

Enhanced Use Lease  
South Depot Annex Site  
Naval Support Activity, Norfolk

Questions and Answers to be Posted on Project Website

1. Q. Is there an available traffic or rail study?  
A. Traffic or rail studies of the area near the EUL parcels may exist, but the Navy does not have an available traffic or rail study.
2. Q. Are performance or bid bonds required?  
A. The submission of performance or bid bonds is not required during Phase 1 of the Request For Qualifications (RFQ) process.
3. Q. Would the Navy consider adding more land to the project?  
A. The Sites offered for leasing will not be enlarged nor will additional land be included in the leasing opportunity.
4. Q. Will the Navy identify those companies that participated in the Industry Forum?  
A. Those companies that participated in the Industry Forum and have consented to being identified as attending the Industry Forum are identified on the EUL project website: [www.navyeul.com/projects/sda](http://www.navyeul.com/projects/sda).
5. Q. If the Navy should decide sometime after the lease contract has been awarded that the Navy requires use of the leased premises or needs to discontinue the lease due to security concerns, how will this be addressed?  
A. The property would be leased under the authority of Title 10, United States Code, Section 2667. A copy of the statute is available at the EUL project website: [www.navyeul.com/projects/sda](http://www.navyeul.com/projects/sda). The statute provides that the Secretary of the Navy shall have the right to revoke the lease at any time, unless he determines that the omission of such a provision will promote the national defense or be in the public interest. It is anticipated that the lease will reserve unto the Navy the right to terminate the lease when and as determined necessary by the Secretary of the Navy during war, national emergency or exigent circumstances. If a future termination or partial termination of the lease would be necessary, the lease terms that would have been negotiated between the Navy and the lessee would control.

6. Q. What in-kind consideration does the Navy want or need?
- A. Paragraph (c) of Title 10, United States Code, Section 2667, provides examples of in-kind consideration that could be accepted by the Navy. In-kind consideration could be in the form of new construction, repair, maintenance, the payment of utility costs, the provision of utilities and/or services, etc. At this point in time, the Navy has not identified the specific type(s) of in-kind consideration that it would seek under a lease.
7. Q. If specific in-kind consideration is not identified, how would rent be paid?
- A. If specific in-kind consideration is not identified, rent will be paid into an escrow account that the Navy can access to obtain goods or services at a later date when Navy needs are further determined or when sufficient funds have been accumulated in the escrow account.
8. Q. Does the Navy's tenant, the Defense Reutilization and Marketing Office (DRMO), that is to be relocated from the property being offered for leasing pay rent to the Navy?
- A. DRMO is responsible for paying its own utility costs, but does not pay a cash rental, or provide in-kind consideration, to the Navy.
9. Q. Do the industrial sale comparables that were provided in the EUL Opportunity presentation at the Industry Forum reflect price per square foot of raw land or the price per square foot of the building?
- A. The cost figures provided in the presentation are the sale price per square foot of building area. The cost figures were provided for illustrative purposes and may or may not reflect the current building prices.
10. Q. Regarding the Site C relocation requirements, will the lessee of Site C be required to pay rent for existing replacement/relocation facilities or to purchase replacement/relocation facilities?
- A. The lessee of Site C will be responsible, at its cost, for meeting the relocation requirements set forth in Appendix D, and elsewhere, in the RFQ, regardless of whether the lessee's relocation plan entails leasing replacement facilities for DRMO, acquiring existing facilities to be used as replacement facilities for DRMO, or constructing new replacement facilities for DRMO.
11. Q. Is the lessee's satisfaction of the relocation requirements set forth in the Request for Qualifications considered a component of the in-kind consideration due the Navy?
- A. No. The lessee's satisfaction of the relocation requirements set forth in Appendix D, and elsewhere, in the RFQ, is not a component of the in-kind consideration. Such costs as may be incurred by the lessee are considered to be a portion of the development costs that would be incurred by the property developer in developing the site.

12. Q. The RFQ provides that when property is outleased, the Navy shall receive consideration that is not less than the fair market value of the lessee's interest in that property. Is the fair market value of the lessee's interest in the property affected by the lessee's satisfaction of its relocation obligation?
- A. The lessee would have a leasehold interest in the leased property. The valuation of the lessee's leasehold interest would take into consideration the cost incurred by the lessee associated with relocating the current occupants (DRMO) from the leased property into replacement facilities.
13. Q. Regarding the interim parking requirement set forth in Paragraph 1.3.4 of the RFQ, is there Navy-controlled land available for use during heightened security circumstances that meets the acreage requirements?
- A. There is some unimproved land within those portions of the SDA Area which are outside of Sites A, B and C that might be available to meet some of the interim parking requirement. The exact acreage that might be available is significantly less than the 10 acres required for parking. For planning purposes an offeror should not assume that additional land within the SDA area would be available for use as interim parking during heightened security circumstances.
14. Q. Is there Navy-controlled land elsewhere that could be available for emergency parking if the land were properly graded and improved by the developer?
- A. There is no Navy-controlled land that is currently available for use as or development for emergency parking. There is the possibility that land suitable for development and use as emergency parking could become available at some time in the future. At this time, however, the Navy cannot commit to making any land available for emergency parking.
15. Q. Are the interim parking requirements for Sites A and B fixed or is there room for flexibility of use? For example, Sites A and B comprise approximately 2.6 acres and 10.3 acres, respectively. The RFQ identified the interim parking requirements for Sites A and B as two acres and eight acres, respectively. Could an offeror propose use of Site A, for example, to accommodate 2.6 acres of parking?
- A. The leasing of Site B would require the developer to provide eight acres of replacement parking by some means. The leasing of Site A would require the developer to furnish two acres of replacement parking. Replacement parking must meet the requirements set forth in Paragraph 1.3.4 of the RFQ. In their current condition perhaps 75-80 percent of Sites A and B might be suitable for interim parking during heightened security circumstances. If Sites A and B were reconfigured and/or improved they might accommodate interim parking exceeding the requirements stated in the RFQ.

16. Q. Must the interim parking facilities be provided at a single location?
- A. No. There is some flexibility in how the emergency parking requirement is met. The entire 10 acres of parking does not need to be at one location. A proposal for leasing Sites A and B does not mean that the developer must provide a two acre parking area and a separate eight acre parking area. For example, two areas of five acres each could work if all other requirements identified in the RFQ were met. On the other hand, three scattered parking areas of nine acres, one-half acre, and one-half acre would not be as desirable.
17. Q. Can any of the parking requirements be met on Site C?
- A. Yes. If an offeror proposed to develop Sites A and B and use a portion of Site C to meet all or some of the 10 acre interim parking requirement and to develop the remainder of Site C for something other than parking that could be acceptable.
18. Q. Regarding Anti-Terrorism Force Protection (ATFP) requirements, is the fencing that is required to be supplied by the developer to become a part of the base perimeter fence?
- A. Yes. A developer will be required to fence off the leased EUL Sites from the remainder of the SDA area. In addition to the fencing a twenty (20) foot wide clear zone shall be established and maintained by the lessee on the leased EUL Sites along the perimeter fence line separating the EUL Sites from the Navy-retained remainder of the SDA area. The construction, storage, or placement of any materials or property, including but not limited to vehicles and storage containers, shall not be allowed within the clear zone. A developer may also choose to install interior fencing within the leased Sites. The fencing that is adjacent to the remaining Navy property would become part of the Navy's perimeter fence and must meet Navy standards. The sections of fencing that are not adjacent to the Navy property would just be a boundary fence for the developer and would not have to meet ATFP or clear zone requirements.
19. Q. Where can information regarding Navy standards for perimeter fencing be found?
- A. Information on ATFP and Navy standards for perimeter fencing separating the EUL Sites from the Navy-retained remainder of the SDA area can be found at [http://www.wbdg.org/ccb/browse\\_cat.php?o=29&c=4](http://www.wbdg.org/ccb/browse_cat.php?o=29&c=4) and in Military Handbook MIL HDBK 1013/10. A copy of MIL Handbook 1013/10 (Design Guidelines for Security Fencing, Gates, Barriers and Guard Facilities) can be purchased for \$29.95 at <http://store.mil-standards.com/index.asp?PageAction=VIEWPROD&ProdID=1196>.

20. Q. Can the Navy supply distances from its buildings to the EUL perimeter? How would the setback distances impact building locations within the EUL Sites?
- A. The three EUL parcels were selected based, in part, on maintaining a minimum setback distance of 148 feet measured from the perimeter of each parcel to the nearest existing Navy buildings located outside the EUL Sites and the selected locations of future Navy buildings to be constructed outside the EUL Sites. No Navy building, either an existing building or a building to be constructed in the future, is located or will be located closer than 148 feet from the EUL perimeter. Other than the perimeter fencing and the clear zone requirements, ATFP requirements do not apply to the lessee's own facilities located on the EUL Sites.
21. Q. How will the specific EUL boundary be determined?
- A. During the Phase II period of exclusive negotiations the selected offeror will be required to submit for Navy review and approval a property survey prepared by a registered land surveyor of the land to be leased to the offeror. The approved survey shall become a part of the lease.
22. Q. Will relocation of the DRMO activities require a permit for hazardous waste storage? Will hazardous waste be stored at a replacement facility?
- A. No. The relocated DRMO facilities will not require a permitted hazardous waste storage area. There is a requirement for a 90-day hazardous waste accumulation area similar to what currently exists but the accumulation area does not require a permit.
23. Q. Is the RCRA closure of a former hazardous waste storage area at the DRMO complete? Will the successful offer have to complete the closure?
- A. There is a hazardous waste accumulation area in the DRMO, not a hazardous waste storage area. A hazardous waste storage area was previously located in the SDA area in Building SDA 215. Building 215 is under a closure action and is not part of the property included in the RFQ or leasing opportunity. There is no record of a closure action ongoing at any hazardous waste storage area in DRMO that the Navy is aware of.
24. Q. What is the post-award and development process; i.e., once the transaction is closed? How does the Navy monitor development for compliance with the deal terms?
- A. Subject to the negotiation of an acceptable Business and Leasing Plan and the receipt of Washington-level approvals of the Plan, the Navy will enter into lease with the selected developer. During the lease term, the Navy will require periodic reports from the lessee on activities related to the leased premises. The lease will describe the reporting requirements that the lessee must fulfill during the lease term. The Navy will review these periodic reports to monitor the development for compliance with the terms of the Business and Leasing Plan.

25. Q. The RFQ states that the location of the replacement facilities for DRMO must be within a five-mile radius in the RFQ, but in the presentation at the Industry Forum, the location of the replacement facilities was stated to be within five to ten minutes driving distance. Will the Navy consider relocation options with a larger than five-mile radius?
- A. Appendix D to the RFQ states that an acceptable alternate location for DRMO must be within a five (5) mile proximity of Naval Station Norfolk. There is some flexibility in the acceptable area. Two considerations impacting on the acceptability and desirability of a relocation site for DRMO are geographic distance and driving time (during normal driving conditions) from the proposed relocation site to the Naval Station. For example, a proposed site that was within five miles of the Naval Station but entailed a 60 minute driving time would not be acceptable. A relocation site located within a 10 minutes driving time of the Naval Station is highly preferred. The Navy may, at its option, consider a relocation site located not further than 30 minutes driving time from the Naval Station. The final RFQ will provide specific guidance on the maximum distance, in terms of mileage and in terms of driving time, for the DRMO relocation/replacement site.
26. Q. Has the Navy identified any Navy-controlled land which could be made available to an offeror for the construction of the DRMO relocation facilities?
- A. At this time no Navy-controlled land has been identified for use by the selected offeror for the construction of the DRMO relocation facilities. In the event such land was subsequently identified by the Navy, the RFQ would be modified by a written amendment. The amendment to the RFQ would be distributed to all holders of record of the RFQ and would be simultaneously posted on the Navy's EUL website, [www.navyeul.com/projects/sda](http://www.navyeul.com/projects/sda).
27. Q. If anything should change regarding requirements to be met by an offeror or otherwise regarding the RFQ how will prospective offerors be made aware of such changes?
- A. If anything should change after the final RFQ is issued; the RFQ would be modified by a written amendment. The amendment to the RFQ would be distributed to all holders of record of the RFQ and would be simultaneously posted on the Navy's EUL website, [www.navyeul.com/projects/sda](http://www.navyeul.com/projects/sda). The Navy will not provide verbal amendments to and/or clarifications of the RFQ, nor will the Navy respond to an individual offeror without providing such response to all holders of record of the RFQ and posting the response on the Navy's EUL website.

28. Q. Appendix J of the RFQ requires an offeror interested in Site C to provide a Relocation Plan for Site C (DRMO). An offeror interested in Sites A and/or B must provide a Plan for the Provision of Interim Parking for Sites A and/or B during periods of heightened security. How detailed must these Plans be?

A. The Plans must demonstrate that the offeror has a clear understanding of the relocation and/or parking requirements to be met and has thought through and provided a reasonable approach how the offeror would satisfy such requirements. A Plan identifying the steps to be followed to complete the DRMO relocation and/or provision of interim parking, with key dates and milestones for each step, and a realistic/reasonable overall relocation schedule is desirable. Guarantees and/or protective measures to ensure that the relocation can be completed in a timely manner are also desirable. Demonstrated experience and qualifications with the execution of tenant relocations of a similar scope are also desirable.