

Request for Information

The design, construction and management of a retail precinct at the Joburg Market



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General Information

1. Purpose

The purpose of this Request for Information (RFI) is to solicit information from suitably qualified and well experienced parties interested in constructing and managing the retail redevelopment of the Row of Shops situated on the eastern side of the Joburg Market main building. The site is Erf 118 City Deep Extension 2 that measures 5624m² and is held under lease A6887/1976. It is registered in the name of the City of Johannesburg Metropolitan Municipality.

The issuance of this RFI does not constitute a commitment to award a contract or pay any costs incurred in the preparation of this RFI. Submitting a response to this RFI is not a guarantee in any way that an interested party will be awarded, nor does it preclude any interested party from responding to future procurement opportunities.

All requests for information must be submitted as a bound document. The two briefing sessions will be compulsory. The first briefing session will be a site visit while the second one will be a formal question and answer session. Dates for these briefing sessions will be published as per the advert. The request for information closes on the 30th April 2018.

2. Background

The area was constructed in 1976 and the portion of land was excised out of Erf 117 and a separate lease area created that measure 5624m². All relevant Town planning and zoning certificate is attached as Annexure 1.

The current retail precinct at the Joburg Market (JM) consists of a row of 5 retail outlets that provide a range of ancillary services to the public who visit the JM. There are two butcheries, a wholesale fish distributor, and a general dealer. There is current one vacant take-away shop also located in the precinct. The area has fallen into disrepair with general poor maintenance and aging infrastructure. A high level assessment indicates that the most cost effective proposal is to demolish the existing structure and to construct a new retail shopping precinct.

There are currently 10 000 buyers that frequent the Market on a daily basis that purchase both fresh produce as well as dry goods and food from various tenants. It is to this market that JM seeks to provide a safe and quality environment for retail purposes.

Current buildings will need to be demolished to make room for improved retail precinct that may allow for smaller retail and vendors to trade from the premises at ground level with the office facility possible located on the upper floors.

3. Design Objectives

The design objectives include:

- A multi storey value centre is envisaged that has a retail component on the ground floor, an office component on the second floor and boardrooms and conference facilities on the third floor. JM is not prescriptive and other elements maybe included.
- A mixed use facility is proposed.
- To develop the precinct into one that provides value adding wholesale for fresh food.
- To facilitate a range of complementary uses which service, supply and support the market operation.
- To renovate the area into an innovative, safe and modern facility.
- To ensure that JM's investment into the market provides value for money is sustainable, and is demand driven.
- To come up with an acceptable health certified facilities for the proposed facilities strict food safety standards, as well as with optimised flow of goods.
- The submissions must propose to develop a precinct that promotes and encourages best practice in sustainable design
- Energy efficiency, minimising energy use, and reducing greenhouse gas emissions.
- Maximising natural "lighting and ventilation",
- Minimise potable water usage, maximising rainwater capture and maximising stormwater bio-treatment.
- Reduce waste to landfill.
- Utilisation of sustainable materials and minimising embodied material energy, specifying materials with a low environmental impact.
- Reducing construction waste and encouraging recycling of operational waste.

4. Objectives of the Request for Information

The request for information seeks to:

- Solicit request for information for suitably qualified and well experienced interested parties to operate and manage a retail precinct at the JM.
- The JM reserves the right to potentially utilise the responses received and/or options thereof in the development of any further requests for proposals which maybe deemed necessary by JM.

- The best concepts included in the request for information maybe used to develop a request for proposal.
- Solicit request for information for suitably qualified and well experienced interested parties in accordance with the procurement process and supply chain management processes.

5. Operational aspects to be considered.

The submission of the request for information should address the following developmental and operational aspects/requirements of JM that is to be contained in the retail precinct.

- To develop a model that demonstrates the rationale in improving the JM rental asset.
- To develop a financially sustainable operation. The submission must include an operational plan for the infrastructure that is to be constructed that will enhance the sustainability of JM.
- To provide a strong business rationale and proposed tenant mix.
- To provide operational property infrastructure investment.
- To keep JM functional and propose a state of the art design and aesthetics for the precinct as a whole.
- To develop a 24 hour precinct.
- To ensure that all applicable legislation (MFMA, COJ and JM by laws) is adhered to and that compliance is prioritised as a separate deliverable.
- To integrate environmentally friendly energy and water efficient operations.
- To ensure maximum trading services and consumer/client satisfaction through the provision of an outstanding retail precinct services, exceptional business acumen and client orientated.
- To create both direct and indirect job/employment opportunities, especially the empowerment of Historically Disadvantaged Individuals (HDI's).
- To create opportunities for SMME's.

6. Operational Sustainability

All submissions must include details of how the operational sustainability of the precinct will be maintained by including:

- A precinct business plan that includes a marketing plan, the maintenance and operation of the precinct, value added services, and property development aspects based on market demand reports.

- Propose potential modifications that would enhance and ensure operational sustainability and viability as well as clear financial estimates that the submission will commit to the precinct.
- Provide an operational management plan that could be included in the development proposal.

7. Operators Experience and Knowledge

The submission of the request for information is required to furnish evidence of a proven track record and high level experience in the following:

- Extensive and proven retail development and operations.
- Key personal CV's/ profiles.
- Years of experience in retail developments
- Proven track record on managing and operating retail precincts
- Extensive and proven property development and facilities management experience.

8. Financial Model

- A business plan that details a financial model and financial work streams.
- The rental recovery model.
- A return on investment proposal.
- The preferred length of contract and/or length of lease
- A proposal for the transfer of the asset on termination of contract period.
- Sureties and guarantees to be put in place
- The period of land availability prior to rental being paid to JM.

9. Submission of Request for Information

The following information must be read and understood when submitting the request for information.

- All costs involved in the preparation and submission of the request for information will be on the account of the interested parties.
- Time frames for the development as well as key milestones must be clearly indicated;
- Details of the land availability agreement as well as period, deliverables must also be clearly indicated
- All information provided will be held in the strictest confidentiality but JM does not accept any liability for any information becoming public.
- The request for information submission does not form any binding agreement.

- JM reserves the right to contact any submission to seek clarity on the information provided.
- All submission must be submitted in sealed envelopes.