

## **MERCY CORPS GLOBAL HEADQUARTERS** **REQUEST FOR PROPOSAL**



To lease and operate a neighborhood café in the new Mercy Corps Global Headquarters Building at SW First Ave. and SW Ankeny St., Portland, Oregon

**DATE ISSUED:**  
January, 2009



January 20, 2009

Mercy Corps, a global relief and development organization, is developing a new Global Headquarters in Portland, Oregon. Mercy Corps' new home will be located in the historic Skidmore Fountain Building (1890) and a new four story addition in one of Portland's oldest neighborhoods - Old Town Chinatown. The new 83,000SF facility will include offices and support spaces for up to 200 team members, a world class interactive learning center, The Mercy Corps Action Center, Mercy Corps Northwest microfinance business center, public meeting rooms, a temporary exhibit space and a neighborhood retail space. The building will serve as a center of activity and a key catalyst for revitalization of the neighborhood.

The 1,445 SF neighborhood retail space located on the ground floor offers an exciting business opportunity for a qualified party looking to expand existing operations or start a new venture. With large windows and doors opening onto SW First Avenue, the space provides a distinctive location with exceptional exposure to Mercy Corps employees, local, national & international visitors as well as school groups, transit riders, and pedestrians.

Mercy Corps invites you to consider leasing and operating this new neighborhood café. Mercy Corps envisions a café/deli serving coffee, baked goods, and lunch food such as soups, sandwiches, and salads during regular business hours. We are also hopeful the café will serve breakfast and stay open after work hours. Mercy Corps requires that the cafe open no later than September 2009 when the building officially opens for employees and visitors.

If you have any questions or would like to schedule a site visit, please do not hesitate to call or email me (503-450-1965, [mhinshaw@mercycorps.org](mailto:mhinshaw@mercycorps.org)). We look forward to talking to you further about this proposal.

Regards,

Margaret Hinshaw  
Headquarters Outreach Manager  
Community Relations Officer

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Portland, OR 97201  
503.450.1965  
cell: 503.530.6344  
[mhinshaw@mercycorps.org](mailto:mhinshaw@mercycorps.org)

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## INTRODUCTION

### REQUEST FOR PROPOSAL

Mercy Corps is soliciting Proposals in response to this Request for Proposal (RFP) to operate a commercial business in the new Mercy Corps Headquarters Building (the Project). Mercy Corps is using the RFP process to identify the business who best meets our criteria for the 1,445 net square feet of retail space in the Project. Mercy Corps invites and welcomes respondents who can best meet our criteria outlined below and provides such service to submit proposals.

### BACKGROUND

Mercy Corps is a not for profit organization that works amid disasters, conflicts, chronic poverty and instability to unleash the potential of people who can win against nearly impossible odds. Since 1979, Mercy Corps has provided \$1.5 billion in assistance to people in 106 nations. Supported by headquarters offices in North America and Europe, the agency's unified global programs employ 3,500 staff worldwide and reach nearly 16.4 million people in more than 35 countries.

### BALANCING GROWTH WITH FINANCIAL RESPONSIBILITY

The organization's recent growth is at the forefront of our decision to build a headquarters building. A new headquarters means space to grow and cost savings that makes Mercy Corps an even more efficient organization.

In 1982, Mercy Corps had only three team members in its Portland headquarters, all of whom shared a single room. Today our headquarters team numbers more than 150, scattered across six separate buildings. In addition to meeting our current and anticipated needs for workspace, a new headquarters building makes sound financial sense.

### THE LEMELSON FOUNDATION

The Lemelson Foundation has purchased an equity interest in the Mercy Corps Headquarters Building and will occupy one-half of the second floor of the building with their Headquarters.

### THE MERCY CORPS ACTION CENTER AND COMMUNITY SPACE

The building will also feature the Mercy Corps Action Center on the southwest corner of the ground floor. The 4,000 square foot Action Center will be open to the public, and represents a major new arrival on the Portland public attraction landscape, vividly bringing the world's challenges to audiences in the Pacific Northwest. The Action Center uses a wide range of interactive multimedia content to bring to life the daily experiences of community members, aid workers, and others as they strive to improve lives around the globe. Visitors travel through a series of exhibits that provide information and challenge them to analyze pressing global issues, and inspire them to take meaningful action around them.

The community served by the Mercy Corps Action Center includes students, residents, and tourists. According to current estimates, the Center is forecasted to receive as many as 70,000 visitors annually, including thousands of students. The café and Action Center are expected to benefit from

## **INTRODUCTION** *continued...*

being adjacent to the Portland Saturday Market, which receives one million visitors annually.

The Headquarters, Action Center and café will contribute to a renaissance of the Old Town-Chinatown neighborhood, already home to a number of notable business, arts and cultural institutions, including Northwest Natural, University of Oregon, and Portland Chinese Classical Garden, and the Portland Saturday Market. The University of Oregon will serve around 600 students daily at their new urban campus.

Additional tentative projects in Old Town Chinatown include a five block redevelopment by the Bill Naito Company, a 300 student campus for the Oregon College of Oriental Medicine and an Uwajimaya store.

In addition to the 3,500 square feet of exhibits in the Action Center, the Headquarters building is designed to serve as a wider community resource and provide additional learning opportunities. Another 3,500 square feet of public space on the ground floor will have either permanent or occasional exhibits.

### **ENSURING ENVIRONMENTAL SUSTAINABILITY**

Mercy Corps' new global headquarters will be a green building, reflecting our commitment to environmental sustainability. Climate change is one of our planet's most critical challenges and a consideration in many of our programs around the world. Locally, we are seeking to reduce our organization's carbon footprint - which includes energy consumption, water usage and other environmental impacts - by working in close cooperation with our architect, contractor and green-building consultant. Mercy Corps is pursuing a Leadership in Energy and Environmental Design (LEED) certification, which represents the standard for the design, construction and operation of green buildings.

### **MESHING COLLABORATION AND CREATIVITY**

The design for the building includes the renovation of the historic Packer Scott Building (Skidmore Fountain Building), construction of a new, four-story addition and a small at-grade parking area. The building contributes to a National Register Historic District and therefore renovation will comply with the Secretary of Interior Standards for the Rehabilitation of Historic Structure. The exterior façade will restore and complement the existing structure on the site as well as preserve the integrity of surrounding buildings and the neighborhood.

In addition, our new headquarters is situated directly along Portland's MAX train line and is centrally located in Portland's Old Town district, giving both team members and visitors the opportunity to protect the environment by riding, biking or walking instead of driving.

Mercy Corps has engaged a local team to help shape and create its future home. We are working with a respected local architecture firm, THA Architecture, The Walsh Group, a regional construction company, as well as Green Building Services, our green-building consultant.

## OPPORTUNITY

With up to 200 employees, numerous Action Center visitors, University of Oregon students, and access by the general public, the ground floor retail space would be an ideal location for a neighborhood café. The café will provide a lively gathering place for the Mercy Corps, guests to the Action Center, and the surrounding community.

The 1,445 SF retail space is located on the northwest corner of the existing historic structure. The space is accessible by two entrances that open directly onto SW First Avenue. Large expansive windows provide access to daylight and urban views. The current open floor plan provides the selected respondent with an opportunity to customize the space to meet their needs. A tenant improvement allowance will be provided as part of the lease agreement.

Mercy Corps is seeking a retail partner who will use the space to demonstrate a commitment to global issues, reflecting harmony with the agency's mission and work. Retail partners are asked to explore connections with the mission of Mercy Corps and the Action Center next door.

Food product sourcing and menu options could reflect a global worldview alongside an embrace of locally-grown foods. Retail partners are asked to demonstrate commitment to socially and environmentally responsible products.

### DESCRIPTION OF RETAIL SPACE

The retail space is located in the NW corner on the first floor and has a storefront on First Avenue. See Attachments A, B and C for more complete description.

### VENDOR SELECTION PROCESS

Mercy Corps is issuing Request for Proposal for qualified parties interested in leasing and operating a neighborhood café. We will review your proposal to ensure that your plans are economically viable.

### CRITERIA

We are seeking a retail partner who understands the mission of Mercy Corps and The Mercy Corps Action Center and who includes in their proposal ways to reflect our stories and/or programs in the retail space.

We ask for a retail partner serving high quality coffee service for our staff, and visitors. We are asking for your hours of operation to commence at or before 7:30 AM and continue to 6:30 or later each work day. (Breakfast and happy hour service will be considered favorably.) Weekend hours should reflect compatibility with The Mercy Corps Action Center and Saturday Market.



## SOLICITATION SCHEDULE

Task	Due Date
RFP issued	January 20, 2009
Proposals due to Mercy Corps	February 9, 2009
Interviews	February 16, 2009
Recommendation to Executives	February 20, 2009
Lease Award	February 23, 2009

## PROPOSAL FORMAT

In order to facilitate the analysis of responses to this RFP, Respondents are required to prepare their proposals in accordance with the instructions outlined in this section. At the sole discretion of Mercy Corps, respondents whose proposals deviate from these instructions may be considered non-responsive and may be removed from consideration.

Proposals shall be prepared as simply as possible and provide a straightforward, concise description of the Respondent's capabilities to satisfy the requirements for this RFP. Expensive bindings, color displays, promotional material, etc., are not necessary or desired. EMPHASIS SHOULD BE ON ACCURACY, COMPLETENESS, MEETING SPECIFIED CRITERIA AND CLARITY OF CONTENT. All part, pages, figures, and tables should be numbered and clearly labeled. The Proposals shall be organized into the following major sections.

### COVER LETTER

The proposal shall contain a cover with the respondent's name, address, and signature of an authorized person. The cover letter should describe why you or your firm should be considered for this opportunity. Please include a narrative description of how the proposed business supports the criteria outlined above.

### BUSINESS PLAN FOR PROPOSED BUSINESS

The business plan and financial information shall include the following:

- Financial plan including a 5-year revenue and expense forecast
- A budget for the cost of tenant improvements
- A schedule for constructing the tenant improvements of the space
- Proposal must identify the source of funding for the tenant improvements
- Details of type and quantity of production/scale of production
- Analysis of market conditions that makes this proposal viable
- A list of financial expectations the respondent has of Mercy Corps relative to the space

## PROPOSAL FORMAT *continued...*

- Balance Sheets and Income Statements for the last 3 years
- The most recent Dun and Bradstreet report
- Description of how this proposed business will be funded, including documented steps taken to obtain funding and documentation of proof of funding.

### EXPERIENCE

In order to determine the experience of both the Respondent and the key staff assigned, Mercy Corps is asking Respondent to provide evidence of current and past experience managing a successful business. Evidence should include resumes of all key personnel including the project manager who would be assigned to this tenant improvement project and the manager responsible for establishing and managing the proposed business.

### MISCELLANEOUS INFORMATION

Any miscellaneous proposal information the respondent would like to include in the response to the RFP shall be included in this section.

## SELECTION PROCESS

A five (5) member selection committee will evaluate all responses received and score each proposal, weighted as noted below. Scores will be summed and no more than the 3 highest scored proposals will be invited to an interview with the Committee. Once the interview is complete the most qualified respondent will be selected.

### SELECTION CRITERIA

Criteria	Weight
Probability of successful business: <ul style="list-style-type: none"><li>- Business experience</li><li>- Working capital</li><li>- Familiarity with proposed business concept</li><li>- Financial strength</li><li>- monthly income for Mercy Corps</li></ul>	55
Demonstrated quality of coffee and food including scale of operation	25
Mission compatible and proposal to align with Mercy Corps and Action Center mission	15
Innovative approach for the retail space	5

## **REQUEST FOR PROPOSALS INSTRUCTION AND CONDITIONS**

### **CLARIFICATION OF RESPONSES**

Mercy Corps reserves the right to request clarification of any item in a firm's response or to request additional information necessary to properly evaluate particular qualifications. All requests for clarification and responses shall be in writing.

### **SUBMISSION OF PROPOSALS**

Responses to the Request for Proposal must be received at Mercy Corps headquarters by 5:00 PM on February 9, 2009. Five copies of the proposal must be delivered to the following address in sealed envelopes and clearly marked:

Attn: Margaret Hinshaw  
Mercy Corps Headquarters Retail Space  
3015 SW First Avenue  
Portland, OR 97201

Respondents are responsible for ensuring that proposals are received by the above office prior to the deadline. Mercy Corps may, at its sole discretion, decline to consider late submissions.

### **REJECTION OF REQUEST FOR PROPOSALS**

Mercy Corps reserves the right to reject all submissions and not select any respondent to this RFP.

### **INVESTIGATIONS**

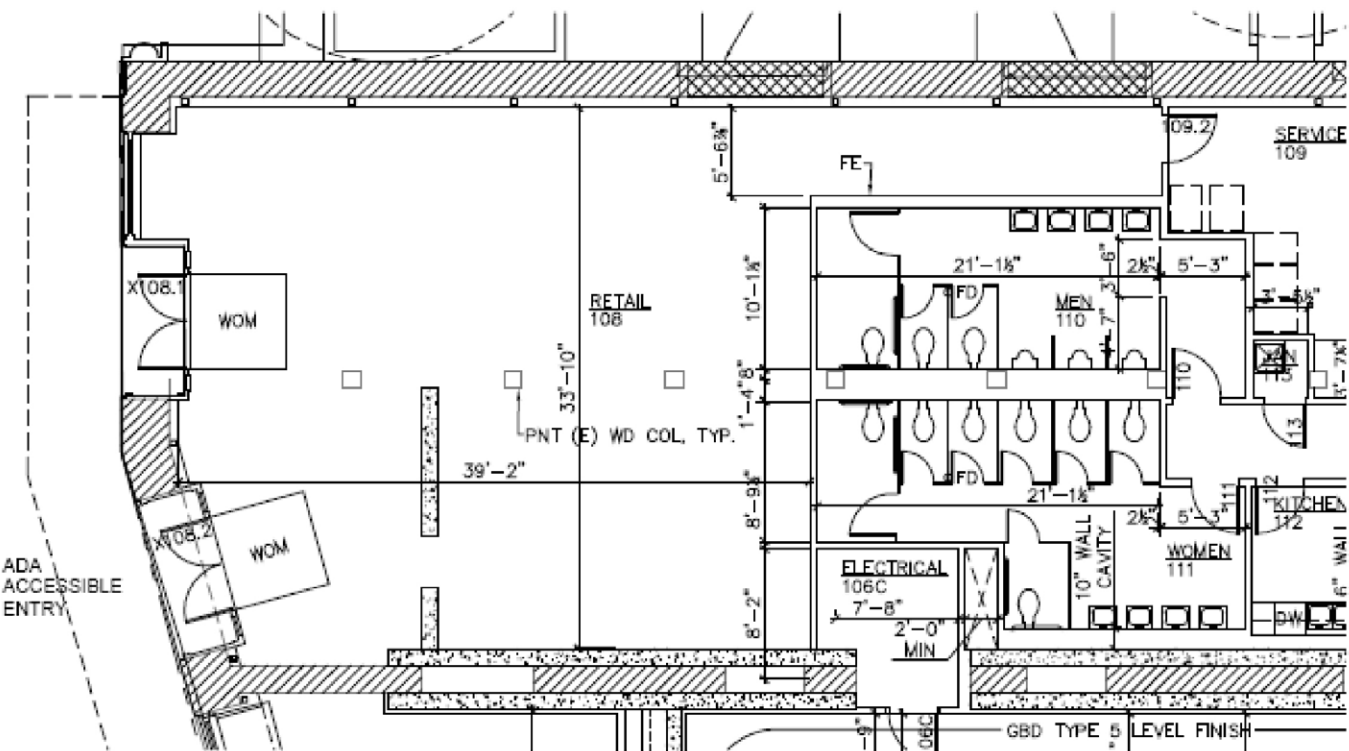
Mercy Corps may make such independent investigation as deemed necessary to determine the responsiveness and/or ability of any respondent to perform the work, and the respondent shall furnish to Mercy Corps all such information and data for this purpose as Mercy Corps may request.



## ATTACHMENT A

<b>Location:</b>	SW Ankeny Street and SW First Avenue
<b>Premises:</b>	Approximately 1,445 square feet
<b>Lease Term:</b>	Three (3) years
<b>Options to Renew:</b>	TBD
<b>Terms:</b>	TBD
<b>Monthly Rent:</b>	TBD
<b>Additional Rent (CAM):</b>	TBD
<b>Property Taxes:</b>	TBD
<b>Site Improvements:</b>	<p>Space delivered to tenant as an unfinished shell with the following improvements:</p> <ul style="list-style-type: none"><li>• Floors: Existing and new plywood floor.</li><li>• Interior Walls: Finished gypsum board, ready for paint.</li><li>• Ceiling: Finished gypsum board, ready for paint.</li><li>• Exterior Windows/Doors: Painted with hardware provided; Walk off mats at both entries.</li><li>• HVAC: Exposed fan coil unit that heats/cool space hung from ceiling.</li><li>• Plumbing: Water/waste lines easily accessible; separate water meter.</li><li>• Electrical: Minimal power outlets at perimeter for convenience power; outlets fed from two circuits; 100 amp panel; separate electrical meter.</li><li>• Lighting: Code required emergency lighting only; exit sign at door.</li><li>• Telephone/Data: Ready access to telephone backboard in basement.</li><li>• Other: Restroom facilities required and not provided.</li></ul>
<b>Tenant Improvement</b>	
Allowance:	43,000
Utilities:	TBD
<b>Proposed Lease Term Cont'd:</b>	
Insurance:	Basic rent to include casualty insurance for the building. Tenant to provide personal property/liability insurance.
Lease Deposit:	TBD
Signage:	Tenant signage shall be subject to Landlord building standard and compliance with City of Portland sign code.
Rent Commencement:	Monthly rent shall commence the earlier of thirty (30) days after delivery of premises by landlord or the first day of operation of business on the premises.
Guaranty:	If tenant is a corporation or other business entity, each of the shareholders or owners of that entity shall provide personal guarantees of the Lease in a form to be provided by Landlord.
Other:	No broker's commissions will be paid.

## ATTACHMENT B: PLAN OF RETAIL SPACE



PLAN OF RETAIL SPACE  
DEC. 15, 2008

## ATTACHMENT C: MERCY CORPS HEADQUARTERS FIRST FLOOR PLAN

