Land Lease for Hotel Development

Request for Proposals: 24-00-001

Located in:

Murfreesboro, Tennessee

Please mark all submission envelopes with the following information:

RFP # 24-00-001

All questions must be received by Wednesday, January 31st, 2024, at 3:00 p.m. Central Time

All responses must be received by Wednesday, February 21st, 2024 at 5:00 p.m. Central Time

THIS RFP IS A SOLICITATION FOR PROPOSALS AND NOT A CONTRACT OR OFFER TO CONTRACT.
RFP CONTENTS

Table of Contents

1. Introduction.......................................................................................................................... 3
2. Project Concept Summary .................................................................................................... 4
3. Site Information.................................................................................................................... 6
4. Development Standards and Program Expectations.............................................................. 7
5. Financial Objectives............................................................................................................ 11
6. Operations & Maintenance .................................................................................................... 11
7. Terms and Conditions......................................................................................................... 12
8. Submission Requirements ..................................................................................................... 15
9. Schedule of Events .............................................................................................................. 20
10. General Information ......................................................................................................... 22
11. Proposal Requirements, Evaluation & Award .................................................................... 25
12. Additional Context ............................................................................................................. 25
13. Optional Proposer Checklist ............................................................................................. 25

Cover Letter and Mandatory Requirements

Exhibit 1: Proposal Transmittal & Statement of Clarifications and Assurances
Exhibit 2: Mandatory Requirements

Appendices

Appendix A: Project Assumptions Matrix (For Step 2 Only)
Appendix B: Site Inventory Portfolio
Appendix C: B&D Market Opportunity Assessment
Appendix D-1: Environmental Phase Report (Site 1)
Appendix D-2: Environmental Phase Report (Site 2)
Appendix E-1: Geotechnical Report (Site 1)
Appendix E-2: Geotechnical Report (Site 2)
Appendix F: Storm Water Improvement Report
Appendix G: Proposed Responsibility Matrix
1. Introduction

1.1. Statement of Procurement Purpose

Middle Tennessee State University seeks development partners to deliver a new mixed-market hotel (the "Project") located on University-owned property (see Appendix B: Site Inventory Portfolio). The goal of this solicitation is to identify the firm(s) with which the University will enter into a land lease agreement to build, deliver, and operate an (approximately) 65+ key-hotel. MTSU believes there is also sufficient market demand to support conference space and a family-friendly, sports-themed restaurant as a part of the Project.

Through this Request for Proposals ("RFP"), the University seeks proposals to engage a hotel development and operating team (the “Developer(s)” or the “Proposer(s)”) to lease identified land from the University for purposes of designing, building, financing, operating, and maintaining the Project in a manner that provides the greatest benefit to the University and achieves the initiative’s established objectives. Refer to section 2: Project Concept Summary for the University and Project’s objectives. The University seeks to transfer development and operating responsibility / risk of the Project to the Developer through a Ground Lease ("Ground Lease") while benefiting from its financial success in an appropriate capacity. Accordingly, the University issues this RFP to solicit responses from best-in-class hotel developers and operators that desire to enter into a ground lease and other appropriate legal, financial, operating, and cooperative agreements with the University to deliver and operate this mission-critical asset.

The RFP will include three (3) steps. Initially, Developers are asked to submit their experience, technical capabilities, and project approach (including the proposed program, site plan, schedule, and operating and financial plan). Short-listed respondents will then be asked to submit proposals with graphic documents and renderings, a project budget, as well as structure details and an updated implementation schedule. Following the evaluation of proposals, the University may down-select two or more finalists for negotiations, leading to the submission of a Best-and-Final Offer ("BAFO"). The University will issue an Intent to Award to the best-evaluated Developer, which will proceed into advanced negotiations with the University.

This RFP will further define the University’s ground lease requirements, detail proposal requirements, and outline the University’s process for selecting a Proposer to enter into a ground lease and other appropriate and required agreements with the University. As an agency of the State of Tennessee, there are certain terms and conditions Middle Tennessee State University cannot legally accept. PROPOSALS INCLUDING OR REFERENCING TERMS AND CONDITIONS OTHER THAN THOSE REFERENCED BY THE UNIVERSITY IN THIS RFP MAY BE REJECTED.

1.2. Middle Tennessee State University

Middle Tennessee State University, situated at the geographic center of the State of Tennessee, is the number one (#1) producer of graduates for the Greater Nashville economy and is the top destination for transfer students in Tennessee. The University occupies more than 1,000 acres in Rutherford County and is comprised of a main campus, an agricultural campus, an aerospace facility at the Murfreesboro Airport, and the Miller Horse Science Center.
Composed of eight (8) undergraduate colleges, MTSU offers more than 40 academic departments and over 140 degree programs. The College of Graduate Studies also offers more than 100 degree programs. The University Honors College is the first in the state and provides an immersive and rigorous academic experience for high-ability students. MTSU is continually named a “military-friendly” university by *G.I. Jobs* magazine. On July 1, 2013, MTSU moved to Conference USA from the Sun Belt Conference, where it has won nine (9) All-Sports trophies and more than 50 conference championships.

Founded on September 11, 1911, as Middle Tennessee State Normal School, it was one of three teacher preparatory schools in Tennessee. Today, MTSU is a Carnegie Research Doctoral University receiving regional, national, and international acclaim for its variety of distinctive program offerings. To fully understand the University and its purpose, Developers are encouraged to visit MTSU’s website at [www.mtsu.edu](http://www.mtsu.edu) to familiarize themselves with the University.

### 1.3. MTSU’s Tourism and Hospitality Program

MTSU’s Tourism and Hospitality program was established to develop well-rounded, critically thinking, and passionate leaders who will contribute to the growth and innovation of the tourism and hospitality industry in the greater Tennessee area. Described in details in Section 2.1 are the University’s goals and success criteria. One of the primary goals is to provide an academic amenity to the University for its Tourism and Hospitality Program. As part of the envisioned agreements, MTSU anticipates leveraging the hotel property as an experiential learning tool for its students and expects to collaborate with the selected Developer (the “Successful Proposer”) regarding creative solutions for how this outcome can be accomplished within the context of the Project’s successful operation. Details on MTSU’s evaluation process and criteria for its Successful Proposer are defined within this RFP.

### 1.4. Development Advisor

The University has engaged Brailsford & Dunlavey, Inc. (“B&D”) to serve as the Development Advisor for the Project. B&D is a national advisory and program management firm dedicated to serving educational institutions, public agencies, professional sports organizations, and non-profit clients.

### 2. Project Concept Summary

#### 2.1. Project’s Goals and Success Criteria

MTSU seeks to lease specified University property for the development and operation of a mixed-market hotel concept, inclusive of conference space and a family-friendly, sports-themed restaurant. The Project’s unique blend of programmatic uses and functions will allow MTSU to deepen its connections with alumni, fans, recruits, and campus community, as well as provide an additional conduit to engage Murfreesboro by providing an amenity that will enrich the local fabric of the community. Specifically, success for the Project is defined by the following outcomes:
- Deliver experiential learning opportunities for academic programs, including the Hospitality & Tourism Program;
- Foster community within Blue Raider Nation and advance recruitment and retention objectives;
- Enhance the campus experience for current and prospective students, faculty, alumni, fans, and the community members;
- Monetize an under-utilized real estate asset for MTSU’s financial benefit; and,
- Assist in the recruitment of students and student-athletes.

These strategic objectives guided the University in its decision to pursue this initiative and will continue to guide decisions throughout the Developer selection and development process.

2.2. Project Overview

MTSU selected B&D to analyze hotel market demand within the Murfreesboro market, in addition to quantifying the level of hotel demand that would be generated by day-to-day University activities. The results of that effort indicate that the Project will address a market gap for both short-term and extended-stay lodging in the area, as well as become a key campus gathering place for the MTSU campus community, visitors, alumni, and fans.

Specifically, the analysis showed that the University's annual hotel demand is approximately 35 keys / night (not adjusted for seasonality) from internal activities. These sources include demand from University faculty, MTSU athletic demand (including visiting schools), MTSU conferences, and other University affiliated sources. After selecting the Successful Proposer, the University will negotiate the terms and conditions for its hotel demand.

The Murfreesboro hotel market sees a consistent occupancy of greater than 70%, and both average daily rates and revenues per available room have risen 10% since 2019. The relative location of potential competition to the Project, coupled with the captive audience associated with MTSU, creates a strong opportunity for the Project to carve out its own niche within the healthy Murfreesboro hotel market. To optimally capitalize on the identified market opportunity, the hotel room mix should combine select service and extended stay room types. However, the University is willing to consider a range of physical solutions and programming that achieve the strategic outcomes established above and seeks recommendations from Proposers that best respond to the Murfreesboro hotel market and the criteria established herein. The University desires innovative solutions from Developers to achieve the Project’s stated goals and success criteria.

The University also believes, based on market research, that there is a sufficient market opportunity to support a family-friendly, sports-themed restaurant that will cater to visitors, students, families, and attendees of MTSU academic, athletic, and conference events. The research shows that venues of this type surrounding MTSU’s campus are limited. MTSU students, fans, visitors, and staff currently travel 15 minutes (or more) to access a similar type of establishment. The provision of a full-service restaurant as a part of the project concept will also act as a differentiating amenity for hotel guests and a place maker within the main campus’s context. MTSU will not serve as a co-licensee in the
event of alcohol sales on the Project’s premises. Revenues contributable from any alcohol sales shall not be assigned, passed through, or directed to the University.

Finally, the Successful Proposer will be expected to work with the University to identify creative and effective solutions to parking and transportation strategies for the Project. The solutions must include (but not be limited to):

- Designing the Project Site with an appropriate number of parking spaces and maximizing connectivity to MTSU’s existing shuttle system, campus pathways, and rideshare services;
- Providing the required access to emergency vehicles and fulfilling all ADA requirements; and
- Developers must state their parking assumptions (number of spaces) and provide a cost estimate for parking spaces if selected to advance to Step 2 of this solicitation.

3. Site Information

MTSU has identified two (2) potential sites for the Project - Site 1 and Site 2. Site 1 is located adjacent to the University’s athletics venues. Site 2 is located across Middle Tennessee Boulevard from Site 1. Additional information regarding the site alternatives for the Project is provided below.

Developers should review Appendix C: B&D Market Opportunity Assessment for more information on the market analysis. Developers should also note that the University’s internal demand is subject to change, and the University will not provide a guarantee for any night stays or provide credit enhancements to the Project. Developers should also consider that the internal MTSU demand was aggregated for analysis but will be seasonal in nature and duration.

Site 1: This site consists of approximately four (4) acres in the north-east corner of MTSU’s campus. The land is adjacent to the University Tennis Center, Student Athlete Performance Center, and parking facilities to accommodate athletic events. There are no existing structures on the site that will require demolition. Currently, storm water utilities daylight underground storm water across the site. These utilities will require re-routing and possibly additional improvements to storm water on Site 1. Please reference the Environmental Phase Report (Appendix D-1) and the Geotechnical Survey (Appendix E-1) for further information regarding Site 1.

Any concepts proposed should reflect a solution for stormwater mitigation and detention with a projected useful life that is as permanent and low-maintenance as possible. Recent images of conditions on this site where approximately 2” of rain fell over one (1) hour are linked here.

Site 2: Site 2 sits abroad approximately 3.8 acres of land opposite Middle Tennessee Boulevard from Site 1. Two parcels make up the site; the northern parcel is approximately 3.3 acres of existing parking lots, while the southern parcel is approximately 0.5 acres and is occupied by a single-family home and an outbuilding. Developers will be responsible for demolition of the existing structures. Please reference the Environmental Phase Report (Appendix D-2) and the Geotechnical Survey (Appendix E-2) for further information.
Site Information Disclaimer: The selected Project site will be turned over "as is." The Developer will be responsible for all required sitework to support the Project's development. The Developer will need to incorporate all cost estimates for the sitework, demolition of the single-family home (if using Site 2), and permitting and entitlement fees, in its development budget.

3.1. Zoning & Entitlements

Both sites exist in the City of Murfreesboro, TN. Both sites are wholly owned by MTSU. Any re-zoning required for site development is the responsibility of the Developer.

3.2. Utilities and Infrastructure

The Developer will be responsible for delivering all utilities required to adequately service the Project independent of all existing campus utility infrastructure. Below is a summary of the utilities that are expected for the Project.

- **Electrical:** The Developer will be responsible for electric utility delivery. Both sites have electrical feeds immediately adjacent to the site. The exact scope of the electrical services is to be determined upon selection when the Developer and its consultants engage with the utility service provider to design and plan the Project.

- **Storm Water:** The Developer will be required to meet all codes and regulations pertaining to storm water capture, retention, treatment, and release. The expected storm water improvements for Site 1 are included in Appendix G. The current storm water infrastructure for Site 2 is unknown. The Developer will be required to coordinate all storm water requirements with the authorities having jurisdiction ("AHJ")

- **Domestic Water and Sewer:** The Developer will be responsible for delivering water and sanitary sewer services along with any necessary upgrades to the Project in compliance with applicable requirements. Both sites have city domestic water and sewer mains immediately adjacent to the site.

- **Natural Gas:** The Developer will be responsible for natural gas utility delivery. The exact scope of natural gas services will be determined upon selection when the Developer engages with the utility service provider to proceed with the Project.

- **Telecommunications/Data:** The Developer will be responsible for telecommunication and data services. Developers will be responsible for coordinating with service providers upon selection.

4. Development Standards and Program Expectations

The following section is intended to serve as guidelines for development, but deviations may be permitted to support the overarching goals of the Project, including financial feasibility. **The Successful Proposer must recognize that the Project's final program and designs will be negotiated with the University through a rigorous plan review process, that will at various points include University representatives, the State Building Commission members, and administrators from the City of Murfreesboro.**
4.1. **Design Objectives**

Developers should review the desired program described herein in detail. Any deviations from the provided materials should be expressly described by Developers. Any impact to the development budget assumed in the response (due to deviation in the design/program materials) should be described in the response. Additionally, all required furniture, fixtures, and equipment (“FF&E”) should be provided by the Developer as described below.

4.1.1. Interior Design Requirements

4.1.1.1. General Building Interior

1. Lobby, security, and front desk spaces must be provided to allow for comfortable circulation.
2. An area for maintenance and equipment storage. The scale and location of this space will be determined through the collaborative design process with Middle Tennessee State University.
3. Wireless Internet will be available throughout the facility with adequate load for multiple devices per guest.
4. IP-based security cameras shall be at all building entrance points. Additional cameras are required at elevators, service desks, and common spaces. All cameras, as well as access control points and other security infrastructure, should be accessible (recordable / able to be copied) to the Middle Tennessee State University Police Department (“MTSU PD”). MTSU PD will not be responsible for monitoring security cameras. All elevators must be sized (as a minimum) to fit medical stretcher and personnel to respond in an emergency. Elevators will be sized and configured to support general hotel operations and maintenance needs.
5. All public spaces must be fully ADA accessible.
6. The building must provide one (1) automated external defibrillator (AED) machine.
7. The hotel program should include a multi-function conference space that can accommodate 75-100 people.
8. Space should be included for a restaurant venue as described above in Section 2.2.

4.1.1.2. Hotel Floors and Rooms

1. ADA accessible units are to be provided to meet code in the jurisdiction.
2. Developer must propose room types and mix within the Project that best respond to the identified market demand.
3. All room types will include the following:
   a. One (1) bathroom.
   b. Individual temperature controls.
   c. King or double queen bed layouts (see furniture below for clarification of full furniture package requirements)
4. For safety, kitchens must include the following features:
   a. Appliances to be equipped with automatic shut off systems
   b. Fire extinguishers
   c. GFI outlets
d. Smoke and heat detectors

5. Extended Stay rooms types shall include a kitchen containing the following amenities.
   a. One (1) mini refrigerator,
   b. One (1) microwave
   c. One (1) two-burner cooktop (electric)
   d. One (1) coffee maker
   e. Adequate counter space and cabinets
   f. One (1) single or two basin sink / garbage disposal.

6. Furniture: Developers shall propose rooms with the appropriate furniture packages for each room type. Developers must delineate furniture pricing in their development budgets.

4.1.2. Site and Exterior Design Requirements

4.1.2.2. Site Orientation

1. The Developer will be responsible for ensuring that the Project’s design is complementary to the surrounding context of MTSU’s campus. The University expects to collaborate with the Developer to determine building orientation and desired access points consistent with the existing streetscape and safety / security objectives.

4.1.2.3. Site / Exterior Design Requirements

1. The exterior elements of the Project must include the following key components:
   a. The exterior of the building should relate to the existing context and complement the scale and material of the surrounding MTSU buildings.
   b. The building and site design must project a strong presence for the University at the corner of Greenland Drive and Middle Tennessee Boulevard.
   c. Acceptable primary exterior building materials include full-thickness brick masonry, architectural-grade metal panels, cementitious panels, CMU (split-face, ground-face, or polished face only) and / or cast stone,
   d. All primary exterior entrances must comply with all applicable federal, state, and local laws and regulations.
   e. Site development should provide adequate and fully ADA accessible sidewalks for connectivity to existing and future pedestrian walkways.
   f. Exterior doors should be wired for card access that is integrated with the room access card system.
   g. IP-based security cameras shall be at all building entrance and exit points. Additional cameras are required at elevators, service desks, and main circulation spaces. All cameras, as well as access control points and other security infrastructure, shall be accessible (recordable / able to be copied) to MTSUPD. MTSU PD will not be responsible for monitoring security cameras. The card access secured doors should have an alarm and camera feed for monitoring of entries, exits, and propped doors.
h. Wireless Internet shall be provided throughout all exterior plazas, walkways, and public areas in the Project.

i. Exterior signage shall be reviewed and approved by the University during the design process. Clear signage should be provided on both the building exterior and wayfinding surrounding the Project.

j. Trash and recycling collection / disposal will occur in a convenient location and designed in a way that does not detract from the Project's site and landscape design. Selected locations for collection / pick-up areas should consider vehicle logistics and minimizing noise disturbance for hotel occupants.

4.1.2.4. Pedestrian Infrastructure and Campus Connectivity

1. Developers shall consider ways to accomplish connectivity between the Project and the athletics district of campus. Developers must ensure that the connectivity solution aligns with MTSU's established transportation, parking, and land use plans included in the MTSU Master Plan.

2. Furthermore, MTSU and the Developer will coordinate to ensure safe and effective connectivity throughout the term of the Project's structure. The connectivity and circulation plans will include established pedestrian pathways, as well as campus and public transportation access. These critical conversations will commence during the initial Project design and continue as necessary throughout the length of the Ground Lease.

4.2. Construction and Architectural Guidelines

The Project’s design should prioritize durability, accessibility, and architectural compatibility with its immediate context and the MTSU campus holistically. While the University’s published Campus Design Guidelines will not apply to the Project, the predominant materials and architectural details on the campus should be considered for context, compatibility, and life-cycle benefits.

Type V wood framed structural systems are prohibited from use.

Ultimate review and approval by the University of the Project design, including site and landscape design, building elevations, and exterior materials, will be required through all phases of the design process. It is expected that the useful life of the Project will meet or exceed 125% of the term of the Ground Lease. In addition, the building support systems (mechanical, plumbing, electrical, exterior envelope, etc.) will have demonstrable useful life in conjunction with the 125% Project requirement.

4.3. Information Technology Requirements

MTSU requires that Developers will include IT infrastructure and connectivity in the development budget, and that the long-term operator (the “Operator”) assumes responsibility for maintaining and reinvesting in infrastructure / equipment, on an as-needed basis to keep systems as current as those found in similar hotels in similar markets.
The University will require detailed discussions and coordination with the Developer to ensure sufficient infrastructure and capacity are put in place to meet hotel and restaurant users’ needs. For this RFP, the Proposer should provide recommended solutions regarding equipment and the level of service that will be provided based on the anticipated intensity of utilization that is envisioned for users in this Project. IT services are intended to be commensurate with those available at other high-quality hotels in the local market. The Developer should include solutions for the following services and equipment:

1. Internet Connectivity
2. Wired Local Area Networks
3. Wireless Networks
4. Routers
5. Voice Telephone Services
6. Video Surveillance
7. Cable Service in Rooms and Common Areas
8. Cell Phone Signal Strengthening System (as needed per design)

4.4. Code and Planning Requirements

The Proposer’s design team shall ensure that all relevant documents comply with all applicable codes, regulations, and orders in effect at the time of permitting. The design team shall submit a list of codes to which the Project is subject.

The Proposer’s team must work directly with all AHJ to secure entitlements and permits required for the Project. This work may include, but not be limited to, rezoning, storm water management, public space/right-of-way, and building permits. The University will leverage existing relationships to provide support to the Developer during the entitlement and permitting processes.

5. Financial Objectives

As noted above, MTSU is seeking a Developer that will bring creative financing solutions. For the Project, the University will consider a range of possible financing structures that are off the University’s balance sheet and have neutral or accretive impacts on MTSU’s credit ratings. The University seeks to benefit from the financial success of the Project, whether through an upfront payment, ongoing participation in revenues/cash flows, or both. MTSU is open to all potential solutions that accomplish these objectives, including but not limited to, all equity transactions, debt and equity transactions, and tax-exempt 501(c)(3) structures.

6. Operations & Maintenance

The Operator is responsible for all administrative responsibilities (marketing, management, sales), custodial, facility maintenance, and capital reinvestment analysis/oversight for the Project to ensure that hotel users are receiving a high-quality experience commensurate with MTSU’s vision and brand. The University will work with the Operator to complete quality control activities throughout the Ground Lease and/or other agreements. Long-term asset management/capital reinvestment will also need to be coordinated with the University to ensure the health of the Project throughout the contractual terms. Specific terms and
conditions are detailed below with each to be further negotiated as part of establishing the ground lease and / or other agreements.

For this RFP, the University has identified the following components that comprise the operational and maintenance needs for the Project.

**Marketing:** The Operator will be solely responsible for the marketing of the hotel components contained within the Project. The Operator shall not use MTSU’s name, logos, or other trademarks in marketing and / or advertising media without express written consent from the University. For the purposes of the RFP response, Proposers should assume to cover all costs associated with delivering marketing services.

**Custodial / Service Contracts, Landscaping, and Facility Maintenance:** MTSU considers custodial and maintenance staff to be important partners in creating an outstanding hotel experience for patrons. The Operator will be responsible for custodial, landscaping, and general maintenance services for the Project. For the purposes of responding to this RFP, Proposers should assume covering the costs associated with these Project components. The Operator will maintain the Project at a professional level commensurate with industry standards. Subject to negotiations and a future operating agreement, the Developer and University may conduct joint facility inspections to ensure high-quality services are being provided to hotel and restaurant guests. Project operations will track and record maintenance and renewal activities and costs via a computerized maintenance management system (CMMS). Complete activity/cost reports are to be submitted to the University on an annual basis as well as upon request.

**Asset Management:** The Developer should provide details regarding its approach and cost of such services over the length of the financing terms. The University and the Developer will mutually agree on a procedure for carrying out both scheduled and unscheduled inspections of the facilities. All asset management activities should be undertaken in a manner that ensures the Project will revert to MTSU with at least 25% useful asset life remaining at the conclusion of the ground lease agreement.

7. Terms and Conditions

7.1. **RFP Evaluation Disclaimer**

Proposers/Developers should understand and accept that by responding to this RFP they are willingly participating in a competitive evaluation process.

Proposers/Developers should be aware that the proposal determined to best meet the needs of MTSU may not necessarily be the proposal offering the highest financial benefit.

7.2. **Lease Profile**

The University will maintain long-term ownership of the land. The Successful Proposer will enter into a ground lease with the University to develop the land through a negotiated structure with the following parameters.

7.2.1. **Anticipated Agreements:** The University intends to enter into a Ground Lease with the Successful Proper as appropriate for the development of the Project. Under
the Ground Lease, the University anticipates that there will be additional agreements governing the Project, which may include a development agreement, operations/asset management agreement, cooperation agreement, and/or others as appropriate.

7.2.2. Credit and Balance Sheet Impacts: As indicated above, the University will evaluate all funding structures proposed by the private market during the competitive selection process.

7.3. Terms & Conditions

Below is a summary of certain required terms and conditions associated with this opportunity. Notwithstanding the foregoing, the University and the best evaluated Developer shall negotiate the final comprehensive development deal, and various terms and conditions of such are at this time unknown and should be offered by the Developer.

7.3.1. Term: The term of any agreement associated with the Project will be subject to negotiation based on the overall deal structure and benefit to MTSU. The University seeks a long-term ground lease partnership structure for the Project that is subject to the laws and regulations of the State of Tennessee.

7.3.2. Term Commencement: The Ground Lease shall commence on the date it is fully executed and the term will commence once the Project receives a certificate of occupancy.

7.3.3. The Site

7.3.3.1. Existing Conditions

Under the Ground Lease, the Leased Premises will be transferred as-is for development and long-term management without any representation regarding the environmental condition of the site. No representations or warranties whatsoever are made as to the condition, state or characteristics of the Leased Premises. Expressed warranties and implied warranties of fitness for a particular purpose or use and habitability are hereby disclaimed.

Existing improvements and facilities located on the Leased Premises that will not be retained as a part of the proposed development are to be demolished by the Developer. Developers will have an opportunity to inspect the Leased Premises prior to taking possession and will acknowledge prior to submitting a proposal that they have had full opportunity to inspect the Leased Premises and make an evaluation as to its suitability for the Project. Failure or omission by the Developer to acquaint themselves with the existing conditions of the Leased Premises shall in no way relieve them of any obligation with respect to any contractual obligations related to the Project. The Developer shall be responsible for the removal or remediation of hazardous materials that are required by law to be removed or remediated for the Project, should any exist.

The existing structures on the Leased Premises shall be demolished by the Developer at its sole cost and expense.
Testing, audits, appraisals, inspections, or other non-invasive testing that is necessary or desired to submit a proposal, shall be at the sole expense of the responding Developer.

7.3.4. Form of Lease Payment: The Project will be expected to provide a financial return to the University in the form of ground rent or other equally attractive remuneration. Proposals shall offer lease rental, profit sharing, or other similar market revenue streams to the University as such may pertain to the Project.

7.3.5. Occupancy: The University will not provide the developer with any financial guarantees for the Project, including minimal occupancy levels.

7.3.6 Vending: Any vending facilities at the Project shall comply with the priority set forth in Tenn. Code Ann. § 71-4-501, to the extent applicable.

7.3.7. Lease Agreement:

The Form of Ground Lease Agreement (to be provided to Developers in Step 2) details the University’s desired terms and conditions and substantially represents the lease terms that the successful Developer must sign. If a Developer wishes to propose alternative lease terms and conditions, they must be identified as a red-line version of the Form of Ground Lease Agreement or within a separate lease document. While the University is willing to consider alternative terms and conditions, the University has no obligation to consider or to agree to any proposed alterations.

A summary of several key terms and expectations is provided below.

7.3.7.1. University Branding: The University shall have the right to approve all signs and materials used by the Developer in the promoting or marketing of space on the Leased Premises that contain a reference to MTSU, which approval shall not be unreasonably withheld. Developer and the University agree to negotiate and resolve in good faith any disputes relating to all such marketing materials.

7.3.7.2. Advisory Committee: There will be an advisory committee, jointly comprised of the University, Developer, and operator personnel, who will convene to discuss and approve the annual budget, operating approach, marketing materials, capital reinvestment plans, and many other oversight functions to support the success of the Project.

7.3.7.3. Assignment and Transfer: There will be no right to assign or transfer the Ground Lease without the prior written consent of the University.

7.3.7.4. Delivery of Premises at the End of Term: At the termination of the Ground Lease, any improvements located on the Leased Premises will remain and shall be delivered to the University at no cost, fully operational and in good condition as determined jointly by the University and the Developer.
7.3.7.5. Insurance: The Developer shall assume it will be responsible for providing insurance for both pre- and post-occupancy. Developers should propose the appropriate coverage amounts for a Project of this scope and size.

7.3.7.6. Repair, Replacement, and Renovation: The Developer will be responsible, at its expense, for all maintenance, routine repair and replacement of furniture, fixtures, and equipment, and all life-cycle maintenance and repairs required for the Project during the term of the ground lease. To provide assurance for the costs of these items, the Developer will be required to fund a replacement and repair reserve fund to be placed in escrow at an amount and in accordance with a budget that is approved annually by the Advisory Committee. Should reinvestment costs exceed the amount available in reserve funds at any point, the difference will be funded solely at the cost of the holder of the Ground Lease (“Ground Lessee”). No extraordinary changes will be permitted to the operating budget to offset these expenses (e.g., reduction in operating services, etc.) without written consent from the University.

7.3.8. Relationship of this RFP to the Group Lease

The terms and conditions described in this RFP shall survive the execution of the Ground Lease between the University and Developer (the “Lease Agreement”). This RFP, as modified via addendum or negotiation, will be incorporated by reference into any Ground Lease. Where there is a conflict between the terms of a Ground Lease and this RFP, as amended, the terms of the Ground Lease shall govern.

8. Submission Requirements

Developers must include the following requirements in their responses to this RFP. A response must follow the order provided below to facilitate the University’s evaluation process. Also, responses should include tabs correlating to the sections described in Section 8.4 (Submission Organization). RFP responses will be reviewed through three (3) steps. Step 1 will evaluate initial compliance with the requirements set out below, as well as experience, references, technical capabilities, and project program. Step 2 will provide opportunities for further clarifications of respondent’s proposals and further development of the budget and design. Step 3 will function as a BAFO stage. It is critical that responses are organized in the format described below. Responses that do not follow this format risk being disqualified.

8.1 Submittal of Proposal

Proposals must be made in the official name of a firm or individual (no lease brokers) under which the Project will occur. The official business address must be included. The cover letter must be signed by a person or persons authorized to legally bind the responding entity to the proposal.

8.2 Qualification of Developer

As evidence of its financial ability, each Developer (no brokers or realtors) shall submit with its proposal, a copy its last three (3) fiscal years’ annual financial statements that have been reviewed or audited by a chartered accountant or certified public accountant. The
proposal must include the financial statements of all relevant parties that will be involved in the project with the Developer. Failure to conform to this section may be grounds for rejection of the proposal. The information provided shall be a public record under T.C.A. § 10-7-501 et seq.

8.3 Experience

Respondents to this RFP must demonstrate experience in designing, constructing, operating and managing hotel developments. Experience working with higher education entities is also desirable.

8.4 Submission Organization

**RFP Step 1:**
- Proposal Transmittal and Statement of Clarifications and Assurances
- Mandatory Requirements
- Table of Contents
- Tab 1: Acknowledgements
- Tab 2: Project Team Background and Information
- Tab 3: Relevant Experience & References
- Tab 4: Technical Capabilities
- Tab 5: Financial Capabilities
- Tab 6: Project Approach Narrative

**RFP Step 2:**
- Proposal Transmittal and Statement of Clarifications and Assurances
- Tab 7: Project Program
- Tab 8: Graphic Documents and Renderings
- Tab 9: Project Budget
- Tab 10: Implementation Schedule
- Tab 11: Proposed Financing Structures
- Tab 12: Operations and Maintenance
- Tab 13: Project Proforma(s)
- Tab 14: Current / Future Project Disclosure
- Tab 15: Signed Addenda
- Required Appendixes
- Oral Presentations

**RFP Step 3:**
- Project Adjustments
- Lease Mark-Up
- Negotiations

Details regarding each tab are included below in Section 11.

8.5 Nondiscrimination
No person shall be excluded from participation in, be denied benefits of, or be otherwise subjected to discrimination in the performance of the Ground Lease pursuant to this RFP or in the employment practices of the Developer or any Developer contractor under the Ground Lease, on the grounds of handicap or disability, age, race, color, religion, sex, national origin, or any other classification protected by federal, Tennessee state constitutional, or statutory law.

8.6 RFP Communications

8.6.1. The University has assigned the following RFP identification number to this RFP. This number must be referenced in all communications regarding this RFP: RFP TRANSACTION NUMBER 23-03-001

8.6.2. Unauthorized contact about this RFP with employees, officials, or consultants of the University except as detailed below may result in disqualification from consideration under this procurement process.

8.6.2.1. Developers must direct communications all relating to this RFP to the person designated as below (“RFP Coordinator”).

For UPS or FedEx deliveries use the following address:
MTSU Campus Planning
Attn: Jamie Brewer
1672 Greenland
Murfreesboro, TN 37132

For United States Postal Service deliveries use the following address:
MTSU Campus Planning
Attn: Jamie Brewer
1301 E. Main Street
Murfreesboro, TN 37132

For hand delivery:
Jamie Brewer
Holmes Building Room 101
836 Champion Way
Murfreesboro, TN 37132
Phone: (615) 898-2307
Email: jamie.brewer@mtsu.edu

with a copy to:
Brailsford & Dunlavey, Inc.
Attn: Edward Norwood, Jr.
1170 Peachtree Street NE, Suite 625
Atlanta, GA 30309
Developers may also contact the RFP Coordinator to coordinate compliance with the nondiscrimination requirements of the State of Tennessee, Title VI of the Civil Rights Act of 1964, the Americans with Disabilities Act of 1990, and associated federal regulations.

Only the University’s official, written responses and communications will be binding with regard to this RFP. All oral communications of any type will be unofficial and non-binding.

Developers must ensure that the University receives all written comments, including questions and requests for clarification, no later than the Written Questions and Comments Deadline detailed below in the RFP Section 9 (Schedule of Events).

Developers assume all the risks for compliance with all deadlines required by this RFP. The University assumes no responsibility for delays or delivery failures resulting from the method of dispatch. Actual or digital “postmarking” of a communication or proposal to the University by a specified deadline date will not substitute for the University’s actual receipt of a communication or proposal.

The University will convey all official responses and communications related to this RFP to the Developers from whom the University has received a Notice of Intent to Propose (RFP Section 8.11).

The University reserves the right to determine, at its sole discretion, the method of conveying official, written responses and communications related to this RFP. Such written communications will be posted to the MTSU Campus Planning procurement web page (https://www.mtsu.edu/campusplanning/RFPQ.php) associated with this RFP.

The University reserves the right to determine, at its sole discretion, the appropriate and adequate responses to written comments, questions, and requests related to this RFP. The University’s official, written responses will constitute an addendum to this RFP.

Any data or information provided by the University (in this RFP or any other subsequent communication) is for informational purposes only. The University will make reasonable efforts to ensure the accuracy of such data or information but does not represent or warrant that such data or information is true or correct; Developers are encouraged to independently verify any University provided information before relying upon it.

Assistance to Developers with a Handicap or Disability

Potential Developers with a handicap or disability may receive reasonable accommodation to participate in this RFP process. Potential Developers may contact the RFP Coordinator to request such reasonable accommodation no later than the Disability Accommodation Request Deadline detailed in the RFP Section 9, Schedule of Events.
8.8. Developer Required Review of Waiver of Objections

8.8.1. Each Developer must carefully review this RFP, including but not limited to, the Form of Ground Lease and any amendments, for questions, comments, defects, objections, or any other matter requiring clarification or correction.

8.8.2. All questions and comments must be provided to the University in writing no later than the Written Questions and Comments Deadline detailed in RFP Section 9, Schedule of Events.

8.8.3. Protests based on any objection shall be considered waived and invalid if the objection has not been brought to the attention of the University, in writing, by the Written Questions and Comments deadline.

8.9. Pre-Proposal Conference (Optional)

A Pre-Proposal Conference will be held at the time and date detailed in the RFP Section 9, Schedule of Events. Pre-Proposal Conference attendance is not mandatory, and a potential Developer may be limited to a maximum of three (3) attendees depending upon overall attendance and space limitations.

The conference will be held in person at 9:00 am Central Time on January 24, 2024, at:

Middle Tennessee State University
Holmes Building, Conference Room #111
836 Champion Way
Murfreesboro, TN 37132

A virtual option (MS Teams) will be available to accommodate additional attendees who may not be able to attend in person. The meeting ID and passcode are listed below.

Meeting ID: 213 504 364 830
Meeting Passcode: uoXpB3

The purpose of the conference is to review the terms of the RFP and provide access to the potential Project sites. The University will entertain questions during the conference; however, Developers must understand that the University’s response to any question shall be non-binding. Developers should submit questions concerning this RFP in writing and must submit them prior to the Written Questions and Comments deadline date detailed below in RFP Section 9, Schedule of Events. The University will send the official response to questions to potential Developers as indicated on the date detailed below in RFP Section 9, Schedule of Events.

8.10. Notice of Intent to Propose

Before the Notice of Intent to Propose deadline detailed below in RFP Section 9, Schedule of Events, potential Developers are encouraged to submit to the RFP Coordinator a Notice of Intent to Propose (in the form of a simple e-mail or other written communication). Such notice should include the following information:
• the business or individual’s name (as appropriate)
• the contact person’s name and title
• the contact person’s mailing address, telephone number, facsimile number, and e-mail address.

A Notice of Intent to Propose creates no obligation for making a proposal relating to this RFP.

8.11. Proposal Deadline

Proposers must ensure that the University receives their proposal no later than the Proposal Deadline time and date detailed below in RFP Section 9, Schedule of Events. The proposal must respond, as required, to this RFP (including its attachments), as may be amended. The University will not accept late proposals, and a Developer’s failure to submit a proposal before the deadline will result in disqualification. Proposals may be delivered in person, by United States mail, or other couriers. Facsimile and electronically transmitted (email) proposals are not acceptable. Proposers should submit three (3) hard copies of their proposal. Developers should also include one (1) digital copy of their proposal via USB drive with the submitted hard copies. It is the Developer’s responsibility to ensure that its proposal is mailed or delivered in sufficient time to arrive at the University’s Purchasing Department by the submission deadline.

8.12. Developer Selection Process

This RFP includes a three-phase selection process.

In Step 1, the University will accept responses that include the Developer’s team composition, experience, financial capabilities, and approach to the Project. (Specific requirements for Developer’s Step 1 responses are provided in Section 11.3.)

Short-listed firms will then be asked as part of Step 2 to submit proposals that include conceptual plans, budget, deal structure, proformas, and an implementation schedule. (Specific requirements for Developer’s Step 2 responses are provided in Section 11.4.)

Step 3 (“the BAFO”) will provide the University with the opportunity to provide additional information to, receive additional materials from, and to meet with selected Developers from that completed Step 2. In this phase, selected finalists will be invited to engage with the University to refine and optimize their submission with the goal of submitting a BAFO with the greatest benefit to MTSU. (Special requirements for Developer’s Step 3 BAFO are provided in Section 11.5.)

9. Schedule of Events

9.1. RFP Schedule of Events

<table>
<thead>
<tr>
<th>Event</th>
<th>Time</th>
<th>Date</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. RFP Open / Advertised</td>
<td></td>
<td>January 12, 2024</td>
</tr>
</tbody>
</table>
2. Disability Accommodation Request
   Deadline
   January 19, 2024

3. Pre-Proposal Conference and Site Tour
   A virtual option (MS Teams) will be available to accommodate additional attendees who may not be able to attend in person. The meeting ID and passcode are listed below.

   Microsoft Teams meeting
   Join on your computer, mobile app or room device
   [Click here to join the meeting]
   Meeting ID: 213 504 364 830
   Passcode: uoXpB3
   Download Teams | Join on the web
   Or call in (audio only)
   +1 615-988-5047,,988089702# United States, Nashville
   Phone Conference ID: 988 089 702#
   [Find a local number | Reset PIN]
   [Middle Tennessee State University]
   Holmes Conference Room
   836 Champion Way Murfreesboro, TN 37132
   January 24, 2024

4. Written “Questions & Comments” Deadline
   3:00 pm Central Time
   January 31, 2024

5. University Response to Written “Questions and Comments”
   February 7, 2024

6. Notice of Intent to Propose
   3:00 pm Central Time
   February 14, 2024

7. Step 1 Proposal Deadline & University Opening of Proposals
   4:30 pm Central Time
   February 21, 2024

8. University Completion of Step 1 Proposal Evaluations and Notification of Step 2 Downselect
   Week of March 5, 2024

9. Questions and Comments for Phase 2 Due
   3:00 pm Central Time
   March 26, 2024

10. University Responds to Questions and Comments
    April 2, 2024

11. RFP Step 2 Proposal Deadline
    4:30 pm Central Time
    May 7, 2024

12. Step 2 Presentations by Proposing Developers
    May 15-17, 2024 (tentative)

13. University Completion of Proposal Evaluations and Notification of BAFO Downselect
    May 28, 2024
14. Step 3 BAFO Submission Deadline following BAFO workshop activities | July 8, 2024 (tentative)

15. University issues Intent to Award Notice and Procurement File is Opened for Public Inspection | August 12, 2024 (tentative)

16. TSSBA Approval of Lease Agreement | August 26, 2024 (tentative)

17. Proposed ESC approval of BAFO / Lease Agreement | September 30, 2024 (tentative)

9.2. **The University reserves the right, at its sole discretion, to adjust the dates listed above as it deems necessary.** Any adjustments prior to issuance of the Evaluation Notice shall constitute an RFP addendum. The University will communicate such addendums to potential Developers from whom the University has received a Notice of Intent to Propose.

10. **General Information**

10.1. **Statement of Financial Interests**

   It is a requirement of Tennessee Code Annotated Section 12-2-114 that any and all persons financially interested in the available space be listed in the proposal response. This requirement includes the interests of the owner/agent, any lienholders or any known future purchasers or lienholders. This information is to be provided in Tab 2 – Project Team Background and Information.

10.2. **Proposal & Developer Prohibitions**

   10.2.1. A Proposal must not result from any collusion between Developers. The University will reject any proposal that was not prepared independently without collusion, consultation, communication, or agreement with any other Developer. Regardless of the time of detection, the University will consider any such actions to be grounds for proposal rejection or Ground Lease termination.

   10.2.2. A Developer shall not provide, for consideration in this RFP process or subsequent lease negotiations, incorrect information that the Developer knew or should have known was materially incorrect. If the University determines that a Developer has provided such incorrect information, the University may deem the Developer’s proposal non-responsive and reject it or terminate the Ground Lease.

   10.2.3. The University shall not consider a response from an individual who is, or within the past six (6) months has been, an employee of the State of Tennessee or someone deemed to have an unfair advantage. For purposes of this RFP, the following terms will apply:

      10.2.3.1. An individual shall be deemed an employee of the State of Tennessee until such time as all compensation for salary, termination pay, and annual leave has been paid;
10.2.3.2. A contract with or a response from a company, corporation, or any other contracting entity in which a controlling interest is held by an employee of the State of Tennessee shall be considered to be a contract with or proposal from the employee; and

10.2.3.3. A contract with or a response from a company, corporation, or any other contracting entity that employs an individual who is, or within the past six (6) months has been an employee of the State of Tennessee, shall not be considered a contract with or a proposal from the employee and shall not constitute a prohibited conflict of interest.

10.3. **Proposal Errors & Revisions**

A Developer is liable for any and all errors or omissions in its proposal. A Developer will not be allowed to alter or revise proposal documents after the Proposal Deadline time and date detailed in the RFP Section 9, *Schedule of Events* unless such is formally requested, in writing, by the University.

10.4. **Proposal Withdrawal**

A Developer may withdraw a submitted proposal at any time before the Proposal Deadline time and date detailed above in RFP Section 9, *Schedule of Events* by emailing a request signed by an authorized Developer representative. After withdrawing a proposal, a Developer may submit another proposal at any time before the Proposal Deadline.

10.5. **Proposal Preparation**

This RFP does not commit the University to award a lease or to pay any costs associated with the preparation, submittal, or presentation of any proposal made by a Developer.

10.6. **RFP Amendment**

The University reserves the right to amend this RFP at any time prior to award, provided that it is amended in writing by addendum. However, prior to any such addendum, the University will consider whether it would negatively impact the ability of potential Developers to meet the proposal deadline and will revise the RFP schedule accordingly if deemed appropriate. If an addendum is issued, the University will convey it to potential Developers that submitted a *Notice of Intent to Propose*.

10.7. **RFP Cancellation**

The University reserves the right, at its sole discretion, to cancel or to cancel and reissue this RFP in accordance with applicable laws and regulations.

10.8. **University Right of Rejection**

10.8.1. Subject to applicable laws and regulations, the University reserves the right at its sole discretion to reject, any and all proposals.
10.8.2. The University may deem as non-responsive and reject any proposal that does not comply with all terms, conditions, and performance requirements stated in this RFP.

10.9. Disclosure of Proposal Contents

10.9.1. Each proposal and all materials submitted to the University in response to this RFP become the property of the University and will not be returned unless withdrawn as allowed herein. Selection or rejection of a proposal does not affect this ownership right. By submitting a proposal, a Developer acknowledges and accepts that the full proposal contents and associated documents will become open to public inspection in accordance with the laws of the State of Tennessee.

10.9.2. The University will hold all proposal information in confidence during the evaluation process.

10.9.3. Upon completion of proposal evaluations, which will be indicated by public release of a Notice of Intent to Award, the proposals and associated materials will be opened for review by the public in accordance with Tennessee Code Annotated, Section 10-7-504(a)(7).

10.10. Key Terms and Future Agreements

The University developed the following preliminary list of key terms for review and consideration during and after the RFP process.

10.10.1. Academic Programming Integration

As part of the envisioned agreements, MTSU anticipates leveraging the hotel property as an experiential learning tool for its students and expects to collaborate with the selected Developer regarding creative solutions for how this outcome can be accomplished within the context of the Project’s successful operation.

10.10.2. Assignment and Transfer

There will be no right to assign or transfer the ground lease without the express written consent of the University.

10.10.3. Buy-out by the University

The ground lease will contain provisions providing the University with a right, at its sole option, to buy out the remainder of the ground lease term. This buy-out provision will be negotiated with the Successful Proposer.

10.10.4. Delivery of Premises at the End of Term

At the conclusion of the term of the ground lease, any improvements located on the site will remain and shall be delivered to the University fully operational and in good condition as determined jointly by the University and the Successful Proposer.

10.10.5 Repair, Replacement, and Renovation
The Proposer will be responsible at its expense for all maintenance, routine replacement of fixtures and equipment, and all life-cycle maintenance and repairs required for the Project.

10.11. **Severability**

If any provision of this RFP is declared by a court to be illegal or in conflict with any law, said decision will not affect the validity of the remaining RFP terms and provisions, and the rights and obligations of the University and Developers will be construed and enforced as if the RFP did not contain the particular provision held to be invalid.

10.12. **Proposal Evaluation Team**

The Proposal Evaluation Team will be made up of five (5) or more state employees. The team will evaluate each proposal.

11. **Proposal Requirements, Evaluation & Award**

11.1. **Evaluation Process**

The proposal evaluation process is designed to award the Ground Lease to the Responsive and Responsible Developer offering the best combination of attributes based upon the evaluation criteria. The term “Responsive” means a person or entity that has submitted a proposal that conforms in all material respects to the RFP. The term “Responsible” means a person or entity which has the capacity in all material respects to perform fully the requirements of the Ground Lease and demonstrates the integrity and reliability that will assure good faith performance.

The University reserves the right to accept or reject any and all proposals, to waive any informalities in a proposal, and, unless otherwise specified in writing by the Developer, to accept any items in a proposal as written.

**NOTICE:** The Evaluation Process shall not create rights, interests, or claims of entitlement in either the Developer with apparent best-evaluated proposal or any other Developer.

11.2. **Clarifications**

The University reserves the right, at its sole discretion, to request a Developer to clarify information and/or to conduct clarification discussions with any Developers. Any such clarification or discussion will be limited to specific sections of the proposal identified by the University and shall be in accordance with all policies of the University and/or State of Tennessee.

11.3. **Step 1 Proposal Requirements & Evaluation**

To be considered responsive to this RFP, a proposal must be received by the date specified in Section 9 (Schedule of Events). The University will not accept Step 1
proposals received after the deadline. Step 1 proposals must be submitted to the RFP Coordinator at the address listed above. A Proposal Transmittal and Statement of Clarifications and Assurances will be considered an integral part of the Step 1 proposal. The form must be signed by an individual who is authorized to bind the Developer contractually and must certify that all statements in the proposal are true and correct. The letter must indicate the title or position that the individual holds in the firm and include the Developer’s federal tax I.D. number.

Exhibit 2 (Mandatory Requirements) must also be completed. Proposal responses to this RFP should be clear, concise and organized; meet the mandatory requirements; and be organized in the six major areas described below.

11.3.1. Mandatory Requirements. The RFP Coordinator will review each Phase I Proposal to determine compliance with the mandatory requirements described in Exhibit 2. If the RFP Coordinator determines that a proposal may have failed to meet one or more of the mandatory requirements, the RFP Coordinator shall seek the advice of an attorney on MTSU’s staff, who will review the proposal and document his/her determination of whether:

a. The proposal adequately meets requirements, thus warranting further evaluation;

b. the University will request clarifications or corrections for consideration prior to further evaluation; or,

c. the University will determine the proposal non-responsive to this RFP and reject it.

In addition to the Mandatory Requirements, Developers’ proposals must include the information outlined below and be organized by tab in the order described.

Developers should limit their Step I proposals to forty (40) 8 1/2"x 11" pages, excluding attachments.

**Tab 1 Acknowledgements**

Developers are required to submit a signed cover letter that acknowledges the receipt, review, and understanding of all materials provided in this RFP, including information in appendices and exhibits. With these signature pages, it will be assumed that the Developers are fully aware of all information that may impact the design, program, and financial assumptions included in the RFP submission. Failure to provide these signature pages will result in non-compliance with the submission materials, thus impacting the University’s ability to review the proposal.

**Tab 2 Project Team Background and Information (Additional Team Members)**

Description of Project Team Members: To the extent that any additional team members have been identified, please provide information regarding their role, the overall organizational structure for this Project, and key personnel who will participate. These individuals may include:
• Architects
• Civil, structural, and MEP engineers;
• General Contractors
• Any law firms that will provide legal services for the Developer;
• Entities that will provide building systems maintenance and asset management services if not performed by the Developer; and,
• Any entities who will provide funding, like kind or other services to the Developer and who will gain any ownership or beneficial interest in or revenue from the Project.

For each of these entities, provide the following information:

• Name(s)
• Primary address
• Chief Executive/managing partners
• Year founded

Any additions to, or changes to, the Project team members in connection with a proposal are subject to review and approval by the University. If a Developer does not name other entities, then that Developer’s proposal will be evaluated assuming that the Developer will self-perform all functions and any later decision to include other entities in any of these roles will also require review and approval of these entities prior to their use by the Developer.

**Tab 3 Relevant Experience & References**

Provide a list, in order of relevance to the Project, of at least three (3) recent comparable projects in which the proposing Developers have participated, preferably projects that were developed within the past ten (10) years. Developers are requested to include projects that have relevance to the Project described above. Each included project should list the team structure and identification of where the proposed team has collaborated previously.

For each of the three (3) required comparable recent projects, a general project description must be provided along with the following specific information submitted in the order and format prescribed:

• Title and location of each project, include a detailed description of the projects’ integration, if any, with the university’s academic programming and student job offerings;
• Please include the reference name, title, address, telephone number, and e-mail address of the primary contact for each listed project.
• Owner of the project with a representative’s name, phone number, and e-mail address;
• Use(s) of each facility (and the types of spaces included in each);
• Square footage of each facility in total and by types of space (e.g. hotel rooms, dining/restaurants, retail, etc.);
• Total project cost of each facility constructed on the project site;
• Architect and general contractor for each project
• Construction timeline and opening date along with a description of how the initial delivery schedule aligned with the implementation schedule;
• Photographs of the completed project or if the project has not been constructed, architectural renderings of the project;
• Structure of the contract with the owner (e.g., design, build, finance, operate, maintain); specify Developer’s operation and maintenance obligations;
• For any projects that involve revenue sharing or profit splitting with the owner(s), a summary of the structure of the general financial arrangements with the owner;
• A brief summary of the financial structure used for each project (i.e. 501(c)(3), equity, or others); and,
• All arbitration, mediation, or litigation that has arisen from each project, and the current stage of resolution of any of those items. For those items that have been concluded or resolved, the outcome of the arbitration, mediation, or litigation that was conducted.

Tab 4 Technical Capabilities

Specifically, the Developer should demonstrate the following capabilities:

1. Development Implementation: Developers must demonstrate that their proposed team can work in concert with MTSU to meet design and construction requirements and are able to work with the University to complete the Project on schedule and on budget.

2. Facility Maintenance, Custodial, and Asset Management Experience: The University desires to enter into an agreement with a Developer to provide facility maintenance, custodial, and asset management services. (See section 6 and Appendix G for additional information.

Proposals must include evidence demonstrating the Developer’s capability to maintain hotel assets of similar scale, quality, and scope. The Developer will undertake all maintenance responsibilities, either directly by contracting with a third-party.. All preventive and major maintenance responsibilities will be performed at a level consistent with the University’s standards.

MTSU also desires to enter into the appropriate and required agreements with the Operator who will provide administrative functions for the Project and coordinate with the University’s Tourism and Hospitality Program for academic programming and student-employee opportunities.

Submittals must include evidence demonstrating the Developer’s ability to maintain a property of the Project’s nature and scope. The Developer should demonstrate that it possesses:

• Substantial experience developing and maintaining similar assets;
• Advanced knowledge of facilities maintenance, repair, construction, and practical application of equipment and materials;
• Demonstrated understanding of facility aging behavior to assess and determine the applicability of remedial maintenance action and lifecycle management; and,
• Ability to partner with an experienced operations manager to oversee the day-to-day management activities associated with the Project.

**Tab 5 Financial Capabilities**

Developers must provide specific evidence that they have available the appropriate financial resources to complete all aspects of the Project or demonstrate their capability to raise financing for a project of this nature and scope. This evidence should include copies of audited financial statements for the past three (3) years together with any other relevant financial information. If audited financial statements cannot be provided, Developers should provide sufficient financial information to demonstrate that they have the financial resources to successfully execute a project of this nature and scope.

Information that must be provided, in addition to the requested financial audited statements, include:

- Available financial resources to design, build, operate, and maintain the Project;
- Capability of raising capital (public-placement debt, private-placement debt, equity, other) in the current capital market;
- The number and size of past relevant transactions; and,
- Specific experiences on past relevant transactions.

The audited financial information should be appended to the proposal and will not count against the page restriction.

**Tab 6 Project Approach Narrative**

Developers are required to provide a narrative for the Project that addresses the approach to accomplishing the project given the stated goals, market conditions, and all physical and fiscal constraints/issues. These include:

- Site 1 and Site 2 considerations and selection criteria
- Site zoning considerations
- Quality of construction and life cycle asset management
- Operations and Maintenance considerations
- Occupancy considerations
- MTSU Tourism and Hospitality Program considerations

The narrative should be no more than five (5) pages.

**11.3.2 Evaluation**

All Step 1 proposals will be evaluated by a University evaluation team for both compliance and value. The total points awarded for Step 1 proposals will be 50 points as follows:

- Proposal Transmittal and Statement of Clarifications and Assurances – Pass/Fail
- Mandatory Requirements – Pass/Fail
- Tab 1-Acknowledgements – Pass/Fail
- Tab 2-Project Team and Background Information – 10 points
• Tab 3-Relevant Experiences and References – 10 points
• Tab 4-Technical Capabilities – 10 points
• Tab 5-Financial Capabilities – 10 points
• Tab 6-Project Approach Narrative – 10 points

Presentations by the Proposers may be required (as determined by the University) as part of Step 1 of the proposal. If so, the Step 1 presentations will be one (1) hour in length. The Proposer will have forty (40) minutes to address the proposal elements in Tabs 2 through 6. Twenty (20) minutes will be provided for questions and answers. The Step 1 presentation has no point value.

Upon completion of the Step 1 Evaluation, including presentations, if any, the four (4) highest (including ties) scoring responsive Proposers will be selected to submit a Step 2 Proposal. All Proposers must score 35 or above to be selected for Step 2.

11.4 Step 2 Proposal Requirements and Evaluation

To be considered, a Step 2 proposal must be received by the date specified in Section 9, RFP Schedule of Events. The University will not accept Step 2 proposals received after the deadline. Step 2 proposals should be submitted to the RFP Coordinator at the address listed above. A Proposal Transmittal and Statement of Clarifications and Assurances (RFP Exhibit 1), which will be considered a mandatory part of the Step 1 proposal, must be signed by an individual who is authorized to bind the Developer contractually and must certify that all statements in the proposal are true and correct. The letter must indicate the title or position that the individual holds in the firm and also must include the Developer’s federal tax I.D. number.

Tab 7 Project Program

Proposers are required to provide a narrative that corresponds with the submitted pro formas and graphics. Please provide any supporting narrative that will be helpful for MTSU’s review. If there are assumptions provided by the University that do not align with the Developer’s approach, please notate these items in Tab 6 as necessary.

Tab 8 Graphic Documents and Renderings

Developers shall illustrate their preliminary design concepts for all aspects of the Project and the site in a graphic manner as part of the Step II RFP response. The drawings requested shall include:

• Site plan for the chosen Site including building footprints, vehicular and pedestrian circulation, and landscape features
• Required Renderings:
  o At least two (2) building elevations that communicate scale and materiality;
  o One (1) to two (2) exterior perspective or axonometric drawings that communicate building massing, scale, and materiality;
  o First floor plan;
  o A typical upper floor plan; and,
  o Hotel room plans.
Flythroughs and physical models are not required.

Developers shall clarify their preliminary design concepts with narratives as part of the RFP response. Narratives may also identify specifications offered by the Developers that are beyond the design guidelines described herein. The minimum narratives required by the RFP shall be:

- A narrative describing the broad architectural concepts that will govern the Project. The narrative should also describe details of the design that may not be readily apparent from drawings and may include comments on material and finish quality.
- A narrative describing the structural methodology that the Developer would employ for the Project.
- A narrative describing the mechanical, electrical systems (“MEP”) that the Developer would employ for the Project.
- A narrative describing the proposed parking solution(s) associated with the Project.
- A narrative describing the approach to campus connectivity in alignment with campus plans.
- If Site 1 is included in the submission, proposers must demonstrate a clearly developed concept and thoughtful solutions that mitigate stormwater concerns.

Please note the following for your design preparation:

- Drawings shall be 11” x 17”

**Tab 9 Project Budget**

In addition to Appendix A, Developers are required to provide a brief narrative, which shall not exceed three (3) pages, with details regarding the development budget for all scope elements of the Project. Please provide any supporting information that will be helpful for the purposes of MTSU’s review. To the extent that revisions to Appendix A would enhance clarity during the University’s review, please feel free to provide a narrative supporting why additional line items or re-organization would be helpful.

Project Budget must also include the following information:

- Demolition costs for the single-family residence (including the outbuildings and other structures) on Site 2 (if utilized)
- Unit furniture cost estimates delineated by total estimated costs and costs per room type
- If Site 1 is included in the submission, proposers must outline how the proposed stormwater solution impacts the total project cost.

**Tab 10 Implementation Schedule**

Developers should discuss how their team will advance the Project’s requirements and add distinctive value to the University. Specifically, please address the following:
• Steps the Developer would take to ensure timely completion of the Project. Within the description, please provide an explanation for how the Developer would keep the Project on schedule.
• Include a schedule for the design and construction of the Project
• Identify any anticipated risks in meeting the targeted schedule and address how the Developer will accommodate site constraints in its construction logistics strategy. In the event of a force majeure event or another delay affecting completion of the Project, please describe how the Developer would mitigate impacts to the University.

Tab 11 Proposed Financing Structures

The University is interested in receiving proposals with structures that Developers believe best respond to the University’s request and objectives. The Developer shall submit a detailed description of the deal structure(s) proposed for the Project.

The University will rigorously evaluate and compare the full range of options proposed by Developers. When evaluating and comparing all proposed options, the University will focus on the customized financial structure that best benefits users, the University, and Developers.

Developers must clearly identify the source of funding for all deal structures proposed in response to this RFP. Specifically, address funding sources for the following:

• Senior debt (if applicable)
• Equity (if applicable)
• Other (if applicable)

In the description of the funding sources, Developers should clearly and explicitly confirm that it has the authority to negotiate on behalf of their funding sources.

Tab 12 Operations and Maintenance

The Proposer shall submit a detailed description of its approach to the Project’s maintenance, operations, and asset management procedures, recognizing that MTSU wants to provide high-quality hotel and dining experiences for its hospitality programs and athletics patrons. Proposers shall provide estimates of all up-front and annual costs associated with the expected required operations and maintenance in their pro formas.

The detailed description must also include the following information:

• If Site 1 is included in the submission, proposers must outline how the proposed stormwater solution would be maintained.

Tab 13 Project Proforma

Proposers must provide detailed pro formas for each of the proposed financing structures. Developers must submit Microsoft® Excel pro formas as attachments for each financial structure presented.

Pro formas must include the following information:
- All revenue and expenses, including a detailed breakdown of operating and maintenance expenses and net operating income
  - If Site 1 is included in the submission, proposers must include stormwater maintenance estimates in any maintenance expenses.
- Management fees and identification of how they are calculated
- Annual cash flow after debt and/or equity obligations and distribution of cash flow between the Ground Lessee and MTSU
- Disclosure of growth/inflation assumptions
- Ground Lease and Debt terms (where applicable)
- Design and construction costs, financing and scheduling assumptions and all other identifiable Project costs
- Estimated property taxes (where applicable)
- Proposed capital stack
- Replacement and/or improvements reserves on a per room basis
- Proposed room-type mix and anticipated RevPARs
- Additional revenue beyond room rental revenue
  - Estimated parking fees (itemize event parking separately)
  - Operational revenues and expenses from any retail components
- If equity is being utilized, the targeted Internal Rate of Return ("IRR") – The Developer can provide a narrative explaining the cash flow split
- Cost of capital assumption for Project funding – a full term of ground lease
- Project Compensation to the Developer
  - Percentage of excess cash flow
  - Cumulative cash flow through the life of the Ground Lease
- Project’s Sources and Uses of Funds
- Project Compensation to University
  - Ground Lease base rent (if any)
  - Percentage of excess cash flow shared with the University (if any)
  - Cumulative cash flow (by source) through the life of the Ground Lease (if any)
  - Present value of cash flows (if any) at 10 years and in ten-year increments until the end of the ground lease term (use a 5% discount rate). In the event the ground lease term does not end on a ten-year increment, the corresponding present value term must be used.

**Tab 14 Current / Future Project Disclosure**

If applicable, Proposers must disclose any information regarding potential conflicting developmental opportunities/properties in the Murfreesboro area. Beyond the Proposers, MTSU is interested in understanding if any Proposers’ partners (i.e., equity source, operator, etc.) would have a potential conflict of interest due to their participation in other nearby commercial properties.

If any current or future conflict is identified, the Developer must describe the nature of it and how it may be mitigated if selected.

**Tab 15 Signed Addenda**

If addendum/addenda are issued as part of this RFP, Proposers must sign the document(s) where requested and include these signature pages in Tab 15. Addenda will
11.4.2 Evaluation

All Step 2 proposals will be evaluated by the University evaluation team for both compliance and value. The total points awarded for Step 2 proposals will be 115 points as follows:

- Tab 7-Project Program – 10 points
- Tab 8-Graphic Documents and Renderings – 20 points
- Tab 9-Project Budget – 10 points
- Tab 10-Implementation Schedule – 10 points
- Tab 11-Proposed Financing Structures – 15 points
- Tab 12-Operations and Maintenance – 15 points
- Tab 13-Project Proforma – 20 points
- Tab 14-Current/Future Project Disclosure – Pass / Fail
- Tab 15-Signed Addenda – Pass / Fail
- Oral Step 2 Presentation – 15 Points

Upon completion of the Step 2 Evaluation, all Proposers scoring 70 and above on this step will have their scores from Step 1 added to the Step 2 scores for a combined Proposer Score. The two highest scoring (including ties) responsive Proposers will be selected to submit a Step 3 BAFO Proposal.

11.5. Step 3 Best and Final Offer Requirements & Evaluation

Following evaluation of the responsive proposals, the Proposal Evaluation Team will identify two (or more) of the best evaluated proposals for down-selection to participate in the BAFO stage. This stage will involve more engagement with the Proposal Evaluation Team and other MTSU representatives to refine and optimize the Developer’s proposal. This will occur through structured communications and one or more BAFO workshops.

In this stage, Developers will enhance, provide more detail, or otherwise make adjustments based on feedback from the University to the Projects’:

- Team Composition
- Functional and Space Program
- Design and Budget
- Schedule
- Financing Plan / Deal Structure
- Operations and Maintenance Plan
- Proformas

11.5.1. Lease Mark-Up. In the BAFO stage, Proposers shall submit a marked-up version of the Form of Ground Lease Agreement, an example of which will be provided to Developers who advance to RFP Step 2, for review by the Proposal Evaluation Team. The markup will serve as the basis for negotiations of the Ground Lease if the Developer is selected by the University.

During the BAFO phase, the University reserves the right to request additional information from Proposers.
The Developers’ BAFO must be received by the date specified in Section 9 (RFP Schedule of Events). BAFO submittals should be submitted to the RFP Coordinator at the address listed on page 17. BAFOs will be evaluated based on holistic value to MTSU, taking into account the following criteria, among others: (1) a high-quality use of the Leased Premises; (2) design, development, construction management, and operations capability and experience; (3) a functional and conceptual program and design; (4) proposed business terms; (5) ability to finance the project; and (6) quality of the anticipated relationship between the Successful Proposer and the University over the term of the ground lease.

The Proposal Evaluation Team will then meet to discuss the results of their independent evaluations of each BAFO. The Proposal Evaluation Team will discuss their evaluations of the merits of each proposal based on the criteria listed above, comparing the advantages and disadvantages of each BAFO, and will determine collectively the BAFO deemed to be in the best interest of the University. Upon determination of the best overall submission, the University will issue an Evaluation Notice to the remaining Proposers that will identify the Successful Proposer that will advance to the negotiations phase.

The University reserves the right to accept or reject any and all BAFO proposals, to waive any informalities in any BAFO proposal, and, unless otherwise specified in writing by a Developer, to accept any items in a BAFO as written. **NOTICE:** The Evaluation Notice shall not create rights, interests, or claims of entitlement in either the Developer with apparent best-evaluated proposal or any other Developer.

### 11.5.2 Evaluation

All Step 3 BAFO Proposals will be evaluated by a University evaluation team for both compliance and value. The total points awarded for Step 3 proposals will be 75 points as follows:

- Project Adjustments – 25 points
- Lease Mark-up – 25 points
- Overall Project Value and Approach – 25 points

Upon completion of the Step 3 Evaluation, all Proposers will have their Combined Proposer Score from Steps 1 and 2 added to the Step 3 scores for a Total Proposer Score. The highest Proposer will be selected as the Successful Proposer.

### 11.6. Negotiations

In this final phase of the RFP, the Selected Proposer shall enter into negotiations with the University regarding the terms of the ground lease between the parties. The University may request that the Developer make modifications to its proposal and the parties will act in good faith to reach a mutually acceptable agreement. If the University and the Successful Proposer cannot agree to terms, then the University may negotiate with the Developer having the second-best evaluated proposal and so on.

### 11.7. Lease Award Process
11.7.1. After completion of the evaluation process, the RFP Coordinator may issue a Notice of Intent to Award to all Developers naming the Successful Proposer with which the University has successfully negotiated the Ground Lease. The Ground Lease will then be forwarded to the proper officials of the University and / or State who will determine whether an agreement between the parties should be forwarded to the Executive Sub-Committee of the State Building Commission (the “ESC”) for approval. The Notice of Intent to Award shall not create rights, interests, or claims of entitlement for the Successful Proposer any other Proposer.

11.8. RFP Files Open

The University will make the RFP files available for public inspection on the date specified in Section 9 (Schedule of Events). The information provided shall be a public record under T.C.A. § 10-7-501 et seq..

11.9. Protest Process

Any protests or appeals of protests pursuant to this RFP or the Notice of Intent to Award shall be handled in accordance with State Building Commission By-laws, Policy and Procedure Item 18.

11.10. Lease Approval and Lease Payments

11.10.1. University obligations pursuant to a Ground Lease award commence only after it is approved by University and State officials, as required by applicable laws and regulations and is signed by the authorized representative of both parties.

11.10.2. No payments or transfers by the University will be obligated or made until the Ground Lease is approved as required by applicable statutes and rules of the State of Tennessee and Middle Tennessee State University.

12. Additional Context

12.1. Student Athlete Performance Center and Tennis Survey

12.1.1. Student Athlete Performance Center Overall Site Plan
12.1.2. Tennis Facility Improvements – Grading & Drainage Plan
12.1.3. Tennis Facility Rendering 1
12.1.4. Tennis Facility Rendering 2
12.1.5 Student Athlete Performance Center Rendering 1
12.1.6 Student Athlete Performance Center Rendering 2

12.2. Athletic Masterplan

12.3. Timeline for Athletics Projects

12.3.1. Tennis Complex: Estimated Completion December 2023
12.3.2. Student Athlete Performance Center: Estimated Completion September 2025

12.3.3. Addition and Renovation to the Murphy Center: Contingent on availability of funds with the expectations of project start within the next two years.

12.3.4. Indoor Practice Facility: Last phase of the athletic master plan after the Addition and Renovation to the Murphy Center. Timeline for project commencement unknown at this time.

12.4. Expectations of the Hotel Ground Lease

12.4.1. The University will provide a proposed standard form of the ground lease to down selected teams. The ground lease will be required to (i) comply with all State of Tennessee guidelines, (ii) include standard industry provisions (i.e., termination, buyback clauses, financial covenants, etc.), and (iii) state that the Hotel and all improvements will revert to the University at the conclusion of the ground lease for a de minimis amount.

12.4.2. There is no price for the lease prior to issuance of Step 2. During Step 2, Developers are asked to present potential partnership structures that balance the University’s success criteria detailed in the RFP while maximizing the value of the lease to MTSU’s as a part of the partnership.

12.4.3. As a part of Step 2, the University requests Developers to define lease duration associated with their proposed partnership and financial structures that achieve MTSU’s strategic objectives and success criteria. The University has no requirement regarding ground lease term.

12.5. Additional Market Context

12.5.1. The University estimates its demand for hotel night stays from its current utilization and projected demand for MTSU-induced and affiliated demand. The projections include night stays associated with athletics (including visitor teams and potential season ticketholders), academics (including faculty stays), and conferences. MTSU will support the hotel as it is a strategic asset for the University; however, the University does not intend to master lease or guarantee occupancy.

12.5.2. MTSU recommends in preparing responses that Developers access industry data sources regarding the current greater Murfreesboro hospitality market to understand how to optimally position the MTSU Hotel to achieve the University’s stated objectives.

13. Optional Proposer Checklist
This checklist serves as a support tool to help ensure a complete and detailed submission from Proposers. In addition to using this document, Proposers **must** ensure alignment to the RFP and comprehensive fulfillment of the requirements further outlined in it.

### RFP STEP 1 Submission Checklist

*Please refer to RFP pages 25-29 for further detail.*


2. Provide completed Exhibit 2 ([Mandatory Requirements](#))

3. **Tab 1 Acknowledgements**
   - Complete all requirements outlined on page 26 of the RFP.

4. **Tab 2 Project Team Background and Information (Additional Team Members)**
   - Complete all requirements outlined on page 26 of the RFP.

5. **Tab 3 Relevant Experience & References**
   - Complete all requirements outlined on page 27 of the RFP.

6. **Tab 4 Technical Capabilities**
   - Complete all requirements outlined on page 28 of the RFP.

7. **Tab 5 Financial Capabilities**
   - Complete all requirements outlined on page 29 of the RFP.

8. **Tab 6 Project Approach Narrative**
   - Complete all requirements outlined on page 29 of the RFP.

### RFP STEP 2 Submission Checklist

*Please refer to RFP pages 29-33 for further detail.*


2. **Tab 7 Project Program**
   - Complete all requirements outlined on page 30 of the RFP.

3. **Tab 8 Graphic Documents and Renderings**
   - Complete all requirements outlined on page 30 of the RFP.

4. **Tab 9 Project Budget**
   - Complete all requirements outlined on page 31 of the RFP.
<table>
<thead>
<tr>
<th>Tab 10 Implementation Schedule</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Complete all requirements outlined on page 31 of the RFP.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Tab 11 Proposed Financing Structures</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Complete all requirements outlined on page 31 of the RFP.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Tab 12 Operations and Maintenance</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Complete all requirements outlined on page 32 of the RFP.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Tab 13 Project Proforma</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Complete all requirements outlined on page 33 of the RFP.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Tab 14 Current / Future Project Disclosure</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Complete all requirements outlined on page 33 of the RFP, if applicable.</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Tab 15 Signed Addenda</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Complete all requirements outlined on page 34 of the RFP.</td>
<td></td>
</tr>
</tbody>
</table>

The remainder of this page is intentionally blank.