed actions by 15 Sep 2011.
8.	Q: Will the Air Force allow design-build methods for completing the development?
	A: Yes.
9.	Q: There is NO equity at "Transaction Closing." What does the Air Force expect in terms of scope?
	A: There is equity in the value of the lease. The "equity" required from the HRO is a cash contribution.
10.	Q: The Air Force is requiring "Design and Review Pre-Construction" conferences. Also requires Payment and Performance bonds. This is a project where the Air Force will NOT own the buildings. Why is the Air Force requiring these items?
	A: Because, as the Lessor and owner of adjacent property, the Air Force is concerned with the compatibility of this project with Air Force activities and facilities on adjoining Air Force property and with ensuring that project is developed as proposed.
11.	Q: Will the Air Force certify that the project site is Hazardous Contamination free?" If not, is the developer responsible for cleanup?
	A: The Air Force will prepare an Environmental Site Assessment (ESA) (previously referenced as Environmental Baseline Survey, or EBS) and an Environmental Assessment (EA) and make them available to the proposers. Developers interested in the property are encouraged to conduct adequate due diligence.
12.	Q: If we are paying a competitive lease amount, is there a requirement to provide a percentage of our development profits to Eglin AFB in addition? What about windfall profits?

Eglin AFB Enhanced Use Lease
Industry Forum Questions and Answers
January 11, 2007

No.	Question & Answer
	<p>A: No. The Lease Agreement (Condition 4 – Rent) defines how rent is defined and paid by the Lessee. Rent is comprised of Base Rent, Additional Rent, and Supplemental Rent. Base Rent is the basic rental payment (in cash or in-kind consideration) which will be increased throughout the lease by a percentage equal to the percentage increase in the Consumer Price Index. Additional Rent will cause the Base Rent to increase, as outlined in the language of Condition 4.2 – Additional Rent. Supplemental Rent includes all sums other than Base Rent and Additional Rent, and is outlined in Condition 4.3 – Supplemental Rent.</p>
13.	<p>Q: Does the developer pay a fee for fire and security and protection? What is the cost to the project?</p> <p>A: See Question #1.</p>
14.	<p>Q: At what level is an entity considered a significant party?</p> <p>A: Section 4.14.1 of the RFQ reads as follows: “Significant Parties are defined as entities or individuals that meet any one or more of the following criteria: a) the entity or individual is proposed to execute the lease agreement; b) the entity or individual will consolidate 50% or more of the financial performance of the Offeror entity into their financial statements; or c) the entity or individual owns 10% or more of the Offeror entity and articulates in a written statement a financial responsibility to the Offeror entity.”</p>
15.	<p>Q: Will the developer need local zoning approval by Okaloosa County?</p> <p>A: The project area is Federal property and is not subject to local zoning approvals. However, it is expected that the HRO will consult with Okaloosa County to ensure compatibility with nearby property that is subject to County zoning ordinances</p>
16.	<p>Q: Does the Government expect the site to be built out in one continuous period?</p> <p>A: The development period will be proposed by the Offeror. Section 3.2.2.3 (Construction Management Plan) in the RFQ states: “The plan shall establish procedures for coordinating, updating, and implementing design and construction schedules”. Section 3.2.2.3.2 (Schedules) states: “Design and construction schedules shall identify all phases of design, design review, demolition, construction, and relocation of existing tenants, if any”.</p>
17.	<p>Q: Will the Air Force consider a development schedule as long as 10 years?</p> <p>A: The development schedule is to be negotiated, but this seems to be a long period.</p>
18.	<p>Q: Will there be three inspecting entities: developer’s third party; Eglin inspectors and Okaloosa County inspectors? Will there be a way to streamline this process?</p> <p>A: The Offeror will provide one inspecting party per Section 3.2.2.3.4 (Quality Control) which states: “The Lessee shall maintain an effective quality control program for all activities throughout all phases of the project development. The quality control program shall require compliance with applicable standards and codes as well as compliance with the final design and construction plans. Under the lease, the Government and/or the Government’s representatives shall have full inspection rights to ensure that development activities are in compliance with the quality control program and final design and construction plans. <i>The Lessee shall retain a certified professional who is not affiliated with the Lessee or any of the Lessee’s affiliates (“Construction Consultant”) to administer such quality control program. Such professional shall be approved by the Government and shall perform inspections, and provide Certificates of Compliance with the Certifications, Zoning and Permit requirements in accordance with Section 3.2.2.5’.</i> (Italics added)</p>
19.	<p>Q: Where can we get a copy of Community Vision 2015?</p> <p>A: There is no specific document outlining the Community Vision 2015. Any pertinent information will be posted on the www.pscmh.com website.</p>
20.	<p>Q: What does the “community” want in this property? Follow-up: What plans has the community seen?</p> <p>A: Okaloosa County fully supports the concept shown in the RFQ. Follow-up answer: There are some notional concept plans available for viewing at www.florida-edc.org</p>
21.	<p>Q: When will high-speed internet be available? Will it be OC192 like other fiber in the county?</p> <p>A: It is possible this service will be available for the University of Florida facility by 2008.</p>
22.	<p>Q: When REEF was constructed, what was the anticipated student load, and what is the actual student load?</p>

Eglin AFB Enhanced Use Lease
Industry Forum Questions and Answers
January 11, 2007

No.	Question & Answer
	A: Please consult with the REEF.
23.	Q: Where have the Army and Veterans Administration done similar projects?
	A: Please check appropriate websites.
24.	Q: Why was the Residence Hall project abandoned in 2002?
	A: Please consult with the REEF.
25.	Q: Does the EUL program address sub-leasing? For example, could the developer sub-lease 5 acres to the University of Florida for compatible use?
	A: Condition 21 (Assignment, Subleases, and Licenses) of the Lease Agreement (part of the Project Documents – see Section 1.5 – Project Documents) addresses this issue. Any assignments or subleases cannot be made without the prior written consent of the Government.
26.	Q: Has a wetlands and endangered species study been completed?
	A: A planning level wetlands survey and planning level survey for endangered species have been done for the entirety of Eglin AFB. The wetlands survey was completed on 10 August 1994. There are no known wetlands on the 98 acre site. The endangered species survey covered the period from 1989-1994. The only endangered species discovered was the Red-Cockaded Woodpecker. Sections 2.3.7.2 and 3.3.6 of the RFQ both discuss this issue. As stated in these sections of the RFQ, “There is need to mitigate any potential impacts to Red-Cockaded Woodpeckers (RCW), a federally protected endangered species. Appropriate measures should be taken to preserve one (1) RCW cavity tree currently located on the property. The tree may not be removed to accommodate improvements. The tree will be clearly marked by natural resources personnel from Eglin Air Force Base. The marking will consist of a white band painted at chest height around the longleaf pine cavity tree. A thirty (30) foot buffer zone will be maintained around the tree. No root-raking or heavy equipment operation shall be conducted within this buffer zone.”
27.	Q: Are there any use restrictions?
	A: Land use restriction is one of the areas addressed in the Site Development Plan. Please reference Section 3.2.2.1 (Site Development Plan) and specifically Section 3.2.2.1.1 (Land Use Restrictions).
28.	Q: What is the current zoning status? Follow-up: With the change in jurisdiction, will this status change?
	A: There is no zoning on Federal property. Follow-up answer: As long as it is federal property, there will be no zoning.
29.	Q: Can other Government agencies propose on this EUL?
	A: Yes.
30.	Q: Is the Air Force planning to be a partner in this transaction?
	A: No.
31.	Q: What is the Replacement Reserve Account?
	A: Section 3.2.1.6.2 (Replacement Reserve Account) reads: “The Lessee shall establish and maintain a Replacement Reserve Account to maintain the condition of any improvements per the Operating Agreement”.
32.	Q: Does the Competition in Contracting Act apply to this procurement?
	A: Yes.
33.	Q: Will MWH Americas remain the contact point during the execution of the lease?
	A: Yes.
34.	Q: What business would be excluded from Lessee consideration?

Eglin AFB Enhanced Use Lease
Industry Forum Questions and Answers
January 11, 2007

No.	Question & Answer
	A: Section 1.2 (EUL Goal) of the RFQ states: “A commercial development of the EUL Asset that includes research and development related Office and Research Space, along with Extended Stay Facilities would be compatible with the Research Engineering and Education Facility (REEF) and operations on the installation. The Air Force is seeking a prospective Lessee to develop the EUL Asset consistent with the compatible uses described above”. Those businesses incompatible with this goal would be excluded from Lessee consideration.
35.	Q: Since the project is on Government-owned land, will a development order from Okaloosa County be required? Will building permits from Okaloosa County be required?
	A: Please reference the RFQ Section 3.2.2.5 Certification, Zoning, and Permit Requirements, and more specifically Sections 3.2.2.5.2 and 3.2.2.5.3 which read as follows: Section 3.2.2.5.2 (Codes, Standards, and Regulations) “All development activities involved in the project shall be in accordance with Okaloosa County building codes, standards, regulations and the federal laws, as they may be amended, that would apply to similar development activities outside the Base and within the County in which the Base is situated, to include 15 USCS § 2227. Designs must comply with the Department of Defense Antiterrorism Standards for Buildings (Unified Facilities Criteria 4-010-D1). Section 3.2.2.5.3 (Permits) “The Lessee shall acquire all permits and pay all required fees”.
36.	Q: What is the DESIRED amount of development in the Initial Development Period and what is the anticipated duration of the Initial Development Period (IDP)?
	A: To be proposed by the HRO.
37.	Q: If partnering, how much information will be required for each entity? At what percent interest will a partner be required to provide information?
	A: Please consult the RFQ, Section 4.14.1.1. Subfactor 4.1, Financial Capabilities.
38.	Q: Could you provide a list of potential tenants that would enhance the research center or would have a viable list in being co-located to the current facility?
	A: This is the Offeror’s responsibility. However, assistance is available through the Economic Development Council of Okaloosa County, Florida.
39.	Q: Will other universities be allowed to be in the EUL complex?
	A: Subject to negotiation.
40.	Q: Will the University of Florida be required to pay rent in the next EUL complex?
	A: The developer and University of Florida may enter a sublease on such terms as they deem appropriate. The Air Force retains the right to approve all subleases, and may condition its consent to subordination requests on the imposition of fair market value rent on subleases in the event the Lease must be terminated for default.
41.	Q: What industry investments in infrastructure to advanced weapon technologies are expected?
	A: TBD.
42.	Q: Paul Macpherson did not address slides 13 and 14? Could these please be addressed?
	A: The presentation is available on www.pscmh.com .
43.	Q: Can we see a copy of the current ground lease?
	A: The current ground lease with the University of Florida is not applicable to this project. However, a copy of the proposed lease is available on the Air Force Real Property Agency Website: www.afropa.hq.af.mil . Please refer to the RFQ for a copy of the lease that will be used in this project.
44.	Q: Has there been prior use of this site, especially for military ordnance. Are there pesticides on the site? What about endangered species?
	A: There is no known prior use of the site. There is no known unexploded ordnance on the site. Follow-up answers: There are no known pesticides on the site. In regard to endangered species please see question #26. The Environmental Site Assessment and Environmental Assessment (now underway) should be completed in the fall of 2007. These reports will address these issues if any environmental concerns are uncovered.
45.	Q: What is the impact of “in-kind” consideration to the traditional FAR contracting process? My concern is that accepting goods or services in kind from the developer will negatively impact the small business that could do that work through contracts with Eglin AFB.

Eglin AFB Enhanced Use Lease
Industry Forum Questions and Answers
January 11, 2007

No.	Question & Answer
	A: There is a small business requirement in the RFQ. Please reference Section 1.4 of the RFQ which states: "The Air Force encourages small business concerns to compete for opportunities relating to leasing projects. The Air Force also encourages Offerors to affirmatively promote small business participation on their project teams."
46.	Q: Is there existing water, sewer, gas and electric service capacity available at a point of connection adjacent to the site boundary?
	A: TBD. Please consult local utility providers.
47.	Q: How can we get a copy of the preliminary site concept?
	A: Please contact the EDC. See answer to question #20.
48.	Q: What is the current usage of the University of Florida facility: Is it at capacity? Does the Air Force or contractors currently use this space? Has the University of Florida slated any expansion needs?
	A: Please consult with the REEF.
49.	Q: Is there a party that will administer the contract for in-kind repair, improvement, etc?
	A: The Air Force.
50.	Q: Will the Business Case Analysis be available to the private sector?
	A: No.
51.	Q: Will consideration be a factor in the evaluation of the proposal?
	A: Yes.
52.	Q: Has Eglin determined the Fair Market Value? Will that be available?
	A: Yes. No.
53.	Q: Does the Air Force want cash or in-kind consideration and how would this be handled?
	A: The offers may include either or both. Cash will be deposited in the In-kind Consideration Account (ICA); the direct provision of in-kind will be negotiated.
54.	Q: What is the status of the lease with the University of Florida and how will it be revised? Follow-up: Did the University of Florida get a quid pro quo for giving up this land?
	A: The University of Florida will relinquish its lease-hold interest in the 98 acres. Follow-up answer: No, the University relinquished its interest at no-cost.
55.	Q: Are there any synergies using the current facilities?
	A: To be negotiated by HRO with the REEF.
56.	Q: How does the Government lease payment account work?
	A: It is essentially an escrow account maintained by the Lessee to be used to satisfy in-kind consideration obligations assumed by the Lessee.
57.	Q: What is the Air Force going to do differently than the Army to avoid protracted deals?
	A: The Air Force has reduced and streamlined the review and approval cycle and is committed to the timeline.
58.	Q: Why do we need to bring cash at closing, and how much?
	A: Cash at closing is required to cover the Air Force's investment in the process. Amount to be determined but likely not less than \$1M.
59.	Q: How does the EUL program differ from housing privatization?
	A: The EUL program is authorized under the Military Leasing Act, 10 U.S.C. 2667. The Air Force Military Housing Privatization initiative is authorized under 10 U.S.C. 2871. Please consult the alternate authorities for a description of the programs.
60.	Q: What is the Air Force requirement for a lump sum payment, or payment over time?

Eglin AFB Enhanced Use Lease
Industry Forum Questions and Answers
January 11, 2007

No.	Question & Answer	
	A:	Offers should offer as much flexibility as is feasible in the timing of the delivery of value, either in the form of in-kind consideration or cash.
61.	Q:	What Anti-Terrorism Force Protection (ATFP) requirements apply?
	A:	Please refer to the RFQ Section 3.2.2.5.2 (Codes, Standards, and Regulations) which states: “Designs must comply with the Department of Defense Antiterrorism Standards for Buildings (Unified Facilities Criteria 4-010-D1).”
62.	Q:	What other services besides fire and police protection does the Base provide?
	A:	See previous questions.
63.	Q:	What is the jurisdiction of the property?
	A:	Recently changed from Exclusive to Concurrent.
64.	Q:	Can the Air Force provide appropriate relevant documents?
	A:	Yes, all the documents are available at the Air Force Real Property Agency web site at www.afarpa.hq.af.mil.