

December 10, 2021

Rhode Island Commerce Corporation

Project Name: New Facility for the Rhode Island Department of Health State Health

Laboratories and Additional Private Laboratory Space

Solicitation Number 2276

Addendum 3

REQUEST FOR PROPOSALS (RFP)

(Two Phase Selection Process)

FOR: A NEW FACILITY FOR THE RHODE ISLAND DEPARTMENT OF HEALTH STATE HEALTH LABORATORIES AND ADDITIONAL PRIVATE LABORATORY SPACE

The Rhode Island Commerce Corporation (“Corporation”) seeks proposals from qualified organizations, individuals, or teams of individuals or organizations for the first phase of an RFP to provide a site and develop, design, and construct a facility (the “Project”), which includes the RIDOH State Health Laboratories (“RISHL”)and new private laboratory space.

Prospective Proposers and all concerned are hereby notified of the following questions and answers regarding the Request for Proposals document for the above-listed RFP. These questions and answers shall be incorporated in and shall become an integral part of the RFP documents.

Questions asked during November 15, 2021 Information Session

1. Will you include the list of attendees who participated in the webinar afterwards?

Yes. A list of attendees was included in addendum 1.

2. Is the expectation that the state-owned land would be contributed? If a developer is proposing on that parcel, should they be valuing that as part of the Phase I submission?

Yes, the 195 Commission approved a term sheet, which included providing Lot 402 for just \$1. This price should be factored into the Phase 1 submission materials for developers who are proposing for I-195 Redevelopment District Lot 402. If a developer is proposing for publicly owned land other than the 195 District land, the agency of jurisdiction would be the counterparty whose protocols would be followed, and the process of disposition of that land would need to be followed in accordance with that particular agency.

3. Is there a map of the Lot 402 parcel available?

This information was included in Addendum 1.

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- 4. Is the intent to have the developer lead of the project and then the architectural and engineering team would support them? Is the intent that the developer would lead design and construction and hold sub-contracts, or would those tasks go out separately to competitive bid?**

It's intended for the developer to be the prime contractor responsible for delivering architecture, engineering, construction, etc., all of which would be sub-contractors/consultants to the developer.

- 5. Preferred ownership structure- sounds like folks are open to potential alternatives but in any scenario does DOH need to own or control from day one (i.e., building delivery)?**

As stated in the RFP, the State anticipates it will own the portion of the facility that is dedicated to the RISHL Laboratories (e.g. through a condominium structure) within project requirements which may include Federal funding requirements. Within those constraints, the State is open to alternate approaches. We anticipate providing more clarity in Phase 2.

- 6. One question as it relates to building infrastructure. So mechanical equipment- I saw the ground floorplan with the loading dock requirements and chemical storage and all of those things. Can that infrastructure be shared between DOH and the other tenants, or does DOH need to own the mechanical equipment (all of the redundancy that goes along with that mechanical equipment) or can that be shared by the building? In essence, could you upsize the mechanical equipment or requirements that are specified in this document to account for the additional 25,000 or 50,000 or 100,000 SF and utilize the same loading docks, or does it need to be distinctly separate?**

So long as RIDOH's portion of the building is constructed per its specifications and requirements, and so long as sharing doesn't detract from the quality, durability, etc., of the systems and infrastructure serving RIDOH's facility, then the State is open to sharing infrastructure with the common areas and private portions of the building.

- 7. I was wondering if you had any additional information about 20 or so bioscience companies who are looking in Rhode Island. Any specific information on the types of lab space they were looking for or what their uses were?**

Not at this time. Please note: the demand mentioned were organizations that approached the state over a period of time, so some may no longer be searching for space.

Additional questions asked before Wednesday, November 17, 2021 at 10:00 AM

Operations

- 1. What role does RIDOH/State of RI envision in managing/maintaining the building and its equipment?**

We anticipate more information will be available in subsequent phases. Rhode Island Department of Health ("RIDOH") spaces and equipment will be managed and maintained by the

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Division of Capital Asset Management and Maintenance ("DCAMM") and the shared spaces and equipment will be managed and maintained by the Project Developer subject to a management agreement between the Project Developer and DCAMM.

2. What special security requirements does RIDOH have? Does RIDOH require to manage building security?

RIDOH has specific security requirements that include compliance with federal regulations for select agents eCFR :: 42 CFR Part 73 -- Select Agents and Toxins . The arrangement and details about final building security will be included in the management agreement.

Design/Construction

1. Can mechanical equipment or building elements be shared by tenants of building or does it need to be segregated?

As long as RIDOH's portion of the building is constructed according to its specifications and requirements, and as long as sharing doesn't detract from the quality, durability, etc., of systems and infrastructure serving the RIDOH portion of the facility, then the State is open to sharing infrastructure with the common areas and private parts of the building.

2. Is there flexibility around the need for two full tractor trailer loading bays?

RIDOH anticipates needing two tractor trailer loading bays. These could be shared with other users so long as it does not impact RIDOH's operational requirements. RIDOH is open to discussing.

3. Does the loading dock need to be secured?

Yes, access to the RIDOH laboratory receiving area needs to be controlled.

4. Do any building elements need to be "dedicated" to DOH?

ELECTRICAL: The emergency generator should be dedicated to the RIDOH Labs and should be independent of the private labs. Up-sizing and sharing the electrical systems for the building would be considered a good idea (with separate metering).

MEDICAL GAS AND AIR: Due to its potential modest size, it appears that these elements should be independent of the private labs.

IT: This element should be independent of the private labs.

5. Which state and/or federal agencies/organizations will have input and oversight as it relates to design decision making and approval of construction budget?

The primary state agencies anticipated to have input and oversight as it relates to design decision making and approval of the construction budget are Rhode Island Department of Health, Rhode Island Department of Administration, Rhode Island Commerce Corporation, Rhode Island Executive Office of Commerce, and I-195 Commission (if their parcel is utilized).

Additionally, the project will be required to follow federal funding guidelines, which is anticipated to include, but not be limited to, the federal Center for Disease Control (CDC).

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Financing

1. **Given the federal funding source, is there additional information that can be shared around specific requirements/compliance etc. that come along with it?**

The State team continues to evaluate these requirements and anticipates being able to provide more information during Phase 2 of the developer selection process.

2. **Does the project qualify for a 20 year I-195 TSA? Interested in making sure that any additional space that is constructed does not bear disproportionate share/above market burden of taxes.**

Developers should refer to the City's Tax Stabilization Ordinance governing the I-195 District, available here:

https://www.195district.com/_files/public/RFP_195_TSA%20app._with_ordinance.pdf. It is anticipated that only the private portion of the building would be subject to City real estate taxes (the State's portion of the property would be tax exempt). This response should not be considered as legal or tax advice. Bidders should rely on their own legal counsel for obtaining such advice and analysis.

Lease Structure

1. **Is the intent for DOH to own their condo on day 1? Or are they open to a lease with an outside purchase option(s) at some point(s) during the lease?**

Please see the response to question 5 from the information session, provided above.

2. **If RIDOH owns their condo, will RIDOH pay their proportionate share of the \$.44/SF I-195 park CAM fee?**

Whether RIDOH will pay I-195 park assessment has not yet been determined. The Project Developer would, however, only be responsible for the park assessment for the rentable square feet of private space in the building.

3. **Will parking spaces be available in the Garrahy Garage?**

Please refer to Addendum 1, item 1.

Attached is the presentation from the Non-Mandatory Informational Session held on Monday, November 15, 2021, at 12:00 PM.



RIDOH State Health Lab RFP Info Session

November 15, 2021

12:00pm

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Agenda

- Background on the project
- Bioscience in Rhode Island
- RFP Specifics:
 - Two-Phase Process
 - Parameters and Site Selection
 - Structuring
 - Threshold and evaluation criteria
- Questions

Background

Thank you for your interest in responding to the RIDOH State Health Lab RFP.

- The State needs a new laboratory building for the RISHL to continue rapid response to increasingly complex threats to public health, like the current COVID-19 pandemic, and to keep pace with health monitoring needs and emerging scientific technologies. Aging infrastructure, substandard life-safety systems, poor ventilation, and a building design unfit for a modern laboratory engaged in collaborative, competitive research are significant challenges within the current facility.
- Building a new laboratory supports resiliency and public preparedness. A new facility, Rhode Island's Center of Excellence for Laboratory Sciences, would allow Rhode Island to deliver state-of-the-art public health testing services. Such an investment will make the State better prepared for any future epidemic or pandemic with improved public health services, fiscal efficiency and economic impact, and a reduced liability. A new facility for the RISHL will also facilitate more collaboration with private industry and academic institutions with improved utilization of RISHL specialized capabilities and facilities, including its BSL-3 laboratory.
- There exists pent up demand for private lab space in Rhode Island.
- Propose developing a new state health lab and additional private laboratory space within a single building to provide building efficiencies, catalyze economic development, de-risk private investment, and deliver a cost-effective RISHL facility.

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LIFE SCIENCE OPPORTUNITIES

- Over the last 10 years, Rhode Island's research institutions and anchor bioscience companies have received over \$1.9 billion in National Institute of Health (NIH) awards and 118 Biotechnology patents - the sixth largest among all the states on a per capita basis.
- In 2020, Rhode Island jobs in the Biosciences sector grew by 6%, surpassing other leading bioscience clusters:
Other leading Bioscience clusters experienced less or negative sector job growth: Boston-Cambridge-Newton (4%), Durham-Chapel Hill (5.8%), Raleigh-Cary (5.2%), San Diego-Chula Vista-Carlsbad (0.9%), San Francisco-Oakland-Berkeley (4.8%), New York-Newark-Jersey City cluster (-2.9%)
- Providence, Rhode Island recognized as potential future cluster for life science
"The Providence Innovation & Design District (PIDD) is an ongoing life science development that represents a partnership between Wexford and various local universities, such as Brown and the University of Rhode Island"
- 2021 Mid-Year Life Science Overview & Market Clusters, Newmark

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EXTREMELY LOW VACANCY FOR LAB SPACE

- Rhode Island has been approached by over 20 bioscience companies searching for wet lab, clean room or manufacturing space, currently unavailable in RI with a vacancy rate below 1%

"In Boston, the supply of existing lab product cannot keep pace with the near six million square feet in lab requirements, particularly in submarkets such as Cambridge where the lab vacancy rate reached 1.4% in 2Q21."

- [2021 Mid-Year Life Science Overview & Market Clusters, Newmark](#)



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Two-Phase Process

The RFP Process will consist of two phases, allowing for additional development of proposals prior to final selection.

- Responses for first phase are due on December 10, 2021
- Responses in the first phase will be evaluated to determine which respondents best meet the requirements and evaluation criteria laid out in the RFP (see Sections E.1 and F).
- Finalists will be invited to participate in a second phase to further develop their proposals within competitive procedures that will lead to selection of the awarded developer. Following that competitive process, a contract would be negotiated with the Project Developer.

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Parameters and Site Selection

Project size and components

- The RISHL will require approximately, 80,000 SF of space.
- Response must include at least an additional 25,000 SF of laboratory space for private bioscience tenancies with a credible plan to secure private laboratory tenants sufficient to fill proposed private lab space. Projects proposing greater than the minimum required private laboratory space (50,000 square feet or even 100,000 SF) will be prioritized.

Respondents have options for proposing sites:

- In their proposals, respondents may propose the use a privately owned or a suitable publicly owned site. Respondents may also choose to propose using the specific parcel within the I-195 Innovation and Design District made available by the I-195 District Commission. See Appendix C of the RFP for the Commission's Resolution.

Structuring

- It is anticipated that the State will own the RISHL portion of the building (e.g., through a condominium structure).
- Anticipated that up to approximately \$80 million will be available for the purposes of funding the project.

Threshold Criteria

Applications must meet certain minimum qualifications or “Threshold Criteria” which include (see Section E.1 of the RFP for a full list):

- Acceptable proof of **site control** or is proposing to build on available and suitable public land.
- Proposed site is located in **proximity to medical and healthcare assets**.
- Respondent has sufficiently demonstrated that its team has **experience** successfully developing similar laboratory buildings.
- The preliminary pro forma demonstrates a **generally financeable** Project.
- Proposal indicates a **credible plan to secure private laboratory tenants** sufficient to fill proposed private lab space.
- The preliminary massing diagrams show the **proposed site accommodates layouts** consistent with RIDOH's requirements (see Exhibit A) and at least 25,000 SF of private lab space in excess of the RISHL space. The floorplate and massing must be consistent with laboratory design best practices.
- A proposed basic **work plan and time schedule** that achieves the Project objectives and demonstrates compliance with Project requirements.

Evaluation criteria

Proposals meeting the Threshold Criteria will be evaluated using Evaluation Criteria.

- Examples of Phase 1 Evaluation Criteria include (please see RFP Section F for full list):
 - **Financial Approach:** Includes extent the Project is cost effective for the State in the short- and long-term, has minimized the use of State investment, and maximizes the use of non-state sources.
 - **Economic Development Potential** including quality, credibility, and feasibility of the private laboratory development proposed.
 - **Experience and Demonstrated Results of Team.**
 - **Strategic Approach, Work Plan, and Schedule** including readiness to proceed
 - **Location:** Includes proximity to medical, healthcare, RIDOH assets, and other associated uses. Preference will be given to proposed sites in locations with characteristics consistent with those needed to attract private lab users, and serve the mission of RIDOH, including: a location walkable to research-oriented universities, healthcare institutions, peer companies and area amenities such as restaurants, retail, hotels, etc.; easy access to mass transit; and access to experienced workers.
 - **Private Development:** Includes extent of private development proposed.
 - **MWBE Participation in the Development Team.**
- The RFP provides information on the Phase 1 and Phase 2 evaluation criteria.

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Questions

- **Reminder of upcoming deadlines:**
 - For questions, interpretations, or clarifications, you may email RISHL@commerceri.com by **10:00 AM on Wednesday, November 17, 2021.**
 - RFP Responses due for first phase – **December 10, 2021, by 2:00pm.** Please review the RFP instructions carefully.
- **Attendees may include their name and contact information in the chat function for this meeting if they would like to share it with other attendees for networking purposes.**
- **A forthcoming Addendum to the solicitation will follow in order to convey key points from this meeting.**
- **We'll now take questions.** If you have a question you would like to ask, you may either raise your hand or enter the question in the chat.

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