

1. Is there a way to access the firms who may go after this RFP? Can your office create a registration deadline whereby a potential proposer would have to let your office know of their intent to submit, thereby allowing potential subcontractors or developers to get on a team? Please consider this or make a mandatory pre-proposal meeting possible.

The list of qualified bidders will be made available to the public after Phase 1 of this RFQ process.

2. Would the City entertain alternate transaction structures that would preserve the economic benefits of the transaction to the City while contributing to the overall success of the project?

While the City believes the structure described in the RFQ and corresponding attachments is the most beneficial, the City is always open to alternate options.

3. Which is more important to the City, maximization of sale price, the improvement of Love Park or enhancement to the garage beyond what is recommended in the RFQ?

The City intends to maximize the sale price, while the buyer makes the required garage improvements that are described in the RFQ. The improvements to Love Park are City funded.

4. Will an updated Engineering Survey be provided?

Yes, currently an Engineer's survey is being worked on and will be available in conjunction with the 2<sup>nd</sup> Phase (RFP).

5. Will the City commit not to construct a competing parking facility within three blocks of the Love Park Garage?

Without giving any assurances, the City does not currently intend to construct a parking facility in or around the Love Park Garage area.

6. Can the City provide six years of detailed profit and loss statements, inclusive of a breakdown of quantity of monthly parkers per rate category?

We have provided four years of financial statements (2010,2011,2012 and 2013) as an appendix in Exhibit F. We will provide breakdowns of monthly, transient and other revenue in conjunction with the 2<sup>nd</sup> Phase (RFP).

7. On page 3 of the RFQ, the second last paragraph indicates that the \$2.65 million not granted over will be for the construction of the Visitor Center improvements and construction of the life safety and utility systems for the MSB. On page 4, in the third paragraph under C. it indicates that the MSB work is included in the \$13.85 million. Which is correct?

The RFQ is correct as there is a distinction between the funding related to the design and construction work. The \$2.65 million not granted over is for the actual construction of the Visitor's Center and the life safety and utility system for the MSB. Included in the \$13.85 million is the design money of these components (Visitor's Center and the life safety and utility system for the MSB).

8. The design of some of the improvements to the garage are not independent of the design of certain elements of the plaza (ie. elevators, stairs relocations, vent shaft changes, live load and superimposed dead load changes). Rather than issuing a separate proposal to engage a designer for the plaza, would the City consider offers that include a integrated design approach, assuming that the City retains its interest in collaborating on managing the design of the plaza?

This is the City's intent. The design firm selected will be for all design work including the garage, plaza, Visitor's Center and the life safety and utility system for the MSB.

9. Since its is nearly seven years since the 2006 Facility Assessment was conducted, additional issues may have arisen due to changes in code. Is it the City's position that all code issues be corrected, or is to be left to the Purchaser to determine an appropriate course of action and seek approval of L&I for any variances.

Yes, it's the City's position that all code issues be corrected. It is the responsibility of the purchaser to comply with codes and work with the Department of License and Inspections.

10. The garage extends beneath the cartway of the surrounding streets. The City should provide indemnification to the Purchaser for any damage caused to the garage based on street repair activities, utility construction, etc.

The City will not indemnify but if damage is caused to the Garage caused by the City's activities in the street, the Garage owner will have a claim against the responsible party.

11. Has the City participated in discussions with PennDOT regarding a potential 15th Street ramp and if so, what is PennDOT's current stance?

A traffic study has not been completed. The question in the RFQ regarding the 15<sup>th</sup> Street ramp access was to gauge the interest in this from potential buyers and determine if there was a significant pricing difference with having this ramp.

12. Does the City intend that the architectural design concept and details taken for the changes to Dilworth Plaza that are under construction be extended to Love Park?

This type of question will be addressed during the design phase.

13. The City is requiring that the Purchaser assume all liabilities for areas that are not readily available for investigation (ie. contaminated soils, hazardous materials in building products). May the Purchaser propose alternative means of limiting the City's liability for such unforeseen conditions?

The City will consider alternative proposals suggested in a Bidder's Proposal.

14. The Welcome Center contains third-party infrastructure. What limitations are there on making necessary changes that may affect those parties?

This question will be discussed later in the due diligence process.

15. What limitations are there on short-listed proposers conducting non-destructive or destructive testing during the Due Diligence Period and how will that work be coordinated with other Proposers conducting similar investigations?

Please see Sections 4 and 15 of the Agreement of Sale. The "Purchaser" under the Agreement of Sale will be permitted access to the Garage and the Park during the Due Diligence Period to perform non-invasive and, with the consent of the City, invasive testing pursuant to an Access Agreement providing standard insurance requirements and indemnities. Access will need to be coordinated with the City and, in the case of the Garage, with the Philadelphia Parking Authority. By the time the Agreement of Sale is signed, no parties other than the "Purchaser" will have access to the property, but if Bidders wish to perform any due diligence prior to entering into an Agreement of Sale, please include that request in your Proposal and the City will consider it.

16. What scope will be provided and approvals needed for the separation of utilities/services from the Municipal Services Building?

The City has the scope and it will be provided in the second phase of this process, in the RFP. Any City approvals needed, the City will facilitate.

17. Will the City provide additional revenue detail such as units per day per month and in each daily rate category (same for monthly) for the last two years?

We will provide information on additional revenue detail in conjunction with the 2<sup>nd</sup> Phase (RFP).

18. In conjunction with the Love Park plaza improvements, will the City allow an elevator cab system on top of the plaza?

The City will consider this as part of the design.

19. Considering the operating income before property taxes is \$2,000,000 and the cost to restore and modernize the garage could be \$8,000,000 or more, can the City disclose financial incentives it will consider for the winning bidder?

The City does not intend any tax incentives. The City assumes the costs needed for the improvements to the garage will be taken into consideration when qualified bidders submit bids.

20. Just to be clear, the cost of the renovation of the plaza (including waterproofing membrane) shall be paid for by the City and shall be managed and installed by the bidder? The design elements for the plaza shall be approved by the City and the City shall engage (at their cost) an architectural design consultant to provide design services?

The cost of the renovation of the plaza shall be paid by the City. The waterproofing of the membrane will not be paid by the City and will be paid by the buyer. However, both will be managed and installed by the buyer. Yes, the design elements, at the City's cost, for the plaza

shall be approved by the City and the bidder (with consent of the City) shall engage an architectural design consultant to provide design services in partnership with the buyer.

21. Where are the vehicular entrances for the 285-space garage planned for the Family Court Center building?

The vehicular entrances for the 285-space garage planned for the Family Court Center building is located on the east side of 15<sup>th</sup> Street between Cherry and Arch Street

22. Will the Parking Authority garage under Family Court be open to the public?

Approximately 60 spaces will be for the courts at the average monthly rate, the rest of the spaces are open to the public.

23. What financial assistance can the bidder expect from the City with regard to mechanical improvements that may be required for the fountain?

The City included \$13.85 million for renovations to the plaza which includes the fountain.

24. As part of the plaza improvements and modernization project, will the City allow the bidder to install new garage graphics on the plaza?

The City is open to discussing this during the design phase.

25. Will the City impose any pricing restrictions on the garage?

No, the City will not impose any pricing restriction on the garage.

26. Will the City require the garage owner to provide parking spaces to various City departments and if so, will the pricing of the spaces be at market?

No.

27. Is the list of Qualified Bidders available to the public or will the bidders who submitted bids for the RFQ be available to the public?

Yes, the list of qualified bidders will be made available to the public after Phase 1 of this RFQ process.

28. Scalable as-built and site plans. Any existing structural, environmental, traffic, etc... studies and surveys either for this site specifically or submitted to the city under nearby building permits or zoning applications. To what loads is the current structure designed, etc...? Are there issues with the "roof" and was it designed to hold 4' of soil and a park above?

The City has the scope and it will be provided in the second phase of this process, in the RFP. Currently an Engineer's survey is being worked on and will be available in conjunction with the 2<sup>nd</sup> Phase (RFP).

A traffic study has not been completed. A structural study was included as an Appendix in the RFQ. Regarding issues with the roof and its design, the buyer is expected to review this during the design phase.

29. What technologies are currently in-place for revenue collection?

This question will be discussed later in the due diligence process.

30. Proposed structure of the park renovation:

a) How does the city intend to reimburse the new owner the ±13MM subsidy?

The structure is detailed in the documents (appendices) in the RFQ.

b) What is the basis upon which the ±\$16MM estimate is derived?

This is the amount that is budgeted in the City's Capital Program.

c) Are the plans (if any) upon which the ±\$16MM estimate based final and approved or is there still a regulatory/community approval process needed to start any works?

This is the amount that is budgeted in the City's Capital Program. The design eventually prepared by the consultant team to be selected by the City and the successful bidder will be subject to community input and regulatory approvals. None of that work has been done to date as there is not yet a new design for the park.

d) Is the new owner allowed to use their own labor, contracting relationships or is there a restriction to city approved union labor/contractors? Is paying prevailing wage sufficient? If the new owner can buy the job for less?

In awarding contracts for the "Park Project," defined in the Construction License Agreement, the Garage Owner will need to comply with competitive bidding requirements set forth in Section 382 of PAID's authorizing statute, 73 P.S. § 371 et seq. and any other laws of general applicability (including those set forth in the Philadelphia Code). PAID's competitive bidding requirements will not apply to the "Garage Project," as defined in the Construction License Agreement.

e) Would/could there be commercial concessions to the new owner to earn rents from activities in the new park - for example, uses such as an outdoor café?

Since the City owns the park/plaza, the City would get the concessions.

f) Who is responsible for the long-term maintenance and repairs to the park?

The City is responsible for the long-term maintenance and repairs to the park.

31. Does the existing garage operate 24/7? Would there be any restrictions imposed on the operating hours? Would there be any restrictions about or minimum staffing requirements?

There would be no restrictions imposed on the operating hours or minimum staffing requirements.

32. Copies of the studies upon which the deferred maintenance/upgrade estimates were based - why the large discrepancy?

The \$13.85 million is for the renovations to the Park. The \$8.75 listed in the appendix in the RFQ is for garage improvements. These are different items.

33. Has the garage been quietly marketed to local investors first?

No. The RFQ for the sale of the Love Park Garage was posted to the public on July 10, 2013.

34. Would the garage be subject to property tax?

Yes.

35. Upon what study, and can we get a copy, was the \$11MM value determined for the transfer from the city to the parking authority in 2011?

The \$11 million was City funds that were held in escrow and transferred from the PPA to the City. They do not relate to this transaction.