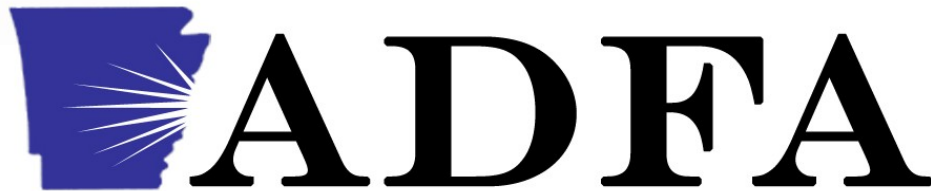


**ARKANSAS DEVELOPMENT FINANCE AUTHORITY
REQUEST FOR PROPOSALS FROM
PROPERTY MANAGERS
FOR THE
DONAGHEY PLAZA COMPLEX**

SPECIAL NOTE: YOUR IMMEDIATE ATTENTION IS CALLED TO SECTION I.C. YOU NEED TO SEND TO US AN E-MAIL ADDRESS FOR TRANSMISSION OF NOTICES OF INQUIRIES.



November 14, 2011

**Arkansas Development Finance Authority
900 West Capitol, Suite 310
Little Rock, AR 72201
(501) 682-5900**

SECTION I: INSTRUCTIONS TO PROPOSERS/ GENERAL INFORMATION

A. PURPOSE. The Arkansas Development Finance Authority (ADFA) is requesting proposals from property management firms to manage the Donaghey Plaza Complex in Little Rock, Arkansas (the “Premises”). The term of this engagement will be for one (1) year with the possibility of being extended for additional one (1) year terms, with a maximum of six (6) extensions. The current property management agreement expires May 31, 2012.

B. SUBMISSION OF PROPOSALS. Written proposals responding to the questions and requests for information in the manner specified in this Request For Proposal (“RFP”) should be submitted to the following:

rfp@adfa.arkansas.gov

To be considered, one (1) copy of the proposal should be delivered to ADFA not later than November 30, 2011, by 12:00 p.m., via email. Late proposals will not be accepted. ADFA reserves the right to reject any or all proposals.

C. ADDITIONAL INFORMATION. It is the responsibility of the proposer to inquire about and clarify any aspect of the RFP. Questions should be directed to Leigh Ann Biernat (leighann.biernat@adfa.arkansas.gov), Vice President for Finance and Administration at 501-682-5995 or Patrick Patton (ppatton@adfa.arkansas.gov), Vice President for Internal Audit at 501-682-5902. Substantive questions and answers will be documented in letter form and will be sent by electronic mail to all the proposers who provide us with an e-mail address. **IN ORDER TO BE ON THE DISTRIBUTION LIST FOR INTERNET TRANSMISSION OF ALL RESPONSES TO INQUIRIES, YOU MUST IMMEDIATELY ADVISE PATRICK PATTON OF ADFA, THE INTERNET E-MAIL ADDRESS TO WHICH YOU WANT ALL SUCH TRANSMISSIONS SENT.**

D. PROPERTY OF ADFA. Any information or materials submitted as a response to this RFP shall become the property of ADFA and will not be returned. All submitted materials will be available for public review.

E. RESPONSE TO REQUEST FOR PROPOSAL. Property Management firms wishing to respond to this RFP may contact Patrick Patton, Chair of the Staff Professional Selection Committee. **NO CONTACT WITH ADFA BOARD MEMBERS, DHS STAFF OR ARKANSAS BUILDING AUTHORITY IS ALLOWED AND ANY SUCH CONTACT WILL BE GROUNDS FOR IMMEDIATE REJECTION OF A FIRM’S PROPOSAL.**

F. SELECTION TIMETABLE.

November 14, 2011 Request for Proposal Issued
November 30, 2011 Proposals Due @ 12:00 p.m.

December 15, 2011 Board Action (Appoint/ratify appointment of Property manager, authorizes the President of ADFA to negotiate fees)
TBD Submission to Legislative Committee for contract review (if required)

G. SELECTION PROCESS. The ADFA Staff Professional Selection Committee will review the submitted proposals with personnel from the Department of Human Services (“DHS”). Proposals will be evaluated based on (1) responses to specifics outlined in the Proposal Format section of this RFP and (2) the selection criteria. Proposals which omit any of these items may be rejected as non-responsive. From this review, a select group of firms may be chosen for oral presentations. All proposing firms will be advised of the firms selected for oral interviews. After conducting oral interviews, if necessary, the Board Professional Selection Committee, in consultation with the Review Committee, will make its decision on a recommendation for selection which will be reported to the Board of Directors of the Authority at its December 15, 2011, regular meeting. The final selection will be made by a vote of Board members.

ADFA may at any time prior to the selection of a firm reject any and all proposals and cancel this RFP, without liability therefore, upon finding that there is good cause for rejecting all proposals and that it would be in its interest to cancel the solicitation. Further, regardless of the number and quality of proposals submitted, ADFA shall under no circumstances be responsible for any proposer costs and expenses incurred in submitting a response to this RFP. Each proposer who submits a response does so solely at the proposer’s cost, risk and expenses. ADFA accepts no responsibility for the return of successful or unsuccessful proposals. This RFP in no way obligates ADFA to select a firm.

Any firm selected will be required to complete a disclosure form in compliance with Governor’s Executive Order 98-04.

H. SELECTION CRITERIA. The proposals will be reviewed by the Staff Professional Selection Committee composed of selected members of ADFA staff. The committee generally will use the following criteria to rank all acceptable proposals and to develop recommendations to be presented to ADFA Board Professional Selection Committee; however, ADFA reserves the right to evaluate the ranking of proposals based on factors beyond the listed criteria.

CRITERIA

1. Qualifications of the property manager:
 - a. Prior experience with property management issues
 - b. Prior experience with comparable buildings including size
 - c. Qualifications of staff assigned to this project including the team members’ demonstrated ability, years and type of experience
 - d. Response to Arkansas presence issue including relevance of presence to this transaction

2. Pricing proposal

SECTION II: SCOPE OF SERVICES AND REQUIREMENTS

The Manager agrees to perform Management Services, as set forth below, for the Premises, exercising prudence and good business judgment and expending such time, efforts and resources as shall be necessary to perform such Management Services in a timely, efficient, and diligent manner. Premises in downtown Little Rock include Donaghey Plaza South, Donaghey Plaza West, Donaghey Plaza North, dedicated parking deck and surface parking lot located between 8th and 9th Streets off Main Street. As used herein, the term “Management Services” shall include:

1. leasing to third parties such portions of the Premises not included in the lease between DHS and the Arkansas Building Authority (“ABA Lease”) as shall be designated as available for lease;
2. preparing and submitting an annual budget in conformance with Section 4.10 of the ABA Lease, showing expected expenditures related to the operation and maintenance of the Premises and the revenues derived from the lease of the Premises;
3. maintenance of books and records regarding expenditures and receipts related to the Premises, in reasonable detail tracking the annual budget and in a form acceptable to Owner;
4. causing such repairs and maintenance of the Premises as is necessary, including janitorial and related services;
5. establishing and maintaining a commercial bank account (the “Operating Account”) in compliance with Operating Account/Reserve Account guidance below;
6. collection of all rents (other than the rents paid by ABA directly to a trustee pursuant to financing documents in connection with the ABA Lease) and payment of all disbursements concerning the Premises;
7. causing the Premises to be properly secured to include security staff on-site in the lobby of Donaghey South on a continuous basis to monitor access to premises via video surveillance and sign-in log during non-duty hours. During normal duty hours (Monday through Friday, excluding Arkansas government holidays, from 7:00 a.m. until 5:00 p.m.) security staff will monitor access on –site in Donaghey Plaza South lobby and south loading dock, Donaghey Plaza North lobby and in the parking deck; and
8. execution and maintenance of all contracts or agreements relating to maintenance and repair of the Premises;

All Management Services performed by Manager shall be in conformance and compliance with all applicable laws, rules and regulations. All employees of the Manager who are responsible for or handle the Owner’s monies shall be bonded in an amount sufficient to cover any loss of funds caused by the actions of such employees.

Operating Account/Reserve Account Guidance

The Property Manager selected shall maintain an Operating Account, which contains, in addition to amounts needed for general operations of the Premises, amounts held as a reserve for capital replacement. Manager hereby agrees that amounts currently in the Operating Account in excess of \$250,000 represent amounts held as a capital replacement reserve and shall be delivered to Owner, who shall hold and invest such funds in an account (the "Reserve Account") according to its investment policies for the benefit of DHS and in conjunction with the lease agreement and sublease agreement. The Operating Account shall be initially established in the amount of \$250,000, and the amount of the Operating Account shall be established each year in accordance with the annual budget.

SECTION III: STATEMENT OF QUALIFICATIONS

A statement of qualifications should be submitted with the proposal for property manager.

SECTION IV: PROPOSAL FORMAT

A. TRANSMITTAL LETTER. A one page transmittal letter prepared on the proposer's business stationery should accompany the proposal.

B. PROPOSAL. The proposal should be labeled "Proposal to serve as Property Manager for the Donaghey Plaza Complex." The submission must contain sufficient information to enable the Review Committee to evaluate the proposal. It should be prepared in a clear and concise manner and should address each of the following subsections:

1. **Property Manager Team and Personnel.** Describe the manner in which you would organize your firm's resources to serve as Property Manager for the Donaghey Plaza Complex. In doing so, please address the following questions or issues:
 - a. Identify the individual who will manage this building on a day-to-day basis. Indicate the degree to which he or she will be able to commit the firm's resources to the building. What other commitments does he or she have?
2. **Arkansas Presence.** Please explain your firm's presence within Arkansas and describe how that presence is relevant to this proposed transaction.
3. **Rationale for Appointment and Proposal Summary.** This section of the proposal should be used by each proposer to present the case for its appointment to the position sought. It is not necessary for you to recite comprehensively your firm's qualifications and experience, but it would be useful for you to describe how your qualifications and experience in property management is relevant to the proposed property. In particular, you may want to select, e.g., three (3) past property management engagements and summarize their similarity to this program and their successfulness.

4. **Property Management Fee Proposal.** The fee proposals are an important component of the evaluation process. State the basic assumptions on which your figures are predicated and any factors that would affect the proposal. Please submit your fees as a flat rate that would be payable in equal monthly installments.

5. **Equal Opportunity Statement.** Please submit your Equal Opportunity Policy to ADFA in accordance with Arkansas Act 2157 of 2005. This act requires any firm wishing to respond to an RFP or submit a proposal or statement of qualifications to provide ADFA with your Equal Opportunity Policy.

6. **Acceptance.** Submission of proposals, in response to this Request for Proposal, constitutes acceptance of all conditions, requirements and limitations described in this document.

**PROPERTY MANAGERS
TO RECEIVE RFP'S**

CONTACT/FIRM/EMAIL	CONTACT/FIRM/EMAIL
Colliers International Phyllis Glaze Phyllis.glaze@colliers.com	Flake & Kelley Commercial Hank Kelley hkelley@flake-kelley.com
Irwin Saviers Ballard, LLC Marilyn Perryman mkperryman@isbmanagement.com	Grubbs & Ellis Fletcher Hanson fhanson@grubbellisar.com
Coldwell Banker Commercial Hathaway Group Jeff Hathaway jeff@hathawaygroup.com	RPM Management Company, Inc. Ron Goss rgoss@rpmrealty.com
Moses Tucker Real Estate Jimmy Moses jmoses@mosestucker.com	