



**Request for Proposals for
Commercial Real Estate Brokerage Services
Port Angeles, Washington**

Issued June 6, 2016

Proposal Due Date: June 13, 2016

RFP FOR PROPOSALS (“RFP”)

COMMERCIAL REAL ESTATE BROKERAGE SERVICES

The Port of Port Angeles is a municipal corporation approved by Clallam County voters in 1922 and established in 1923. The Port is responsible for promoting and enhancing the economic vitality of Clallam County through business development and job creation, and serves the community as both a public steward and an economically self-sustaining enterprise. The port is a complex enterprise that operates, manages, and makes capital investments in multiple lines of business including marine facilities, marinas, airports, and industrial properties. These businesses include four marine terminals, two airports, two marinas, three industrial business parks, and several other industrial and commercial properties.

I. PURPOSE OF THE REQUEST FOR PROPOSAL

This Request for Proposal “RFP” is being issued by the Port of Port Angeles “Port” to secure proposals from qualified Consultants to provide Commercial Real Estate Brokerage Services to market and lease specific Port industrial properties that are vacant or that will become vacant. The Consultant should have some familiarity with laws and practices applicable to municipal real estate matters, including relevant local land use and zoning controls for properties, Port District regulations (RCW 53.08), DNR Aquatic Lands Management Agreements and Department of Revenue tax incentives. The Port Commission approves all term leases. The Port anticipates entering into a listing agreement with the selected Consultant based on the rates set out in the proposal.

The Port is interested in obtaining tenants specifically for the following properties, but will consider having the Consultant market additional facilities:

1. 937 Boat Haven Drive:
 - a. Approximately 900 sqft office space
 - b. Located in the DNR’s Port Management Agreement Area
 - i. Area is subject to DNR rules and has a preference for water-dependent uses
 - c. Currently occupied, available with 15 day notice
2. 2417 W 19th Street:
 - a. Approximately 2400 sqft office with 600 sqft workshop & fenced rear
 - b. Currently unoccupied
3. 2007 S O Street:
 - a. Approximately 15,000 sqft available in a 25,000 sqft industrial building
 - b. Expected to be vacant as of July, 2016
 - c. Preference for a single tenant to avoid complications and costs of dividing the building

Information on the Port’s other industrial property can be found on our website: www.portofpa.com

- Available commercial buildings: <https://wa-portofportangeles.civicplus.com/RealEstate.aspx>
- Available commercial land: <http://www.portofpa.com/Index.aspx?NID=165>

The Port may contract with one or more consultants to assist in leasing some or all of the above properties. As a practical matter the brokerage services contract will likely terminate once these particular properties are leased. For contracting purposes, however, the initial contract will be through December 31, 2016 and may be extended at the Port’s option. The contract may be terminated by either party with 30 (thirty) days prior notice. Transactions that are in process will be negotiated.

II. SCOPE OF SERVICES

The Consultant will work under the direction of the Interim Executive Director and the Property Manager as an independent contractor and shall be responsible for the marketing and assisting in the leasing of the above specified real estate owned by Port. All leases will be approved by the Port. The broker will not take any action that will bind or purport to bind the Port.

Scope of Work to be performed:

- Provide a Marketing Plan for the property to maximize exposure to potential tenants. This should include:
 - Conduct a review of the properties and make written recommendations for repair/rehabilitation work, and recommendations regarding property enhancements for marketability.
 - List the property on CBA (Commercial Broker Association listing service)
 - List the property on the appropriate Multiple Listing Services (MLS), such as Olympic MLS and NWMLS and other recommended MLS.
- Work with the Port and current tenant(s) to show the property to potential tenants.
- Provide weekly updates to Port on the status of marketing and inquiries.
- Perform a monthly review and discussion with the Property Manager regarding prospects, showing feedback and strategy for meeting potential tenant needs.
- Assist Port staff in negotiating the terms of the lease agreement. Analyze and prepare alternative term sheets including impact of incentives per year and over the term of the lease.
- At the end of the contract, files pertaining to any potential tenant where a lease has not been executed will be delivered to the Port.

DELIVERABLES:

- Written property review and recommendations as detailed in Scope of Work
- Listing the property with various agreed multiple listing agencies (written verification)
- Marketing Plan as detailed in Scope of Work
- Weekly Updates as detailed in Scope of Work
- Monthly review and strategy plan as detailed in Scope of Work

Key Personnel

The agent/broker assigned to this project would be considered key personnel and cannot be changed without the approval of the Port.

ADDITIONAL INFORMATION

Economic Jobs Incentive (rent credit)

A rent credit could be earned based on new jobs created and maintained. The credit would be calculated after the calendar year end and applied to the following year. The credit would be earned for three years for each new job created and maintained, with a threshold of 10 new jobs before the credit is earned. Independent employment verification would be required through a third party such as WorkSource.

Department of Revenue Tax Incentives

1. The Agent/Broker is expected to have knowledge of local and State business and tax incentives such as: Rural County/Community Empowerment Zone (CEZ) incentives through Clallam County
2. General Manufacturing:
<http://dor.wa.gov/content/FindTaxesAndRates/TaxIncentives/IncentivePrograms.aspx#Rural>
3. Aerospace Industry:
<http://dor.wa.gov/Docs/Pubs/Incentives/AerospaceTaxIncentivesAFAOct2010.pdf>

III. POINT-OF-CONTACT

Any questions concerning specifications or requirements must be directed to:

Name	Tanya M. Kerr, Property Manager
Address	PO Box 1350, Port Angeles WA 98362
Phone	360-457-8527 (Business), 360-417-3435 (Direct)
FAX	360-452-3959
E-mail	tanyak@portofpa.com

IV. SCHEDULE OF EVENTS

Event	Date
1. RFP Distribution to Consultants	June 6, 2016
2. Meeting with Potential Consultants to discuss any questions and/or concerns (Preview the buildings)	June 9, 2016 @ 9:00 a.m.
3. Written questions from Consultants about scope or approach due	June 10, 2016 @ 5:00 p.m.
5. Proposal Due Date	June 13, 2016 @ 5:00 p.m.
6. Review of Proposals	June 14-15, 2016
7. Anticipated date of Consultant selection	June 15, 2016
9. Anticipated relationship commencement	June 16, 2016

- Questions are to be submitted to Tanya Kerr via e-mail no later than 5:00 PM on June 13, using the above Point-of-Contact information. All questions must include the name of the company and individual submitting the question(s). Port is not responsible for questions received after the deadline.
- Any proposal received at the designated location after the required time and date specified for receipt shall be considered late and non-responsive. Any late proposals may not be evaluated for award.

- Proposals submitted shall be valid for 120 days following the closing date noted above. Port and the consultant may extend this period by mutual written agreement.
- Except for communications expressly permitted by this RFP, communications by Consultants with Port regarding the RFP are strictly prohibited from the date of this RFP through the date PORT completes or terminates the RFP process, as publicly disclosed by Port. Consultants violating the communications prohibition may be disqualified, at Port's option.
- The quiet period does not prevent due diligence, or communications with an existing service provider that happens to be a candidate in the ordinary course of services provided by such service provider; however, discussions related to the pending selection shall be avoided during those activities.

V. GUIDELINES FOR PROPOSAL PREPARATION

Award of the contract resulting from this RFP will be based upon a best value approach, which considers the combination of consultant qualifications and the proposed cost for the services requested.

Port reserves the right to:

- Reject any or all offers and discontinue this RFP process without obligation or liability to any potential vendor.
- Accept other than the lowest priced offer based on other factors.
- Award a contract on the basis of initial offers received, without discussions or requests for best and final offers.

The Consultant must be regularly established in the industry of providing commercial real estate services and have experienced personnel able to provide the required services. Port may request information substantiating the above requirements. Failure to provide this information may result in a contractor's proposal being declared non-responsive.

Proposal Submission Guidelines

In order to be considered for selection, proposals must be received via e-mail in .PDF format, mail or delivered to Tanya Kerr (tanyak@portofpa.com) no later than 5:00 p.m., on June 13, 2016. An e-mail communication will confirm receipt of the proposal.

Withdrawal

The Consultant may withdraw its proposal at any time prior to the deadline for submission upon presentation of a written request to the Port.

Costs

The Port will not pay for any information herein requested, nor is it liable for any costs incurred by the Consultant.

Oral Presentations

All Consultants may be required to make one oral, in-person, presentation to the RFP Evaluation Committee. The Port may, at its discretion, elect to have Consultant(s) provide additional oral presentations

of their proposal. The Port will contact those Consultant(s) to schedule such a presentation. The Port will not be responsible for any costs associated with any presentations related to this RFP process. Some Consultants may not be asked to present to the committee.

Public Records

The information submitted in response to this RFP will be subject to the disclosure requirements of Washington's Public Records Act, Ch. 42.56 RCW. In addition, any proposal that Port staff recommends to the Port Commission for selection will appear on a publicly posted agenda for the Port Commission meeting at which the staff recommendation will be made.

VI. DETAILED RESPONSE REQUIREMENTS

Qualifications and Proposal

The Consultant shall identify the responding company, including its address, signed by an individual authorized to bind the company contractually. The letter shall state the name, title, address, phone number, fax number, and e-mail address of a contact authorized to provide clarifying information regarding the proposal. The transmittal letter should briefly state the firm's understanding of the work requested, the required time period, and a statement why the firm believes itself best qualified to perform the engagement.

A. Firm's Qualifications

- Provide a general description of the prime real estate firm proposed to lead the effort. Describe the Firm's history and qualifications to conduct the services described.
- Identify any other firms and or individuals proposed to make up your team. Based on your understanding of the project, include an explanation of how this team will be organized and managed.
- Provide background resumes demonstrating the experience of key professional making up the proposed team. Indicating the status of professional real estate licensing and other professional qualifications.
- Describe successful projects of a similar nature completed by your team members. Describe their locations, financial outcomes, and provide letters of recommendation and/or owner contact information that the Port may use as a reference
- Describe relationships with relevant 3rd party vendors, if any.
- Describe any potential conflicts of interest.

B. Consultant Qualifications and Experience (Key Personnel):

Identify the broker proposed for the Port's project emphasizing specific experience on leasing properties similar in scope to the requirements of this RFP. Please address the following:

- Knowledge of local real estate market.
- Number of years the broker has held a license and whether the broker has always maintained his/her license in good standing.
- The number of years in commercial real estate leasing.
- The number of completed commercial leasing transactions within the last five (5) years.
- The number of completed industrial leasing transactions within the last five (5) years. Industrial is considered manufacturing related, not retail or services. Identify the types of tenants, size of the facilities and the location.
- Describe experience with Washington State regulations, RCW Title 53 Port Districts, 53.08 Lease of Port Property.
- Describe experience with Department of Revenue tax incentives that would apply to a potential

tenant. Describe any additional business incentives that may be applicable.

- Describe any actual or potential conflict of interest.

C. Proposed approach to Scope of Work:

- Prepare a market analysis and provide a recommended lease rate range based on current market conditions.
 - Provide an overview of the marketing and advertising strategy. Cost of all forms of marketing and advertising shall be the responsibility of the Consultant.
 - A detailed analysis of the target market relative to each property and how a prospective tenant will be attracted through a marketing campaign. Potential key markets include aviation and aerospace, advanced composites, marine trades related, and general manufacturing.
- Create and present market feasibility for the property and state opinion of lease rate.
- Explain the marketing/leasing approach and estimated time frame to establishing a tenant.
- Identify tasks that will be performed by your firm and tasks that will be performed by Port's staff.

D. Fee:

Include your brokerage commission fee and any other costs that may be related to the leasing of the property. Identify what factors may influence your fee.

E. References:

Please provide three references who are clients for whom work similar to that requested in this RFP has been performed.

F. Previous clients:

Please list any public sector clients who have employed your services during the past three years and their reasons for doing so. Please include their names, titles and telephone numbers.

Other Information

Please describe areas or processes, not included in the scope of this engagement that your firm may examine in order to provide more complete and thorough services.

Fee Proposal

Once a Consultant has been selected, negotiations of the fee(s) may become necessary. In no case will the negotiations result in a fee that is higher than the fee contained in the proposal.

If the fee is based on rate plus level of effort, the fee schedule should be quoted with a range and/or estimate of the number of hours, as well as the rate for different staff. If it is a fixed fee, please identify what costs are included or excluded from the fixed fee. If it is some other methodology such as a percent, provide an explanation. Also identify if different services will be based on different fees.

Include your billing procedures, include direct and indirect expense and explain how routine phone calls and minor research or consultations are handled. Specifically identify what is part of your fee quote and what is not.

Contract Negotiations

Once the Consultant has been selected to perform the services, negotiations will be initiated. Port expects engagement negotiations to be brief. If the agreement cannot be negotiated quickly with the selected Consultant, Port may, in its sole discretion, terminate negotiations and commence engagement with another party.

Incomplete Proposals

If the information provided in a Consultant's proposal is deemed to be insufficient for evaluation, Port reserves the right to request additional information or to reject the proposal outright. False, incomplete, or non-responsive statements in connection with a proposal may be sufficient cause for its rejection. The evaluation and determination of the fulfillment of the requirements will be determined by Port and such judgment shall be final.

Reimbursement for Proposal Preparation

There is not expressed or implied obligation for Port to reimburse responding company for any expenses incurred in preparing proposals in response to this request. Port reserves the right to retain all proposals submitted and to use any ideas in a proposal regardless of whether that proposal is selected.

VII. EVALUATION CRITERIA

The following guidelines will be used to analyze and evaluate all proposals received. The Port reserves the right to evaluate all factors deemed appropriate, whether or not such factors have been stated in this section.

Review of Proposals

An Evaluation Committee (Committee) consisting of Port staff will evaluate all proposals received.

1. The Committee will determine if the Consultant's proposal is responsive to the RFP
2. The Committee members will individually evaluate each proposal based on:
 - a. Experience and Qualifications of the firm and key personnel to perform the services requested.
 - b. Proposed approach to meet the requirements of the Scope of Services.
 - c. Reach of marketing the property.
 - d. Cost or fee schedule or fee methodology or commission structure.
3. The Committee will evaluate proposals as a whole, including presentation impressions, price, and reference input.
4. Selected Consultant will be notified and contract negotiations will commence.

After evaluation of the proposals and approval by the Port, all Consultants will be notified of the result.

General Proposal Conditions

Written approval from the Port will be required for any news releases regarding the award of contract.

Any amendments will be posted on the Port's website before the due date. All information provided to a Consultant will be given in e-mail communication to all respondents and/or posted on the Port's website.

This RFP is not an offer of a contract. Acceptance of a proposal does not commit the Port to award a contract to any Consultant, even if the Consultant satisfied all requirements stated in this RFP. Publication of this RFP does not limit the Port's right to negotiate for the services described in this RFP. Port reserves the right to choose to not enter into an agreement with any of the respondents to this RFP.

The information a Consultant submits in response to this RFP becomes the exclusive property of Port.

VIII. RESERVATIONS BY PORT

The Port reserves the right to cancel or modify this RFP at any time and to reject any or all proposals submitted.

The Port will not be liable for any costs Consultant incurs in connection with the preparation or submission of any proposal.

If the Consultant submits a proposal, the Port reserves the right to make such investigations as it deems necessary to determine Consultant's satisfaction of the qualifications and ability to furnish the required services, and Consultant agrees to furnish all such information for this purpose as the Port may request.

The Port also reserves the right to reject the proposal of anyone who is not currently in a position to perform the contract, or who has previously failed to perform similar contracts properly, or in a timely manner.

The Port reserves the right to reject, in whole or in part, any and all proposals received; to waive minor irregularities; to negotiate in any manner necessary to best serve the public interest, and to make a whole award, multiple awards, a partial award, or no award.

The Port reserves the right to award a contract, if at all, to the company which will provide the best match to the requirements of the RFP and the consulting services needs of the Port, which may not be the proposal offering the lowest fees. The Port may take into consideration any factor it considers relevant, such as past experience, the ability to perform the requirements stated in the RFP and other relevant criteria. The Port is not required to accept for consideration any proposals that fail to address or do not comply with each of the requirements or the criteria set forth in this RFP.

The Port reserves the right to enter into discussions and negotiations with one or more organizations selected at its discretion to determine the best and final terms. The Port is not under any obligation to hold these discussions or negotiations with each organization that submits a proposal.

The Port reserves the right to request additional documentation or information from respondents. Requested information may vary by respondent. The Port may ask questions of any respondent to seek clarification of a proposal or to ensure the respondent understands the scope of the work or other terms of the RFP.

IX. Attachment

Attached is the Port's standard Consultant Services Agreement.