

**SEALED BID PACKAGE
FOR SALE
SURPLUS REAL PROPERTY
OFFERED BY THE COMMONWEALTH OF KENTUCKY**

AMENDMENT #4

I. QUESTIONS/ANSWERS

1. It is a potential Purchaser's interpretation that the Purchaser (single special purpose entity) will utilize the cumulative mixed-use experience of the team members. Would you please confirm?

Amendment #3 was issued to clarify that a Purchaser could partner with developers or other professional entities to meet the requirements of the subject solicitation, so that your interpretation would be correct. An interested party may partner with other entities to submit a bid.

2. How many hard copies and digital copies of the proposal do you desire?

5 hard copies; 1 digital.

3. A Resident Bidder Status form was included with Exhibit K, but is not asked for in the RFB. Are we to submit this form?

Yes. The checklist included in the RFB is hereby amended to include the required Resident Bidder Status form (see attached revised Pass/Fail checklist).

4. An Authentication of Bid and Affidavit of Non-Collusion / Non-Conflict of Interest form is required on the Pass/Fail Items/Checklist on p.10 of the RFB; however, there is no form included in the RFB. Are we to submit this form and if so, will the Commonwealth issue the form?

Yes; See attachments to this Amendment #4.

5. Will any value be given to the quality of development being proposed or will award be based solely upon price being offered for property?

The Purchaser must Pass all of the stated requirements, but beyond those requirements, additional points are not available and bid amounts will be used to make a determination on award.

6. In regard to the proposed amendments to the hotel lease:

- a. Will all amendments be completed prior to the conveying of the property?

Undetermined at this time.

- b. Who is responsible for any costs associated with changing the utilities?

Utilities were separated after the conveyance of Parcel B to its current owner. There are no plans for additional utility work on Parcel B by the Commonwealth of Kentucky. Any other utility work desired will be at the expense of the successful Purchaser/new owner upon conveyance.

- c. What are the requirements regarding parking to be provided to the hotel?

The lease requires 150 covered adjacent parking spaces. However, the RFB requires a minimum 300-space parking garage.

7. It is noted that "the parking area in front of the YMCA is not a part of the lease agreement" between the YMCA and the Commonwealth. That being the case, who controls this parking area?

Although the parking area is not included in the lease to the YMCA, the YMCA utilizes the parking area. However, the COK historically has maintained the area with regard to upkeep/repairs.

8. Does the existing parking structure on Parcel C Block and its associated parking spaces count towards the 300-space parking garage required in the RFB?

The RFB-required minimum 300 parking space garage must be on Parcel B, adjacent to the hotel.

9. Do the 300 spaces have to be in a parking garage or just have access to 300 spaces?
Yes; the requirement minimum 300 parking spaces must be in a parking garage.

10. The Frankfort Masterplan calls for the extension of Washington Street along the east boarder of Parcel C as well as extending it through Parcel B to Mero Street. If the successful Purchaser's masterplan for the property includes this consideration, can it be assumed that either the City or Commonwealth will assist in the cost of this improvement? If so, to what extent?

The Commonwealth will not provide any monetary assistance with regard to Parcels B Block and C Block.

11. Will the successful Purchaser be required to provide a traffic study for their proposed development?

The successful Purchaser/new owner may be required to provide a traffic study for its development, but a traffic study is not a requirement of this RFB.

12. Page 6 of the RFB Item b.4 reads: "Projected design, development costs, and explained contingencies must be detailed. This section provides the opportunity for the Purchaser to show the attributes of their design, diligence and competitiveness in controlling costs and their ability to plan for and overcome obstacles they may encounter." Will any of a Purchaser's response to this item or a Purchaser's success and value(s) relative to any of this requested information play a role in choosing the successful "Purchaser"?

No; RFB Item b.4 is a requirement of a pass/fail checklist. Passing all requirements of the checklist will move a bid for the property to the opening date of October 16, 2019 @ 3:00 p.m. The Commonwealth of Kentucky has not assessed any evaluation criteria or points to Item b.4.

13. Page 8 of the RFB Items 12 and 13 clearly reads the property is being sold "**AS-IS.**" Is it to be assumed that this includes any potential environmental issues?

Yes.

14. What, if any, utilities for the hotel are located within the Parcel B "crawlspac" (former parking garage), and what arrangement is necessary to provide access to hotel staff to this space? It appears there are plumbing and utility lines from hotel spaces into the ceiling of the "crawlspac". Will an easement be created to allow hotel staff access into this space?

It is likely the successful Purchaser will need to negotiate with the Hotel owner to address utilities in this area and the commercial white box areas located above the crawl space, as well as access to utilities by hotel staff.

15. Exhibit B – Hotel Lease Proposed Amendments specifies to “change utilities from hotel paying Finance for utility consumption to Hotel being responsible for all utilities.” Is there a separate electrical service for the two commercial/retail lease spaces, or is there a single electrical service from a transformer supplying power to both the hotel and to the tenant lease spaces within Parcel B?

Single electrical service from transformer supplying power to both the hotel and to the tenant lease space within Parcel B.

16. If the answer to question ‘15’ above is “no, there is a single service”, will the hotel ownership accept a sub-metering, tenant arrangement, such that the purchaser would track energy usage and pay the hotel for utility consumption?

The answer would be determined by the Hotel owner.

17. Are the two commercial/retail lease spaces on their own HVAC system, completely separate from the Hotel?

Yes.

18. How are the HVAC units in the lease spaces powered and how is that power metered?

The commercial space HVAC units are powered by the Hotel’s meter and must be sub-metered by and at the sole expense of the successful Purchaser. See answer to #15.

19. There is a door from the “crawl space” (former parking garage) into an elevator lobby serving the hotel. Does the Purchaser need to make provisions to build a separation between these areas?

The separation is not part of the current owner’s responsibility; the decision to separate will be determined by the successful Purchaser. It is the Commonwealth’s understanding that the “crawl space” area has lighting which is powered by the Hotel’s meter.

20. Once the hotel and the crawlspace have been separated, is there an alternate means of access or egress from this space for personnel working on utilities in this area?

It is our understanding there may be another way out of mechanical area; however, the potential additional access needs to be confirmed by the successful Purchaser with the hotel owners.

21. The current configuration of traffic on Clinton Street is two-way. Is this a temporary condition only created by the ongoing construction, or is this the intended permanent condition?

This answer is yet to be determined.

22. The RFB mentions leases with both the hotel and YMCA. Is it required that the Purchaser has contact and begin a working dialogue with each to understand the lease responsibilities and amended needs of each prior to bidding? If so, will proof of contact/work/understanding be required in the form of a letter of understanding or memorandum?

It is not required by the RFB; but, certainly is desirable, since the high bid will become the landlord for those two leases.

23. It is mentioned that the hotel lease will need to be amended to increase the amount of leases land by two small mechanical areas. Will this land/area information be provided by the hotel or the Commonwealth?

The two mechanical areas are identified on the survey attached to RFB as Exhibit D.

24. Page 6 of the RFB item 8b reads: "The purchaser must provide evidence that the completion of its proposed project will be financially viable to its organization or them." In what form will this evidence be required?

All five items, described on pages 6-7 of the RFB, are requirements of the RFB. These items are mirrored in the pass-fail items/checklist on page 10.

25. Are there adequate sanitary sewer capacity and water volume/pressure to serve a multi-block mixed-use development?

Unknown by the Commonwealth; this will be left to the Purchaser to determine.

II. SECTION 11, PAGES 6-7 IS HEREBY AMENDED AS FOLLOWS (DELETED LANGUAGE STRICKEN; NEW LANGUAGE UNDERSCORED):

11. REQUIRED FORMS included in EXHIBIT K:

- AFFIDAVIT FOR PURCHASERS, OFFERORS AND CONTRACTORS
- VENDOR REPORT OF PRIOR VIOLATIONS ON CONSTRUCTION SEALED BIDS
- ~~STATEMENT OF FINAL DETERMINATION OF VIOLATIONS PURSUANT TO KRS 45A.485~~
- SWORN STATEMENT REGARDING CAMPAIGN FINANCE LAWS PURSUANT TO KRS 45A.110 KRS 45A.115
- REQUIRED AFFIDAVIT FOR PURCHASERS, OFFERORS AND CONTRACTORS CLAIMING RESIDENT BIDDER STATUS
- AUTHENTICATION OF BID AND STATEMENT OF NON-COLLUSION AND NON-CONFLICT OF INTEREST

SEE ATTACHED REVISED EXHIBIT K.

End of Amendment #4