REQUEST FOR PROPOSALS

DEPARTMENT OF CORRECTIONS – CHOCOLAY TOWNSHIP, MARQUETTE COUNTY

SR #2011-0545 – PROPOSALS DUE BY 5:00 P.M. EST ON THURSDAY, JUNE 30, 2011

I. Introduction

The State of Michigan, by its Department of Technology, Management and Budget (DTMB), for its Department of Corrections (DOC) seeks proposals for leasing certain of its Farm property located in Chocolay Township, Marquette County, Michigan for a ten-year term with an "either party" one hundred eighty day (180) day cancellation option.

Details on the farm property available for leasing and the given terms of the lease are included in this Request for Proposals (RFP) and its attachments. Please review and read this RFP package thoroughly. Potential Lessees that could operate the farm as a private for-profit or non-profit business operation within the terms and parameters specified herein, are strongly encouraged to respond. Proposals must be based on the sample documents and requirements as detailed herein. Instructions for how to properly submit proposals and questions on this RFP are also included herein. Proposers are hereby notified that communications during the RFP process other than those called for herein may result in a proposal's rejection.

Note that State tax credits and other business incentives are administered by the Michigan Economic Development Corporation (MEDC), which is the appropriate contact for related resources and program information. DTMB will not accept proposals contingent upon receiving credits, incentives or other project cost inducements.

The State reserves the right to waive any irregularities or defects in any submission; to request clarifications or additional information regarding proposals; to conduct a Best and Final Offer (BAFO) run-off competition between leading proposers; and to reject any and all proposals at the State's sole discretion. The submission of this RFP does not constitute an agreement to lease with the State. The State shall assume no liability whatsoever for any expense incurred by a Proposer in replying to this RFP, or any development risk of a successful proposer. Award of a lease shall be to the bidder whose proposal is in the overall best interest of the State of Michigan and shall be subject to approval by the State Administrative Board.

II. Forms and Documents

II.1 - Lease of State-Owned Space Proposal Form: To be considered, your proposal shall be made on the enclosed Lease of State-Owned Space Proposal Form and all blank spaces on that form are to be filled in. Incomplete proposal forms may be rejected. Your signature on the form must be in longhand, and no part of the form shall be altered (except to document alternate terms proposed, if any, in the manner provided on the form).

II.2 - Form of Lease: A partially-completed draft Lease designed to help govern this specific leasing opportunity is enclosed. Incomplete portions include rent rates and details about the successful bidder as Lessee. Exceptions or alterations proposed by a prospective Lessee to given terms in the State's form of Lease will be considered but may detract from the competitiveness of your proposal. In any case, the State of Michigan reserves the right to make further modifications to the leasing document to accurately reflect final business terms agreed to by the parties.

III. Required Approvals, Legal Documentation and Disclosures

III.1 - Required Approvals For State Leases: No Lease shall be binding or effective on either party until it is approved and executed by the Department of Technology, Management and Budget (DTMB) and the date of execution by DTMB shall be the effective date of the Lease. At any time prior to execution by the DTMB, the State reserves the right to reject the proposal and terminate the Lease approval process. DTMB will not sign a lease until

all of the following have happened: 1. approval as to legal form by the Department of Attorney General; 2. execution by the Department of Corrections; 3. implementation approval by the State Administrative Board.

III.2 - Required Documentation From Proposers: A complete and proper proposal will, at a minimum, contain the following documents:

1. A completed "Bidder's Acknowledgement" form.
2. A completed "Lease of State-Owned Space Proposal" form (specifically for SR# 2011-0545) and any attachments thereto as called for on that form.
3. Documentation as necessary to confirm a proposer's legal entity status and their legal authority to enter into a leasing agreement, including the signatory's authority to bind an entity contractually.

Failure to provide the foregoing documentation may result in a proposal's rejection.

III.3 - Disclosures: All materials submitted by proposers may be subject to public disclosure, once unsealed and after the proposal evaluation process, under the Michigan Freedom of Information Act (FOIA) (P.A. 442 of 1976, as amended.) However, no such disclosures will be made about where a given proposal "stands" in relation to others, at any time during the evaluation process. All proposal-related materials submitted by proposers become the property of the State of Michigan and cannot be returned.

IV. Selection Criteria and Submission

IV.1 - Selection Criteria: The selection of the recommended proposal is based on, but is not limited to, the following criteria:

A. A clear and concise proposal, particularly in terms of dates, numbers, dollars, and any other information requested in this RFP. Vague and/or incomplete proposals may be rejected.
B. The best economic return (net rental income) for the Department of Corrections. Proposers are expected to submit their best and highest offer for rent and all other selection criteria in response to this RFP.
C. Number of new full-time and part-time jobs pledged to be created in Michigan as a result of this Lease (if any).
D. Proven successful experience operating a commercial farm safely, responsibly, efficiently and effectively for at least three (3) years.
E. Demonstrated ability to honor a commercial leasing agreement via positive references from past Lessors/Landlords.
F. Ability to partner with and/or serve as a vendor to Michigan State Industries or other Department of Corrections programs resulting from being awarded this Lease.
G. Other tangible or intangible specific benefits to the State not listed here that the prospective Lessee may care to offer.

IV.2 - Site Tour: The Department of Corrections will host a part-walking and part-driving site tour of the farm property being offered for lease on **Monday, June 13, 2011 beginning promptly at 9:00 a.m. and ending approximately at 12:00 noon, Eastern Standard Time.** Participation on the tour by prospective bidders is not mandatory, but is highly recommended. Prospective bidders should report for the tour on time to the main gate of the "Magnum Farm" portion of the subject premises located at 100 North Big Creek Road, in the Township of Chocolay, Marquette County. Photography by tour participants will be permitted. Questions about the available farm premises will be answered then and there to the best of the Department's ability. All other questions about this RFP and the selection process shall be answered as provided in Section IV.3 below.

IV.3 - Questions and Answers: Questions concerning clarifications or standards contained in this RFP are to be submitted by e-mail only (please indicate proposal number SR 2011-0545 in the subject line) no later than **5:00 p.m. Eastern Standard Time on Friday, June 17, 2011** to: DTMB-realestate@michigan.gov .

All questions and answers will be posted to the website at www.michigan.gov/DTMB-realestate no later than **Thursday, June 23, 2011.** Prospective proposers should check the website for any updates, questions and answers.

The State will not respond to telephone inquiries or visits by proposers or their representatives, or respond to questions after the due date.

IV.4 - Proposal Submission: Two (2) printed copies of each proposal, clearly indicating the appropriate proposal number SR 2011-0545, must be received by **5:00 p.m. Eastern Standard Time on Thursday, June 30, 2011** in the DTMB/RED offices. Submitted proposals may be addressed as follows:

Attn: SR 2011-0545 Project Manager
Real Estate Division
Michigan Dept. of Technology, Management and Budget
For U.S.P.S delivery:
P.O. Box 30026
Lansing, MI 48909
For private carrier delivery:
530 West Allegan Street
Lansing, MI 48933

An electronic version of the complete proposal is also required to be submitted by e-mail to DTMB-realestate@michigan.gov by the same deadline as the printed copies. That electronic submission must indicate the appropriate proposal number, SR 2011-0545, in the e-mail subject line.

Printed and electronic copies of proposals MUST be received by the date and time stated herein or they will not be accepted. There will be no exceptions.

All proposals must be valid for at least one-hundred and twenty (120) days from the submission due date.

IV.5 - State Acceptance and Authority: After all proposals have been analyzed and a recommendation is made to and accepted by the State, DTMB will notify all proposers accordingly. Any proposals not meeting the minimum requirements of the enclosed Lease and this RFP may be rejected.

Proposers are expected to submit their highest and best offer for rent and all other selection criteria in response to this RFP. However, it is the State's practice to seek out the best and most responsive OVERALL proposal for the Department of Corrections across all selection criteria set forth in this RFP. Accordingly, a proposal may not be selected just because it offers the highest rent alone.

The DMB Act (1984 Public Act 431, as amended) specifies that the Department of Technology, Management and Budget is the only department authorized to enter into leasing agreements, subject to obtaining all necessary approvals. No individual, employee or agent of the State of Michigan has authority to bind the State without proper authorization. Further, you must receive a fully executed leasing agreement document, signed by an authorized representative of the Michigan Department of Technology, Management and Budget for it to be valid.

Thank you for your interest in doing business with the State of Michigan.

This Acknowledgment must be signed, dated, and returned with your Proposal

BIDDER'S ACKNOWLEDGMENT

Request for Proposal

DEPARTMENT OF CORRECTIONS - CHOCOLAY TOWNSHIP, MARQUETTE COUNTY

SR #2011-0075 - PROPOSALS DUE BY: JUNE 30, 2011

Please review and read this RFP thoroughly. Your proposal should be based on the sample documents and requirements as presented in this RFP. The Bidder acknowledges and certifies that they are authorized to submit the proposal; that they have read and fully understand all terms and conditions of this RFP; that the proposal complies with the requirements of this RFP; and that they shall be responsible for any errors or omissions in the proposal.

_____ _____

Signature of Authorized Bidder/Representative **Date**

_____

Printed Name

New Form 1-13-09

LEASE OF STATE-OWNED SPACE PROPOSAL SR# 2011-0075

State of Michigan - Department of Technology, Management and Budget - Real Estate Division

This proposal is to lease the subject premises described below for a ten-year term with an "either party" one hundred eight (180) day cancellation option and with the other terms contained in the State's Request for Proposals (RFP) and attachments thereto.

The State reserves the right to accept any proposal, to reject any or all proposals, and/or to waive any proposal defects. Award of a lease shall be to the proposer whose proposal is in the overall best interest of the State of Michigan and shall be subject to approval by the State Administrative Board. By signing this proposal form, signatories represent that they are duly authorized to submit this proposal on proposer's behalf and that all the information supplied thereon by proposer is accurate and that the proposal is effective for at least 120 days from the due date below by which proposals are to be received by the Department of Technology, Management and Budget, Real Estate Division (DTMB/RED). All proposals submitted become the sole property of the State of Michigan and may be subject to disclosure under Michigan's Freedom of Information Act (PA. 442 of 1976, as amended.)

Section I

NAME OF PROPOSER (PROSPECTIVE LESSEE): CONTACT PERSON:	ADDRESS OF PROPOSER (STREET)
CURRENT LEGAL ENTITY (i. e., HUSBAND/WIFE, CORP., LLC, PARTNERSHIP, ETC.):	CITY STATE ZIP CODE
TELEPHONE NUMBER: FAX NUMBER:	E-MAIL ADDRESS

Section II

ADDRESS OF SUBJECT PREMISES: 100 North Big Creek, Road, Chocolay Township, Marquette County, Michigan, 49855-9096.

Does the proposed Lessee own or lease property immediately adjacent to the subject Premises offered in this RFP? Check one: ____Yes ____No. If yes, please provide a complete address and legal description for the adjacent property and please attach a copy of the current lease, if leased, or the current deed, if owned.

Section III

MONTHLY RENT OFFERED: Yrs.1-5: $_____/mo. Yrs. 6-10:$_____/mo. _____ Check here if other rent plan offered, and detail that plan in Section III-D below.	NUMBER OF NEW FULL-TIME JOBS PROMISED TO BE CREATED AT THE LEASED PREMISES BY PROPOSER FOR DURATION OF LEASE (IF ANY):	NUMBER OF NEW PART-TIME JOBS PROMISED TO BE CREATED AT THE LEASED PREMISES PROPOSER FOR DURATION OF LEASE (IF ANY):

A. Describe any previous experience operating a commercial farm safely, responsibly, efficiently and effectively for at least three (3) years. Also, provide any previous Landlord/Lessor references that DTMB/RED may contact about your previous history as a Lessee/Tenant. (Attach additional pages as needed):

B. Describe any opportunities your proposed use of the Leased Premises will present for partnering with and/or serving as a vendor to Michigan State Industries or other Department of Corrections programs as a result of this Lease in support of stated official DOC program goals available on DOC's Michigan State Industries website at http://www.michigan.gov/msi . (Attach additional pages as needed):

C. Describe any other tangible or intangible specific benefits to the State that the prospective Lessee may care to offer if awarded a leasing agreement for the subject space. (Attach additional pages as needed):

D. Describe any proposed specific exceptions or alterations to the terms and conditions offered in the State's RFP and attachments thereto. Note that such exception may detract from the competitiveness of your proposal: (Attach additional pages as needed):

Section IV

THIS FORM MUST BE COMPLETELY FILLED OUT, SIGNED AND RECEIVED IN THE DTMB/RED OFFICES AS PART OF A COMPLETED, SEALED PROPOSAL BY JUNE 30, 2011 AT 5:00 P.M. E.S.T. TO BE CONSIDERED. SUBMITTED PROPOSALS MAY BE ADDRESSED AS FOLLOWS:

Attn: SR 2011-0545 Project Manager
Real Estate Division
Michigan Dept. of Technology, Management and Budget
For U.S.P.S delivery:
P.O. Box 30026
Lansing, MI 48909
For private carrier delivery:
530 West Allegan Street
Lansing, MI 48933

DATE RECEIVED: (for DTMB/RED use only)

_____
SIGNATURE OF PROPOSER

_____
PRINTED NAME:

_____
DATE SIGNED: