



REQUEST FOR LEASE OR PURCHASE PROPOSAL

**Kansas Development Finance
Authority / Kansas Housing
Resources Corporation**

DATE POSTED:

Friday, May 26th, 2023

RESPONSE DEADLINE:

Electronic copy due no later than 4:30 p.m.
on Monday, June 26th, 2023

SUBMIT RESPONSES TO:

Jeanette Spurgin
Kansas Housing Resources
Corporation
611 S. Kansas Ave., Suite 300
Topeka, KS 66603
jspurgin@kshousingcorp.org

SECTION I. INTRODUCTION

The Kansas Development Finance Authority ("KDFA") serves as the only multi-purpose, State-level finance authority for Kansas. KDFA promotes economic development for Kansas by facilitating long-term financing for capital projects and programs via the issuance of taxable and tax-exempt bonds or other securities.

"Unlocking Home" since 2003, the mission of Kansas Housing Resources Corporation ("KHRC") is to help Kansans access the quality affordable housing they need and the dignity they deserve. Codified at K.S.A. 74-8901 et. seq., and a subsidiary of KDFA, KHRC is a public corporation and independent instrumentality of the State, serving as the housing finance agency for Kansas. KDFA and KHRC are governed by a common board of directors.

The purpose of this Request for Proposal is to obtain office space within Topeka, Kansas, for KDFA and KHRC (both parties collectively referred to hereinafter as "KDFA/KHRC"). As detailed below, KDFA/KHRC seek commercial office space within a commercial office building, B-class quality or better with a professional appearance, available for lease or purchase. The building may be new construction or an existing building which can be renovated to meet the needs of KDFA/KHRC.

SECTION II. TERMS AND CONDITIONS GOVERNING THIS RFP

A. Costs and Liability

This Request does not commit or obligate KDFA/KHRC to enter into any lease or purchase agreement with any Respondent. KDFA or KHRC may also determine that is preferable to proceed separately, such that only one entity may engage in further negotiations with one or more respondents. KDFA/KHRC will not reimburse any Respondent for any expenses incurred in connection with this Request. Each Respondent will be responsible for all costs incurred and related to its Proposal, including, but not limited to, preparing the initial response, and providing any additional information requested by KDFA/KHRC. KDFA/KHRC reserve the right to accept or reject any Proposal submitted in response to this Request. Please be advised that responses will be considered property of KDFA/KHRC and may be subject to public disclosure pursuant to the Kansas Open Records Act.

B. Rights of KDFA/KHRC

KDFA/KHRC reserve and may exercise one or more of the following rights and/or options regarding this Request:

- 1 Reject any and all Proposals;
- 2 Seek additional Proposals;
- 3 Request from one or more Respondents any additional information as deemed necessary by KDFA and or KHRC;
- 4 KDFA or KHRC may enter into negotiations and subsequently enter into a lease or purchase agreement with the successful Respondent;
- 5 Choose not to enter any lease or purchase agreement pursuant to this Request;
- 6 Add to, delete, modify, or enlarge this Request, including but not limited to, revisions to the Building and Office Space Criteria outlined below, or any other terms or conditions;
- 7 Modify the terms and conditions of any proposed lease or purchase agreement provided pursuant to this Request;
- 8 Cancel or withdraw this Request without the substitution of another Request, or alter the terms and conditions of this Request;
- 9 Conduct investigations regarding Respondent and the Respondent's proposed property at any time prior to making a selection; and/or,
- 10 Extend deadlines or otherwise modify the required schedule in KDFA/KHRC's sole discretion.

C. Other Legal Conditions

1 Contractual Arrangement

The Respondent's Proposal shall demonstrate that the building and proposed office space meets the minimum requirements listed in this Request and, if selected, will result in an efficient, functional office environment, conveniently located, and cost effective for KDFA/KHRC. By virtue of its signed Proposal to this Request, each Respondent agrees that, upon notice from KDFA/KHRC that the Respondent has been selected, the Respondent shall immediately enter into good faith negotiations with KDFA/KHRC in pursuit of an acceptable lease or purchase agreement, as applicable, for the proposed space.

KDFA/KHRC in their sole discretion, may incorporate into the lease or purchase agreement any and all terms and conditions included in this Request, the Proposal, and/or any additional provisions required by KDFA/KHRC. Each Respondent must conspicuously state in its Proposal its inability or unwillingness to accept or satisfy any of the provisions, terms, or requirements in this Request, and must include in its Proposal the reason(s) for any such

exceptions.

The final lease or purchase agreement shall be signed within 30 days of KDFA/KHRC notifying the Respondent of KDFA/KHRC's selection unless an extension of time is mutually agreed upon. No contract shall be considered to have been entered into by either party until all statutorily required signatures and certifications have been rendered and a written agreement has been signed by both KDFA/KHRC and the selected Respondent.

2 Notice Regarding Distribution of Questions and Answers

For the purpose of transparency and in an effort to prevent any real or perceived unfair advantage, all questions or requests for additional information submitted to KDFA/KHRC regarding this Request and the corresponding answers will be provided via email to all parties originally sent this Request plus any parties that submitted questions.

3 Interviews, Discussions, and Negotiations

A Proposal may be subject to negotiation by KDFA/KHRC at any time. KDFA/KHRC reserve the right to request additional information about any building, space, or proposed agreement terms. The Respondent shall provide KDFA/KHRC, and its agents or consultants, with access to the proposed building and space as requested by KDFA/KHRC. Any Respondent may be required to appear before KDFA/KHRC's Selection Committee to respond to questions from the Committee concerning the Proposal and the building under consideration; or KDFA/KHRC may award the proposal without conducting interviews. Negotiations by KDFA/KHRC will not be deemed a counteroffer or a rejection of any Proposal.

4 Waivers

KDFA/KHRC may waive any requirements imposed in this Request, including any Building and Office Space Criteria, when failure to grant the waiver will result in an increased cost to KDFA/KHRC, or when it is in the best interest of KDFA/KHRC to grant the waiver. Any such waiver will be granted to the Respondent selected pursuant to this Request.

SECTION III. INSTRUCTIONS TO RESPONDENT

A. Proposal Submissions

1. Number of Copies and Media

Each Respondent must submit an electronic copy of its Proposal. The proposal should include a cover letter containing the Respondent's name, address, and tax identification number, as well as the name, title, and contact information (i.e. address, email and phone number) for the Respondent's primary contact for purposes of any questions KDFA/KHRC may have of Respondent.

2. Submission of Questions

All questions and requests for additional information must be submitted in writing via email by June 16th, 2023 and should include a subject line of "KDFA/KHRC Request for Lease or Purchase Proposal Inquiry." Questions should be submitted to:

Jeanette Spurgin, Deputy Director
Kansas Housing Resources Corporation
jspurgin@kshousingcorp.org

NOTICE: No verbal questions will be answered. All questions and inquiries must be in writing and submitted via email as stated above.

3. Deadline for Submission of Proposal

All Proposals are due and must be received by KDFA/KHRC by **4:30 PM (Central)** on Monday, June 26th, 2023. Proposals must be sent via email to Jeanette Spurgin at the email address provided above. Proposals received after 4:30 PM (Central) on June 26th will not be accepted.

No Respondent may modify or correct its Proposal at any time after the Proposal Due Date, except in direct response to a request from KDFA/KHRC for clarification.

B. Extensions of Proposal Deadlines

In the event the due date for Proposals is extended or modified, the new date will be provided via email to all parties originally sent this Request as well as any parties that submitted questions as provided above.

C. Anticipated Timetable

Request Release Date: **Friday, May 26th, 2023**

Final date for submission of requests for additional information: **Friday, June 16th, 2023**

Proposal Due Date: **Monday, June 26th, 2023**

Publication of KDFA/KHRC's selection: **Wednesday, July 26th, 2023**

D. Request Revisions

In the event KDFA/KHRC deem it necessary or appropriate to revise or clarify the terms or provisions of this Request, any such revisions or clarifications will be issued in the form of an addendum. Any such addendum issued by KDFA/KHRC will be provided via email to all parties originally sent this Request as well as any parties that submitted questions as provided above.

SECTION IV. PROPOSAL PREPARATION

A. Mandatory Proposal Sections

Each Proposal shall include, at a minimum, the following mandatory, separate sections:

- Executive Summary
- Description of Proposed Building and Office Space
- Proposed Lease Rate and Fees or Proposed Purchase Price
- Proposed Lease or Purchase Agreement Terms, Conditions, and Other
- Requirements
- References

Respondents are invited to include additional information or sections in the Proposal which they feel would assist KDFA/KHRC in the evaluation of the Proposal.

B. Lease - Building and Office Space Criteria

1. **Building:** KDFA/KHRC seek commercial office space within a commercial office building, B- class quality or better with a professional appearance. The building may be new construction or an existing building in which the tenant space can be renovated to meet the needs of KDFA/KHRC. The building may be single- or multi- tenant. KDFA/KHRC prefer a building in the downtown area near the Kansas Capitol but will consider buildings located in other areas of Topeka.
2. **Building Access:** KDFA/KHRC require access at all times but shall have the ability to secure the tenant space during non-business hours. If applicable, common areas such as lobby, corridors, and restrooms shall be available to KDFA/KHRC at all times. Access to the building during non-business shall be available to employees by unlocking door with issued key or electronic access credential (such as key card, key fob or access code.)

3. **Parking:** KDFA/KHRC prefer a property that provides approximately 100 covered, off-street parking spaces for KDFA/KHRC's staff within one city block of the property. Additionally, KDFA/KHRC would prefer a property that provides a minimum of 5 on-site parking spaces for visitors and staff, including handicap accessible parking.
4. **Office Space:** The tenant space shall provide approximately 21,000 gross square divisible feet to be utilized for open office, private offices, conference rooms, storage, and staff break rooms to accommodate up to approximately 86 KHRC staff members and 9 KDFA staff members. The tenant space must provide KDFA and KHRC with clearly defined and separate office spaces, including separate addresses, separate entries, and separate break areas/kitchens.

It is preferred that each tenant space for both KDFA and KHRC be contiguous and no portion would be separated from the rest by a public or building common space. Tenant space on a single story will be given preference, but tenant space comprised of multiple floors will be considered.

A summary detailing KDFA/KHRC's space needs and preferences is attached to this Request as Exhibit A and is incorporated herein by this reference. To the extent a Respondent's proposed property cannot accommodate the space needs of both KHRC and KDFA, KHRC issued a separate Request for Proposal addressing only KHRC's needs on the same date as this Request. Respondents may submit proposals in response to both requests, or Respondents may submit a proposal only for KHRC in response to that separate Request for Proposal.

5. **Restrooms:** The building shall provide adequate toilet facilities per current applicable Codes based upon occupancy of the building. Restrooms may be provided either within tenant suite or common to all building occupants. Restrooms shall be readily accessible by KDFA/KHRC. If sufficient toilet facilities do not exist, then the Respondent shall bear the expense of installing additional restrooms as needed.
6. **Life Safety & Security:** The tenant space shall have at least two (2) means of egress that lead either to the exterior or to code-compliant corridors and or stair wells leading to the exterior. It is preferred that the Respondent provide building security between the hours of 7 a.m. and 6 p.m.
7. **Telecommunications and Data:** KDFA/KHRC shall have need for telecommunications and internet access (a fiber optic connection is preferred, but not required). The Respondent shall indicate the current carrier in Respondent's Proposal. The tenant space shall have sufficient

telephone and internet access available.

8. Landlord Shell Improvements: The Respondent shall be responsible to provide a tenant shell space including the following:

- a. Demising partitions that separate the proposed tenant space from adjacent tenants, public or common spaces. Demising partitions shall extend from floor to deck above to prevent entry into the tenant space and comply with Code requirements based on building configuration.
- b. Lockable entry doors to the tenant space.
- c. Hot and cold water distribution that can be extended to any sinks, toilets, or other fixtures installed within the tenant space.
- d. HVAC system capable of heating the space in the winter to maintain a temperature between 68 and 74 degrees F and cooling the space to maintain a temperature between 68 and 78 degrees F in the summer. The system shall comply with current Building and Mechanical Codes for energy conservation, air exchange, etc.
- e. Provide adequate power to provide a code-compliant service with adequate amperage to satisfy KDFA/KHRC's needs, taking into account computer and telecommunications needs as well as lighting and general power for office equipment. Power shall be brought to a panel located within the tenant space.

9. Tenant Improvements: The Respondent shall permit KDFA/KHRC to complete renovations to the tenant space to suit KDFA/KHRC's needs including, but not limited to, partitions, ceilings, finishes, fire sprinkler system, lighting, power, data and telecommunications distribution systems within the tenant space. KDFA/KHRC shall be allowed to utilize the architect and contractor of their choice to complete tenant improvements. In the Proposal, the Respondent shall state the tenant improvement allowance to be included as part of lease.

10. Occupancy: KDFA/KHRC shall have the ability to occupy the space by April 1st, 2024. The proposed tenant space shall be available for tenant improvements not later than March 1, 2024; however, KDFA/KHRC shall not be responsible for paying rent on the leased space until occupancy.

11. Building Maintenance: The Respondent shall be responsible to maintain the building and the space, including maintenance, repair, and replacement of select finish materials (e.g. paint, carpet, lighting, etc.) according to the reasonable life expectancy of such materials and finishes as part of the base rent for the term of the lease. The Respondent shall not be responsible for

repairs or replacement due to negligence or abuse by KDFA/KHRC. The Respondent shall be responsible for janitorial/housekeeping services for all bathrooms and common areas of the building, and it is preferred that Respondent also be responsible for trash removal, dusting, and vacuuming for the tenant space. It is also preferred that the Respondent provide window washing 4 times a year and annual carpet cleaning. Respondent shall also be responsible for upkeep of the building exterior and landscaping, including snow removal.

12. **Financial Responsibilities of Lessor:** The Respondent shall be responsible for payment of real estate and/or property taxes, property insurance, special assessments, maintenance, and capital repairs.
13. **Lease Term:** The primary lease term shall be sixty (60) months, with an option for KDFA/KHRC to renew for an additional sixty (60) months at the sole discretion of KDFA/KHRC.

C. Purchase – Building and Office Space Criteria

1. **Building:** KDFA/KHRC seek commercial office space within a commercial office building, B- class quality or better with a professional appearance. The building may be new construction or an existing building which can be renovated to meet the needs of KDFA/KHRC. KDFA/KHRC prefer a building in the downtown area near the Kansas Capitol but will consider buildings located in other areas of Topeka.
2. **Parking:** KDFA/KHRC would prefer a property that provides a minimum of 5 on-site parking spaces for visitors and staff, including handicap accessible parking, and has access to approximately 91 covered, on or off-site parking spaces within one city block of the property.
3. **Office Space:** The property shall include a minimum of 21,000 gross divisible square feet for office space to be utilized by KDFA/KHRC for open office, private offices, conference rooms, storage, and staff break rooms to accommodate up to approximately 86 KHRC staff members and 9 KDFA staff members. The tenant space must provide KDFA and KHRC with clearly defined and separate office spaces, including separate addresses, separate entries, and separate break areas/kitchens. KDFA/KHRC would also consider purchasing a property with a gross square footage greater than 21,000.

A summary detailing KDFA/KHRC's space needs and preferences is attached to this Request as Exhibit A and is incorporated herein by this reference. To the extent a Respondent's proposed property cannot accommodate the space needs of both KHRC and KDFA, KHRC issued a separate Request for

Proposal addressing only KHRC's needs on the same date as this Request. Respondents may submit proposals in response to both requests, or Respondents may submit a proposal only for KHRC in response to that separate Request for Proposal.

4. **Restrooms:** The building shall provide adequate toilet facilities per current applicable Codes based upon occupancy of the building.
5. **Life Safety:** The tenant space shall have at least two (2) means of egress that lead either to the exterior or to code-compliant corridors and or stair wells leading to the exterior.
6. **Closing Date:** In the event of a purchase, it is KDFA/KHRC's preference to close as by DATE, or to the extent significant renovations are necessary, as soon as possible.
7. **Purchase Terms:** Any purchase agreement shall provide KDFA/KHRC the right to conduct any inspections, in KDFA/KHRC's discretion, and shall require Respondent to obtain and provide a title commitment and title policy, at Respondent's expense.

D. Proposal Details

Respondents, in responding to this RFP, must, at a minimum, provide clear and complete responses to each of the following information requests regarding the tenant space offered for lease in the Proposal:

- 1 State the building name, if applicable, as well as address of the property and the legal description of the property.
- 2 State the current zoning and platting of the building site, including any use restrictions or easements.
- 3 Provide the legal name of property owner. If owner is an entity, then include names of principals and those with a controlling interest in the entity. Please also identify a primary contact person for the property owner.
- 4 State how long the current property owner has owned the property.
- 5 If applicable, provide the legal name of property manager. If the property manager is an entity, then include names of principals and those with a controlling interest in the entity. Please also identify a primary contact person for property manager.
- 6 If Respondent, the property management company, or any other parties involved are entities certified as a minority-owned business enterprise

(MBE) or woman-owned business enterprise (WBE) by the State of Kansas or another certifying agency, then please provide documentation showing that certification.

7. Indicate the number of parking spaces available for KDFA/KHRC's use. Describe if parking is located at the same property as building or separate; if parking is exclusive to building occupants or open to the public; and if parking is free or for a monthly fee, and if for fee, indicate the current monthly rate.
8. Describe the building, including the total square footage of the building, dimensions of the building, number of stories, area per story, number of current tenants, who current tenants are, and when current leases of those tenants expire.
9. If the Proposal is for a lease, provide two (2) references from other tenants of Respondent.
10. Include floor plan(s) of the building and the floor plan of the proposed tenant space, indicating dimensions and total area.
11. State the year of original construction of the building, and the year(s) of any significant addition(s) or renovation(s) to the building.
12. Detail the utilities (electric, natural gas, water, sewer, telephone, cable and internet) presently available in the building, including service size or capacity.
13. Describe the type of HVAC system serving the building, capacity, current condition and year installed.
14. State if the building is equipped with a fire sprinkler system.
15. Describe the type of roofing on the building, including the current condition and year installed.
16. If the Proposal is for a multistory building, indicate the number of elevators, the capacity, and the speed.
17. State whether the building is known to contain any hazardous materials including, but not limited to, lead paint or asbestos, and whether any testing of the premises has been performed.
18. Include photographs of the building, both interior and exterior.
19. If the proposal is for a lease, indicate lease rate as cost per month for the primary lease term, and indicate the modified lease rate for the option period.

- ~~20~~ If the proposal is for a lease, detail proposed lease terms and conditions, including all matters affecting total cost of the lease.
- ~~21~~ If the proposal is for a purchase, detail the purchase price, as well as escrow requirements.
- ~~22~~ Indicate if the Respondent or KDFA/KHRC will be responsible for each of the following expenses if the Proposal is for a lease:
 - a Electricity;
 - b Water/ Sewer;
 - c Natural Gas;
 - d Common area maintenance;
 - e Janitorial/ housekeeping of tenant space; and
 - f Any other expenses charged to building tenants.
- ~~23~~ If the Proposal is a for a lease, state the tenant improvement allowance.
- ~~24~~ Include a sample of the Respondent's proposed Lease or Purchase Agreement form.
- ~~25~~ Describe whether Respondent foresees any potential conflicts of interest arising due to Respondent and KDFA/KHRC entering into a lease or purchase agreement.
- ~~26~~ Describe any material lawsuits, demands, or legal or administrative proceedings relating to the property owner that have occurred in the last three years or are currently threatened.
- ~~27~~ Detail any other information not specifically covered or requested by this Request that Respondent believes is pertinent to KDFA/KHRC's consideration of the Proposals.

E. Structure of Proposal

Each Respondent is required to submit a complete Proposal and attest to the accuracy and completeness of its Proposal. In all respects, the Respondent must comply with the instructions, formats, and stipulations of this Request. Respondents may submit more than one proposal if they own multiple properties that meet the criteria of this Request; however, the Proposal for each site shall be complete and in accordance with the provisions of this RFP.

KDFA/KHRC desire to consider each Proposal in a consistent and easily

comparable format as established in this Request. Proposals not organized as set forth in this Request may, at KDFA/KHRC's discretion, be considered unresponsive. Respondents should not refer to other parts of their Proposal in lieu of answering a specific question and should not provide references to filings or forms publicly available in lieu of providing specific information in the Proposal.

Each Proposal must include a letter ("Certification Letter") signed by an authorized representative of the Respondent certifying that:

- 1 The person executing the letter is authorized to execute the Proposal and any lease or purchase agreement, on behalf of the Respondent; and
- 2 All information in the Proposal is true and correct to the best of his or her knowledge; and
- 3 No owner, principal, or employee of the Respondent gave or will give anything of monetary value including a promise of future employment to any employee or director of KDFA/KHRC, or a relative of any employee or director of KDFA/KHRC, in an attempt to influence any decision regarding this Request or to influence the decision to modify or negotiate any term contained in any lease or purchase agreement; and
- 4 No elected or appointed official or employee of KDFA/KHRC is financially interested, directly or indirectly, in the Respondent or the Respondent's proposed property; and
- 5 The Respondent is free from any conflicts of interest, and is not debarred, suspended, or otherwise excluded from or ineligible to participate in Federal programs.

KDFA/KHRC may deem any Proposal failing to meet all of these requirements to be unresponsive, resulting in elimination of the Proposal from consideration.

F. Evaluation Criteria

Proposals will not be considered solely on a lowest lease cost/price basis and any price or cost information included in the Proposal is not the governing point in any recommendation or final decision by KDFA/KHRC. Instead, KDFA/KHRC will make a selection based on KDFA/KHRC's analysis of multiple factors and what KDFA/KHRC consider to be in KDFA/KHRC's best interest. Further, as previously stated, KDFA/KHRC may revise the Building and Office Space Criteria set forth above, if KDFA/KHRC determines it is in KDFA/KHRC's best interest to do so. KDFA/KHRC encourage Respondents that materially meet the substantive criteria set forth herein to submit Proposals even if all criteria cannot be met.

Each Proposal will be evaluated on a variety of factors, including, but not limited to,

the following (in no particular order):

- 1 Location of building, proximity to primary roads, proximity to downtown business area, proximity of parking;
- 2 Size of building and proposed office space, including sufficient square footage to accommodate KDFA/KHRC's needs;
- 3 Cost and terms of proposed lease or purchase agreement;
- 4 Current condition of building, building components, building systems, and proposed office space;
- 5 Estimated cost of renovations and/or improvements to make the proposed property suitable for KDFA/KHRC's needs;
- 6 Available utility services and capacities;
- 7 KDFA/KHRC's prior experience, if any, in working with the Respondent, any property management company, or other involved parties, and any other factors KDFA/KHRC believe would be in its best interest to consider;
- 8 Respondent's ability to meet KDFA/KHRC's desired timeline for the lease or purchase agreement; and
- 9 Overall level of professionalism displayed in the Respondent's Proposal.

Kansas Development Finance Authority / Kansas Housing Resources
Corporation Request for Lease or Purchase Proposal

Exhibit A

Office Needs and Preferences			
Room Type	Qty	Estimated Area Needs	Total Area
Kansas Housing Resources Corporation:			
Office	19	120	2280
Cubicle Space	67	80	5360
Lobby/Reception	1	300	300
Conference Room (Large)	1	2000	2000
Conference Room (Mid-Size)	1	500	500
Conference Room (Small)	2	250	500
Break Room	1	600	600
Media Room	1	80	80
IT Space	1	120	120
Storage Room	1	400	400
Small Storage Rooms/Closets	4	120	480
Mother's Room/Multi-Purpose Room	1	115	115
Exercise/Wellness Room (Desired)	1	263	263
Kansas Finance Development Authority:			
Office	9	200	1800
Lobby/Reception	1	300	300
Conference Room (Small)	1	350	350
Break Room	1	200	200
Media Room	1	200	200

IT Space	1	150	150
Storage Room	1	200	200
Subtotal			16198
	Gross SF Factor	35%	5669
Approximate Total SF Needed			21867