

The University of Tennessee

**REQUEST FOR INFORMATION:  
Public – Private Partnership  
For a**

**Childcare Center**

RFI # UTK2024-05-01  
The University of Tennessee Knoxville  
May 22, 2024

**RFI Coordinator**

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## **REQUEST FOR INFORMATION (RFI)**

### **I. PARTNERSHIP OPPORTUNITY**

The University of Tennessee, Knoxville (“UTK” or “The University”) is exploring the feasibility of establishing a childcare center (the “Project”) on property within, or in close proximity to, the University of Tennessee, Knoxville campus to support the childcare needs for over 8,000 faculty, staff, and graduate student employees.

The University believes the Project will be a key strategic driver for recruitment and retention of University employees, as well as increase the supply of childcare services in the local Knoxville area for UTK faculty, staff, and graduate student employees. The University’s current vision of the Project includes suitable indoor and outdoor spaces to care for at least 150 children of UTK families ranging from six-weeks to five-years old. Additionally, the Project aims to partner with a third-party to develop a space and operating model that will comply with the childcare licensing requirements for the state of Tennessee, meet the expectations that the state sets for its 3-Star childcare providers based on the Star-Quality Program, and/or potentially be accredited through a nationally recognized organization such as the National Association for the Education of Young Children (NAEYC). To this end, UTK has issued the following Request for Information (“RFI”) to provide information regarding the Project’s vision, the underlying market opportunity, and gauge market interest in partnering with UTK to deliver high quality childcare to the University community, and understand options for development, operating, and cost structures. A site has not been selected for this project, but preliminary research indicates that a childcare facility is feasible at a new development on University property or by renovating an existing University owned space.

### **II. REQUEST**

The University is soliciting INFORMATION ONLY responses to this RFI from qualified Childcare Center Management Services firms that can offer a nurturing and educational childcare program that ensures the optimal physical, social, emotional, and intellectual development of every enrolled child. The purpose of this document is to provide general parameters and guidelines for the RFI submission. The RFI is intended solely for UTK to gauge interest and obtain information that it may use to further develop a strategy for the Project.

This RFI is not a solicitation for proposals and will not result in a contract but may be used by the University for informational and planning purposes related to future procurements. Specifically, the responses received through this RFI process will be used to simultaneously confirm market interest in a partnership to deliver the envisioned Project and further refine the emerging concept in terms of the anticipated program, financial feasibility, delivery schedule, and partnership structure, among other aspects. If preliminary findings indicate a financially feasible and sustainable way forward, the University expects to issue a formal Request for Proposals (“RFP”) associated with the Project. Through this future RFP process, the University expects to select one or more firms to move forward in a partnership to develop, own and/or operate the Project’s underlying assets in a manner that accomplishes the institution’s stated objectives (see Section VI(A) for more details).

Entities submitting a response to this RFI are not prohibited from responding to any subsequent solicitation. Not responding to this RFI does not preclude participation in any future procurement,

if any is issued. With that said, the University does not guarantee that a formal solicitation will be issued as a result of this RFI.

All information submitted is subject to the Tennessee Open Records Act. If any information provided is believed to be confidential or proprietary, please mark it accordingly. Such marking does not exempt the information from the Open Records Act, T. C. A. § 10-7-503, if the information does not fall within any exemptions available under T.C.A § 10-7-503.

### **III. COMMUNICATIONS**

#### **A. Notice of Intent to Respond**

1. Potential respondents shall submit a Notice of Intent to Respond by email to the RFI Coordinator. The notice should include the following:
  - i. Respondent's organization name
  - ii. Name and title of a contact person
  - iii. Contact person's telephone number and email address
2. The University will convey all official communications and addenda to such respondents.
3. The Notice of Intent to Respond must be submitted no later than the date detailed in RFI Section IV, Schedule.
4. Such notice creates no obligation and is not a prerequisite for submitting a response to this RFI.

#### **B. RFI Addenda and Cancellation**

1. The Owner reserves the right to issue addenda to this RFI in writing up to five days prior to the Proposal Deadline.
2. The Owner reserves the right, at its sole discretion, to cancel and reissue this RFI or to cancel this RFI in its entirety.

#### **C. Additional Communications Processes**

1. Unauthorized contact regarding this RFI with employees or officials of the Owner or of the State of Tennessee other than the RFI Coordinator may result in disqualification.
2. Interested parties and potential respondents must direct all communications regarding this RFI to the RFI Coordinator who is the Owner's official point of contact for this RFI.
3. Notwithstanding the foregoing, for information and assistance regarding this RFI interested parties may contact the staff of the Governor's Office of Diversity Business Enterprise.
4. The RFI Number for the Project shown on the Cover must be referenced in all communications regarding the RFI.
5. Oral communications shall be considered unofficial and non-binding with regard to this RFI.

6. Each Respondent shall assume the risk of the method of dispatching a communication or proposal to the Owner. The Owner assumes no responsibility for delays or delivery failures resulting from the method of dispatch. "Postmarking" of a communication or proposal shall not substitute for actual receipt of a communication or proposal by the Owner.
7. Only the Owner's official written responses and communications shall be considered binding with regard to this RFI.
8. The Owner reserves the right to determine, at its sole discretion, the method of conveying official written responses and communications pursuant to this RFI such as by letter, by email, or by website posting.

#### IV. SCHEDULE

The following table provides the Owner's proposed Schedule of Events. The Owner reserves the right, at its sole discretion, to change this schedule. The Owner will communicate a change to the Schedule of Events to entities from whom the Owner has received a Notice of Intent to Respond.

EVENT	DATE	TIME
Owner Issues RFI	May 22, 2024	
Informational Conference Location and Instruction below.	May 30, 2024	3:00 pm ET
Comments Deadline	June 12, 2024	
Owner Responds to Comments	June 18, 2024	
Notice of Intent to Respond Deadline	June 18, 2024	5:00 pm ET
RFI Response Deadline Must be submitted to the Owner no later than the date and time shown, at the location below.	June 25, 2024	12:00 pm ET
<b>Informational Conference Location and Instructions:</b> Held via Zoom – Zoom meeting invitation will be sent to firms requesting information from RFI Coordinator by May 29, 2024, at 5:00 pm. Conference will be approximately 30 minutes.		

#### V. GENERAL INFORMATION

A. University of Tennessee System

The University of Tennessee System is comprised of campuses at Knoxville, Chattanooga, Pulaski, Martin, and the Health Science Center at Memphis. Overseen by a 12-member Board of Trustees, the University System’s Strategic Plan looks to build on current successes and ensure continuous improvement in service to the citizens of Tennessee. More about the University System and its strategic plan can be found via this link: <https://plan.tennessee.edu/>.

The University System’s Department of Capital Projects supports each campus through the administration of capital improvement programs and coordinates campus real estate transactions through its Office of Real Property and Space Administration.

**B. University of Tennessee, Knoxville**

UT Knoxville stands as Tennessee's flagship public university and the largest campus within the University System. The UT Knoxville campus has experienced more than 20% growth over the past five years, the largest growth of all campuses in the UT system. Ranked among the top 50 public universities in the US, UT Knoxville is renowned for its premier research endeavors, notably through partnerships with institutions like the University of Tennessee Space Institute and Oak Ridge National Laboratory. UT Knoxville contributes over \$1.7 billion to Tennessee's economy.

Embracing an ethos of impactful campus life, UT Knoxville aspires to cultivate a transformative 'Volunteer Experience,' fostering opportunities for learning, leadership, and service across all life stages. The University is committed to strategic objectives, including recognition as one of Forbes' top places to work in Tennessee and establishment as a national model for employer excellence. Central to its vision is the implementation of initiatives to attract and retain outstanding students, faculty, and staff.

UTK’s 2021 Strategic Vision, “It Takes a Volunteer,” can be found here: <https://www.utk.edu/vision>

**C. Early Learning Center for Research and Practice**

The Early Learning Center for Research and Practice (ELC) is a research-oriented childcare center at the University of Tennessee Knoxville affiliated with the Department of Child and Family Studies. The facility offers a nurturing environment for young children, and experiential learning opportunities for pre-service teachers, and teacher educators. The ELC serves as both a high-quality care center as well as a laboratory for understanding child development and formulating ideal childcare and teaching practices. The center provides limited childcare spots for children between the age of six-weeks and kindergarten age, with highest demand for the infant and toddler classes. Childcare is available to the Knoxville community and is not exclusively operated for families associated with the University. Due to high demand and limited spots, the ELC has a lengthy waiting list and is unable to accommodate the extensive need.

**The ELC Capacity & Waitlist by Age Group**

<b>Age Group</b>	<b>Capacity</b>	<b>Waitlist</b>
Infant	<b>8</b>	<b>72</b>
Toddler	<b>12</b>	<b>78</b>
Older Toddlers	<b>24</b>	<b>83</b>
Preschool	<b>52</b>	<b>77</b>

#### D. Project Advisor

UT Knoxville has engaged Brailsford & Dunlavey, Inc. (“B&D”) to serve as the project advisor for this Project. B&D is a national development and management advisory firm dedicated to serving educational institutions, public agencies, professional sports organizations, and non-profit clients. More information about B&D can be found at [www.bdconnect.com](http://www.bdconnect.com).

#### E. Market Information

The University of Tennessee, along with Knoxville as a whole, is experiencing unprecedented growth, placing significant strain on existing resources, including childcare which has suffered market shrinkage following the pandemic. UTK has seen remarkable enrollment surges, with the undergraduate population rising by over 12% and graduate/professional student populations increasing by more than 10% in the last five years. This surge has necessitated an increase in the University's faculty and staff levels. In parallel, the city of Knoxville has recently undergone its most substantial one-year population increase in decades, with nearly 2,300 new residents. Knoxville's growth ranks as the sixth largest in the state, following cities like Nashville and Chattanooga in growth. Surrounding counties, including Knox County, have also witnessed substantial population increases, with Knox County alone adding approximately 7,800 residents between 2021 and 2022. With population growth expected to persist, the University is keen to assess the necessity and feasibility of establishing a childcare facility to cater to the needs of its faculty, staff, and students.

The University, in collaboration with its project advisor, Brailsford & Dunlavey, Inc., conducted extensive market research as part of assessing the feasibility of establishing a new childcare center for UTK faculty, staff, and graduate student employees and to gauge the prevailing demand within the UT Knoxville community. This comprehensive study encompassed a thorough examination of childcare facilities within a 20-mile radius, analyzing critical factors such as capacity, accreditation status, services, quality, and affordability. Notably, the analysis revealed that Knoxville faces a pronounced shortage of childcare options, with extensive waitlists averaging 18 months to two years for families seeking placement in high quality childcare programs.

Drawing from U.S. Census data, the study identified an array of childcare facilities spanning nine counties within the specified radius. The estimated demand for childcare services is approximately 48,000 children, while these centers collectively have an estimated capacity for just 18,500 children. The findings underscore a significant gap in meeting the childcare needs of the region, indicating an underserved market segment.

In addition to availability, affordability and quality emerge as pivotal concerns for UTK parents within the Knoxville childcare landscape. The accompanying figure below provides a visual representation of facility distribution, average capacity, and cost breakdown based on the age group served, offering valuable insights into the current childcare landscape surrounding UTK. Only seven of the surveyed facilities within the 20-mile radius of UTK hold accreditation from the National Association for the Education of Young Children (NAEYC).

	Daycare (Youngest Age: Infant)			Preschool (Youngest Age: 4yo)			Extended Day Programs (Youngest Age: 5yo)		
	Centers	Average Capacity	Avg. Mo. Cost	Centers	Average Capacity	Avg. Mo. Cost	Centers	Average Capacity	Avg. Mo. Cost
1Mi	4	44	\$1,035	1	200	\$860	3	100	\$180
2Mi	11	76	\$1,292	5	64	\$908	9	119	\$184
5Mi	39	80	\$1,128	24	76	\$988	29	120	\$312
10Mi	74	87	\$1,264	47	97	\$1,080	52	120	\$308
20Mi	104	90	\$1,200	94	100	\$1,036	100	125	\$364

Figure 1 Average cost, capacity, and quantity of childcare providers within varying radius distances from UT Knoxville: 1, 2, 5, 10, and 20 miles.

\*NAEYC accredited programs within 20-miles: UTK ELC (3 locations), KinderCare (2 locations), Fountain City UMC, and Morning Star CDC

## VI. ENVISIONED PROJECT CONCEPT

### A. Project Goals

The University of Tennessee, Knoxville aims to establish a childcare facility that is state licensed, meets the highest operating standard based on the Tennessee Star-Quality System, and potentially receives accreditation from a reputable childcare accrediting organization (i.e. NAEYC). The envisioned project would be in close proximity to the University and could be delivered in one of three possible options: a new development on a greenfield site, an existing vacant childcare facility, or a renovation of an existing building. The childcare facility should be open to at least infant through pre-kindergarten aged children and should prioritize the safety, health, and nurturing that is necessary for early child development. Considering the diverse work schedules of university faculty, staff, and students, the facility's operational hours need to support University families from 7:00 am to 6:00 pm at a minimum. Additionally, the center is envisioned to operate year-round, including summer and winter break periods.

Through partnering with a Childcare Center Management Service, the University seeks to offer childcare services exclusively to at least 150 children of faculty, staff, and graduate level students. The facility will operate competitively with local Knoxville market rates. This project is poised to be a key strategic driver for recruiting and retaining the high-quality staff and faculty that support the University.

Providing accessible, high-quality childcare will enhance the University's reputation as one of Forbes' top three best places to work in Tennessee, demonstrating its commitment to supporting employees' work-life balance. By offering convenient childcare options, the university can attract and retain top talent, including faculty, staff, and students, while also promoting opportunities for experiential learning and strengthening graduation rates. This new childcare center would assist the University in ensuring accessibility to all Tennesseans and beyond and amplifying the Volunteer Spirit in every aspect of UT's culture and activities.

### B. Desired Partnership

The University seeks a partnership with an organization that will design, build, finance, operate, and maintain a childcare facility that adheres to the best practices in early childhood care and education, demonstrating the following abilities and practices:

1. Recruit and hire qualified staff to ensure safe, healthy, and nurturing environments which foster optimal physical, social, and intellectual development.
2. Develop quality childcare services and maintain high-quality standards meeting the highest state star-quality ranking standards and/or NAEYC or equivalent level of accreditation qualifications in facility design and programming.
3. Acquire necessary goods, and programmatic equipment such as books, toys, and art supplies which support positive self-worth through personal successes and reinforcement.
4. Ensure equipment and materials comply with the most current TN DHS guidelines and maintain the childcare center's environment conducive to children's health, safety, comfort, and developmental needs.
5. Promptly conduct necessary repairs to equipment and/or facilities, ensuring compliance with local, state, and federal requirements for physical health and safety features of the environment.
6. Acquire and submit proof of compliance with all local, state, and/or federal building, zoning, fire, safety, and health codes, and maintain inspection records available for review by TN DHS and the University.
7. Develop curricula tailored to age-appropriate learning objectives and developmental milestones.
8. Implement safety standards including background checks for all staff members and stringent security measures to ensure the well-being of children.
9. Establish effective communication channels with parents to provide regular updates on their child's progress, activities, and any pertinent information regarding the childcare center.
10. Design and implement nutrition programs that meet dietary guidelines and accommodate individual needs and preferences.
11. Offer a range of services to cater to the diverse needs of families.
12. Accept state childcare vouchers and certificates, ensuring accessibility and affordability for families from varying socio-economic backgrounds.
13. Provide specialized support and accommodations for children with special needs, including tailored curricula, trained & credentialed staff, and necessary resources.
14. Continuously assess and improve upon all aspects of the childcare center's operations to uphold standards of excellence and meet evolving requirements.

#### C. Financial Objectives and Desired Partnership

The University is seeking development and operating partner(s) that will bring creative financing solutions. Specifically, the University will consider a range of possible financing structures that are off the University's balance sheet and have neutral or accretive impacts to UT's credit rating. In this partnership, the University will maintain long-term ownership of the land. The selected Developer/operator(s) will partner with the University to develop the land through a negotiated ground lease, operating agreement, and other governing documents.

## VII. GENERAL PROGRAM SERVICES

### A. Guarantee of Service



UT Knoxville would like to provide childcare services for the children of University faculty, staff, and graduate level students. UTK does not guarantee a level of participation in the utilization of this potential contract. UTK reserves the right to establish enrollment procedure guidelines.

B. Tennessee Department of Human Services, Childcare Services

Provider shall have and maintain childcare licensing through TN's Department of Human Services ("TN DHS").

Provider shall always comply with the most current TN DHS rules and regulations for operating a childcare facility in the state of Tennessee.

## VIII. SUBMISSION PROCESS & REQUESTED INFORMATION

A. RFI Submission Process

1. RFI Submissions shall be uploaded as a single digital file copy in .pdf format. The digital file should not exceed 20 MB and should be named using the following format: (Respondent Name) UTK Childcare Initiative RFI 2024-MM-DD.pdf. Respondents who intend to submit a qualification should contact the RFI Coordinator no later than the time specified in the Schedule of Events to receive instructions on uploading submission to assigned portal. The subject line of the email should be clearly marked as follows:

- i. RFI Submission or UTK Childcare Initiative RFI # UTK2024-03-XX

2. RFI Submission shall be formatted to standard 8 1/2" x 11" (landscape or portrait). It shall not exceed 30 pages. Follow the information structure provided herein with clear identification of each information section. Text font size should be a minimum of 12-point.

B. Areas of Interest

UTK is interested in understanding your typical operation strategies for childcare facilities. Below is a list of topics that will be beneficial to UTK in determining the viability of the project:

1. Company information:
  - i. List the legal/registered name of the company.
  - ii. Provide a brief description of the company and list the company's website.
  - iii. Provide overview of services provided and location of facilities.
2. Childcare services and ages:
  - i. Types of services provided (full-time enrollment, part-time enrollment, drop-in care, after-school care, etc.).
  - ii. Child age groups
3. Staffing requirements:
  - i. Levels/Ratios by child age group, positions, and requirements to meet the Provider's desired program outcomes while achieving TN state licensing requirements and NAEYC accreditation standards.
  - ii. Credentials, professional development programs, and background checks.
4. Enrollment and curriculum:
  - i. Enrollment and waitlist protocols.
  - ii. Curriculum approach for each age group

5. Food services:
  - i. Anticipated food service
    1. Number of meals/snacks provided daily
    2. Typical cost per meal
6. Facility program:
  - i. Indoor and outdoor square footage assumptions that meet the Provider's desired program outcomes while achieving TN state licensing requirements and NAEYC accreditation standards.
  - ii. Facility safety and security measures and features.
7. Typical reporting and planning practices
  - i. Annual business planning and financial performance
  - ii. Parent communications and monitoring strategies
8. Childcare rates
  - i. Strategy for establishing rates and annual increases
  - ii. State childcare voucher/certificate acceptance (i.e. Smart Steps Childcare Assistance Program)
9. Partnership structures
  - i. Operating models:
    1. Describe your experience with the following employer sponsored childcare operating models: management fee, profit and loss, hybrid, or other models.
  - ii. Operating models for this project:
    1. Detail the specific operating models that could be feasible for this project, considering its unique requirements and objectives. Outline conditions necessary to achieve success through the design, build, finance, operate, and maintain partnership structure.

C. Project Concept Feedback

1. How can the Project be optimized to maximize its impact on the University employees and Knoxville community and address the quality childcare access gap effectively?
2. What key considerations should the University address during the due diligence process?
3. What design and construction timeline should the University anticipate for the childcare center to be delivered?
4. What is the maximum capacity a single facility program can achieve to most effectively meet demand while still providing accredited and high-quality childcare?
5. Are there any additional insights or feedback to provide that would enhance the success and effectiveness of the Project?

D. Relevant Experience / Examples to Consider

Please provide evidence that the firm has engaged in at least ten (10) years of providing childcare services. For project references, please include the following information:

1. Name of the project and location, as well as the name, position, telephone number, and e-mail address of a contact; and acknowledgment if the project is affiliated with a college or university.
2. If the information is not proprietary, describe the financing, ownership, and management structure of the project.
3. Include the total square footage and capacity of facility by age group.
4. Describe the development and construction timelines, including opening date.
  - i. Include photographs, renderings, or the project's website, if applicable and available.

## IX. ADDITIONAL INFORMATION

- A. Respondents are responsible for all costs associated with the preparation and submission of this RFI. UTK will not be responsible for any respondent's related costs associated with responding to this request.

UT will not sign non-disclosure or confidentiality agreements related to respondent's response. Tennessee law limits UT's ability to withhold records from public disclosure. Respondents should assume that all documentation, including pricing, submitted to UT will be subject to public disclosure. UT hereby notifies all respondents that placing confidentiality notices on documents submitted to UT does not make the documents confidential under Tennessee law. UT will not be bound by such notices. Moreover, UT will not agree to assist the respondent to limit disclosure.

- B. Any clarification or additional information that may substantially affect responses to this RFI will be provided in the form of a written addendum. All addenda will be posted on the University of Tennessee System – Capital Projects website at:  
<https://capitalprojects.tennessee.edu/real-property/requests-for-services/>