REQUEST FOR PROPOSALS

FOR

OPERATOR OF TECHNOLOGY INNOVATION HUB

October 16, 2015

Proposals must be submitted by November 5, 2015 to:

Ms. Michelle Lockley
Howard University
Real Estate Development and Capital Asset Management
2244 10th Street, NW, Suite #402, Washington, DC 20059
mlockley@howard.edu
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K. By participating in this RFP process, each Respondent agrees to indemnify and hold harmless the University and its officers, employees, contractors and advisors from and against any and all real estate fees and other fees or commissions, finder’s fees, and any other forms of compensation related in any way to activities undertaken by any person as a result of such person’s efforts and participation in this RFP process or the submission by such person of a Proposal, and liabilities, losses, costs, and expenses (including reasonable attorney’s fees and expenses) incurred therefor. This includes, but is not limited to any and all activities related to the University’s exclusive negotiations with the proposed Operator.

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I. OPPORTUNITY

Howard University (“Howard” or “the University”) is issuing this Request for Proposals (“RFP”) for an operator and lessee (“Operator”) to plan, finance, and operate a technology innovation startup incubator focused on serving scalable companies founded by entrepreneurs typically underrepresented in the industry. By targeting scalable startups, Howard and the District intend to support companies that can grow to respond to increased demand and maintain profit margins when sales volume increases. At a predetermined location with high visibility at the center of Howard’s campus, the University intends to enter into a subsidized three (3) year lease at below-market rates (“Lease”), with options to extend at market rate. The use of teams that reflect diversity in their management and ownership structures, as well as services, are highly encouraged.

The University is requesting interested operating partners (“Respondents”) to submit a proposal (“Proposal”) in response to this RFP by November 5, 2015.

The University intends to identify an Operator who demonstrates the highest quality plan and past performance to finance, operate and manage a dynamic, diverse technology startup incubator. The University encourages innovation in co-working membership and pricing models; training and entrepreneur investment opportunities, branding, special events, and collaboration with Howard’s academic curriculum and student programming (“Program”).

II. BACKGROUND

A. HOWARD AND DISTRICT OF COLUMBIA COLLABORATION

In an effort to support DC’s growing technology and innovation startup ecosystem, the District of Columbia Mayor’s Office (“DC” or “the District”) and Howard are forging a partnership to offer work space to venture capital firms, incubators, and coding programs. This will bolster DC’s successful efforts to support the technology and innovation sectors by addressing the need for vital capital and assistance for startups within the District.

Additionally, this initiative exemplifies Howard University’s longstanding commitment to innovation through leveraging synergies with the District of Columbia, The private sector, and its academic platform. The University envisions unlimited potential linkage opportunities to its Science, Technology, Engineering, and Math (STEM), intellectual property commercialization, and entrepreneurship programs.

Howard has identified and contributed workspace and will offer it at below market rent for up to three (3) years, and the District will contribute capital toward the development of a premier, turn-key hub of activity for underrepresented entrepreneurs. Capital contributions from the District will fund the design, renovation, and fit out of identified workspaces, and facilitate below market rent to attract tenants of interest that would be unable to locate in the Innovation Hub but for its assistance. **This is the only financial support the District or Howard will provide to support this initiative.** Following the
expiration of the three (3) year lease, the Operator may have an option to renew at market rate rent, and possibly expand into additional University workspace.

Eligible tenants of the Site, including the Operator, must be

- An incubator, venture capital firm, and/or programmatic partner that supports diverse early to late-stage technology and innovation startups
- Approved by Howard University and the Office of the Deputy Mayor for Planning and Economic Development

B. ABOUT HOWARD UNIVERSITY

Founded in 1867, Howard University is an independent, co-educational institution offering a full array of undergraduate, graduate, and professional programs. A premiere Historically Black College and University, the University combines the best elements of a liberal arts and sciences-based undergraduate core curriculum, with selected graduate and professional programs.

Students come to the University from virtually every state, the District of Columbia, and 108 countries. As of Fall 2015, the University’s enrollment was approximately 10,200. The University foresees a stable total enrollment with the potential to accommodate approximately 12,000 students.

The National Science Foundation (NSF) ranked Howard University as the top producer of African-American bachelor’s degree recipients who subsequently earned science and engineering doctoral degrees in the United States. To continue to support STEM education, Howard University recently opened a new Interdisciplinary Research Building. The 81,000 square-foot mixed-use academic building is the cornerstone of the University’s academic renewal initiative that fosters more cross-disciplinary scientific investigation, training graduate students using cutting-edge technology, and enhancing our research platform. The building includes wet and dry laboratories, instructional space, research support space, ground floor retail, and centralized offices for faculty, students and academic staff.

C. PARTICIPATION OF DIVERSE FIRMS

The University expects the Operator to embrace diversity in its programmatic structures. Respondents should attempt to achieve diversity in their team’s management and ownership, as well as diversity among its Subcontracting Entities consistent with Howard’s social mission. Additionally, it is encouraged to identify and include qualified graduates of Howard University on the team.

D. INCUBATOR PROPERTY

Howard is offering approximately 6,200 square feet of flex space at 2301 Georgia Avenue, NW (“Site”). The Site will sit in the center of the District’s “Tech Corridor” and adjacent to Howard’s brand new Interdisciplinary Research Building. For firms interested in contracting with the Federal government, the Site falls within a HUB Zone.

This high traffic and high visibility Site is situated on Georgia Avenue, one of the District’s major commuting routes for residents of Suburban Maryland. Two popular bus lines (70 and 79) run along
Georgia Avenue with stops in front of the Site. Within a ten minute walk of the building are two Metrorail Stations (Shaw-Howard University and U Street/African-American Civil War Memorial/Cardozo Stations) on the green and yellow lines, stops for four additional bus lines (63, 64, 90 and 92), and numerous Capital Bikeshare stations. The site is a block away from the University’s brand new, state-of-the-art Interdisciplinary Research Building. There is paid surface parking nearby. The Site offers access to dozens of casual restaurants and bars within a ten to fifteen minute walk and potential 24/7 access.

As a former retail space, the Site contains high ceilings and a unique mezzanine and offers opportunities for exterior signage. The building’s interior buildout will be demolished and improved to provide a move-in ready facility for the Operator. All known environmental issues will be remediated by Howard. Initial designs for the site are included in Appendix C.

Operators are responsible for coordinating and funding their own internet connection with a public utility provider and may be eligible for DC Net service, the District’s fiber network.

E. LEASE

Howard envisions entering into a three (3) year Lease with the Operator on customary terms. The Operator will have the responsibility for obtaining all startup and operating capital necessary for the development and operation of the Program. Rent for the Operator will be subsidized at below market rate, savings which Howard and the District intend to be passed to entrepreneurs through reduced rate workspace and programming. At its discretion, the University may consider proposals that substitute
equity in the Operator’s business or revenue sharing arrangements in lieu of rent payments. Although subject to negotiation, a draft term sheet is available as Appendix B.

Title to the Property will at all times remain in the name of Howard or one of its affiliates. From and after the execution of the Lease, the Operator will be responsible for the payment of any real estate taxes, property-related operating maintenance fees, utilities, insurance and other carrying costs for the Site. These costs will be included in periodic lease payments. The Operator is also responsible for its own business license and corporate registration fees as well as applicable franchise taxes. Rent under the Lease shall be paid to Howard University or one of its affiliates by the Operator on a monthly basis with all taxes, operating expenses and other expenses related to the Site.

Member companies engaged by the Operator are subject to oversight by Howard and the District to ensure that public policy goals are supported. As an example, member companies engaged certain industries like those identified below are not permitted to operate at the Site.

- Adult entertainment
- Liquor or cigarette products
- Gambling

III. SCOPE OF WORK

In collaboration with the District, the University wishes create a technology innovation startup incubator focused on serving scalable companies founded by entrepreneurs typically underrepresented in the industry by identifying a qualified Operator to offer a combination of the services below. Services are broken into required and optional categories to accommodate the varied and unique business models employed by co-working, incubator, and accelerator operators. Howard encourages innovation in Respondents’ proposed Programs, and thus will not prescribe a specific business model.

Required Services

The Operator will:

1. Provide below-market rental or workspace rates – workspace includes desks, lounges, temporary and dedicated offices and other creative solutions.
2. Focus its Program on serving underrepresented entrepreneurs.
3. Sign subleases, membership agreements, or other contracts with Program members and/or programmatic partners requiring space at the Site.
4. Provide limited design guidance to Howard to build out and furnish the Site.
5. Launch a Program that aligns with Site renovations estimated to be complete by March 2016.
6. Market the Program to prospective entrepreneur members or programmatic partner tenants prior to launch.
7. Recruit entrepreneurs to participate in the Program.
8. Finance the launch and ongoing operation of the Program through a combination of debt, equity, or other capital sources of the Operator’s choosing. The Program should become self-sustaining through net income generated.
9. Utilize a transparent application process – Howard and DC are seeking to support companies with the potential to scale quickly, but also wish to foster an inclusive, supportive environment. The application process will serve to identify a company’s potential growth, business challenges and knowledge, in addition to, an applicant’s attitude toward inclusion.

10. Create clear linkages between its Program and the broader DC technology and innovation ecosystem.

Optional Services
While the services below are described as, “optional”, a successful Respondent will offer some or all of these services. The term optional is intended to allow flexibility in operating models, not to limit service offerings to incubator members. The Operator may offer or engage in:

1. Access to capital – a key impediment to the success of startups run by diverse founders is a lack of access to capital. Many diverse entrepreneurs lack the network or understanding of venture capital culture and requirements to obtain adequate funding. A successful Operator will demonstrate a strategy to assist member companies with access to capital through mechanisms such as:
   a. Direct investment from the Operator.
   b. Training on venture capital culture, processes, valuation, and other key topics.
   c. Direct connections to the regional and national investment community.
   d. Investor pitch training sessions and events.
   e. Information session to access funding from public policy programs.

2. Talent acquisition – another key impediment to the success of technology startups is access to talent. A successful Operator will demonstrate a strategy to connect member companies to talent pools.

3. Mentorship – entrepreneurs benefit from hands-on advice from experienced business leaders. A successful Operator will offer structured mentorship opportunities to member companies.

4. Education – to succeed, startup founders are required to become experts on financial, accounting, marketing, customer acquisition, regulatory, and technical matters. A successful Operator will offer business education targeted toward innovation companies seeking to scale.

5. Opportunities for Howard Community – A successful Operator will offer affordable opportunities within its Program for Howard students, faculty, and staff. A successful Respondent might offer set-asides of affordable memberships, events, and training opportunities. Where applicable, Respondents should quantify benefits and levels of affordability proposed to support these goals.

6. Specialization – Some incubators and accelerators focus on a single sector, business vertical, or customer base. While Howard is not advocating for a specific sector, the University will consider Operators who specialize, provided that underrepresented technology innovation entrepreneurs are well-served by the proposed Program.

7. Partnerships – Respondents are encouraged to team with strategic partners to offer a robust Program and/or defray operating costs. A successful Operator will also know how to interact with senior levels of the Howard Academy, such as faculty and researchers. Finally, an Operator
should leverage and share connections to industry leaders and potential customers with member companies to enable their success.

IV. RFP PROCESS

A. KEY DATES

<table>
<thead>
<tr>
<th>Activity</th>
<th>Deadline</th>
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<tbody>
<tr>
<td>Release of RFP</td>
<td>October 16, 2015</td>
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<tr>
<td>Site Visit Period</td>
<td>October 21 - October 23, 2015</td>
</tr>
<tr>
<td>Deadline for Written Questions</td>
<td>October 23, 2015 – 5:00pm EDT</td>
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<tr>
<td>University responses to Written Questions</td>
<td>October 26, 2015 – 5:00pm EDT</td>
</tr>
<tr>
<td>Proposals Due Date</td>
<td>November 5, 2015 – 3:00pm EST</td>
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<td>Oral Interviews (optional)</td>
<td>TBD</td>
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<tr>
<td>Operator Selection</td>
<td>November 20, 2015</td>
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B. SITE VISITS

Respondents are invited to visit the Site to assess its scale and layout prior to submitting a proposal. As the Property is under active internal demolition, a University representative must host Respondents from October 21, 2015 to October 23, 2015 for site visits. Respondents must arrange an appointment with Ms. Michelle Lockley at mlockley@Howard.edu at least 24 hours prior to the desired date of access.

Additionally, Howard’s initial test fits are available in Appendix C. While these designs are preliminary and don’t represent final designs, they will enable Respondents to envision the space as built. As part of your response, Howard requests feedback on the concept as it relates to your Program and business model. Further details are provided in Section 5-D of this RFP.

C. WRITTEN QUESTIONS

Questions related to this RFP may be submitted by Respondents via email to mlockley@howard.edu at any time during the RFP process, but final questions must be received by 5:00pm EDT on October 23, 2015. The University will prepare written responses to all questions submitted and make the questions and responses available to all Respondents no later than 5:00pm EDT on October 26, 2015.

D. DEADLINE FOR SUBMISSION

Proposals in response to this RFP are due by 3:00PM EST on November 5, 2015. Four hard copies and one electronic copy of Proposals must be submitted to: Ms. Michelle Lockley (mlockley@Howard.edu), 2244 10th Street, NW, Suite #402, Washington, DC 20059.
E. ORAL PRESENTATIONS

The University may require all, or a short-list, of the Respondents to participate in oral presentations for the purpose of clarifying the information presented in the Proposal. Details regarding the date, format, and other logistics for oral presentations will be provided to Respondents at a later date, if needed.

V. PROPOSAL SUBMISSION REQUIREMENTS AND FORMAT

Responsive Proposals should provide straightforward, concise information that provides a description of the Respondent’s capabilities to satisfy the requirements of the solicitation. Emphasis should be placed on brevity, conformity to the instructions and requirements of this RFP as well as completeness and clarity of content. In evaluating the capabilities of the Respondent, Howard may utilize any and all information available to it (including information not provided by the Respondent).

Text portions of the electronic version of a Proposal must be in a searchable format. All financial information (including budgets and pro formas) included within a Proposal must be submitted in Microsoft Excel with fully functional formulas. Any submitted Proposal shall remain a valid Proposal for three (3) months after the Proposal due date.

Proposal should be contained in a single volume and meet the following formatting guidelines:

- Proposals should be prepared on 8.5 x 11-inch paper.
- Typeface shall be no smaller than 11 point and margins shall be no less than one inch on all sides.
- Expensive bindings, color displays and the like are not necessary.
- Proposals should follow the proceeding format and should not exceed the following page limitations:

<table>
<thead>
<tr>
<th>Section</th>
<th>Pages</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cover Letter</td>
<td>One (1) page</td>
</tr>
<tr>
<td>Qualifications, Experience and Past Performance</td>
<td>Four (4) pages</td>
</tr>
<tr>
<td>Financial Capability and Approach</td>
<td>Three (3) pages</td>
</tr>
<tr>
<td>Program Plan</td>
<td>Five (5) pages</td>
</tr>
<tr>
<td>Community Relations and Partnerships Plan</td>
<td>Two (2) pages</td>
</tr>
<tr>
<td>Appendices</td>
<td>No page limitation</td>
</tr>
</tbody>
</table>

Proposals that do not include all of the information required below may not receive consideration under this RFP. The determination as to whether or not a Proposal is responsive is at the sole discretion of the University. Respondents may wish to explain any omitted or unaddressed information; provided, however, that any failure to address completely the requirements of the Proposal may be grounds for disqualification of a proposal and an explanation alone will not be deemed a substitute for failure to submit information. Proposals received after the deadline will not be reviewed.
A. COVER LETTER
Respondents should sign and submit the cover letter in Appendix A which acknowledges that the Respondent has read and understood all contents of the RFP and addenda and takes no exception to the materials provided. The cover letter should be signed by a person that has full authority to bind the Respondent to all terms and conditions of the proposal.

B. QUALIFICATIONS, EXPERIENCE AND PAST PERFORMANCE
Respondents should provide information that will enable the University to evaluate the Respondent’s qualifications, experience and past performance in the financing, design, and operation of a Program of comparable size and scope as this project. At a minimum, the following items should be addressed in this section:

Operating Entity
Provide the following information for the entity that will execute the lease (“Operating Entity”) and related documents:

1. Entity name
2. Type of entity, year and state in which registered
3. List of owners, partners, members or entity participants, and roles of owners/partners/participants (example, general partners, limited partners, members, etc.)
4. Brief summary of the Respondent’s organizational history and background
5. Functions to be performed in the Program
6. Street and mailing addresses
7. Primary contact name, title, phone number, e-mail address
8. Organization chart of the partners describing the function of each entity.
9. If the entity proposed is not formed at the time of submission, or if the Respondent is an existing joint venture or a partnership, provide the above information for each partner or member (“Team Member”).

Subcontracting Entity (ies)
Provide the above information for any other key participants (subcontracting entities) who are not part of the Operating Entity, including, but not limited to, training providers and event management professionals.

Key Personnel
Include a description of the role to be played and qualifications of key personnel. In an appendix, attach resumes of key personnel describing their education and relevant experience on similar projects. While the appendix has no page limit, brevity is encouraged.

Howard has identified a Community Manager role as critical to the Program’s daily operational success, as well as to provide linkages to the District’s innovation ecosystem and strategic partnerships.
Respondents should clearly define the individual who will fill the Community Manager role and describe how this role will be performed.

**Relevant Experience**

Provide a description of relevant past experience. For each Team Member, at least two (2), and no more than three (3), examples of projects completed within the last five years that demonstrate relevant experience should be included. In particular, any projects that were public-private partnerships requiring the Respondent to coordinate with public and/or academic institutions should be described. For each example, identify:

1. Name and location of the program
2. Ownership, equity sources, and amounts
3. Debt financing sources and amounts
4. Current state of program
5. Date launched
6. Description of physical space used for the program, including square footage and uses
7. Description of services offered by the Respondent Team Members
8. Respondent Team Members that participated in the program
9. The role the Team Member played in the project
10. The period of performance for Team Members
11. Unusual issues that arose and how they were addressed
12. Metrics of matriculation of member companies including number of companies; stage of company development; level of funding received by members; and number of jobs created by members.

**References**

Provide two (2) business references who are familiar with Respondent team and their work on projects described in the Relevant Experience section of the Proposal.

1. Name and title
2. Company name
3. Street and mailing addresses
4. Phone number and email address
5. Respondent team entities and persons having the relationships, and types of relationships

**C. FINANCIAL CAPABILITY AND APPROACH**

This information is requested to evaluate the Respondent’s financial strength and ability to obtain debt and equity financing.

**Financial Stability and Risks**

The University will evaluate the financial risks possessed by each Respondent that may impact the Respondent’s ability to successfully execute the project. Respondents should provide information that
will enable the University to evaluate the Respondent’s financial capability and approach to the project. Respondents should provide:

1. Audited financial statements prepared in accordance with GAAP for the most recent year. If audited financial statements are not available, please submit a balance sheet and income statement for the most recent year certified by your firm’s financial professional, such as a Chief Financial Officer or Chief Operating Officer.
2. If the entities are publicly owned, provide a copy of the most recent 10Q report;
3. Credit Report and, if available, financial rating reports and other documents indicating the financial condition of the contracting and financially responsible entities and any controlling entities.
4. Bankruptcy Information – provide a statement indicating whether the contracting and financially responsible entities, any controlling entities, any principal personnel or key Respondent team members or other proposed equity investors have declared bankruptcy during the past five (5) years, and briefly describe the bankruptcies. If there are no bankruptcies to report, please note that in your Proposal.
5. Pending Litigation – provide a statement indicating whether the contracting and financially responsible entities, any controlling entities, any principal personnel or key Respondent team members or other proposed equity investors have been issued a final demand letter / “intent to sue letter”, or equivalent, or are involved in any business-related litigation, liens, legal claims, or pending voluntary or involuntary bankruptcy filings, and briefly describe such matters. If there is no pending litigation to report, please note that in your Proposal.
6. Judgments – provide a statement indicating whether the contracting and financially responsible entities, any controlling entities, any principal personnel or key Respondent team members or other proposed equity investors have had a business-related, court-sanctioned financial judgment against it/them during the past five (5) years, and briefly describe each instance. If there are no judgements to report, please note that in your Proposal.
7. Operating Agreements—provide copies of any existing operating agreements within your Team Members.

Financial Plan
Respondents should provide a clear understanding of the financial resources pledged to the Project, the sources of capital required to successfully complete the Project, and the cash flow requirements needed to operate the Program throughout the life of the Lease, and possibly beyond. Respondents should provide information that will enable the University to evaluate a Respondent’s ability to obtain debt and equity financing for the Program; and to provide a reasonable assurance regarding the ability of the Respondent to deliver the proposed Program within the relevant timeframes.

1. Financing including anticipated debt and equity amounts, by Team Member, and sources and costs. In addition to the rent subsidy offered by Howard, the University encourages the inclusion of programmatic partners that bring funding to the Program. For each source of equity, debt, or grant funding Respondents should provide:
   a. Entity name
   b. Street and mailing address
   c. Contact name
   d. Phone number
   e. Prior and existing relationships with Operating Entity
   f. Letter with a preliminary commitment to provide the required equity funding
g. Evidence of the financial capability to provide adequate funding
h. Evidence of ability to post adequate security for performance, including guarantees, letters of credit, escrowed cash deposits.

2. A statement disclosing whether the Respondent intends to utilize any public economic development programs (and if so, a statement describing how and the extent to which the Respondent intends to utilize such programs).

3. The financial plan should include a description that demonstrates the soundness of the Respondent’s strategy for financing the Project, including anticipated financing terms and costs, discussion of the risks and benefits of the financing structure, the Respondent’s expectation of return on equity, and why this strategy is the most advantageous to the University.

4. The University will consider proposals that substitute equity in the Operator’s business or revenue sharing arrangements in lieu of rent payments, if Respondents can demonstrate successful experience with this arrangement.

Operating Pro Forma
Provide a detailed description of Program economics and financing. Information should include:

1. A three (3) year pro forma showing all anticipated revenue sources, expense line items (including staff salaries), and deductions from revenue and debt service. Revenue and expenses, and any other deductions should be identified by user (members, programmatic partners, etc.). The basis for all assumptions utilized in the pro forma should be stated clearly in the Proposal.

2. Economics of sharing arrangements between principal members or investors including identification of sources of return to the owners and investors.

3. Economics of any proposed revenue sharing or equity arrangement with the University in lieu of lease payments.

4. When building a pro forma for the Program, Respondents should refer to the draft term sheet in Appendix B for occupancy cost assumptions.

D. PROGRAM PLAN
Respondents should provide information that will enable the University to evaluate the Respondent’s ability to timely and competently operate the Program. At a minimum, the following items should be addressed in this section:

1. Detailed description of a proposed Program that responds directly to the Scope of Work outlined in Section III of this RFP.

2. Detailed description of the Site uses and the number of square feet dedicated to each use; and all other amenities proposed for the Site.

3. Timeline estimating the planning, marketing, licensure, launch, and stabilization of the Program. Timing for phases and any milestones that must be satisfied before beginning a phase should be addressed in addition to contingencies affecting the time line. Launch should be estimated for March 2016.

4. Howard has provided preliminary concept plans for the Site in Appendix C. Respondents are required to provide comments on the alignment of these concepts with their proposed Program. Please describe specific space requirements and uses not included in the site plan.
Comments on the design will not impact Proposal evaluation, but will be used to guide renovation of the Site during Operator selection.

E. COMMUNITY RELATIONS AND PARTNERSHIPS PLAN

A primary function of business incubators, specifically in the fast-paced technology innovation industries, is to connect entrepreneurs with strategic resources that would not otherwise be available. Successful Operators will quickly connect to and leverage DC’s technology and innovation network to steep participating entrepreneurs in networks of investors, customers, talent, and strategic partners. Respondents should describe how they will maintain positive and beneficial relationships with all involved parties (including the University, District of Columbia Government, and DC innovation ecosystem, and surrounding community) throughout the Lease term. Specifically, Respondents should:

1. Describe local innovation market knowledge.
2. Identify existing and intended partners (including investment, education, human resource, and corporate partners) and their anticipated roles.
3. Describe an innovation community relations strategy applicable to the District of Columbia.
4. Highlight intended relationships with the Howard community and broader Shaw neighborhood.
5. Commit to coordinating their kickoff outreach efforts with the University’s and District’s community relations representatives.

VI. EVALUATION CRITERIA

A. EVALUATION FACTORS

Respondents will be evaluated based upon the evaluation factors listed below. The evaluation factors are listed in descending order of importance with the first having the most weight and each of the following evaluation factors having equal or lesser weight than the one preceding it. The exact percentage of the weightings and their application to each Respondent’s Proposal will be at University’s sole discretion and shall not be subject to disclosure.

| Factor 1 | Qualifications, Experience and Past Performance |
| Factor 2 | Financial Capability and Approach |
| Factor 3 | Program Plan |
| Factor 4 | Community relations and Partnerships |

B. SELECTION

Respondents’ Proposals will be evaluated by an experienced selection committee comprised of representatives from the District, the University, and its advisors. Once the University has completed the review of the Responses, at Howard’s sole discretion, it may:

1. Identify a short-list of Respondents that will be required to make an oral presentation to the University.
2. Invite one Respondent to negotiate exclusively with the University to become the Selected Developer.
3. Disregard all Proposals – the University may choose to reject any and all Proposals without a requirement for justification, without any liability.

VII. TERMS AND CONDITIONS

A. DISCLAIMER

Notwithstanding anything contained in this RFP, neither Howard nor any of its trustees, officers, employees, attorneys or consultants (collectively its “Agents”) shall be deemed to make or have made any representation or warranty, express or implied, regarding the accuracy or completeness of any statements or other information contained in or attached to this RFP (including, without limitation, any representation or warrants as to the condition of the Property or the suitability of the Property for any purpose). Respondents to this RFP may not rely on any statements or information provided by Howard or its Agents, and shall be responsible for satisfying themselves as to the reliability, accuracy and completeness of each such statement and information and ascertaining all conditions that affect or might affect its proposed Project.

B. UNIVERSITY PROPERTY RIGHTS

All designs and plans that are produced by the Respondent as part of the Project will become the property of the University whether or not the Respondent is retained to continue beyond the submission stage of the project.

C. AMENDMENTS TO THIS RFP

This RFP may be amended, by Howard, by formal amendment, document, letter, or facsimile. If this RFP is amended, then all terms and conditions that are not amended remain unchanged.

D. AUTHORIZATIONS BY SUBMISSION OF PROPOSAL

Any and all information provided by a Respondent may be used by the University to conduct credit and background checks. The University is authorized to contact the individuals listed by the Respondent in the Program examples for purposes of discussing the Respondent’s performance.

E. DISCLOSURE OF RESPONDENT’S RESPONSE

This Request for Proposal specifies the format, required information, and general content of Proposals submitted in response to this RFP. The University will not disclose any portions of the Proposals prior to contract award to anyone outside the University, the University’s administrative staff and counsel, representatives of the State or Federal Government, if required, and the members of the committee evaluating the Proposals and its advisors. After a contract is awarded in whole or in part, the University
shall have the right to duplicate, use, or disclose all Proposal data submitted by Respondents in response to this RFP as a matter of public record.

F. CONFIDENTIALITY
Howard respects the confidentiality of Respondents’ sensitive financial information and proprietary data

G. RESTRICTIONS ON COMMUNICATIONS WITH UNIVERSITY STAFF
From the issue date of this RFP until an Operator is chosen and a contract award is made, Respondents are not allowed to communicate about the subject of the RFP with any District of Columbia official or University administrator, faculty, staff, or members of the Board of Trustees or advisors except the designated point of contact. If violation of this provision occurs, the University reserves the right to reject the Respondent’s Proposal.

H. TEAMING ARRANGEMENTS AND SPECIAL PURPOSE ENTITIES
Multiple Team Members may form a joint venture for the purpose of submitting a Proposal in response to this RFP. A special purpose entity may be created for the purpose of submitting a Proposal. The University may require that financial and performance guarantees be provided by Team Members. Team members of one Respondent may participate as Team Members of another Respondent (so long as each affected Respondent gives its consent).

I. TEAM COMPOSITION
Prior to award, a Respondent may not change the composition of its proposed team unless it has given Howard prior written notice of the proposed change. After award, the composition of Respondent team shall be a material condition, and change of team composition without permission from Howard may lead to revocation of the award. In addition, a Respondent must provide any financial or other materials requested by Howard to evaluate the newly proposed composition of the Respondent. Howard reserves the right, in its sole discretion, to reevaluate the proposed change in composition and to eliminate the team from further consideration (or to revoke the selection of the Respondent). The Operator must receive Howard’s written approval before changing its team’s composition; otherwise the Operator will be disqualified.

J. HOLD HARMLESS

K. BY PARTICIPATING IN THIS RFP PROCESS, EACH RESPONDENT AGREES TO INDEMNIFY AND HOLD HARMLESS THE UNIVERSITY AND ITS OFFICERS, EMPLOYEES, CONTRACTORS AND ADVISORS FROM AND AGAINST ANY AND ALL REAL ESTATE FEES AND OTHER FEES OR COMMISSIONS, FINDER’S FEES, AND ANY OTHER FORMS OF COMPENSATION RELATED IN ANY WAY TO ACTIVITIES UNDERTAKEN BY ANY PERSON AS A RESULT OF SUCH PERSON’S EFFORTS AND PARTICIPATION IN THIS RFP PROCESS OR THE SUBMISSION BY SUCH PERSON OF A PROPOSAL, AND LIABILITIES, LOSSES, COSTS, AND EXPENSES (INCLUDING REASONABLE ATTORNEY’S FEES AND EXPENSES) INCURRED THEREFOR. THIS INCLUDES, BUT IS NOT LIMITED TO ANY AND ALL ACTIVITIES RELATED TO THE UNIVERSITY’S EXCLUSIVE NEGOTIATIONS WITH THE PROPOSED OPERATOR.
When submitting and signing a Proposal, a Respondent is certifying that no actual, apparent or potential conflict of interest exists between the interests of the University and the interests of the Respondent. A conflict of interest (whether contractual, financial, organizational or otherwise) exists when any individual, contractor, or subcontractor has a direct or indirect interest because of a financial or pecuniary interest, gift, legal proceeding for or against the University, or other activities or relationships with other persons (including business, familial or household relationships) and is thus unable to render or is impeded from rendering impartial assistance or advice, has impaired objectivity in performing the proposed work, or has an unfair competitive advantage.

L. COST OF PREPARING PROPOSAL
Costs for developing the Proposals and any subsequent activities prior to contract award are solely the responsibility of the Respondents. The University will provide no reimbursement for such costs.

M. CODE OF ETHICS AND CONDUCT
It is the policy of the University to conduct itself with the highest degree of integrity and honesty in all of its dealings. To further this process, its Board of Trustees has adopted a Code of Ethics and Conduct (the “Code”) that contains a set of guiding principles and responsibilities governing all members of the Howard Community. Members of the Howard community (“Howard Community”) include all Howard employees, corporate officers, and trustees, and the immediate families and close personal acquaintances of the foregoing. Certain provisions of the Code deal with the relationship of Howard Community with those seeking to do business with the University. In general, the Code prohibits any member of the Howard Community from receiving or soliciting anything of value in return for influencing or exercising his or her discretion in a particular way. In addition, no member of the Howard Community may receive or solicit anything of value because of any official act performed or to be performed by such an individual.

If a Respondent violates or facilitates a violation of this policy, it will not be considered an appropriate party to undertake the Project and may also be disqualified from doing business with the University in the future. Such a decision will rest within the University’s sole discretion and may be made on any basis that the University deems appropriate under the circumstances.

N. CIVIL RIGHTS
It is the policy of the University to provide an environment for its students, faculty and administrative employees that is free from illegal discrimination, intrusion, intimidation, or exploitation. Therefore, the University will not tolerate any illegal treatment of a member of the Howard Community that is based on race, color, religion, national origin, sex (including sexual harassment), age, marital status, personal appearance, sexual orientation, family responsibilities, disability, matriculation, political affiliation, or on any other classification that is prohibited by law.

All individuals who come onto the property of the University, or who enter property where the University conducts its business (“University Property”) are expected to conform to this policy. Respondents will be held responsible for the actions of their employees, officers, principals, consultants,
and agents while on University Property. The University reserves the right to take all appropriate remedial measures to impose sanctions and to mitigate against the recurrence of any violation of this policy. In such an event, the University may bar culpable individuals from University Property. In addition, in lieu of taking such action, the University may conclude that the Respondent is not an appropriate party to undertake the Project and may disqualify the Respondent from doing business with the University in the future. Such decisions will rest within the University’s sole discretion and may be made on any basis that the University deems appropriate under the circumstances.

**O. REPRESENTATIONS AND WARRANTIES OF RESPONDENTS**

By submitting a Proposal in response to this RFP, the Respondent warrants and represents that (i) if awarded the contract, it will not engage in illegal discrimination in any employment action on the basis of race, religion, color, gender, sexual orientation, age, national origin, or on any other basis proscribed by Federal law or the law of the District and (ii) that it has not offered or given anything of value to any member of the Howard Community in return for such party’s influencing or exercising his or her discretion in a particular way or performing any official act.

**P. PROPOSAL ADDENDA AND RULES FOR WITHDRAWAL**

Prior to the date specified for receipt of offers, a submitted Proposal may be withdrawn by submitting a written request for its withdrawal to the designated point of contact, signed by the Respondent. Unless requested by the University, the University will not accept revisions, or alterations to Proposals after the Proposal due date. The University reserves the right to reject all submittals for any reason. Each firm responding will be notified whether its submittal is to be shortlisted.

**Q. GENERAL CONDITIONS**

Please note the Howard University is a private university and manages its own contracting rules and RFP processes. Howard reserves the following specific rights, without limitation, with respect to Proposals:

- The right to waive any irregularities or technical difficulties in the proposal process.
- The right to reject any Response that the University deems incomplete or unresponsive and the right to remove the Property from the market and reject all Responses.
- The right to afford unsuccessful Respondents an opportunity to enter into backup contracts in an order of priority determined by the University in its sole discretion.
- The right to re-offer the Property if the University elects not to accept any Response.
- The right to select a developer whose Response may or may not result in the highest return to the University.
APPENDICES

APPENDIX A: PROPOSAL COVER LETTER

PROPOSAL SUBMITTED IN RESPONSE TO

Howard University Technology Innovation Hub

Response to RFP HU-TIH-001

Mr. Anthony Freeman
c/o Ms. Michelle Lockley
Real Estate and Asset Management
Howard University
2244 10th Street, N.W.
Suite 402
Washington, D.C. 20059

In accordance with your request for proposal (RFP) Number #HU-TIH-001, the undersigned, having due authority to submit the following proposal with four hard copies and one electronic copy, hereby acknowledges that the terms and conditions under which Howard University seeks to contract services have been fully read and understood. The firm, its employees and agents, can and do agree to meet all requirements contained in this RFP (unless stipulated in the response) and confirm that the proposed work contained in this response meets the conditions set out in the RFP.

We hereby certify that in preparing this response we have not been assisted by any current or former employee or agent of Howard University whose duties relate to this proposal, other than providing information in response to written requests. No such individual or his/her immediate family has any financial interest in the outcome of this proposal.

The University is hereby authorized to request from any individual any pertinent information deemed necessary to verify information regarding capacity of the firm for purposes of determining responsiveness of the proposal, or responsibility of the firm as a prospective contractor.

Corporate Name: __________________________________________________
Corporate Address: __________________________________________________
________________________________________________
Phone (  ) –
Fax (  ) –

Email:

Corporate Entity Type, State Registered ________________________________
Employer Identification Number ________________________________
APPENDIX B: DRAFT TERM SHEET

Landlord: Howard University

Tenant: ______________ (please provide legal entity)

Premises: 6,205 square feet within the outlined area, as shown in Exhibit A.

Permitted Use: The operation of a technology innovation incubator including co-working space for numerous member companies. No other purpose.

Estimated Delivery Date: Within five (5) days of Lease execution.

Lease Commencement Date: Upon Lease execution.

Rent

Commencement Date: The earlier to occur of 1) one hundred twenty (120) days following the Delivery Date, or 2) the date Tenant opens for business.

Lease Term: Three (3) years following the Rent Commencement Date.

Minimum Rent: Forty one dollars ($44.00) per square foot per year, less a discount of 50%, resulting in a rate of twenty dollars and fifty cents ($22.00) per square foot per year.

Percentage Rent: Negotiable, based on the business model.

Common Area Maintenance,

Insurance & Taxes: Tenant will be responsible for its pro-rata share of all common area maintenance expenses and real estate tax expenses associated with the operation of the Building which are estimated for calendar year 2015 as follows:

<table>
<thead>
<tr>
<th>Description</th>
<th>Rate (psf)</th>
</tr>
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<tbody>
<tr>
<td>CAM</td>
<td>$5.50</td>
</tr>
<tr>
<td>Taxes</td>
<td>$4.50</td>
</tr>
<tr>
<td>Total</td>
<td>$10.00</td>
</tr>
</tbody>
</table>

Utilities: Tenant agrees to pay utility costs whether or not billed by Landlord.
Delivery Conditions: Landlord shall deliver the space in recently renovated, move-in ready condition.

Tenant Improvement

Allowance: None.

Minimum Rent

Abatement: Rent is abated by 50% throughout the lease term as described in Minimum Rent clause.

Tenant’s Design and Construction: Howard is responsible for the base interior build-out for the program: including the installation of all finishes, fixtures, major furnishings.

Specialty item and equipment unique to the Tenant’s program will be the responsibility of the Tenant.

Tenant shall be responsible for any additional due diligence and/or surveying of the Premises, at Tenant’s sole cost.

Signage/Storefront: Tenant at Tenant’s expense shall have the right to install Tenant’s sign package subject to required municipal approvals, as well as Howard University and the Office of Deputy Mayor of Planning and Economic Development.

Exact size, location, and design of the signage shall be coordinated with Landlord’s architect and shall be subject to all applicable governmental and Landlord approvals.

Tenant shall submit a preliminary drawing of the storefront and signage design for Landlord’s review within thirty (30) days of signing the Letter of Intent.

Deposits: Advance Deposit: One month’s rent and pass-through costs to be applied to the first month’s rent.

Security Deposit: Tenant shall post a security deposit with Landlord equaling, at a minimum, the first month’s rent and additional rent. Landlord may require additional security based upon and subject to Landlord’s review and approval of Tenant’s financial information, in the exercise of Landlord’s reasonable discretion. (Please provide 2013, 2014 and year-to-date financial statements and tax returns).

Guaranty: Landlord may require additional security based upon the review of Tenant’s financial statements.
Radius Restriction: Tenant shall be prohibited from opening another technology innovation incubator within a one (1) mile radius of the Premises.

Landlord's Termination Right: In the event that the building is to be completely renovated, demolished and/or reconstructed, Landlord shall have the right to terminate the Lease, so long as Landlord contemporaneously terminates the leases of all other tenants in the Project. Landlord shall provide Tenant with one hundred eighty (180) days written notice of such redevelopment and termination of the Lease. Tenant will be reimbursed for all unamortized costs of Tenant’s Improvements on a straight line basis over a 10 year term, within forty-five (45) days of Tenant’s surrender of possession. As a further precedent to such reimbursement, Tenant shall provide its final build out costs to Landlord within thirty (30) days of its reception of a Certificate of Occupancy.

Hours of Operation: Tenant shall be open during the minimum standard operating hours of Wonder Plaza, which are Monday through Saturday 9:00 a.m. until 9:00 p.m. and Sundays 12:00 p.m. until 8:00 p.m.

Effect of Submission: The above proposal of suggested business terms is being submitted to Tenant solely for its review and acceptance as a basis for further negotiations of a mutually acceptable lease subject to approval by Landlord’s Board of Trustees and lender(s). The submission of this proposal does not constitute an offer to enter into a lease, an option to enter into a lease or an agreement by Landlord to cease any efforts to market and lease the subject Premises to third parties. Any lease shall become effective only upon execution and delivery thereof by Landlord and Tenant. Landlord reserves the right to modify or withdraw this proposal at any time prior to the execution and delivery of a lease agreement by the parties.

Lease Form: Landlord’s lease form.

Brokers: No Brokers are anticipated to be part of this agreement.

Agreed and Accepted:

Tenant:

_____________________________   _________________________
Name       Date
Request for Proposal – Technology Hub

TENANT CONTACT INFORMATION:

Please provide the following information:

Tenant Contact: __________________________________________
__________________________
__________________________

Construction Contact: __________________________________________
__________________________
__________________________

Operations Contact: __________________________________________
__________________________
__________________________

Federal Tax ID #: __________________________________________

State of Incorporation: ________________________________________

Tenant’s Attorney: __________________________________________
__________________________
__________________________

Tenant’s Broker: __________________________________________
__________________________
__________________________

Broker Federal Tax ID #: ______________________________________