

City of Covington Virginia Request for Qualifications

Purchase/Lease of Property for Development

Former Nettleton Property located at
605 S. Lexington Avenue, Covington, Virginia 24426

Date of Publication: August 29, 2023

Request for Qualifications Due: September 18, 2023 at 2:00 PM



Section 1: Project Summary Opportunity

The City of Covington, Virginia is requesting proposals from interested parties or developers for the opportunity to purchase or lease (proposal/qualification based) to develop a City owned property that is located at 605 S. Lexington Avenue across from Covington Middle School.

Based on the site location, the City views this 3.04-acre site (approximate) as an opportunity for community development to include student and workforce development/training as well as associated complementary opportunities in specialized retail or technology. This property is located in-close proximity to Interstate 64, and has utilities on or adjacent to the project site.

Development Vision:

The City's vision is for the property to become a community asset as well as create an awareness of career opportunities to include training and the development of knowledge and skills to serve those who may participate in a selected program or development.

The proposal should include:

- **Executive Summary**

Tells us what the project or company is and why it will be successful. Includes mission statement, project/product or service, and basic information about the company's leadership team, employees, and location. This should also include financial information and high-level growth plans if developer/entrepreneur plans to ask for financing. Please indicate interest in both a lease and purchase option on the property.

- **Project or Company Description**

Includes a project or company description to provide detailed information. Can detail about the problems the proposal solves as well as lists out the consumers, organizations, and or businesses the plans serve.

Explains the competitive advantages that will make the business or project a success.

- **Market Analysis**

Provides a good understanding of the project/business/service outlook and market trying to reach. Provides competitive research which shows us what other related ventures are doing and what their strengths/weaknesses are. Market research should show trends and themes. What do successful projects/competitors do? Why will it work? How can they do it better?

- **Organization and Management**

Tell us how your project/company will be structured and who will run it.

Is the project/development/business for-profit or non-profit?

Describes the legal structure of the project/ business. State whether you have or intend to incorporate your project/business, form a general or limited partnership, or if you are a sole proprietor or limited liability company (LLC).

Uses an organizational chart to lay out who is in-charge of what in the project/proposal. Shows how each person's unique experience will contribute to the success of the project. May include resumes of key project members.

- **Services or Product Line(s)**

Describes what services or products will be offered. Explains how it benefits the City and its constituents. If research/development, training programs, or educational, should explain in detail what is needed, utilized, value of programs to include training and whom available to and at what costs.

- **Marketing and Sales**

What is the project approach to a marketing or public information/education strategy. Will the strategy evolve and change to fit unique needs?

How will the project leader find participants/customers/clients/service recipients from the proposed project?

- **Funding Request**

If the proposer is asking for funding, their funding requirements should be identified here. Additionally, how much money will be provided by the proposer/developer and their investors, grants (who is going to apply and administer the grant), loans, bonds, and expectation of the City and those terms? The goal is to clearly explain to us how much funding will be needed if at all, over the next five years and what it will be used for.

Provides a detailed description of how all funds will be used as well as specify the need of funds to buy equipment or materials, pay salaries, or cover expenses in project development, construction if needed, and through project completion. Should also include a description of future strategic financial plans, debt retirement, or selling the property/business in the future.

- **Financial Projections**

Supplements the funding request with financial projections. Goal will be to convince City that the project/business is sustainable and will be a financial success as well as educational or community improvement success.

If a business is already established, include income statements, balance sheets, and cash flow statements for the last three to five years. If the developer has other capital/collateral, will it be used for loan support if necessary?

Provides a prospective financial outlook for the upcoming five years. Includes forecasted income statements, balance sheets, cash flow statements, capital expenditure budgets, or even specific not immediately measurable results. For the first year, projections should be even more specific and use quarterly — or even monthly — projections that match funding values and requests.

- **Specialized Educational/Training Opportunities (Preferred)**

Incorporation of STEM (Science, Technology, Engineering, Mathematics) or similar program into the project proposal scope which would enhance student and workforce development.

- **Qualifications including Similar Endeavors:**

Please include previous project or development experience as well as three (3) references with awareness of projects and qualifications

Conditions for Approval:

This request for qualifications (RFQ) process is to identify a qualified proposer/developer to best satisfy the development vision. Selected proposal(s)/qualifications will be presented to the City Council for approval to enter in to a contract.

The City expects the Proposer/Developer to submit complete site and building plans for permitting of the development of the property within six (6) months of the date of the signed contract.

Development of the property shall be completed as negotiated based on proposed project. Completed is defined as development and buildings approved and accepted by all regulatory authorities and compliance with contractual obligations. For example, but not limited to, all utility services provided and Certificate of Occupancy obtained.

RFQ Period:

During the RFQ period, proposers/developers and their employees, representatives or agents shall have the right of reasonable access to the site for the purpose of inspecting the site, undertaking any necessary soil tests, and otherwise conducting due diligence to ensure that the site is suitable for its intended use. Notwithstanding anything else in this RFQ, the developer shall defend, indemnify, and hold the City, its employees, officers, and agents harmless from any injury, property damage or liability arising out of the exercise by the developer of the right of access, other than injury, property damage or liability relating to gross negligence or willful misconduct of the City, or its officers' agents or employees.

Evaluation:

Proposals will be evaluated and prioritized by an Evaluation Panel. Factors included, but not limited to, in the evaluation criteria are response to requested components (20%), student benefit (20%), workforce development potential (20%), fiscal sustainability (15%), growth opportunity (10%), and overall community improvement from enhanced learning or quality of life improvements which provide opportunities for better jobs and personal improvement (healthy lifestyles, job skills, and awareness) (15%).

Selection shall be made from all proposals deemed to be fully qualified and best suited among those submitting proposals based on the evaluation of criteria noted in the previous paragraph and scoring.

The proposed lease or purchase price shall be considered, but need not be the sole determining factor. The Evaluation Panel reserves the right to withdraw the RFQ or reject any-and-all proposals at any time prior to an award and is not required to furnish a statement of the reason the proposal was eliminated from consideration.

The Evaluation Panel plans to request an in-person presentation from some or all applicants. Proposers will be selected based on the scores derived from the most qualified proposals.

Additional information may be requested by the City prior to or after the in-person presentations.

The City will consider any necessary rezoning to maximize the economic and financial benefits. All land use changes will require review and recommendation by the City Planning Commission and the approval of the City Council. Please be mindful of location as consideration of fitting within the Covington Middle School area is a major component.

Inquiries and Responses:

RFQ responses will be received in writing only and three (3) copies are to be submitted before 2:00 PM, Monday, September 18, 2023, via hand or delivery service only to:

Allen Dressler
City Manager-City of Covington
333 W. Locust Street
Covington, Virginia 24426
540-965-6300 (Extension #7)
adressler@covington.va.us and rnuckols@covington.va.us

It is the submitters responsibility to ensure timely delivery and any submission received after 2:00 PM on the 18th will not be considered.

The City will receive written via email questions until Wednesday, September 13, 2023 and respond no later than Thursday, September 14, 2023. Any oral responses made by any representative of the City are not considered binding. If you would like to schedule to tour the location, please contact the City Manager's office via email or by phone.