CITY OF SAN ANTONIO

REQUEST FOR PROPOSAL:

THE PURCHASE AND DEVELOPMENT OF
S. Frio Street, Property ID #102669,
(between San Fernando St. & El Paso St.)
San Antonio, TX

RFP ISSUE DATE:
March 6, 2019

SUBMITTAL DEADLINE:
April 12, 2019
2:00 PM Local Time

WITH PROPOSAL SECURITY DEPOSIT OF $5,000.00
MINIMUM COMPETITIVE SEALED BID: $20,000.00
PLUS DEVELOPMENT WITHIN TWO (2) YEARS

REQUEST FOR PROPOSALS

FOR
THE PURCHASE AND DEVELOPMENT OF
S. FRIO Street (Property ID #102669)

AN APPROXIMATELY .36 ACRE TRACT OF VACANT LAND IN SAN ANTONIO, TEXAS

OFFERED FOR SALE BY THE CITY OF SAN ANTONIO, TEXAS, ACTING BY AND THROUGH THE OFFICE OF URBAN REDEVELOPMENT
SAN ANTONIO (OUR SA)

FOR THE PURPOSE OF IMPLEMENTING THE VOTER APPROVED 2017-2022 NEIGHBORHOOD IMPROVEMENTS BOND PROGRAM

PROPOSAL SUBMISSION DEADLINE*:
April 12, 2019

AT 2:00 P.M. CENTRAL STANDARD TIME

WITH PROPOSAL SECURITY DEPOSIT OF $5,000.00
MINIMUM COMPETITIVE SEALED BID: $20,000.00
PLUS DEVELOPMENT WITHIN TWO (2) YEARS

SEE SCHEDULE OF IMPORTANT DATES & MORE INFORMATION
At: www.sanantonio.gov/RFPListings

*Proposals submitted after the deadline or incomplete proposals are subject to rejection.

REQUEST FOR PROPOSALS
Office of Urban Redevelopment San Antonio (OUR SA)

BACKGROUND:
The City of San Antonio, Texas (the "City"), acting by and through the Office of Urban Redevelopment San Antonio (the ***"Seller" or "OUR SA"***) is implementing the voter approved 2017-2022 Neighborhood Improvements Bond Program. The City of San Antonio's Neighborhood and Housing Services Department serves as the lead handling the day to day planning and implementation of the Neighborhood Improvements Bond Program, and staffs OUR SA. The City's Neighborhood and Housing Services Department conducts all property sales and (the ***"Seller's Representative"***) will conduct and administer the sale.

The Urban Renewal Agency, now Office of Urban Redevelopment San Antonio, known as OUR SA, was established in 1957 to carry out "Urban Renewal Project Powers" in accordance with Chapter 374 ("Chapter 374") of the Texas Local Government Code, as amended. Board of Commissioners consists of seven members who are appointed by the Mayor with the consent of the City Council (the "City Council"). OUR SA's primary purposes are to eliminate slum and blighting influence, encourage redevelopment activities, and oversee the implementation of and compliance with any and all approved urban renewal plans, as adopted by the City Council, including the urban renewal plan described below.

2017-2022 NEIGHBORHOOD IMPROVEMENTS BOND PROGRAM OVERVIEW:
On May 6, 2017, voters approved six propositions for the City's 2017-2022 Bond Program totaling $850 million. Proposition 6, related to Neighborhood Improvements, authorizes the City to issue bonds in the amount of $20 million to acquire real property within the City Council approved 12 Neighborhood Improvement Areas and engage in permitted activities as set forth by the Urban Renewal Plan adopted on February 2, 2017 (the "2017 URP"). The Neighborhood Improvements Bond funds will be used to facilitate private sector and/or non-profit development of single-family, multi-family or mixed-use affordable/Workforce Housing consistent with the 2017 URP. The City will not construct affordable housing but rather will use non-profit and private sector housing developers to build affordable/Workforce Housing.

The City adopted the 2017 URP, a plan for strategic neighborhood reinvestment, to spur the creation of new affordable/Workforce Housing in Neighborhood Improvement Areas. As part of the Neighborhood Improvements Bond, the City may undertake some or all of the following in order to prepare a site for the private sector to construct affordable/Workforce Housing: acquisition and disposition of property; site improvements; repair, limited rehabilitation or demolition of buildings for the purpose of reconstructing existing buildings for multi-family affordable/Workforce Housing; right-of-way (ROW) improvements (streets, sidewalks) contiguous to housing site; extension and/or expansion of utilities; remediation of hazards, such as asbestos, lead-based paint or other environmental concerns. Individual single-family homes are not eligible for rehabilitation pursuant to a development contract. **Forced displacement is prohibited under the 2017 URP.**

The Neighborhood Improvement Bond funds will be used to acquire property suitable for affordable/Workforce Housing. After property acquisition, funds may be used to prepare the acquired property for housing development to construct affordable/Workforce Housing by the non-profit and/or private sector. The City with input from its stakeholders will determine what type of affordable/Workforce Housing will be delivered on the property. The City will not construct or own any housing for this program. **The land is to be sold to the private sector at fair value as determined by the City Council.** The City will dispose of the property (through a competitive sealed bid process) for construction of housing in accordance with the terms of the 2017 URP and Chapter 374 and the property will be encumbered with development requirements and affordability restrictions.

NEIGHBORHOOD IMPROVEMENTS BOND PROGRAM ASPIRATIONAL GOALS:
The Neighborhood Improvement Bond Program aspires to serve the residents of the City with the highest quality affordable housing, whether it is rental or homeownership opportunities. Each development is expected to be of the highest quality construction taking into consideration materials, building quality, design, green building, style and functionality. All production of housing should strive to be a national model of affordable/Workforce Housing and create a sense of community and pride of rental/ownership in the community. Developments should be respectful of the history and environment of the surrounding neighborhood and look to provide enhancement to the community.

Aspirational considerations, through partnerships, include the creation of community centers and exercise facilities open to the public during appropriate times, outdoor covered recreational facilities with ample seating, BBQ pits, and other amenities such as swimming pools, walking trails, dog parks, green space, and playgrounds open to the public, as appropriate.

This program is designed to serve low-to-moderate income working families with a required minimum of half of the housing units serving families earning 80% of the Area Median Income ("AMI") or less, allowing these families to eliminate the cost-burden of today's housing and rental prices.

I. Purpose of Request for Proposals and Development Proposals ("RFP")

The City, acting by and through OUR SA, is pleased to offer for sale S. Frio Street, Property ID # 102669, (between San Fernando St. & El Paso St) located at and situated in Bexar County, Texas and more particularly described below:

S. Frio Street, San Antonio, TX 78207, Property ID #102669, NCB 271 Blk 96 Lot 22

The Property is located within the Neighborhood Improvement Bond Program Area as shown in the map provided as **Schedule 1** in this RFP.

The Seller is seeking a developer or development team (the ***"Successful Proposer"***) with demonstrated experience and strong financial resources to purchase the Property and develop it within the controls established in the approved 2017 URP. (A link to the 2017 URP is posted on the Seller's Representative's website at: www.sanantonio.gov/NHSD) A successful proposal to develop the Property shall be a creative project that achieves the Project Goals set forth in Section II of this RFP and aligns with the requirements of the 2017 URP.

II. Project Goals

The Schedule of Criteria for Review and Scoring of Proposals (the ***"Criteria"***) is included with this RFP as **Schedule 2**. The Criteria identifies and outlines the elements of any proposal submission that are mandatory, versus those that are value added (i.e., voluntary). Mandatory elements that are not addressed or inadequately addressed in the proposers response to the RFP may be deemed non-responsive and lead to disqualification of the proposal, at the sole discretion of the Seller.

The Successful Proposer, in addition to purchasing the Property (through a competitive sealed bid process), must propose a creative, high-quality project that:

A. Produces a successful development that contributes to increasing the affordable and Workforce Housing in the improvement area of S. Frio St. located at the following address in Council District 5:

> S. Frio Street, Property ID #102669 (between San Fernando St & El Paso St.), San Antonio, TX 78207

B. Redevelops the subject Property to produce significant short-term and long-term public benefit, giving consideration to community needs for affordable housing in the surrounding Near West-Five Points Improvement area.

C. Develops the Property, as specified in the successful proposal, within two (2) years of the date of execution of the Special Warranty Deed. The Seller requires that the successful proposer obtain a Certificate of Occupancy for the proposed project within that two-year time frame, and obtain the Building Permit for construction of the project within three (3) months of the transfer of the Property. The Seller also requires that the Successful Proposer submit a performance guaranty (the ***"Guaranty"***) at closing of the sale of the Property to ensure that this timeline is met. The form and the dollar amount of the Guaranty provided by the Successful Proposer shall be specified in advance within the proposal submitted in response to this RFP, as described herein in **Section VIII, RFP Submission Format**.

D. *Green Building Goals.* The successful proposer is encouraged to support the green building objectives of the SA Tomorrow Sustainability Plan by considering meeting Level 2 Certification from Build San Antonio Green. For more information refer to www.buildsagreen.org/old-pages/options-for-builders/family-of-programs/new-construction or call the Office of Sustainability at 210.207.6103.

E. *Small Business Economic Development Advocacy Program*. The City of San Antonio, through City Ordinance No. 2016-05-19-0367, and as amended, has adopted and implemented a Small Business Economic Development Advocacy ("SBEDA") Program. Information regarding the SBEDA Ordinance may be found on the City's Economic Development Department (EDD) website and is also available in hard copy form upon request to the City. In accordance with the SBEDA Program, any contract(s) or agreement(s) entered into as a result of this solicitation shall be subject to the SBEDA Affirmative Procurement Initiative(s) and goal(s) as determined by the applicable SBEDA Goal Setting Committee.

Please see link: https://www.sanantonio.gov/SBO/Small-Business-Development-Advocacy-Program for more information or contact the Small Business Office at (210) 207-3922 or email SBEDADocs@sanantonio.gov.

F. *Affordable Housing.* The Successful Proposer must meet the affordable housing goals. To meet these goals, at least 50% of rental units must be affordable and reserved for households earning 80% or below AMI for the San Antonio Metropolitan Statistical Area ("SAMSA"). The Successful Proposer must commit to execute an affordable housing restrictive covenant for a period not less than thirty (30) years.

III. Description of Property Address

A. **Location:** The Property is located in Bexar County, Texas, west of the City's downtown. The Property has access to both east and west direction by way of IH-10 and north and south direction on IH-35. The Property is more specifically a vacant lot commonly known as S. Frio Street, Property ID #102669 (between San Fernando St. & El Paso St.), San Antonio, Bexar County, Texas, 78207 (see maps attached hereto as **Schedule 1**).

B. **Description:** Summarized below is general information pertaining to the Property. Additional information regarding the Property may be found on Seller's Representative's website at www.sanantonio.gov/NHSD Seller believes that such information is correct; however, **all information on which a proposer relies must result from the proposer's own investigation, and not from any**

information provided in connection with this RFP or other procurement documentation.

1. **Land Size**: Approximately +/- 0.36 acres of vacant land (+/- 15,675 square feet).

2. **Improvements**: The property has no improvements.

3. **School District:** San Antonio Independent School District.

4. **Road Frontage:** Approximately +/-108.80'on Frio Street.

5. **Zoning:** The lot is zoned IDZ.

6. **Development Considerations:** The Property is located in an area governed by the community-driven, area-specific 2017 URP.
   Urban Renewal Plan ("2017 URP")
   Redevelopment of the Property is subject to the 2017 URP. Information about the 2017 URP can be found on the Seller's Representative's website www.sanantonio.gov/NHSD. The development project controls included in the URP are enforceable by State law under Chapter 374. New amendments to the 2017 URP are prohibited. Any proposal submitted in response to this RFP which requires amending the 2017 URP may not be given further consideration.

   Any proposal suggesting forced displacement of individuals or families will be rejected.

7. **Taxes:** The Property is located within the taxing jurisdiction of the City, Bexar County, Alamo Community College, San Antonio Independent School District, Bexar County Road & Flood, San Antonio River Authority and the University Health System.

8. **Floodplain:** The site is not within a flood hazard zone as defined and identified by City floodplain maps.

9. **Current Survey:** A current Survey is attached hereto as **Schedule 3.**

10. **Urban Renewal Plan:** City of San Antonio Ordinance No. 2017-02-02-0052 (Feb. 2, 2017).

11. **Local Government Code – Chapter 374**

    The Property are being sold (though a competitive sealed bid) in compliance with the provisions set forth under Texas Local Government Code, Chapter 374, which can be accessed through the link below:
    http://www.statutes.legis.state.tx.us/Docs/LG/htm/LG.374.htm

IV. CONVEYANCE OF THE PROPERTY

The Property will be conveyed at closing by Special Warranty Deed.

INFORMATION:

Additional information regarding the Property may be obtained:

From the City's Procurement website found at: www.sanantonio.gov/rfplistings

*** All questions will be answered in writing and will be available to the public. Please submit your questions by March 20, 2019 at 3:00 pm in writing to: Kelcey.Young@sanantonio.gov**

A Pre-Submittal Conference will be held at the Neighborhood & Housing Services Department Main Conference Room on March 19, 2019 at 2:00 P.M. located at 1400 S. Flores, San Antonio, Texas, 78204

*Exceptions to the Restrictions on Communication with City employees include:

Respondents and/or their agents are encouraged to contact the Small Business Office of the Economic Development Department for assistance or clarification with issues specifically related to the City's SBEDA Program policy and/or completion of the required SBEDA forms. The point of contact, Lucy Barbosa, may be reached by telephone at (210) 207-3922 or by e-mail at Lucy.Barbosa@sanantonio.gov. This exception to the restriction on communication does not apply, and there is no contact permitted to the Small Business Office regarding this solicitation, after the solicitation closing date.

ALL QUESTIONS OR REQUESTS FOR CLARIFICATION REGARDING THE REQUIREMENTS OF THIS REQUEST FOR PROPOSALS MUST BE IN WRITING, AND MUST BE RECEIVED BY THE SELLER'S REPRESENTATIVE NO LATER THAN 3:00 PM CENTRAL DAYLIGHT TIME, March 20, 2019. If deemed necessary, the Seller will respond by way of a written addendum to this RFP which will be posted on the Seller's Representative's website and will be available from the Seller's Representative at the same location as the RFP. It is the obligation of each Proposer to determine whether any addenda to this RFP have been issued, and to obtain copies of all such addenda, prior to submitting a proposal. All Proposers will be bound by the information provided in all addenda, whether or not received by the Proposer.

Proposers may obtain their own title information, and inspect the Property prior to the deadline for proposal submission, in accordance with the procedures set forth herein.

Seller will not solicit or respond to survey or title objections or objections regarding the condition of the Property. By submitting a proposal, each Proposer will be

agreeing to purchase the Property in its existing condition, AS IS, WHERE IS, AND WITH ANY AND ALL FAULTS, and with the existing state of title.

V. Requirements of the Project Proposal

A. Terms of Sale. Please note that the following "**Terms of Sale**" are intended to be an outline only and are not a full and complete listing of all terms and conditions of the sale. Terms and conditions shall be set out in the final Contract for Sale of Land for Private Redevelopment (the "**Agreement**") with all attachments, substantially in the form acceptable to the Seller attached hereto as **Schedule 4**. The form of Agreement attached hereto is a template and will be modified by Seller after review of the proposals to incorporate the specific terms and conditions of this RFP and the Proposer's respective proposal. Proposers must execute and tender the final Agreement to Seller within five (5) business days after the Proposer's receipt of the final Agreement and written request for execution thereof. Seller reserves the right to make non-substantive revisions to the Agreement to negotiate and modify time periods and other terms and conditions of the Agreement with the Successful Proposer following selection of the winning proposal.

1. The minimum Competitive Sealed Bid (purchase price) for the Property must be $20,000.00. Any proposals submitted that contain a purchase price below the minimum set forth above will be automatically rejected. The full proposed purchase price, minus Proposal Security and Earnest Money received, will be paid in cash to the Seller at the time of closing.

2. At the time of proposal submission in response to this RFP, the Proposer must deliver to the Seller's Representative a cashier's check in an amount of $5,000.00. (the ***"Proposal Security"***). **The Proposal Security will be made payable to the City of San Antonio.** The Proposal Security will secure the Proposer's obligations to provide financial and other information requested by the Seller to review and evaluate the Proposer's response. This $5,000.00 Proposal Security, if not forfeited by the Successful Proposer, shall be applied along with the Earnest Money (discussed in subsection A(4)) to the purchase price at closing. **If the transaction is not consummated due to Successful Proposer default, OUR SA will retain the Proposal Security.**

3. **All received submissions must include, as part of the Project Development Plan, a proposed form and amount of Performance Guaranty to be offered to Seller in the event of a successful proposal.** This offer of Guaranty will evidence the Proposer's commitment to complete the development project

within two (2) years, and will be considered by Seller as part of the review of Proposer's overall proposal. Examples of a form of Guaranty may include a Letter of Credit or a Performance Bond issued by a bank or financial institution for some certain dollar amount, or an Escrow Agreement with the City. The binding Guaranty must be submitted by the Successful Proposer at closing of the sale of the Property.

4. Within two (2) business days after execution of an Agreement between the Successful Proposer and Seller, the Successful Proposer shall deposit with Chicago Title Company. 15727 Anthem Parkway, Suite 210, San Antonio, TX 78249 the amount of $20,000.00 in good funds (the "Deposit"). This Deposit does not replace the Proposal Security as a requirement for a responsive proposal, and it does not replace the Guaranty as a requirement to execute the Final Purchase and Sale Agreement. If delivered, the Title Company must place the Deposit into an interest-bearing account having no penalty for early withdrawal. The

5. Deposit and any interest thereon shall constitute earnest money (the ***"Earnest Money"***) towards the closing of the sale, and will be credited against the purchase price at closing. If the Successful Proposer fails to deliver the Deposit in good funds within the designated two-day period, the award of sale shall be considered not to have been completed, and Seller may retain the Successful Proposer's Proposal Security and pursue any right or remedy available, including award of the sale to another Proposer. If the transaction is not consummated, the earnest money will be held and delivered by the Title Company accordingly.

6. Seller reserves the right to require evidence satisfactory to Seller of any Proposer's financial ability to purchase the Property for the amount in Proposer's proposal and to carry out any obligations to develop the Property within two (2) years of execution of the Special Warranty Deed. Any Proposer who fails to promptly supply the requested documentation to Seller of the Proposer's financial capacity and other ability to perform may be determined unresponsive.

7. Any proposal presented to Seller must be based on the Proposer's own inspection and investigation of the Property and not on any statements made by Seller, or any selling agent. Seller makes no representation or warranties whatsoever with respect to the Property or the information set forth herein.

8. To the extent legally permissible, all proposals made will be held confidential during the period between submitting the proposal

and award of a sale to a Successful Proposer by the City Council, at which point all proposals will become open records subject to the Texas Public Information Act. If there is any information required to be submitted in the proposal deemed to be proprietary, it must be submitted in a separate sealed envelope. If the entire proposal is identified as confidential, that will generally be deemed overly broad and ineffective by the Texas Attorney General's Office but all such decisions are made by the Texas Attorney General's Office. If any provision is noted as proprietary the Seller will tender the request and the proposal to the Texas Attorney General for resolution. The Seller's Representative will notify you of the request and you must identify and defend the stated exception to the Attorney General. All responses under the Public Information Act are due within 10 business days after receipt of the request by the governmental body.

The Texas Attorney General has a hotline to answer questions about proper procedures for using and complying with the Texas Public Information Act: 877-673-6839. A copy of the law and a handbook explaining it are available at the following website: www.oag.state.tx.us. The Texas Public Information Act is codified as Chapter 552 of the Texas Government Code, as amended.

9. Seller reserves the right to reject any and all proposals in its sole discretion for any or no reason whatsoever. Seller reserves the right to discontinue the RFP process or to withdraw the Property from the market at any time prior to execution of the Agreement by Seller. In such event, Seller will notify the Proposers of such discontinuation. Seller reserves the right, after discontinuance of the RFP process, to sell the Property to any party and on any terms acceptable to Seller.

B. **Construction Requirements.** The Successful Proposer in good faith and with due diligence must complete the proposed construction within two (2) years from the date Special Warranty Deed is executed, and shall use reasonable efforts to meet construction requirements, more particularly described below. The Seller will extend deadline requirements only for force majeure or other extremely unique circumstances and at its sole discretion.

1. **Required Commencement**. The Successful Proposer must obtain the building permit for construction within three (3) months after the closing date and transfer of the Property. If the Successful Proposer does not obtain the building permit for the approved preliminary redevelopment plans within that time

period, then the Seller may exercise the remedy the Successful Proposer set forth in the proposal.

2. **Required Completion**. The Successful Proposer must design, complete and surrender the preliminary redevelopment plans and obtain a Certificate of Occupancy for the entire Project within two (2) years or twenty-four (24) months after the closing and transfer of the Property. If the Successful Proposer fails to meet this deadline, then the Seller will be entitled to the full amount of the Guaranty.

GUIDELINES FOR REQUEST FOR PROPOSALS:

Each submitted proposal to purchase the Property must conform to and be in compliance with the following guidelines. Proposals that do not comply with these guidelines may be rejected at the option and sole discretion of Seller.

1. The **minimum Competitive Sealed Bid (purchase price)** is set at $20,000.00. The full proposed purchase price, minus Proposal Security and Earnest Money received, will be paid in cash to Seller at the closing of the sale of the Property. Seller will not finance any portion of the sale.

2. If the Proposer is represented by a broker or agent, entitled to receive a commission at closing (discussed in **Section X, General Conditions**), then the Proposer must make arrangements to compensate such broker or agent. Seller will not pay any commission, fee or compensation to any broker in connection with the sale of the Property. By submitting a proposal, Proposer agrees to indemnify Seller for any claims asserted by any person alleging to represent Proposer and asserting a claim for a commission, fee or compensation related to this solicitation.

3. Proposal must be submitted on or before 2:00 p.m., San Antonio, Texas time, **April 12, 2019** in a sealed envelope or other sealed container. Proposals submitted after this time may be rejected. The outside of such envelope or container must clearly and conspicuously state the words "**Request For Proposals – Frio Street, Property ID #102667"** in large letters and be addressed and delivered as follows:

   City of San Antonio, Texas
   Attn: **Kelcey Young**, RE: **Frio Street, Property ID #102667**
   719 S. Santa Rosa
   San Antonio, Texas 78205

4. By submitting a proposal, the Proposer acknowledges, represents and warrants that it is not relying on any representation, warranty, statement or other assertion contained in this RFP or made by Seller, Seller's Representative or any employee, agent or representative of either the City or OUR SA; and the Proposer is relying solely on the Proposer's own examination of the

Property and that of Proposer's employees, agents, representatives and consultants.

VI. RFP Schedule: *All dates are tentative and subject to change.*

March 6, 2019	Notice of Request for Proposals released to public. RFP Packets are made available to interested parties at Neighborhood & Housing Services Department, 1400 S. Flores Street, San Antonio, Texas 78204, between the hours of 8 a.m. and 4 p.m., Monday through Friday. The RFP and related documents are made available for download from the Seller's website at www.sanantonio.gov/RFPListings.
March 10, 2019	First advertisement for the Property in conjunction with this RFP is printed in the Sunday edition of the San Antonio Express News.
March 17, 2019	Second advertisement for the Property in conjunction with this RFP is printed in the Sunday edition of the San Antonio Express News.
March 19, 2019	Pre-Submittal Conference held at 2:00pm the Neighborhood & Housing Services Department located at 1400 S. Flores Street, San Antonio, Texas 78204.
March 20, 2019	All questions or request(s) for clarification regarding the terms of this Request for Proposals must be in writing and received by the Seller's Representative no later than 3:00p.m. Central Standard Time, March 20, 2019. Questions may be sent to Kelcey Young at Kelcey.Young@sanantonio.gov or by phone at 210-207-5879.
March 27, 2019	Answers to all written questions or request(s) for clarification received will be answered by the Seller's Representative and posted on the Seller's Representative's website no later than 2:00 p.m. Central Standard Time, March 27, 2019.
April 12, 2019	Request For Proposals Deadline for Submission. Proposals will be accepted until 2:00 P.M. Central Standard Time. Delivery to: City of San Antonio, Texas Attn: **Kelcey Young** 719 S. Santa Rosa

San Antonio, Texas 78204

April 19, 2019	All proposals will be reviewed by the evaluation panel. Seller's Representative may request additional information from any and all Proposers.
April 30, 2019	Staff presentation to Neighborhood Improvements Advisory Committee (NIAC) in closed session to review selected proposal to present to OUR SA.
May 8, 2019	OUR SA may make a motion to recommend the selected proposal to City Council.
June 6, 2019	City Council may vote to approve or reject the negotiation and execution of an Agreement with the selected Proposer.

- June 7 – July 8, 2019, Successful Proposer will be notified of the City Council's approval of their proposal by Seller's Representative.
- Seller's Representative will notify all Proposers submitting rejected proposals of such rejection in writing. Proposal Security will be returned to the unsuccessful Proposers.
- The Seller and Successful Proposer will execute the Agreement.
- July 2019 – January 2020, Successful Proposer required to finalize project financing and Seller's underwrite financing.
- The Seller will execute the final Agreement.
- The closing will occur no later than January 31, 2020, unless the Agreement has been terminated in accordance with the provisions therein.

Seller reserves the right to adjust and extend the timelines for any proposed development that includes funding with a FHA Loan.

<u>Dates may be extended at Seller's discretion.</u>

VII. RFP Review and Evaluation Process

A. **Proposal Security.** If the Proposer does not provide Proposal Security in the form specified in this RFP (**Section V, Requirements of the Project Proposal**), that proposal will be rejected.

B. **Minimum Threshold.** If the Proposer submits a Competitive Sealed Bid price below the minimum bid specified in this RFP (**Section V,**

Requirements of the Project Proposal), that proposal will be rejected.

C. **Guaranty.** If the Proposer does not submit a proposed form and amount of Performance Guaranty as specified in this RFP (**Section V, Requirements of the Project Proposal),** that proposal will be rejected.

D. **Purchase & Sale Agreement.** If the Proposer does not submit a completed and signed final Agreement in the form attached to this RFP, as modified by the Seller based on Proposer's proposal, within the time specified in Section 5 above , that proposal will be rejected. Any substantive change by the Proposer to the final Agreement may render the proposal non-responsive.

E. **Criteria.** Please review in full the provided Criteria (attached as **Schedule 2)** regarding mandatory proposal elements and voluntary community considerations. If the Proposer does not provide information satisfying all mandatory proposal elements, that proposal will be rejected. All proposals will be reviewed and scored by the Seller (Evaluation Board) on a competitive basis per the evaluation criteria provided in **Schedule 2**.

F. **Questions and any Modifications to the RFP Selection Process.** Any material clarifications or modifications to the RFP or the selection process will be provided in writing via an addendum and posted on the City's website at: www.sanantonio.gov/RFPListings. It is the responsibility of the Proposers, prior to submitting a response to the RFP, to ascertain if the Seller or Seller's Representative has issued any notices, clarifications, addenda, or other communication to Proposers. Oral communications or instructions from Seller, Seller's Representative, City staff, City officials, or consultants do not bind the Seller. Only a fully executed agreement between the Seller and the Successful Proposer binds the parties. Questions in reference to this RFP must be submitted in writing to kelcey.young@sanantonio.gov and all answers will be provided in writing at: www.sanantonio.gov/RFPListings

VIII. RFP Submission Format. The proposal must be organized in the following format and sequence:

A. **Executive Summary.** Prefacing the proposal, Proposers must provide an Executive Summary of two pages or less, which concisely summarizes the proposal. This Summary must include the **Proposed Purchase Price** in large print at the beginning of the document.

B. **Evaluation Criteria.** Proposals will be reviewed and scored on a competitive basis per the evaluation **Criteria** below and attached as **Schedule 2).** Proposer can earn up to 100 points total.

1. **DEVELOPMENT EXPERIENCE**
(maximum 15 points)

City and the OUR SA are interested in the Developer and/or Development Team's previous experience on residential multi-family projects, including relevant experience in the design and implementation of developments similar to the proposed development, capacity to undertake new or additional projects, and development and operation of other comparable commercial and public projects. Clearly distinguish the experience of the Proposer (including joint venture partners) from that of other Development Team members. Include a description of how previous projects were developed to complement surrounding neighborhoods and how community support was obtained. Provide an organizational chart identifying all team members and their reporting relationships and identify the contractual structure of the Proposer (e.g., joint venture, partnership, etc.), including percentage of ownership and responsibilities**. List three (3) examples of comparable housing development projects that have been completed by the Developer and/or Development Team in the past ten (10) years, and one (1) additional project that evidences the overall experience, capacity, and strength of the Developer and/or Development Team. No more than one page per project.**

- Description of Proposer: Provide an accurate and thorough description of the Proposer. Include the names of principals, CEO, and/or executive director or equivalent, home office location, number of employees, sales and development volume in dollars per year for the last five years and all office locations.
- Management and Development Team: Identify the role and submit the resumes of the current key individuals who will be involved in the development of the project.
- Relevant Experience: Respondent must list and detail previous relevant experience with respect to the development and operation of other commercial and public projects, clearly distinguishing the experience of the Developer (including joint venture partners) from that of other team members. Completed projects comparable to the current proposal should receive particular attention. For each project identified, Proposer must provide the following information:
    - Identification: Statement of the project name and type. If the Developer and/or Development Team differs from the identity of the current Proposer, please specify.
    - Location: Identification of the location, including address and photographs of the project.
    - Size and Uses: Description of the size, mix of uses, affordability levels and tenants' characteristics.
    - References: Identification of two references with contact names, email addresses and telephone numbers.
    - Timeline: Submission of the project development timeline from

acquisition of the Property to completion of construction.

- Development Cost: Description of the development cost. Include a brief explanation of the approach used to finance the project, identifying financing sources.
- Public Involvement: Description of any community involvement in the project, including the role of the development entity, involvement of the residents and community groups/organizations, and unique challenges of the project.
- Public Entities: Identification of involved public/government entities. Provide references and contact information.
- Funding: All sources and uses of funds are clearly indicated. Sufficient evidence of funding availability and/or commitments are included.

In the case that a Developer and/or Development Team does not meet the requirements noted above, projects under construction of fully funded and pending construction may be substituted for completed projects for the City's consideration.

2. FINANCIAL CAPACITY AND CAPABILITY
(maximum 10 points)

Proposer must be able to establish and demonstrate that it has access to financial resources such as the ability to raise debt and equity capital to purchase, develop and complete the redevelopment of the subject Property in a professional and timely manner. Proposals that do not meet this consideration will not be considered.

In evaluating the proposal, the City will consider both the overall financial capacity and track record of the Proposer as well as the viability of the anticipated financing plan. The City and OUR SA understand that a complete underwriting review cannot take place until details plans/specifications and firm commitments for other financing options are in place. Among other items, in reviewing and scoring the initial RFP submission, the City will evaluate the preliminary pro forma provided in each proposal for consistency with its underwriting criteria, evidence that the Proposer is maximizing the use of other available sources in accordance with Chapter 374, and whether the financing approach is commercially reasonable and viable within the present market.

In order to demonstrate access to equity capital and financing resources to carry out the proposed project, each proposal must provide the information listed below. [Note: The City and OUR SA recognize that under certain circumstances, this information could be construed as confidential and sensitive. Therefore, the City and OUR SA will treat this portion of the submission as confidential, to the extent that it is not already public and to the extent allowed by law. As such, information considered by the Proposer

to be confidential, should be stamped "CONFIDENTIAL" in all capital letters on each page and submitted in a separate sealed envelope attached to the RFP submission.]

- Portfolio: Composition of current real estate portfolio, see attached excel file **Schedule of Real Estate Owned Form 10**.
- Financing Commitment History: Previous three (3) year history in obtaining financing commitments, including at minimum the type of project, financing source(s), and amounts committed.
- Pending Projects: A listing and description of all pending projects under enforceable funded contracts, including status, development schedule and financial commitment required of the Proposer. Also provide a description of the project financing method, sources and amounts and indicate any working relationship on other projects with members of the development team proposed for the subject Property.
- Sources of Debt and Equity Capital: The identity and description of the specific sources of debt and equity capital, including relationships to the Proposer (e.g., outside lender, parent company) and contact information.
- Funding Source Action: Fully disclose whether any funding sources or financial institutions have threatened to take or have taken any adverse action against the Proposer or joint venture partner, such as terminating or restricting the use of funds, within the past five years.
- Legal Action: A description of any threatened, pending or past legal action against Proposer, its principals and associates within the last five (5) years including, but not limited to, legal action resulting from charges of financial misconduct or impropriety against the Proposer, its principals or associates. Additionally, provide a description of all notices of termination and claims of damage received on all projects within the last five years. Describe all claims on performance and payment bonds received by Proposer, its principals and associates within the last five years. Also include a description of any outstanding liens of the Proposer.
- Bonding Capacity: A description of Proposer's bonding capacity and any claims of default or termination within the last five years.

3. PROJECT SITE PLAN AND TIMELINE
(maximum 15 points)

A. Each proposal must provide a conceptual plan for the development of the subject Property, including a sample of a rendering done for a similar project. The description of the development concept must include:

- Total preliminary size of development, in square footage
- The preliminary mix of uses as divided by square footage, as well as the amount of parking to be provided for each use and how it will be

provided (e.g., underground parking garage, above ground parking garage, as applicable).

- An explanation of the project's scale and mass relative to the surrounding developments.
- A proposed site plan at a scale of 1 inch = 100 feet.
- Sample renderings or conceptual drawings of a project previously completed that illustrates potential elevation of proposed structures, a description of the palette of the building and landscape materials used.

B. Provide a complete design and construction schedule for the Project, including approvals from other entities involved, construction, marketing, and absorption of the buildings proposed. Include detail on phasing, if applicable. Provide evidence of commitment to meet required development timeline, including a statement of the form and amount of Performance Guaranty for two-year completion of development, and a proposed remedy offered to Seller if building permit is not obtained in 1 year.

4. AFFORDABLE HOUSING
(maximum 50 points)

The successful Proposer is encouraged to construct at least four (4)-units minimum and shall meet the affordable housing requirements set forth in the 2017 URP. The requirement for rental housing is a benchmark goal of 50% or more units shall be affordable to residents earning 80% or less of the AMI for SAMSA. (See AMI Chart – Exhibit B). Affordable Housing Scoring Matrix for the composition and points associated with affordable housing targets are available on Exhibit A.

5. SBEDA PROGRAM
(maximum 10 points)

SBE Prime Contract Program – 5 pts.

Certified SBE firms (see *Small Business Enterprise* definition) headquartered or having a Significant Business Presence within the SAMSA responding to this solicitation as Prime CONTRACTORs proposing at least 51% SBE participation (Prime and/or Subcontractor) will receive five **5** evaluation criteria points,

and

M/WBE Prime Contract Program – 5 pts.

Certified M/WBE firms (see *Minority/Women Business Enterprise* definition) headquartered or having a Significant Business Presence within the San Antonio Metropolitan Statistical Area responding to this solicitation

as Prime CONTRACTORs proposing at least 51% M/WBE participation (Prime and/or Subcontractor) will receive five **5** evaluation criteria points. Please submit evidence of firm's designation as an M/WBE.

No evaluation criteria points will be awarded to non-SBE or non-M/WBE Prime CONTRACTORs through subcontracting to certified SBE or M/WBE firms or for those firms in the process of gaining the foregoing designations.

C. **Required Forms:** Please submit 1 original signed copy of the following forms in one (1) unbound packet separate from submittals and labeled: "Required Forms for Request for Proposal for Frio Street, Property ID #102669". City shall conduct due diligence and analysis of the following forms:

1. **<u>SUBMITTAL COVER/SIGNATURE PAGE</u> (Form #2)** – Respondent shall include the completed Submittal Cover/Signature Sheet with the other required forms. The Submittal Cover/Signature Sheet shall be signed by a person (or persons) authorized to bind Respondent and the entity/entities submitting the response. Signature pages signed by a person other than an officer of the company or partner of the firm shall be accompanied by evidence of authority. Joint ventures submittals require signatures from all firms participating in the joint venture. Submitting joint ventures are required to provide legal proof of the joint venture, such as a joint venture agreement.

2. **<u>DISCRETIONARY CONTRACTS DISCLOSURE FORM</u> (Form #3)** – Respondent shall complete the form online at: https://www.sanantonio.gov/eforms/atty/ContractsDisclosureForm.pdf , print a copy of the completed form and include in the packet of required forms. If Respondent is proposing as a team or joint venture, each party to that team or joint venture shall complete and submit a separate Discretionary Contracts Disclosure Form.

3. **<u>LITIGATION DISCLOSURE FORM</u> (Form #4)** – Respondent shall complete a Litigation Disclosure form, utilizing additional pages for explanation, if necessary, and submit the completed form. If Respondent is proposing as a team or joint venture, each party to that team or joint venture shall complete and submit a separate Litigation Disclosure Form.

4. **<u>CONFLICT OF INTEREST QUESTIONNAIRE (Form #8)</u>** – Respondent shall complete the form online at: www.ethics.state.tx.us/forms/CIQ.pdf www.sanantonio.gov/Portals/0/Files/Ethics/OCC-CIQ-Addendum.pdf Print a copy of the completed form and include in the packet of required forms.

5. **<u>PRO FORMA (Form #9)</u>** – Proposers are required to provide the pro forma to the City in the form of an unlocked Microsoft Excel file. At the initial application stage, the City will generally allow submission of the project pro forma in the Proposer's own internal format provided it explicitly shows:
   i. An itemized breakdown of units by bedroom size, square footage, income restriction, and both gross and net rent levels (i.e., net rents are those actually charged after adjusting rents for tenant paid utilities);
   ii. Operating costs, reserve contributions, net operating income, and debt service assumptions should be itemized and show costs on both a total development and per unit basis.
   iii. Itemized total development costs, including both hard and soft costs, financing and carrying costs, and capitalized reserves. For projects using Low Income Housing Tax Credits ("LIHTC"), the development sources and uses should clearly show which costs are included in the amount eligible basis, whether the project qualifies/anticipates a 30% basis boost;
   iv. Clear projection of all construction and permanent financing options from all available sources, including interest rate projections, payment terms (e.g., interest only, amortization period, etc.), and maturity dates for all debt sources. For projects using LIHTCs, net tax credit equity projections should be supported by calculations clearly showing anticipated pricing;
   v. A 30-year operating projection should clearly show inflation assumptions for all revenues and expenses, including annual increases in replacement reserve funding; and
   vi. Construction period cash flow projections should be provided, allowing the City to assess allowances for construction interest. Similarly, lease-up projections modeling the absorption of units and operating deficits prior to breakeven occupancy should be provided to support the need for and sizing of any lease-up reserve.

   In general, the City **<u>strongly prefers</u>** that operating and development costs be itemized in at least as much detail (preferably in the same basic format) as required by Texas Department of Housing and Community Affairs (TDHCA) most current Multifamily Uniform Application.

6. **<u>UNDERWRITING ACKNOWLDEGEMENT & EXCEPTION REQUEST (Form #10)</u>** – Respondent shall complete a copy of the Underwriting Acknowledgement & Exception Request to acknowledge applicability of the City's **Underwriting Standards** attached as **Schedule 5** and identify and requested variances or exception to the guidelines herein.

Although the City's underwriting criteria is not identical to the Texas Department of Housing and Community Affairs' competitive LIHTC program or HUD-funded federal housing programs, the City's approach to underwriting has been informed by those programs.

The Underwriting Standards apply only to the Successful Proposal who is awarded the contract by City Council. Underwriting will commence upon the awarded developer securing all final financing.

7. **PROOF OF INSURABILITY** – Respondent shall submit a copy of its current insurance certificate.

8. **SMALL BUSINESS ECONOMIC DEVELOPMENT UTILIZATION COMMITMENT FORM (Form #6)** – Respondent shall submit a completed and signed Subcontractor/Supplier Utilization Commitment Form indicating Respondent's firm commitment to satisfy the established twenty-five percent **(25%)** goal to a Minority/Women Business Enterprise (M/WBE) and a goal of five percent **(5%)** of the contract value to a certified African American Business Enterprise (AABE) subcontracting goal for this Project. Please see the attached **SBEDA Guidelines** for more information.

9. **CERTIFICATE OF INTERESTED PARTIES TEC FORM 1295** – Effective January 1, 2016, the City of San Antonio is required to comply with Texas Government Code, Chapter 2252, Subchapter Z, and Section 2252.908 (hereafter referred to as "the Code"). Unless the business entity is exempt, the Code states City shall not enter into a contract with a business entity unless and until the business entity has submitted a Certificate of Interested Parties (hereafter referred to as "Form 1295") to City for filing with the Texas Ethics Commission (hereafter referred to as "TEC"). The Form 1295 requirement imposed upon the City applies to **all** contracts:

    a. Having a value greater than $50,000
    b. Requiring San Antonio City Council approval and/or
    c. Renewals, extensions or amendments requiring the approval of the San Antonio City Council.

TEC has made available on its website the new filing application that must be used by Respondent to file its Form 1295 with City. Respondent shall use TEC's application to enter the required information on Form 1295 and print a copy of the form containing a unique certification number for that response.

An authorized agent of Respondent then must sign the printed copy of the form. The notarized completed Form 1295 containing the unique

certification number then must be submitted with Respondent's submittal to City, pursuant to this solicitation, to ensure City and Respondent meet the Code requirements.

Form 1295 must be completed on-line by the business entity. It is accessible at:

https://www.ethics.state.tx.us/whatsnew/elf_info_form1295.htm

As a result of this requirement imposed upon City by the Code, City is requiring all Respondents to which this Code applies shall submit on each project a complete Form 1295, print a copy showing the unique Certification Number and Date Filed in the Certification of Filing box at the upper right corner of Form 1295 for that submittal, sign it, and submit it with its submitted proposal.

To the extent a business entity is exempt from the Code requirement, please provide written confirmation of the exemption provisions such entity is relying upon.

City shall review Form 1295 as part of the Minimum Requirements Review performed upon all proposals received. Deficiencies in or missing Form 1295 shall not be a disqualifying error. Instead, City shall notify a Respondent of any requirements to cure the deficiency and/or to submit/re-submit Form 1295 or written verification of exemption within two (2) days of notice to remain eligible to be considered for a contract award. City shall include the selected Respondent's Form 1295 in its package prepared for the San Antonio City Council's consideration for contract award.

City reserves the right to award one, more than one or no contract(s) in response to this RFP.

A. A Contract, if awarded, shall be awarded to a Respondent whose proposal is deemed most advantageous to City, as determined by the evaluation committee in its sole discretion and upon the approval by the San Antonio City Council.

B. City may accept any proposal in whole or in part. If subsequent contract negotiations are conducted, such negotiations shall not constitute a rejection or alternate RFP on the part of City. However, final selection of a Respondent is subject to San Antonio City Council approval.

C. City reserves the right to accept one or more proposals or reject any or all proposals received in response to this RFP and to waive informalities and irregularities in any proposal received. City also reserves the right to terminate this RFP, reissue a subsequent solicitation and/or remedy technical errors in the RFP process.

D. By executing the Proposal Cover / Contract Signature Page, Respondent agrees to be

bound by the terms therein. Respondent acknowledges it has received all Addenda and agrees to be bound by the terms, conditions and requirements of this submitted proposal, all documents listed in the RFP Submittal Checklist and Table of Contents, the enabling City Ordinance and all of the associated documentation that form the entire Contract to which Respondent shall be bound, upon the approval of the San Antonio City Council. All Contract documents are not binding on City until approved by the San Antonio City Attorney's office and the San Antonio City Council or their designees. In the event the parties cannot negotiate within the time specified by City, City reserves the right to terminate negotiations with the selected Respondent and commence negotiations with another Respondent.

E. This RFP does not commit City to enter into an agreement or award any services related to this RFP, nor does it obligate City to pay any costs incurred by Respondent in the preparation or submission of a response or in anticipation of a contract.

F. City administers its design and construction management through an Internet-based management system. All vendors shall be required to use City's system and submit Project schedules as City dictates.

G. **Conflicts of Interest**: Respondent acknowledges that it is informed that the Charter of City of San Antonio and its Ethics Code prohibit a City officer or employee, as those terms are defined in the Ethics Code, from having an economic interest in any contract entered into with City or any City agency, such as City-owned utilities. An officer or employee has a "prohibited financial interest" in a contract with City or in the sale to City of land, materials, supplies or service, if any of the following individual(s) or entities is a party to the contract or sale: City officer or employee; his/her parent, child or spouse; a business entity in which he/she or his/her parent, child or spouse owns ten percent (10%) or more of the voting stock or shares of the business entity, or ten percent (10%) or more of the fair market value of the business entity; or a business entity in which any individual or entity listed by Respondent is a Subcontractor on a City contract, a partner or a parent or subsidiary business entity.

   www.sanantonio.gov/Ethics

H. Respondent is required to warrant and certify that it, its officers, employees and agents are neither officials nor employees of City, as defined in Section 2-42 of City's Ethics Code. (Discretionary Contracts Disclosure) – Instructions and web-link to electronic form are included in Form 3 of RFP.

   Independent Contractor: Respondent understands, accepts and agrees, if selected, it and all persons designated by it to provide services in connection with a contract, is/are and shall be deemed to be an Independent Contractor(s), responsible for its/their respective acts or omissions, that City shall in no way be responsible for Respondent's actions and that none of the parties to this award shall have authority to bind the other or to hold out to third parties that it has such authority.

I. Effective January 1, 2006, Chapter 176 of the Texas Local Government Code, as amended, requires that persons or their agents who seek to contract for the sale or

purchase of the Property, goods or services with City shall file a completed Conflict of Interest Questionnaire (hereafter referred as "CIQ"), with City Clerk not later than the seventh (7th) business day after the date that the person:

(1) begins contract discussions or negotiations with City; or
(2) submits to City an application, response to a request for proposal, offers, correspondence or another writing related to a potential agreement with City. The CIQ form is available from the Texas Ethics Commission at:

http://www.ethics.state.tx.us/forms/CIQ.pdf.

In addition to the CIQ form, City requires individuals to submit a CIQ Addendum. The CIQ Addendum is available from City:

http://www.sanantonio.gov/atty/ethics/pdf/OCC-CIQ-Addendum.pdf.

Completed CIQ forms and CIQ addendum forms may delivered by hand to the Office of the City Clerk at City Hall, 1st floor, 100 Military Plaza, San Antonio, TX 78205 or may be mailed to the Office of the City Clerk, P.O. Box 839966, San Antonio, TX 78283-3966. Respondent shall consult its own legal advisor if it has any questions regarding the statute, CIQ form or CIQ Addendum.

J. All proposals become the property of City upon receipt and shall not be returned. Any information deemed to be confidential by Respondent clearly should be noted on the page(s) where confidential information is contained and placed in a separate sealed envelope indicating as such; however, City cannot guarantee that it shall not be compelled to disclose all or part of any public record under the Texas Public Information Act, since information deemed to be confidential by Respondent may not be considered confidential under Texas law or pursuant to a Court order.

K. Any cost or expense incurred by the Respondent associated with the preparation of its proposal, the Pre-Submittal Conference or during any phase of the selection process, if any, shall be borne solely by Respondent.

L. **Solicitation Process Review:** If Respondent desires a review of the solicitation process followed by City, Respondent shall deliver a written request to the Director of Neighborhood and Housing within seven (7) calendar days from the date the Notice of Non-Selection was sent. When the Director receives a timely written request, the Director (or his/her designee) shall review Respondents concerns and City's solicitation process for legitimacy and procedural correctness. After performing a full review, the Director shall notify Respondent in writing of his/her determination.

M. **Debriefings:** Each Respondent is entitled to one (1) debriefing per calendar year – available after the San Antonio City Council has made the award sought by Respondent – if Respondent:

(a) is not the selected Respondent; and

(b) has not been debriefed since January 1, 2018.

Once Respondent has been debriefed, it shall not be eligible for future debriefings within that calendar year. Any Respondent meeting the above criteria that desires an individual proposal debriefing shall deliver a written request to the City's Transportation & Capital Improvements Department Contracts Division within seven (7) calendar days from the date a Notice of Non-Selection was sent.

N. City reserves the right to verify any and all information submitted by Respondents at anytime during the solicitation/evaluation process.

O. Final approval of a selected firm(s) is subject to the action of the San Antonio City Council.

P. City reserves the right to contact any Respondent to negotiate a contract, if such action is deemed desirable by City.

TEXAS GOVERNMENT CODE §2270.002:

Texas Government Code §2270.002 provides that a governmental entity may not enter into a contract with a company for goods or services, unless the contract contains a written verification from the company that it:

(1) does not boycott Israel; and
(2) will not boycott Israel during the term of the contract.

The Proposer hereby verifies that it and its parent company, wholly- or majority-owned subsidiaries, and other affiliates, if any, do not boycott Israel and, to the extent this the Neighborhood Bond contracts (the "Contracts") are contracts for goods or services, will not boycott Israel during the term of such Contracts. The foregoing verification is made solely to comply with Section 2270.002, Texas Government Code, as amended, and to the extent such section does not contravene applicable federal law. As used in the foregoing verification, "boycott Israel" means refusing to deal with, terminating business activities with, or otherwise taking any action that is intended to penalize, inflict economic harm on, or limit commercial relations specifically with Israel, or with a person or entity doing business in Israel or in an Israeli-controlled territory, but does not include an action made for ordinary business purposes. The Proposer understands "affiliate" to mean an entity that controls, is controlled by, or is under common control with the Proposer and exists to make a profit.

By submitting an offer to or executing contract documents with the City, Company hereby verifies that it does not boycott Israel, and will not boycott Israel during the term of the contract. City hereby relies on Company's verification. If affirmation is found to be false, City may terminate the contract for material breach.

R. **TEXAS GOVERNMENT CODE § 2252.152:**

Contracts with companies engaged in business with Iran, Sudan, or foreign terrorist organization prohibited.

The Proposer represents that neither it nor any of its parent companies, wholly- or majority-owned subsidiaries, and other affiliates is a company identified on a list prepared and maintained by the Texas Comptroller of Public Accounts under Section 2252.153 or Section 2270.0201, Texas Government Code, as amended, and posted on any of the following pages of such officer's Internet website:

https://comptroller.texas.gov/purchasing/docs/sudan-list.pdf,
https://comptroller.texas.gov/purchasing/docs/iran-list.pdf,
https://comptroller.texas.gov/purchasing/docs/fto-list.pdf.

The foregoing representation is made solely to comply with Section 2252.152, Texas Government Code, as amended, and to the extent such section does not contravene applicable federal law and excludes the Proposer and each of its parent companies, wholly- or majority-owned subsidiaries, and other affiliates, if any, that the United States government has affirmatively declared to be excluded from its federal sanctions regime relating to Sudan or Iran or any federal sanctions regime relating to a foreign terrorist organization. The Proposer understands "affiliate" to mean any entity that controls, is controlled by, or is under common control with the Proposer and exists to make a profit.

IX. Submittal Instructions

Each proposal to purchase the Property must conform to and be in compliance with the following guidelines. Proposals that do not comply with these guidelines may be rejected at the option and sole discretion of the Seller.

The minimum Competitive Sealed Bid (purchase price) is set at **$20,000.00.** The full proposed purchase price, minus Proposal Security and Earnest Money received, must be paid to Seller at the closing of the sale of the Property, in cash. Seller will not finance any portion of the sale.

All proposals for the Property will be evaluated on various factors, including without limitation, net consideration paid to Seller, proposed form and amount of Guaranty, compliance with the Urban Renewal Plan, achievement of the City's Project Goals, project design, creativity, capability, and other factors set out in the **Schedule of Criteria for Review and Scoring of Proposals** (attached hereto as **Schedule 2**), to include points for both mandatory items and value-added community considerations.

A. **Form**. Respondent shall submit a total of six (6) proposals, which shall include one (1) original unbound Qualification signed in ink (which shall include the cited documents that only are to be included in Respondent's original submission), and five (5) reprinted copies of its proposal in a

sealed package, clearly marked on the front of the package "RFP: Frio Street, Property ID #102669". All proprietary information should be submitted in a separate sealed envelope and stamped "Confidential" on each page.

B. **Deadline.** All proposals shall be received in the Office of the City Clerk and time-stamped NO LATER THAN 2:00 PM ON APRIL 12, 2019 at the address indicated below. Any proposal received after this time shall not be considered. The outside of each envelope or container must clearly and conspicuously state the words " Frio Street, Property ID #102669" in large letters and be addressed and delivered as follows:

City of San Antonio, Texas
Attn: **Kelcey Young**,
RE: Frio Street, Property ID #102669
719 S. Santa Rosa
San Antonio, Texas 78204

Submission of a proposal will constitute an irrevocable offer on the part of the Proposer to purchase the Property on the terms stated in the proposal, until such time as Seller or Seller's Representative announces its selection and/or rejection of the proposal. In addition, submission of a proposal will constitute a legally binding commitment of the Proposer to provide such further information related to the proposal as Seller may reasonably request in connection with Seller's evaluation of the proposal and Proposer, and to enter in good faith final negotiations to affect the Proposer's purchase of the Property, if the proposal is accepted by Seller.

By submitting a proposal, the Proposer acknowledges that it is not relying on any representation, warranty, statement or other assertion contained in this RFP or made by Seller or the Seller's Representative, or any employee, agent, official or representative of either of them, and the Proposer is relying solely on the Proposer's own examination of the Property and that of the Proposer's employees, agents, representatives and consultants.

X. General Conditions

A. **Anti-Lobbying/Conflict of Interest.** Proposers are advised that the Seller and Seller's Representative prohibit any and all lobbying activity during the solicitation process. The process begins upon issuance of the solicitation document and ends at the time of award by the Seller and San Antonio City Council. Proposers must sign the Non-Collusion, Conflict of Interest and Anti-Lobbying Affidavit. Proposers must not propose any gratuities, favors, or anything of monetary value to any official, employee or outside consultant associated with the sale of Frio Street, Property ID #102669for purposes of influencing

consideration of a response to this RFP.

All communication related to this RFP must be in accordance to the procedures set forth herein.

B. **Expenses.** All expenses related to any Proposer's response to this RFP, are the sole obligation and responsibility of the Proposer. The Seller will not, directly or indirectly, assume responsibility for these costs. In addition, the Seller is not liable for any real estate commissions or brokerage fees that may arise as a result of the RFP process.

C. **Modifications to the RFP Process.** Any material clarifications or modifications to the RFP or the process will be provided in writing via an addendum, to be acknowledged and posted on the Seller's Representative's website at www.sanantonio.gov/RFPListings. It is the responsibility of the Proposers, prior to submitting a response to the RFP, to ascertain if the Seller has issued any notices, clarifications, addenda, or other communications to responders. Oral communications or instructions from Seller, Seller's Representative, City staff, City officials, or consultants do not bind the Seller.

D. **Reservation of Rights.** The Seller reserves the right to:

1. **Change Selection Process.** Modify or cancel the RFP process or schedule at any time.

2. **Waive Irregularities.** Waive irregularities of submitted proposals.

3. **Reject Responses and Seek New Responses.** Reject any and all responses to this RFP and seek new proposals when it is in the best interest of the Seller to do so.

4. **Seek Additional Information.** Seek clarification or additional information or evidence from individual Proposers.

5. **Make Subjective Judgments.** Make subjective judgments, including evaluating the Proposer's written or oral representations as to their veracity, substance and relevance to purchasing and developing Frio Street, Property ID #102669Drive, including seeking and evaluating independent information.

6. **Incorporate RFP.** Incorporate this RFP and the Successful Proposer's response to this RFP as part of any formal agreement between the Seller and the Successful Proposer.

E. **No Representation or Warranty.** Neither the Seller nor Seller's Representative make any representations about the conditions of the

site, including utilities, soils, or other surface or subsurface conditions. The Proposer should make its own conclusions concerning such conditions. Information provided in this RFP, as well as in related reports by Seller, Seller's Representative, City staff or consultants, is provided for the convenience of the responders only. The Seller nor Seller's Representative warrants the accuracy or completeness of this information.

F. **Public Information.** All documents, conversations, correspondence, etc. between the Seller and/or Seller's Representative and Proposers are public information subject to the laws and regulations that govern the Seller and Seller's Representative, unless specifically identified otherwise.

XI. List of RFP Schedules

Schedule 1	Maps of Property
Schedule 2	Scoring Criteria
Schedule 2-A	Affordable Housing Scoring Matrix
Schedule 3	Survey, effective date 06-14-2013
Schedule 4	Contract for Sale of Land for Private Redevelopment
Schedule 5	Underwriting Standards
Form 1	Submittal Checklist and Table of Contents
Form 2	Submittal Cover and Signature Sheet
Form 3	Contracts Disclosure Form
Form 4	Litigation Disclosure Form
Form 5	Competitive Sealed Bid (Minimum: $20,000)
Form 6	SBEDA Subcontractor/Supplier Utilization Commitment Form
Form 7	Bond Program Reimbursement Request Form
Form 8	Conflicts of Interest Questionnaire & Addendum
Form 9	Project Pro Forma and Excel File
Form 10	Underwriting Acknowledgement and Exception Request
Form 11	Schedule of Real Estate Owned
1295 Form	Certificate of Interested Parties TEC Form 1295
Exhibit B	Area Median Income (AMI) Chart
Exhibit C	Conceptual Design Opportunities

Schedule 1
Area Map

Request for Proposals for the redevelopment of vacant lot that is approximately .361 Acres (15,551 SF tract).

Frio Street, Property ID #102669, San Antonio, TX

Schedule 2

SCHEDULE OF CRITERIA
FOR REVIEW AND SCORING OF PROPOSALS

Proposals received will be reviewed and evaluated according to the following criteria:

Criteria	Points
Development Experience	15 Points
Financial Capacity and Capability	10 Points
Project Site Plan and Timeline	15 Points
Affordable Housing	50 Points
Small Business Development Advocacy	10 Points

Proposals will be reviewed and scored on a competitive basis per the evaluation criteria below. Proposer can earn up to 100 points total.

1. DEVELOPMENT EXPERIENCE
(maximum 15 points)

City and OUR SA are interested in the Developer and/or Development Team's previous experience on residential multi-family projects, including relevant experience in the design and implementation of developments similar to the proposed development, capacity to undertake new or additional projects, and development and operation of other comparable commercial and public projects. Clearly distinguish the experience of the Proposer (including joint venture partners) from that of other Development Team members. Include a description of how previous projects were developed to complement surrounding neighborhoods and how community support was obtained. Provide an organizational chart identifying all team members and their reporting relationships and identify the contractual structure of the Proposer (e.g., joint venture, partnership, etc.), including percentage of ownership and responsibilities**. List three (3) examples of comparable housing development projects that have been completed by the Developer and/or Development Team in the past ten (10) years, and one (1) additional project that evidences the overall experience, capacity, and strength of the Developer and/or Development Team. No more than one page per project.**

- Description of Proposer: Provide an accurate and thorough description of the Proposer. Include the names of principals, CEO, and/or executive director or equivalent, home office location, number of employees, sales and development volume in dollars per year for the last five years and all office locations.
- Management and Development Team: Identify the role and submit the resumes of the current key individuals who will be involved in the development of the project.
- Relevant Experience: Respondent must list and detail previous relevant experience with respect to the development and operation of other commercial and public projects, clearly distinguishing the experience of the Developer (including joint venture partners) from that of other team members. Completed projects comparable to the current proposal should receive particular attention. For each project identified, Proposer must provide the following information:
    - Identification: Statement of the project name and type. If the Developer and/or Development Team differs from the identity of the current Proposer, please specify.
    - Location: Identification of the location, including address and photographs of the project.
    - Size and Uses: Description of the size, mix of uses, affordability levels and tenants.
    - References: Identification of two references with contact names and telephone numbers.
    - Timeline: Submission of the project development timeline from acquisition of the property to completion of construction.
    - Development Cost: Description of the development cost. Include a brief explanation of the approach

used to finance the project, identifying financing sources.
  - Public Involvement: Description of any community involvement in the project, including the role of the development entity, involvement of the residents and community groups/organizations, and unique challenges of the project.
  - Public Entities: Identification of involved public/government entities other than the City. Provide references and contact information.
  - Funding: All sources and uses of funds are clearly indicated. Sufficient evidence of funding availability and/or commitments are included.

In the case that a Developer and/or Development Team does not meet the requirements noted above, projects under construction of fully funded and pending construction may be substituted for completed projects for the City's consideration.

2. FINANCIAL CAPACITY AND CAPABILITY
(maximum 10 points)

Proposer must be able to establish and demonstrate that it has access to financial resources such as the ability to raise debt and equity capital to purchase, develop and complete the redevelopment of the subject Property in a professional and timely manner. Proposals that do not meet this consideration will not be considered.

In evaluating the proposal, the City will consider both the overall financial capacity and track record of the Proposer as well as the viability of the anticipated financing plan. The City and OUR SA understand that a complete underwriting review cannot take place until details plans/specifications and firm commitments for other financing options are in place, among other items, in reviewing and scoring the initial RFP submission, the City will evaluate the preliminary pro forma provided in each proposal for consistency with its underwriting criteria, evidence that the Proposer is maximizing the use of other available sources in accordance with Chapter 374, and whether the financing approach is commercially reasonable and viable within the present market.

In order to demonstrate access to equity capital and financing resources to carry out the proposed project, each proposal must provide the information listed below. [Note: The City and OUR SA recognizes that under certain circumstances, this information could be construed as confidential and sensitive. Therefore, the City and OUR SA will treat this portion of the submission as confidential, to the extent that it is not already public and to the extent allowed by law. As such, information considered by the Proposer to be confidential, should be stamped "CONFIDENTIAL" in all capital letters on each page and submitted in a separate sealed envelope attached to the RFP submission.]

- Portfolio: Composition of current real estate portfolio, see attached excel **file Schedule of Real Estate Owned Form 10**.
- Financing Commitment History: Previous three (3) year history in obtaining financing commitments, including at minimum the type of project, financing source(s), and amounts committed.
- Pending Projects: A listing and description of all pending projects under enforceable funded contracts, including status, development schedule and financial commitment required of the Proposer. Also provide a description of the project financing method, sources and amounts and indicate any working relationship on other projects with members of the development team proposed for the subject property.
- Sources of Debt and Equity Capital: The identity and description of the specific sources of debt and equity capital, including relationships to the Proposer (e.g., outside lender, parent company) and contact information.
- Funding Source Action: Fully disclose whether any funding sources or financial institutions have threatened to take or have taken any adverse action against the Proposer or joint venture partner, such as terminating or restricting the use of funds, within the past five years.
- Legal Action: A description of any pending or past legal action against Proposer, its principals and associates within the last five (5) years including, but not limited to, legal action resulting from charges of financial

misconduct or impropriety against the Proposer, its principals or associates. Additionally, provide a description of all notices of termination and claims of damage received on all projects within the last five years. Describe all claims on performance and payment bonds received by Proposer, its principals and associates within the last five years.

- Bonding Capacity: A description of Proposer's bonding capacity and any claims of default or termination within the last five years.

3. PROJECT SITE PLAN AND TIMELINE
(maximum 15 points)

C. Each proposal must provide a conceptual plan for the development of the subject Property, including a sample of a rendering done for a similar project. The description of the development concept must include:

- Total preliminary size of development, in square footage
- The preliminary mix of uses as divided by square footage, as well as the amount of parking to be provided for each use and how it will be provided (e.g., underground parking garage, above ground parking garage, as applicable).
- An explanation of the project's scale and mass relative to the surrounding developments.
- A proposed site plan at a scale of 1 inch = 100 feet.
- Sample renderings or conceptual drawings of a project previously completed that illustrates potential elevation of proposed structures, a description of the palette of building and landscape materials used.

D. Provide a complete design and construction schedule for the project, including approvals from other entities involved, construction, marketing, and absorption of the buildings proposed. Include detail on phasing, if applicable. Provide evidence of commitment to meet required development timeline, including a statement of the form and amount of Performance Guaranty for two-year completion of development, and a proposed remedy offered to Seller if building permit is not obtained in 1 year.

4. AFFORDABLE HOUSING
(maximum 50 points)

The Successful Proposer is encouraged construct at least four (4)-units and shall meet the affordable housing requirements set forth in the Council-adopted 2017 URP. The requirement for rental housing is a benchmark goal of 50% or more units shall be affordable to residents earning 80% or less of the Area Median Income (AMI) for the San Antonio Metropolitan Statistical Area (SAMSA). (See AMI Chart – Exhibit B). Affordable Housing Scoring Matrix for the composition and points associated with affordable housing targets are available on Exhibit A.

5. MBE/WBE PARTICIPATION
(maximum 10 points)

SBE Prime Contract Program – 5 pts.

Certified SBE firms (see *Small Business Enterprise* definition) headquartered or having a Significant Business Presence within the San Antonio Metropolitan Statistical Area responding to this solicitation as Prime CONTRACTORS proposing at least 51% SBE participation (Prime and/or Subcontractor) will receive five **5** evaluation criteria points upon verification of such status,

and

M/WBE Prime Contract Program – 5 pts.

Certified M/WBE firms (see *Minority/Women Business Enterprise* definition) headquartered or having a Significant Business Presence within the San Antonio Metropolitan Statistical Area responding to this solicitation as Prime

CONTRACTORs proposing at least 51% M/WBE participation (Prime and/or Subcontractor) will receive five **5** evaluation criteria points upon verification of such status.

No evaluation criteria points will be awarded to non-SBE or non-M/WBE Prime CONTRACTORS through subcontracting to certified SBE or M/WBE firms.

Schedule 2- A

SEE ATTACHMENT

Schedule 3
Survey

<u>Schedule 4</u>
Contract for Sale of Land for Private Redevelopment

Draft Agreement On Next Page

CONTRACT FOR SALE OF LAND FOR PRIVATE REDEVELOPMENT

AGREEMENT, consisting of this Part I and Part II annexed hereto and made a part hereof (which Part I and Part II are together hereinafter call "Agreement"), made on or as of the _____ day of _____, 20____, by and between the CITY OF SAN ANTONIO, TEXAS acting by and through the URBAN RENEWAL AGENCY OF THE CITY OF SAN ANTONIO d/b/a OFFICE OF URBAN REDEVELOPMENT SAN ANTONIO a public body corporate (which together with any successor public body or officer hereafter designated by or pursuant to law is hereinafter called "Agency"), established pursuant to Texas Local Government Code §374 as amended of the State of Texas (hereinafter called "Urban Renewal Act") and having its office at 1400 S. Flores, in the City of San Antonio, Bexar County, Texas, (hereinafter called "City"), State of Texas and Builder's name, organized and existing under the laws of the State of Texas, or individual(s) (hereinafter called "Redeveloper") and having an office for transaction of business at Builder's address, in the City of _____ and State of _____.

WITNESSETH:

WHEREAS, in furtherance of the objectives of the Urban Renewal Act, the Agency has undertaken a program for the clearance and reconstruction or rehabilitation of slum and blighted areas in the City, and in this connection is engaged in carrying out urban renewal projects known as [insert project name] (hereinafter called "Project") in an area (hereinafter called "Project Area") located in the City; and

WHEREAS, as of the date of the Agreement there has been prepared and approved by the City Council of the City an urban renewal plan for the project consisting of the Urban Renewal Plan dated February 2, 2017 and approved by Ordinance No. 2017-02-02-0052, which plan, as it may hereafter be amended from time to time pursuant to law, and as so constituted from time to time is, unless otherwise indicated by the context, (hereinafter called "Urban Renewal Plan"); and

WHEREAS, a copy of the Urban Renewal Plan as constituted on the date of the Agreement has been filed in the office of the City Clerk of the City of San Antonio located at the City Hall, San Antonio, Texas; and

WHEREAS, in that certain Request for Proposal ("RFP") dated _____, the City, acting on behalf of the Agency, has offered to sell _____ lots (___) and the Redeveloper is willing to purchase these _____ (____) lots located in the Project Area identified as follows: [*insert legal description*, San Antonio, Bexar County, Texas], and more particularly described by metes and bounds or survey in **Exhibit "A"** attached hereto and made a part hereof (known herein as the "Property") and to redevelop the Property for and in accordance with the uses specified in the Urban Renewal Plan and the Agreement; and

WHEREAS, the Agency believes that the redevelopment of the Property pursuant to the Agreement and the fulfillment generally of the Agreement, are in the vital and best interest of the City and in accord with the public purposes and provisions of the applicable State and local laws and requirements under which the project has been undertaken and is being assisted;

NOW, THEREFORE, in consideration of the premises and mutual obligation of the parties hereto, each of them does hereby covenant and agree with the other as follows:

SEC. 1. SALE: PURCHASE PRICE.

Subject to all the terms, covenants, and conditions of the Agreement, the Agency will sell the Property to the Redeveloper for and the Redeveloper will purchase the Property from the Agency and pay therefore, the amount of $[insert price] (hereinafter called "Purchase Price") to be paid in cash or by cashier's check simultaneously with the delivery of the deed conveying the Property to the Redeveloper.

SEC. 2. CONVEYANCE OF PROPERTY.

(a) Form of Deed. The Agency shall convey to the Redeveloper title to the Property by Special Warranty Deed. Such conveyance and title shall, in addition to the condition subsequently provided for in Section 704 hereof, and to all other conditions, covenants, and restrictions set forth or referred to elsewhere in the Agreement, be subject to:

(1) All the restrictions and building requirements set forth in said Urban Renewal Plan;

(2) A Deed Restriction limiting the use of the property for the purpose of providing affordable housing as set forth in the RFP for a period of _____ (__) years from the date of conveyance from the Agency to the Redeveloper to which the Redeveloper and all subsequent owners agree to be bound knowing a violation of the restriction will cause the title to the property to automatically revert to the grantor; and

(3) All easements of record in the Official Public Records of Bexar County, Texas or apparent on the Property.

The Special Warranty shall contain the "AS-IS, WHERE-IS, WITH ANY AND ALL FAULTS" disclaimer of representations and warranties and environmental conditions as set forth in the RFP.

(b) Time and Place for Delivery of Deed. The Agency shall deliver the Deed and possession of the Property to the Redeveloper on _____, or such earlier date as the parties may mutually agree in writing. Conveyance shall be made at the office of _____, at _____ in the City of San Antonio, Texas (hereinafter "Title Company"), and the Redeveloper shall accept such conveyance and pay to the Agency at such time and place the Purchase Price.

(c) Apportionment of Current Taxes. The portion of the current taxes, if any, on the Property which are a lien on the date of delivery of the Deed to the Redeveloper, allocable to buildings and other improvements which have been demolished or removed from the Property by the Agency, shall be borne by the Agency and the portion of such current taxes allocable to the land shall be apportioned between the Agency and the Redeveloper as of the date of delivery of the Deed. If the amount of the current taxes on the Property is not ascertainable on such date, the apportionment shall be subject to final adjustment within thirty (30) days after the date of the actual amount of such current taxes is ascertained.

(d) Recordation of Deed. The Redeveloper shall cause the Title Company to promptly file the Deed for recordation among the land records of the place in which the Property is situated. The Redeveloper shall pay all cost for recording the Deed.

(e) Title Insurance Policy. A Title Insurance Policy for the Property shall be issued by the Title Company, and Agency shall bear the cost of said title insurance policy.

(f) Future Taxes. Redeveloper agrees to pay all property taxes on the Property commencing the date title is transferred to said Redeveloper.

SEC. 3. GOOD FAITH DEPOSIT.

(a) Amount. With its response to the RFP, the Redeveloper delivered to the Agency a cashier's check payable to the Title Company in the amount of $_____, hereinafter called "Deposit", as security for the performance of the obligations of the Redeveloper to be performed in connection with the RFP. The Deposit shall be delivered to the Title Company. Within two (2) business days after execution of this Agreement by the Agency, the Redeveloper shall deposit an additional amount of $_____, hereinafter called "Earnest Money", with the Title Company as earnest money as security for the performance of the obligations of the Redeveloper to be performed in connection with this Agreement.

(b) Interest. Neither the Title Company, nor the Agency shall be under no obligation to pay or earn interest on the Deposit or Earnest Money, but if interest is payable thereon, such interest, shall be applied to the Purchase Price at the closing.

(c) Retention by Agency. Upon termination of the Agreement as provided in Section 703 and 704 hereof, the Deposit or the proceeds of the Deposit, if not theretofore returned to the Redeveloper pursuant to paragraph (d) of this Section, including all interest payable on such Deposit or the proceeds thereof after such termination, shall be retained by the Agency as provided in section 703 and 704 hereof.

(d) Return to Redeveloper. Upon termination of the Agreement as provided in Section 702 hereof, the Deposit

and Earnest Money shall be returned to the Redeveloper by the Agency as provided in Section 702 hereof.

SEC. 4. TIME FOR COMMENCEMENT AND COMPLETION OF IMPROVEMENTS.

(a) The construction of the improvements referred to in Section 301 hereof shall be commenced in any event within [insert timeline] after the recordation of the deed as provided in Section 2(d) hereof and, except as otherwise provided in the Agreement, shall be completed within [insert timeline] after such date.

SEC. 5. TIME FOR CERTAIN OTHER ACTIONS.

(a) Time for Submission of Construction Plans. The time within which the Redeveloper shall submit "Construction Plans" (as defined in Section 301 hereof) to the Agency in any event, pursuant to Section 301 hereof, shall not be later than __ days from the date of the Agreement. Failure by Redeveloper to provide said Construction Plans within the time stated herein shall result in the termination of the Agreement as provided in Section 703 hereof.

(b) Time for Submission of Corrected Construction Plans. Except as provided in paragraph (c) of this Section 5, the time within which the Redeveloper shall submit any new or corrected Construction Plans as provided for in Section 301 hereof shall not be later than fifteen (15) days after the date the Redeveloper receives written notice from the Agency of the Agency's first rejection of the original Construction Plans referred to in the latest such notice.

(c) Maximum Time for Approved Construction Plans. In any event, the time within which the Redeveloper shall submit Construction Plans which conform to the requirements of Section 301 hereof and are approved by the Agency shall not be later than thirty (30) days after the date the Redeveloper receives written notice from the Agency of the Agency's first rejection of the original Construction Plans submitted to it by the Redeveloper.

(d) Time for Agency Action on Change in Construction Plans. The time within which the Agency may reject any change in the Construction Plans, as provided in Section 302 hereof, shall be fifteen (15) days after the date of the Agency's receipt of notice of change.

(e) Time for Submission of Evidence of Equity Capital and/or Mortgage Financing. The time within which the Redeveloper shall submit to the Agency, in any event, evidence as to equity capital and any commitment necessary for mortgage financing, as provided in Section 303 hereof, shall be not later than __ days after the date of written notice to the Redeveloper of approval of the Construction Plans by the Agency or, if the Construction Plans shall be deemed to have been approved as provided in Section 301 hereof, after the expiration of thirty (30) days following the date of receipt by the Agency of the Construction Plans so deemed approved. Failure by Redeveloper to provide said Evidence of Equity Capital and/or Mortgage Financing within the time stated herein shall result in the termination of the Agreement as provided in Section 703 hereof.

SEC. 6. PERIOD OF DURATION OF COVENANT ON USE.

The covenant pertaining to the uses of the Property, set forth in Section 401 hereof, shall remain in effect from the date of the Deed until the later of: a [insert number of years] year period, the period specified or referred to in the Urban Renewal Plan, or until such date thereafter on which date, as the case may be, such covenant shall terminate. The Agency shall prepare a covenant based upon the terms and conditions for the provision of affordable housing as set forth in the Redeveloper's response to the RFP and shall provide the Agency and the City reasonable access to the Property and the Redeveloper's and its successors and assigns records for the duration of the covenant to monitor and ensure compliance with the Urban Renewal Plan and this Agreement. The covenant shall be recorded contemporaneously with the Special Warranty Deed provided for in Section 2 of Part I.

SEC. 7. NOTICES AND DEMANDS.

A notice, demand, or other communication under the Agreement by either party to the other shall be sufficiently given or delivered if it is dispatched by certified mail, postage prepaid, return receipt requested, or delivered personally by courier; and

(i) in the case of the Redeveloper, is addressed to or delivered personally to the Redeveloper at address of Builder

(ii) in the case of the Agency, is addressed to or delivered personally to the Agency at 1400 S. Flores, San

Antonio, Texas 78204, or at such other address with respect to either such party as that party may, from time to time, designate, in writing, and forward to the other as provided in this Section; with a copy to the City at City of San Antonio, Neighborhood Housing & Services Department, Attention: Housing Bond Administrator, 1400 S. Flores, San Antonio, Texas 78204.

SEC. 8. SPECIAL PROVISIONS.

All published material submitted pursuant to this development shall include the following reference:

"This development was accomplished with the assistance of OFFICE OF URBAN REDEVELOPMENT SAN ANTONIO with funding approved by the voters of the City of San Antonio for the 2017-2022 Neighborhood Improvements Bond."

SEC. 9. COUNTERPARTS.

The Agreement is executed in two (2) counterparts, which shall constitute one and the same instrument.

IN WITNESS WHEREOF, the Agency has caused the Agreement to be duly executed in name and behalf of its Chairman or Executive Director and its seal to be hereunder duly affixed and the Redeveloper has caused the Agreement to be duly executed as of the ___day of _____, 20 _.

CITY OF SAN ANTONIO, TEXAS,
acting by and through the,
URBAN RENEWAL AGENCY OF THE
CITY OF SAN ANTONIO d/b/a
OFFICE OF URBAN REDEVELOPMENT SAN ANTONIO

_____

Title: _____

_____
Name of Builder

(**AGENCY ACKNOWLEDGEMENT)**

STATE OF TEXAS }

COUNTY OF BEXAR }

BEFORE ME, the undersigned authority, on the day personally appeared _____, EXECUTIVE DIRECTOR of the Urban Renewal Agency of the City of San Antonio d/b/a Office of Urban Redevelopment San Antonio, known to me to be the person and officer whose name is subscribed to the foregoing instrument and acknowledged to me that he/she executed the same for the purposes and consideration therein expressed and in the capacity therein stated and as the act and deed of the Urban Renewal Agency of the City of San Antonio.

GIVEN UNDER MY HAND AND SEAL OF OFFICE THIS _____ day of _____, 20____.

_____
Notary Public in and for the State of Texas

(CORPORATE ACKNOWLEDGMENT)

STATE OF TEXAS }

COUNTY OF BEXAR }

BEFORE ME, the undersigned, a Notary Public in and for the State of Texas on this day personally appeared known to me to be the person and officer whose name is subscribed to the foregoing instrument as _____of and acknowledged to me that he (or she) executed the same for the purposes and consideration therein expressed, and as the act and deed of said _____.

GIVEN UNDER MY HAND AND SEAL OF OFFICE THIS _____ day of _____, 20____.

_____
Notary Public in and for the State of Texas

E X H I B I T " A "

Description of Property

All that certain parcel or parcels of land located in the City of San Antonio, Bexar County, Texas, more particularly described as follows:

(Attach other identifying information, such as, site plan, metes and bounds, and/or plat of survey)

URBAN RENEWAL PROGRAM

TERMS AND CONDITIONS

PART II

OF

CONTRACT FOR

SALE OF LAND FOR PRIVATE REDEVELOPMENT

BY AND BETWEEN

THE CITY OF SAN ANTONIO, TEXAS, ACTING BY AND THROUGH,

URBAN RENEWAL AGENCY OF THE CITY OF SAN ANTONIO

DBA

OFFICE OF URBAN REDEVELOPMENT SAN ANTONIO

AND

Name of Builder
("Redeveloper")

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ARTICLE I. PREPARATION OF PROPERTY FOR REDEVELOPMENT

SEC. 101. Waiver of Claims and Joining in Petitions by Redeveloper. The Redeveloper hereby waives (as the purchaser of the Property under the Agreement and as the owner after the conveyance of the Property provided for in the Agreement) any and all claims to awards of damages, if any, to compensate for the closing, vacation, or change of grade of any street, alley, or other public right-of-way within or fronting or abutting on, or adjacent to, the Property which, pursuant to subdivision (a) of Section 103 hereof, is to be closed or vacated, or the grade of which is to be changed, and shall upon the request of the Agency subscribe to, and join with the Agency in any petition or proceeding required for such vacation, dedication, change of grade, and, to the extent necessary, rezoning, and execute any waiver or other document in respect thereof.

ARTICLE II. RIGHTS OF ACCESS TO PROPERTY

SEC. 201. Right of Entry for Utility Service. The Agency reserves for itself, the City, and any public utility company, as may be appropriate, the unqualified right to enter upon the Property at all reasonable times for the purpose of reconstruction, maintaining, repairing, or servicing the public utilities located within the Property boundary lines and provided for the easements described or referred to in Paragraph (a), Section 2 of Part I hereof.

SEC. 202. Redeveloper Not to Construct Over Utility Easements. The Redeveloper shall not construct any building or other structure or improvement on, over, or within the boundary lines of any easement for public utilities

described or referred to in Paragraph (a), Section 2 of Part I hereof, unless such construction is provided for in such easement or has been approved by the City. If approval for such construction is requested by the Redeveloper, the Agency shall use its best efforts to assure that such approval shall not be withheld unreasonably.

SEC. 203. Access to Property. Prior to the conveyance of the Property by the Agency to the Redeveloper, the Agency shall permit representatives of the Redeveloper to have access to any part of the Property as to which the Agency holds title, at all reasonable times for the purpose of obtaining data and making various tests concerning the Property necessary to carry out the Agreement. After the conveyance of the Property by the Agency to the Redeveloper, the Redeveloper shall permit the representatives of the Agency and the City access to the Property at all reasonable times which any of them deems necessary for the purposes of the Agreement and the covenant described in Section 6 of Part I, including, but not limited to, inspection of all work being performed in connection with the construction of the Improvements. No compensation shall be payable nor shall any charge be made in any form by any party for the access provided for in this Section.

ARTICLE III. CONSTRUCTION PLANS; CONSTRUCTION OF IMPROVEMENTS; CERTIFICATE OF COMPLETION

SEC. 301 Plans for Construction of Improvements. Plans and specifications with respect to the redevelopment of the Property and the construction of improvements thereon shall be in conformity with the Urban Renewal Plan, the Redeveloper's response to the RFP, the Agreement the Ordinance calling the Election and all applicable State and local laws and regulations. As promptly as possible after the date of the Agreement, and, in any event, no later than the time specified therefor in Paragraph (a), Section 5 Part I hereof, the Redeveloper shall submit to the Agency, for approval by the Agency, plans, drawings, specifications, and related documents, and the proposed construction schedule (which plans, drawings, specifications, related documents, and progress schedule, together with any and all changes therein that may thereafter be made and submitted to the "Agency" as herein provided, are except as otherwise clearly indicated by the context, hereinafter collectively called "Construction Plans") with respect to the improvements to be constructed by the Redeveloper on the Property, in sufficient completeness and detail to show that such improvements and construction thereof will be in accordance with the provisions of the Urban Renewal Plan, the Redeveloper's response to the RFP, and the Agreement. The Agency shall, if the Construction Plans originally submitted conform to the provisions of the Urban Renewal Plan, the Redeveloper's response to the RFP, and the Agreement, approve in writing such Construction Plans and no further filing by the Redeveloper or approval by the Agency thereof shall be required except with respect to any material change. Such Construction Plans shall in any event, be deemed approved unless rejection thereof within forty-five (45) days after the date of their receipt by the Agency. If the Agency so rejects the Construction Plans in whole or in part as not being in conformity with the Urban Renewal Plan, the Redeveloper's response to the RFP, or the Agreement, the Redeveloper shall submit new or corrected Construction Plans which are in conformity with the Urban Renewal Plan, the Redeveloper's response to the RFP, and the Agreement with the time specified therefor in Paragraph (b), Section 5 of Part I hereof after written notification to the Redeveloper of the rejection. The provisions of this Section relating to approval, rejection, and resubmission of corrected Construction Plans hereinabove provided with respect to the original Construction Plans shall continue to apply until the Construction Plans have been approved by the Agency: Provided, that in any event the Redeveloper shall submit Construction Plans which are in conformity with the requirements of the Urban Renewal Plan, the Redeveloper's response to the RFP, and the Agreement, as determined by the Agency, no later than the time specified therefor in Paragraph (c), Section 5 of Part I hereof. All work with respect to the improvements to be constructed or provided by the Redeveloper on the Property shall be in conformity with the Construction Plans as approved by the Agency. The term "Improvements", as used in this Agreement, shall be deemed to have reference to the improvements as provided and specified in the Construction Plans as so approved.

SEC. 302. Changes in Construction Plans. If the Redeveloper desires to make any change in the Construction Plans after their approval by the Agency, the Redeveloper shall submit the proposed change to the Agency for its approval. If the Construction Plans, as modified by the proposed change, conform to the requirements of Section 301 hereof with respect to such previously approved Construction Plans, the Agency shall approve the proposed change and notify the Redeveloper in writing of its approval. Such change in the Construction Plans shall, in any event, be deemed rejected, in whole or in part, unless written notice thereof is given by the Agency to the Redeveloper, setting forth such approval.

SEC. 303. Evidence of Equity Capital and Mortgage Financing. As promptly as possible after approval by the Agency of the Construction Plans, and in any event, no later than the time specified therefor in Paragraph (e), Section 5 Part I hereof, the Redeveloper shall submit to the Agency evidence satisfactory to the Agency that the Redeveloper has the equity capital and commitments for mortgage financing necessary for the construction of the Improvements.

SEC. 304. Approvals of Construction Plans and Evidence of Financing as Conditions Precedent to Conveyance.

The submission of Construction Plans and their approval by the Agency as provided in Section 301 hereof, and the submission of evidence of equity capital and commitments for mortgage financing as provided in Section 303 hereof, are conditions precedent to the obligation of the Agency to convey the Property to the Redeveloper.

SEC. 305. Commencement and Completion of Construction of Improvements. The Redeveloper agrees for itself, its successors and assigns, and every successor in interest to the Property, or any part thereof, and the Deed shall contain covenants on the part of the Redeveloper for itself and such successors and assigns, that the redevelopment of the Property through the construction of the Improvements thereon, and that such construction shall in any event begin within the period specified in Section 4 of Part I hereof and be completed within the period specified in such Section 4. It is intended and agreed, and the Deed shall so expressly provide, that without regard to technical classification or designation, legal or otherwise, and except only as otherwise specifically provided in the Agreement itself, be, to the fullest extent permitted by law and equity, binding for the benefit of the community, the Agency and the City and enforceable by the Agency and/or the City against the Redeveloper and its successors and assigns to or of the Property or any part thereof or any interest therein.

SEC. 306. Progress Reports. Subsequent to conveyance of the Property or any part thereof, to the Redeveloper, and until construction of the Improvements has been completed, the Redeveloper shall make reports, in such detail and at such times as may reasonably be requested by the Agency, as to the actual progress of the Redeveloper with respect to such construction.

SEC. 307. Certificate of Completion.

(a) Promptly after completion of the Improvements in accordance with those provisions of the Agreement relating solely to the obligations of the Redeveloper to construct the Improvements (including the dates for beginning and completion thereof), the Agency will furnish the Redeveloper with an appropriate instrument so certifying. Such certification by the Agency shall be (and it shall be so provided in the Deed and in the certification itself) a conclusive determination of satisfaction and termination of the agreements and covenants in the Agreement and in the Deed with respect to the obligations of the Redeveloper, and its successors and assigns, to construct the Improvements and the dates for the beginning and completion thereof. Such certification and such determination shall not constitute evidence of compliance with or satisfaction of any obligation of the Redeveloper to any holder of a mortgage, or any insurer or a mortgage, securing money loaned to finance the Improvements, or any part thereof.

(b) The certification provided for in this Section 307 shall be in such form as will enable it to be recorded in the proper office for the recordation of deeds and other instruments pertaining to the Property, including the Deed. If the Agency shall refuse or fail to provide any certification in accordance with the provisions of this Section, the Agency shall, within thirty (30) days after written request by the Redeveloper provide the Redeveloper with a written statement, indicating in adequate detail in what respects the Redeveloper has failed to complete the Improvements in accordance with the provisions of the Agreement, or is otherwise in default, and what measures or acts it will be necessary, in the opinion of the Agency, for the Redeveloper to take or perform in order to obtain such certification.

ARTICLE IV. RESTRICTIONS UPON USE OF PROPERTY

SEC. 401. Restrictions on Use. The Redeveloper agrees for itself, and its successors and assigns, and every successor in interest to the Property, or any part thereof, and the Deed shall contain covenants on the part of the Redeveloper for itself, and such successors and assigns, that the Redeveloper, and such successors and assigns, shall:

(a) Devote the Property to and only to and in accordance with, the uses specified in the Urban Renewal Plan and in accordance with the Redeveloper's response to the RFP; and

(b) Not discriminate upon the basis of race, color, creed, or national origin in the sale, lease, or rental or in the use or occupancy of the Property or any improvements erected or to be erected thereon, or any part thereof.

SEC. 402. Covenants; Binding Upon Successors in Interest Period of Duration. It is intended and agreed, and the Deed shall so expressly provide, that the agreements and covenants provided in Section 401 hereof shall be covenants running with the land and that they shall, in any event, and without regard to technical classification or designation, legal or otherwise, and except only as otherwise specifically provided in the Agreement, be binding, to the fullest extent permitted by law and equity, for the benefit and in favor of, and enforceable by, the Agency, its successors and assigns, and the City and any successor in interest to the Property, or any part thereof, against the Redeveloper, its successors and assigns and every successor in interest to the Property, or any part thereof. It is further intended and agreed that the agreement and covenant provided in subdivision (a) of Section 401 hereof shall remain in effect for the period of time, or until the date, specified or referred to in Section 6 Part I hereof (at which time such agreement and covenant shall terminate) and that the

agreements and covenants provided in subdivision (b) of Section 401 hereof shall remain in effect without limitation as to time: Provided, that such agreements and covenants shall be binding on the Redeveloper itself, each successor in interest to the Property, and every part thereof, and each party in possession or occupancy, respectively, only for such period as such successor or party shall have title to, or an interest in, or possession or occupancy of, the Property or part thereof. The terms "uses specified in the Urban Renewal Plan" and "land use" referring to provisions of the Urban Renewal Plan, or similar language, in the Agreement shall include the land and all building, housing, and other requirements or restrictions of the Urban Renewal Plan pertaining to such land.

SEC. 403. Agency and United States Rights to Enforce. In amplification, and not in restriction of the provisions of the preceding Section it is intended and agreed that the Agency and its successors and assigns and the City and its successors and assigns shall be deemed beneficiaries of the agreements and covenants provided in Section 401 hereof, both for and in their or its own right and also for the purposes of protecting the interests of the community and other parties, public or private, in whose favor or for whose benefit such agreements and covenants have been provided. Such agreements and covenants shall (and the Deed shall so state) run in favor of the Agency and the City, for the entire period during which such agreements and covenants shall be in force and effect, without regard to whether the Agency or the City has at any time been remains, or is an owner of any land or interest therein to or in favor of which such agreements and covenants relate. The Agency shall have the right, in the event of any breach of any such agreement or covenant, and the City shall have the right in the event of any breach of the covenant provided in subdivision (b) of Section 401 hereof, to exercise all the rights and remedies, and to maintain any actions or suits at law or in equity or other proper proceedings to enforce the curing of such breach of agreement or covenant, to which it or any other beneficiaries of such agreement or covenant may be entitled.

ARTICLE V. PROHIBITIONS AGAINST ASSIGNMENT AND TRANSFER

SEC. 501. Interval for Requesting Transfer of Property and Assignment of Agreement. The interval within which the Redeveloper may request a transfer of the Property and assignment of the Agreement shall be between the date of the Agreement and the date for the submission of equity capital and mortgage financing set forth in Part I, Section 5(e) of the Agreement.

SEC. 502. Representations As to Redevelopment. The Redeveloper represents and agrees that its purchase of the Property, and its other undertakings pursuant to the Agreement, are, and will be used, for the purpose of redevelopment of the Property and not for speculation in land holding. The Redeveloper further recognizes that, in view of:

(a) the importance of the redevelopment of the Property to the general welfare of the community

(b) the substantial financing and other public aids that have been made available by law and by the Agency and the City, if applicable, for the purpose of making such redevelopment possible; and

(c) the fact that a transfer of the stock in the Redeveloper or of a substantial part thereof, or any other act or transaction involving or resulting in a significant change in the ownership or distribution of such stock or with respect to the identity of the parties in control of the Redeveloper or the degree thereof, is for practical purposes a transfer or disposition of the Property then owned by the Redeveloper, the qualifications and identity of the Redeveloper, and its stockholders are of particular concern to the community and the Agency. The Redeveloper further recognizes that it is because of such qualifications and identity that the Agency is entering into the Agreement with the Redeveloper, and in so doing, is further willing to accept and rely on the obligations of the Redeveloper for the faithful performance of undertakings and covenants hereby by it to be performed.

SEC. 503. Prohibition Against Transfer of Shares of Stock; Binding Upon Stockholders Individually. For the foregoing reasons, the Redeveloper represents and agrees for itself, its stockholders, and any successor in interest of itself and its stockholders, respectively, that: Prior to completion of the Improvements as certified by the Agency, and without the prior written approval of the Agency, (a) there shall be no transfer by any party owner of 10 percent or more of the stock in the Redeveloper (which term shall be deemed for the purposes of this and related provisions to include successors in interest of such stock or any part thereof or interest therein), (b) nor shall any such owner suffer any such transfer to be made, (c) nor shall there be or be suffered to be by the Redeveloper, or by any owner of 10 percent or more of the stock therein, any other similarly significant change in the ownership of such stock or in the relative distribution thereof, or with respect to the identity of the parties in control of the Redeveloper or the degree thereof, by any other method or means, whether by increased capitalization, merger with another corporation corporate or other amendments, issuance of additional or new stock or classification of stock, or otherwise. The Agency will consider request for variances from this prohibition for the transfers made in the ordinary course of business. With respect to this provision, the Redeveloper and

the parties signing the Agreement on behalf of the Redeveloper represent that they have the authority of all of its existing stockholders to agree to this provision on their behalf and to bind them with respect thereto.

SEC. 504. Prohibition Against Transfer of Property and Assignment of Agreement. Also, for the foregoing reasons the Redeveloper represents and agrees for itself, and its successors and assigns, that except only by way of security for, and only for (i) the purpose of obtaining financing necessary to enable the Redeveloper or any successor in interest to the Property, or any part thereof, to perform its obligations with respect to making the Improvements under the Agreement, and (ii) any other purpose authorized by the Agreement, the Redeveloper (except as so authorized) has not made or created, and that it will not, prior to the proper completion of the Improvements as certified by the Agency, make or create, or suffer to be made or created, any total or partial sale, assignment, conveyance, or lease or any trust or power, or transfer in any other mode or form of or with respect to the Agreement or the Property, or any part thereof or any interest therein, or any contract or agreement to do any of the same, without the prior written approval of the Agency: Provided, that, prior to the issuance by the Agency of the certificate provided for in Section 307 hereof as to completion of the construction of the Improvements, the Redeveloper may enter into any agreement to sell, lease, or otherwise transfer, after the issuance of such certificate, the Property or any part thereof or interest therein, which agreement shall not provide for payment of or on account of the purchase price or rent for the Property, or the part thereof or the interest therein to be so transferred, prior to the issuance of such certificate.

(a) The Agency shall be entitled to require, except as otherwise provided in the Agreement, as conditions to any such approval that:

(1) Any proposed transferee shall have the qualifications and financial responsibility, as determined by the Agency, necessary and adequate to fulfill the obligations undertaken in the Agreement by the Redeveloper (or in the event the transfer is of or relates to part of the Property, such obligations to the extent that they relate to such part).

(2) Any proposed transferee, by instrument in writing satisfactory to the Agency and in form recordable among the land records, shall, for itself and its successors and assigns, and expressly for the benefit of the Agency, have expressly assumed all of the obligations of the Redeveloper under the Agreement and agreed to be subject to all the conditions and restrictions to which the Redeveloper is subject (or, in the event the transfer is of or relates to part of the Property, such obligations, conditions, and restrictions to the extent that they relate to such part): Provided, that the fact that any transferee of, or any other successor in interest whatsoever to, the Property, or any part thereof, shall, whatever the reason, not have assumed such obligations or so agreed, shall not (unless and only to the extent otherwise specifically provided in the Agreement or agreed to in writing by the Agency) relieve or except such transferee or successor of or from such obligations, conditions, or restrictions, or deprive or limit the Agency of or with respect to any rights or remedies or controls with respect to the Property or the construction of the Improvements; it being the intent of this, together with other provisions of the Agreement, that (to the fullest extent permitted by law and equity and excepting only in the manner and to the extent specifically provided otherwise in the Agreement) no transfer of, or change with respect to, ownership in the Property or any part thereof, or any interest therein, however consummated or occurring, and whether voluntary or involuntary, shall operate, legally or practically, to deprive or limit the Agency of or with respect to any rights or remedies or controls provided in or resulting from the Agreement with respect to the Property and the construction of the Improvements that the Agency would have had, had there been no such transfer or change.

(3) There shall be submitted to the Agency for review all instruments and other legal documents involved in effecting transfer; and if approved by the Agency, its approval shall be indicated to the Redeveloper in writing.

(4) The consideration payable for the transfer by the transferee or on its behalf shall not exceed an amount representing the actual cost (including carrying charges) to the Redeveloper of the Property (or allocable to the part thereof or interest therein transferred) and the Improvements, if any, theretofore made thereon by it; it being the intent of this provision to preclude assignment of the Agreement or transfer of the Property for profit prior to the completion of the Improvements and to provide that in the event any such assignment or transfer is made (and is not canceled) the Agency shall be entitled to increase the Purchase Price to the Redeveloper by the amount that the consideration payable for the assignment or transfer is in excess of the amount that may be authorized pursuant to this subdivision (4), and such consideration shall, to the extent it is in excess of the amount so authorized, belong to and forthwith be paid to the Agency.

(5) Transferee will be required to submit to the Agency an irrevocable letter of credit, issued by a bank or lending institution, wherein the Agency is the beneficiary, or a surety bond in form and substance satisfactory to the Agency, in which the Agency is the Obligee, issued by a surety company regularly engaged in the issuance of such undertakings and on the list of surety companies approved by the United States Treasury, in an amount not to exceed ten percent (10%) of the total cost of the construction proposed by bidder as guarantee that said construction will be completed within the time specified in the Warranty Deed conveying title to the property. Said irrevocable letter of credit or surety bond shall be submitted by Transferee to the Agency on or before the date the Agency approves the transfer.

(6) The Redeveloper and its transferee shall comply with such other conditions as the Agency may find desirable in order to achieve and safeguard the purposes of the Urban Renewal Act and the Urban Renewal Plan.

Provided, that in the absence of specific written agreement by the Agency to the contrary, no such transfer or approval by the Agency thereof shall be deemed to relieve the Redeveloper, or any other party bound in any way by the Agreement or otherwise with respect to the construction of the Improvements, from any of its obligations with respect thereto.

SEC. 505. Information As to Stockholders. In order to assist in the effectuation of the purposes of this Article V and the statutory objectives generally, the Redeveloper agrees that during the period between execution of the Agreement and completion of the Improvements as certified by the Agency, (a) the Redeveloper will promptly notify the Agency of any and all changes whatsoever in the ownership of stock, legal or beneficial, or of any other act or transaction involving or resulting in any change in the ownership of the respective business, which includes ownership of such stock or in the relative distribution thereof, or with respect to the identity of the parties in control of the Redeveloper or the degree thereof, of which it or any of its offices have been notified or otherwise have knowledge or information; and (b) the Redeveloper shall, at such time or times as the Agency may request, furnish the Agency with a complete statement, subscribed and sworn to by the President or other executive officer of the Redeveloper, setting forth all of the stockholders of the Redeveloper and the extent of their respective holdings, and interest, all as determined or indicated by the records of the Redeveloper, by specific inquiry made by any such office, of all parties who on the basis of such records own 10 percent or more of the stock in the Redeveloper, and by such other knowledge or information as such officer shall have. Such lists, data, and information shall in any event be furnished the Agency immediately prior to the delivery of the Deed to the Redeveloper and as a condition precedent thereto, and annually thereafter on the anniversary of the date of the Deed until the issuance of a certificate of completion for all the Property.

ARTICLE VI. MORTGAGE FINANCING; RIGHTS OF MORTGAGEES

SEC. 601. Limitation Upon Encumbrance of Property. Prior to the completion of the Improvements, as certified by the Agency, neither the Redeveloper nor any successor in interest to the Property or any part thereof shall engage in any financing or any other transaction creating any mortgage or other encumbrance or lien upon the Property, whether by express agreement or operation of law, or suffer any encumbrance or lien to be made on or attach to the Property, except for the purposes of obtaining (a) funds only to the extent necessary for making the Improvements and (b) such additional funds, if any, in an amount not to exceed the Purchase Price paid by the Redeveloper to the Agency. The Redeveloper (or successor in interest) shall notify the Agency in advance of any financing secured by mortgage or other similar lien instrument, it proposes to enter into with respect to the Property, or any part thereof, and in any event it shall promptly notify the Agency of any encumbrance or lien that has been created on or attached to the Property, whether by voluntary act of the Redeveloper or otherwise. For the purposes of such mortgage financing as may be made pursuant to the Agreement, the Property may, at the option of the Redeveloper (or successor in interest), be divided into several parts or parcels, provided that such subdivision, in the opinion of the Agency is not inconsistent with the purposes of the Urban Renewal Plan and the Agreement and is approved in writing by the Agency.

SEC. 602. Mortgagee Not Obligated to Construct. Notwithstanding any of the provisions of the Agreement, including but not limited to those which are or are intended to be covenants running with the land, the holder of any mortgage authorized by the Agreement (including any such holder who obtains title to the Property or any part thereof as a result of foreclosure proceedings, or action in lieu thereof, but not including (a) any other party who thereafter obtains title to the Property or such part from or through such holder or (b) any other purchaser at foreclosure sale other than the holder of the mortgage itself) shall in no wise be obligated by the provisions of the Agreement to construct or complete the Improvements or to guarantee such construction or completion nor the shall any covenant or any other provision in the Deed be construed to so obligate such holder: Provided, that nothing in this Section or provision of the Agreement shall be deemed or construed to permit or authorize any such holder to devote the Property or any part thereof to any uses, or to construct any improvements thereon, other than those uses or improvements provided or permitted in the Urban Renewal

Plan and in the Agreement.

SEC. 603. Copy of Notice of Default to Mortgagee. Whenever the Agency shall deliver any notice or demand to the Redeveloper with respect to any breach or default by the Redeveloper in its obligations or covenants under the Agreement, the Agency shall at the same time forward a copy of such notice or demand to each holder of any mortgage authorized by the Agreement at the last address of such holder shown in the records of the Agency.

SEC. 604. Mortgagee's Option to Cure Defaults. After any breach or default referred to in Section 603 hereof, each such holder shall (insofar as the rights of the Agency are concerned) have the right, at its option, to cure or remedy such breach or default (or such breach or default to the extent that it relates to the part of the Property covered by its mortgage) and to add the cost thereof to the mortgage debt and the lien of its mortgage: Provided, that if the breach or default is with respect to construction of the Improvements, nothing contained in this Section or any other Section of the Agreement shall be deemed to permit or authorize such holder, either before or after foreclosure or action in lieu thereof, to undertake or continue the construction or completion of the Improvements (beyond the extent necessary to conserve or protect Improvements or construction already made) without first having expressly assumed the obligation to the Agency, by written agreement satisfactory to the Agency, to complete, in the manner provided in the Agreement, the Improvements on the Property or the part thereof to which the lien or title to such holder relates. Any such holder who shall properly complete the Improvements relating to the Property or applicable part thereof shall be entitled, upon written request made to the Agency, to a certification or certifications by the Agency to such effect in the manner provided in Section 307 of the Agreement, and any such certification shall, if so requested by such holder, mean and provide that any remedies or rights with respect to recapture of or reversion or revesting of title to the Property that the Agency shall have or be entitled to because of failure of the Redeveloper or any successor in interest to the Property, or any part thereof, to cure or remedy any default with respect to the construction of the Improvements on other parts or parcels of the Property, or because of any other default in or breach of the Agreement by the Redeveloper or such successor, shall not apply to the part or parcel of the Property to which such certification relates.

SEC. 605. Agency's Option To Pay Mortgage Debt or Purchase Property. In any case, where subsequent to default or breach by the Redeveloper (or successor in interest) under the Agreement, the holder of any mortgage on the Property or part thereof:

(a) has, but does not exercise the option to construct or complete the Improvements relating to the Property or part thereof covered by its mortgage or to which it has obtained title, and such failure continues for a period of sixty (60) days after the holder has been notified or informed of the default or breach; or

(b) undertakes construction or completion of the Improvements but does not complete such construction within the period as agreed upon by the Agency and such holder (which period shall in any event be at least as long as the period prescribed for such construction or completion in the Agreement), and such default shall not have been cured within sixty (60) days after written demand by the Agency so to do, the Agency shall (and every mortgage instrument made prior to completion of the Improvements with respect to the Property by the Redeveloper or successor in interest shall so provide) have the option of paying to the holder the amount of the mortgage debt and securing an assignment of the mortgage and the debt secured thereby, or, in the event ownership of the Property (or part thereof) has vested in such holder by way of foreclosure or action in lieu thereof, the Agency shall be entitled, at its option, to a conveyance to it of the Property or part thereof (as the case may be) upon payment to such holder of an amount equal to the sum of: (i) the mortgage debt at the time of foreclosure or action in lieu thereof (less all appropriate credits, including those resulting from collection and application of rentals and other income received during foreclosure proceedings); (ii) all expenses with respect to the foreclosure; (iii) the net expense, if any (exclusive of general overhead), incurred by such holder in and as a direct result of the subsequent management of the Property; (iv) the costs of any Improvements made by such holder; and (v) an amount equivalent to the interest that would have accrued on the aggregate of such amounts had all such amounts become part of the mortgage debt and such debt had continued in existence.

SEC. 606. Agency's Option To Cure Mortgage Default. In the event of a default or breach prior to the completion of the Improvements by the Redeveloper, or any successor in interest, in or of any of its obligations under, and to the holder of, any mortgage or other instrument creating an encumbrance or lien upon the Property or part thereof, the Agency may at its option cure such default or breach, in which case the Agency shall be entitled, in addition to and without limitation upon any other rights or remedies to which it shall be entitled by the Agreement, operation of law, or otherwise, to reimbursement from the Redeveloper or successor in interest of all costs and expenses incurred by the Agency in curing such default or breach and to a lien upon the Property (or the part thereof to which the mortgage, encumbrance, or lien relates) for such reimbursement: Provided, that any such lien shall be subject always to the lien of (including any lien contemplated, because of advances yet to be made, by) any then existing mortgages on the Property authorized by the

Agreement.

SEC. 607. Mortgage and Holder. For the purposes of the Agreement: The term "mortgage" shall include a deed of trust or other instrument creating an encumbrance or lien upon the Property, or any part thereof, as security for a loan. The term "holder" in reference to a mortgage shall include any insurer or guarantor of any obligation or condition secured by such mortgage or deed of trust.

ARTICLE VII. REMEDIES

SEC. 701. In General. Except as otherwise provided in the Agreement, in the event of any default in or breach of the Agreement, or any of its terms or conditions, by either party hereto, or any successor to such party, such party (or successor) shall, upon written notice from the other, proceed immediately to cure or remedy such default or breach, and, in any event, within sixty (60) days after receipt of such notice. In case such action is not taken or not diligently pursued, or the default or breach shall not be cured or remedied within a reasonable time, the aggrieved party may institute such proceedings as may be provided in Article VII of Part II.

SEC. 702. Termination by Redeveloper Prior to Conveyance. In the event that the Agency does not tender conveyance of the Property, or possession thereof, in the manner and condition and by the date, provided in the Agreement, and any such failure shall not be cured within thirty (30) days after the date of written demand by the Redeveloper, then the Agreement shall, as its sole option, be terminated by written notice thereof to the Agency, and except with respect to the return of the Deposit and Earnest Money as provided in Paragraph (d), Section 3 of Part I hereof, neither the Agency nor the Redeveloper shall have any further rights against or liability to the other under the Agreement.

SEC. 703. Termination by Agency Prior to Conveyance. In the event that:

(a) prior to conveyance of the Property to the Redeveloper and in violation of the Agreement

(i) the Redeveloper (or any successor in interest) assigns or attempts to assign the Agreement or any rights therein, or in the Property, or

(ii) there is any change in the ownership or distribution of the stock of the Redeveloper or with respect to the identity of the parties in control of the Redeveloper or the degree thereof; or

(b) the Redeveloper does not submit Construction Plans, as required by the Agreement, or evidence that is has the necessary equity capital and mortgage financing, in satisfactory form and in the manner and by the dates respectively provided in the Agreement therefor; or

(c) the Redeveloper does not pay the Purchase Price and take title to the Property upon tender conveyance by the Agency pursuant to the Agreement;

then the Agreement, and any rights of the Redeveloper, or any assignee or transferee, in the Agreement, or arising therefrom with respect to the Agency or the Property, may be: (i) terminated by the Agency, in which event, as provided in Paragraph (c), Section 3 of Part I hereof, the Deposit and Earnest Money shall be retained by the Agency as liquidated damages and as its property without any deduction, offset, or recoupment whatsoever, and neither the Redeveloper (or assignee or transferee) nor the Agency shall have any further rights against or liability to the other under the Agreement; or (ii) the Agency may pursue specific performance of this Agreement; and/or (iii) the Agency may pursue any other rights or remedies available at law or equity.

SEC. 704. Revesting Title in Agency Upon Happening of Event Subsequent to Conveyance to Redeveloper. In the event that subsequent to conveyance of the Property or any part thereof to the Redeveloper and prior to completion of the Improvements as certified by the Agency:

(a) the Redeveloper (or successor in interest) shall default in or violate its obligations with respect to the construction of the Improvements (including the nature and the dates for the beginning and completion thereof), or shall abandon or substantially suspend construction work, and any such default, violation, abandonment, or suspension shall not be cured, ended or remedied within three (3) months or six (6) months, if the default is with respect to the date for completion of the Improvements) after written demand by the Agency so to do; or

(b) the Redeveloper (or successor in interest) shall fail to pay real estate taxes or assessments on the Property or

any part thereof when due, or shall place thereon any encumbrance or lien unauthorized by the Agreement, or shall suffer any levy or attachment to be made, or any materialmen's or mechanic's lien, or any other unauthorized encumbrance or lien to attach and such taxes or assessments shall not have been paid, or encumbrance or lien removed or discharged or provision satisfactory to the Agency made for such payment, removal, or discharge, within ninety (90) days after written demand by the Agency so to do; or

(c) there is, in violation of the Agreement any transfer of the Property or any part thereof, or any change in the ownership or distribution of stock of the Redeveloper, or with respect to the identity of the parties in control of the Redeveloper or the degree thereof, and such violation shall not be cured within sixty (60) days after written demand by the Agency to the Redeveloper then the Agency shall have the right to re-enter and take possession of the Property and to terminate (and revest in the Agency) the estate conveyed by the Deed to the Redeveloper, it being the intent of this provision, together with other provisions of the Agreement, that the conveyance of the Property to the Redeveloper shall be made upon and that the Deed shall contain, a condition subsequent to the effect that in the event of any default, failure, violation, or other action or inaction by the Redeveloper specified in subdivisions (a), (b) and (c) of this Section 704, failure on the part of the Redeveloper to remedy, end or abrogate such default, failure, violation or other action or inaction within the period and in the manner stated in such subdivisions, the Agency at its option may declare a termination in favor of the Agency of the title and of all the rights and interests in and to the Property conveyed by the Deed to the Redeveloper and that such title and all rights and interests of the Redeveloper and any assigns or successors in interest to and in the Property, shall revert to the Agency: Provided, that such condition subsequent and any revesting of title as a result thereof in the Agency

(1) Shall always be subject to and limited by and shall not defeat, render invalid or limit in any way (i) the lien of any mortgage authorized by the Agreement, and (ii) any rights or interest provided in the Agreement for the protection of the holders of such mortgages; and

(2) Shall not apply to individual parts or parcels of the Property (or, in the case of parts or parcels leased, the leasehold interest on which the Improvements to be constructed thereon have been completed in accordance with the Agreement and for which a certificate of completion is issued therefor as provided in Section 307 hereof.

In addition to and without in any way limiting the Agency's right to re-entry as provided for in the preceding sentence, the Agency shall have the right to retain the Deposit, as provided in Paragraph (d) Section 3 of Part I hereof, without any deduction, offset or recoupment whatsoever, in the event of a default, violation or failure of the Redeveloper as specified in the preceding sentence.

SEC. 705. Resale of Reacquired Property; Disposition of Proceeds. Upon the revesting in the Agency of title to the Property or any part thereof as provided in Section 704, the Agency shall, pursuant to its responsibilities under State law, use its best efforts to resell the Property or part thereof (subject to such mortgage liens and leasehold interests as in Section 704 set forth and provided) as soon and in such manner as the Agency shall find feasible and consistent with the objectives of such law and of the Urban Renewal Plan to a qualified and responsible party or parties (as determined by the Agency) who will assume the obligation of making or completing the Improvements or such other improvements in their stead as shall be satisfactory to the Agency and in accordance with the uses specified for such Property or part thereof in the Urban Renewal Plan. Upon such resale of the Property, the proceeds shall be applied:

(a) First, to reimburse the Agency, on its own behalf and that of the City, for all costs and expenses incurred by the Agency, including but not limited to salaries of personnel, in connection with the recapture, management and resale of the City Property or part thereof (but less any income derived by the Agency from the Property or part thereof in connection with such management); all taxes, assessments and water and sewer charges with respect to the Property or part thereof (or, in the event the Property is exempt from taxation or assessment or such charges during the period of ownership thereof by the Agency, an amount, if paid, equal to such taxes, assessments, or charges (as determined by the City assessing official) as would have been payable if the Property were not so exempt); any payments made or necessary to be made to discharge any encumbrances or liens existing on the Property or part thereof at the time of revesting of title thereto in the Agency or to discharge or prevent from attaching or being made any subsequent encumbrances or liens due to obligations, defaults or acts of the Redeveloper, its successors or transferees; any expenditures or liens due to obligations incurred with respect to the making or completion of the Improvements or any part thereof on the Property or part thereof and any amounts otherwise owing the Agency by the Redeveloper and its successor or transferee; and

(b) Second, to reimburse the Redeveloper, its successor or transferee, up to the amount equal to (1) the sum of the purchase price paid by it for the Property (or allocable to the part thereof) and the cash actually invested by it in making any of the Improvements on the Property or part thereof, less (2) any gains or income withdrawn or made by it from the

Agreement or the Property.

Any balance remaining after such reimbursements shall be retained by the Agency as its property.

SEC. 706. Other Rights and Remedies of Agency; No Waiver by Delay. The City and Agency shall have the right to institute such actions or proceedings as it may deem desirable for effectuating the purposes of this Article VII, including also the right to execute and record or file among the public land records in the office in which the Deed is recorded a written declaration of the termination of all the right, title, and interest of the Redeveloper and (except for such individual parts or parcels upon which construction of that part of the Improvements required to be constructed thereon has been completed, in accordance with the Agreement, and for which a certificate of completion as provided in Section 307 hereof is to be delivered and subject to such mortgage liens and leasehold interests as provided in Section 704 hereof) its successors in interest and assigns, in the Property and the revesting of title thereto in the Agency: Provided, that any delay by the City and Agency in instituting or prosecuting any such actions or proceedings or otherwise asserting its rights under this Article VII shall not operate as a waiver of such rights or to deprive it or limit such rights in any way (it being the intent of this provision that the Agency should not be constrained (so as to avoid the risk of waiver, laches or otherwise) to exercise such remedy at a time when it may still hope otherwise to resolve the problems created by the default involved); nor shall any waiver in fact made by the City and Agency with respect to any specific default by the Redeveloper under this Section be considered or treated as a waiver of the rights of the Agency with respect to any other defaults by the Redeveloper under this Section or with respect to the particular default except to the extent specifically waived in writing.

SEC. 707. Enforced Delay in Performance for Causes Beyond Control of Party. For the purposes of any of the provisions of the Agreement, neither the City, Agency nor the Redeveloper, as the case may be, nor any successor in interest, shall be considered in breach of, or default in, its obligations with respect to the preparation of the Property for redevelopment, or the beginning and completion of construction of the Improvements, or progress in respect thereto, in the event of enforced delay in the performance of such obligations due to unforeseeable causes beyond its control and without its fault or negligence, including, but not restricted to, acts of God, acts of the public enemy, acts of the federal government, acts of the other party, fires, floods, epidemics, quarantine restrictions, strikes, freight embargoes, and unusually severe weather or delays of subcontractors due to such causes; it being the purpose and intent of this provision that in the event of the occurrence of any such enforced delay, the time or times for performance of the obligations of the City or Agency with respect to the preparation of the Property for redevelopment or of the Redeveloper with respect to construction of the Improvements, as the case may be, shall be extended for the period of the enforced delay as determined by the Agency: Provided, t hat the party seeking the benefit of the provisions of this Section shall, within ten (10) days after the beginning of any such enforced delay have first notified the other party thereof in writing and of the cause or causes thereof and requested an extension for the period of the enforced delay.

SEC. 708. Rights and Remedies Cumulative. The rights and remedies of the parties to the Agreement whether provided by the Agreement, shall be cumulative and the exercise by either party of any one or more of such remedies shall not preclude the exercise by it, at the same or different times, of any other such remedies for the same default or breach or of any of its remedies for any other default or breach by the other party. No waiver made by either party with respect to the performance or manner or time thereof, or any obligation of the other party or any condition to its own obligation under the Agreement shall be considered a waiver of any rights of the party making the waiver with respect to the particular obligation of the other party or condition to its own obligation beyond those expressly waived in writing and to the extent thereof, or a waiver in any respect in regard to any other rights of the party making the waiver or any other obligations of the other party.

SEC. 709. Party in Position of Surety With Respect to Obligations. The Redeveloper, for itself and its successors and assigns and for all other persons who are or who shall become, whether by express or implied assumption or otherwise, liable upon or subject to any obligation or burden under the Agreement, hereby waives, to the fullest extent permitted by law and equity, any and all claims or defenses otherwise available on the ground of its (or their) being or having become a person in the position of a surety, whether real, personal or otherwise or whether by agreement or operation of law, including, without limitation on the generality of the foregoing, any and all claims and defenses based upon extension of time, indulgence, or modification of terms or contract.

ARTICLE VIII. MISCELLANEOUS

SEC. 801. Conflicts of Interests; Agency Representatives Not Individually Liable. No member, official, or employee of the Agency or the City shall have any personal interest, direct or indirect, in the Agreement, nor shall any such member, official or employee participate in any decision relating to the Agreement which affects his personal interests or the interests of any corporation, partnership, or association in which he is, directly or indirectly, interested. No member, official, or employee of the Agency or City shall be personally liable to the Redeveloper, or any successor in interest, in the

event of any default or breach by the Agency or City or for any amount which may become due to the Redeveloper or successor or on any obligations under the terms of the Agreement.

SEC. 802. Equal Employment Opportunity. The Redeveloper, for itself and its successors and assigns, agrees that during the construction of the Improvements provided for in the Agreement:

(a) The Redeveloper will not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin. The Redeveloper will take affirmative action to insure that applicants are employed and that employees are treated during employment, without regard to their race, color, religion, sex or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The Redeveloper agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Agency setting forth the provisions of this nondiscrimination clause.

(b) The Redeveloper will, in all solicitations or advertisements for employees placed by or on behalf of the Redeveloper, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.

SEC. 803. SBEDA. The Redeveloper agrees to comply with the Small Business Economic Development Utilization Plan as determined by the City for the Project, as more particularly described in the City's Ordinance No. 2016-05-19-0367 as may be amended.

SEC. 804. Insurance Requirements. The Redeveloper agrees to maintain minimum insurance coverage during the construction of improvements on the Property and in the amounts specified by the City. Such insurance shall name the Agency and the City as additional insureds to the required policies.

SEC. 805. Modifications to Agreement. In the event the Redeveloper requests any change in or modification of the Agreement, said Redeveloper shall be required to submit to the Agency an irrevocable letter of credit, issued by a bank or lending institution wherein the Agency is the beneficiary or a surety bond in form and substance satisfactory to the Agency, in which the Agency is the Obligee, issued by a surety company regularly engaged in the issuance of such undertakings and on the list of surety companies approved by the United States Treasury, in an amount not to exceed ten percent (10%) of the total cost of the construction proposed by bidder as guarantee that said construction will be completed within the time specified in the Warranty Deed conveying title to the property. Said irrevocable letter of credit or surety bond shall be submitted to the Agency by Redeveloper on such date as the Agency specifies in writing.

SEC. 806. Provisions Not Merged With Deed. None of the provisions of the Agreement are intended to or shall be merged by reason of any deed transferring title to the Property from the Agency to the Redeveloper or any successor in interest and any such deed shall not be deemed to affect or impair the provisions of the Agreement.

SEC. 807. Titles of Articles and Sections. Any titles of the several parts, Articles and Sections of the Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any of its provisions.

Schedule 5
UNDERWRITING STANDARDS

*****APPLIES ONLY TO THE SELECTED SUCCESSFUL PROPOSAL*****

Although the City's underwriting criteria is not identical to the Texas Department of Housing and Community Affairs' competitive low-income housing tax credit program or HUD-funded federal housing programs, the City's approach to underwriting has been informed by those programs.

Introduction

The City of San Antonio, Texas (the "City") in partnership with the Office of Urban Redevelopment San Antonio (OUR SA), is implementing a voter approved 2017-2022 Neighborhood Improvements Bond ("NIB Program"). As further outlined in other documents, a portion of the NIB Program is dedicated to the acquisition and preparation of property in 12 target neighborhoods with the ultimate goal of facilitating the production of affordable/Workforce Housing. Through a series of RFPs, the City will make specific property and/or funding available and take proposals from developers. To support the evaluation of those proposals, both initially and prior to entering into binding agreements and transferring ownership of specific property for development, the City has established these underwriting guidelines.

Underwriting is more than a technical requirement, and the term itself is used in several different ways. Depending on the context and the speaker "underwriting" is sometimes used in a limited fashion to refer primarily to the financial review of a potential real estate transaction. Other times, the term "underwriting" is narrowly understood as a "check the box" set of "static" technical reviews resulting in a determination that a project does or does not meet a magic formula. In both cases, these uses of term are too limited.

In practice, underwriting is a reflexive process. Every project involves risk, and even the best project can fail due to unforeseen factors. The goal of underwriting is to both <u>identify</u> and <u>mitigate</u> risk across a series of perspectives. In other words, the underwriting process is not an up or down review, but it often changes the project itself by imposing requirements to improve viability or business terms that transfer risk from one party (like the City or a lender) to another (especially the developer).

In this sense, the City's approach to underwriting is informed not only by traditional "lending" perspectives but by a holistic approach to balancing the various risks inherent in any real estate transaction and the public purposes the City seeks to support – not the least of which is producing safe, decent, affordable housing that will be an enduring community resource.

Underwriting Overview

In reviewing proposals for funding under the NIB Program in keeping with prudent business practices and perspectives gained from federally funded programs administered, the City's underwriting framework includes evaluations of:

- **Regulatory requirements** applicable to the project, including compliance (or ability to become compliant) with the NIB Program and applicable underlying requirements of the Texas Local Government Code;

- **Market risk**, including whether or not sufficient demand exists for the project, the anticipated lease-up period, and whether general economic conditions and other competition supports ongoing viability;
- **Developer risk**, focusing on whether the owner/developer (including but not limited to the underlying owners of special purpose entities) have the technical capacity to develop and operate the property and the financial capacity to safeguard public funds and backstop the project if the event of poor financial performance; and
- **Project risk** (or "financial underwriting"), testing the economic and financial projections for the transaction including both sources and uses as well as ongoing operating assumptions. This includes confirmation that all sources of project financing are available, commercially reasonable, and have been appropriately maximized prior to entering into a binding sales and/or funding agreement related to NIB Program-financed projects.

Market Assessment

All project proposals must include a third-party market study prepared in a manner consistent with TDHCA's market analysis requirements. Unless otherwise approved by the City, market studies shall be prepared by providers i) included on the list of TDHCA Approved Market Analysts or ii) who are members of the National Council of Housing Market Analysts. Owner's may generally submit the market study used in conjunction with the Owner's LIHTC application, if applicable. Market studies must be less than one year old at the time of issuance of the Special Warranty Deed transferring NIB-assisted property to the developer. For market studies that are more than one year old, the City will typically require an update from the original analyst or a new market study from another analyst. Proposed rent levels must be supported by the applicant's market study and be within program limits.

Additionally, the market study should demonstrate the following:

- All units, including any "market rate" units as well as any units with income/rent restriction imposed by other programs such as LIHTC, HOME, NSP, etc. must demonstrate viability within the primary market area taking into account any known rent concessions being offered by competing property;
- Income and rent restricted units must have "discounts" of at least 15% relative to comparable un-restricted units;
- Achievable occupancy rates, based on a comparison of comparable property in the primary market area, must be at or above 95% (physical occupancy);
- Capture rate for the development as a whole is no more than 10%, and no capture rate for specific unit sizes (e.g. 3-bedroom units) exceeds 25%; and
- Absorption can be expected to result in underwritten occupancy levels within six (6) months of units being ready for occupancy.

For projects not meeting these standards the City, in its sole discretion, may also consider the following:

- For projects targeting special needs populations (e.g. homeless households, domestic violence victims, veterans, or other specific subpopulations), the City may accept higher capture rates if data from the local Continuum of Care and/or service providers specializing in the targeted populations (e.g. VA service centers) suggest an adequate pipeline of eligible renters exists that will be consistently referred to the development.

- For existing projects being rehabilitated, the City will consider the recent operating history of the project in terms of actual rents charged/received, eligibility of in-place tenants, and the like for evidence that the development's projections are supported by actual performance.

Developer and Development Team

In most cases, projects considered by the City will be owned by single-purpose, single-asset entities created to hold title of the development. For various purposes, including structuring necessary to comply with industry norms and take advantage of other funding sources such as Low Income Housing Tax Credits (LIHTC), the "owner" and "developer" of a project are often legally distinct entities, even if ultimately owned and/or controlled by the same underlying parties.

Developer Technical/Professional Capacity

In evaluating the capacity of the "developer" the City will use the term more loosely to refer collectively to the underlying corporate entities and individuals that will own and control the single-purpose entity (excluding the investor member/investor limited partner). Additionally, the City requires various guarantees and indemnities from all of the underlying corporate and individual owners of the various limited partnership or limited liability corporation entities involved in the ownership and development of the project.

Developers should demonstrate:

- Recent, ongoing, and successful experience with the development of similar regulated affordable housing; and
- The presence of adequate staff, with specific experience appropriate to their role in the project, to successfully implement and oversee the project. This includes the assembly and oversight of the development team.

The City requires applicants to provide lists of real estate owned (including partnership/membership interests) by the developer as well as all projects underway. The City will review the performance of those projects, including financial factors like net occupancy, actual debt coverage ratio (DCR) , cash flow received, outstanding loan balances, and net equity of individual projects and the developer's overall portfolio.

Applicants are also required to provide descriptions of the role played by specific staff members relative to the proposed project along with resumes or other similar information demonstrating experience appropriate to the assigned staff member's role.

Financial Capacity

Developers must also demonstrate the financial capacity to support the proposed project both during construction and lease-up as well during ongoing operations. This includes not just that the applicant has sufficient financial resources but that it has adequate financial systems in place to appropriately manage project funding, accurately account for all project costs, and provide reliable reporting to the City and other project funders.

At minimum, the City will review audited financial statements, interim financial statements, and individual personal financial statements to ensure that:

- The "primary" development entity's most recent audit must demonstrate compliance with Generally Accepted Accounting Principles (GAAP) and must not express material weaknesses in the entity's system of internal controls or financial management systems;

- The developer's net worth (including the un-duplicated net worth of other guarantors) is equal to at least 10% of the total development cost of all projects underway (i.e. those under construction and those that have received funding commitments, e.g., LIHTC awards, but have not yet been completed and converted to permanent financing); and
- The developer has net liquid assets (current assets less current liabilities) equal to at least 5% of the total development cost of all projects underway.

Development Team

The City will also review the capacity of the development team including but not limited to the general contractor, architect, engineer, market analyst, management company, accountant, attorney, and any other specialized professionals or consultants.

As a whole, the development team should have the skills and expertise necessary to successfully complete and operate the development. Insomuch as possible, on balance the development teams should have worked successfully on other projects in the past. That is, while a developer may identify new development team members from project to project, an "entirely new" team may present added risk.

Additionally, when using development team members from outside of the region, the City will consider whether assigned team members have recent local experience or have been supplemented with local professionals. This may be particularly important for design professionals and legal counsel.

In no case, may any owner/developer/applicant or any member of the development team be a suspended, debarred, or otherwise excluded party under any local, state, or federal program.

Identity of Interest Relationships & Costs

Applicants must disclose all identity of interest relationships/contracts and/or costs involved in a transaction, including during the development period and following completion of the project. The City reserves the right to review any such costs further to ensure they are reasonable and consistent with the costs expected from arms-length relationships.

An "Identity of Interest" (whether or not such term is capitalized) is any relationship based on family ties or financial interests between or among two or more entities involved in a project-related transaction which reasonably could give rise to a presumption that the entities may not operate at arms-length. The City will take a broad approach to defining identities of interest and expects all applicants to err on the side of disclosure. That is, if there is any question about whether an identity of interest may exist, the relationship should be disclosed and explained to the City.

Beyond this general definition, an identity of interest relationship will be deemed to exist if:

1. An entity, or any owner of any direct or indirect ownership interest in such entity, or any family member of any such owner is also an owner, through a direct or indirect ownership interest, or an officer, director, stockholder, partner, trustee, manager, or member of the counterparty; or
2. Any officer, director, stockholder, partner, trustee, manager, member, principal staff, contract employee or consultant of an entity, or any family member of thereof, is an owner, through any direct or indirect ownership interest, or an officer, director, stockholder, partner, trustee, manager or member of the counterparty.

For purposes of this definition, "family member" means the spouse, parents or stepparents, children or stepchildren, grandparents or step-grandparents, grandchildren or step-grandchildren, aunts, uncles,

parents-in-law, and siblings-in-law (or their children or stepchildren). It also includes any other similar relationship established by operation of law, including but limited to guardianship, adoption, foster parents, domestic partnerships, and the like.

Financial Analysis

As noted in the introduction, the City views underwriting as more than just the financial review of a project. However, a review of the underlying financial assumptions is still a critical and core part of underwriting. In reviewing projects, as a public funder the City must to balance two potentially competing perspectives.

Projects must be viable, that is they must have sufficient allowances for all costs to maximize the chances the project can meet or exceed its financial projections and thereby succeed in the marketplace. In other words, the project must represent a "safe" investment. However, taken to an extreme, "safe" or overly conservative projections can also result in a project that is over-subsidized and risks providing excessive returns to the owner/developer.

As a steward of very limited public funding for affordable housing, the City also needs to ensure that costs are reasonable, that they represent a "good deal" to the public, and that returns to the owner/developer are fair but not excessive. In seeking to balance these perspectives, the City has established the following review factors and principals.

Development Costs

In general, the City will review the entire project budget to all costs are reasonable yet that the budget is sufficient to complete and sustain the project. All line items, whether or not paid directly with NIB funds, must be necessary and reasonable.

The City will consider the cost of both specific line items as well as the total development cost on a per unit and per square foot basis, comparing costs to other projects from the City's portfolio, similar projects in the region (such as those funded by TDHCA), City-data from the Building Department, and/or third-party indices such as RS Means.

Selected Development Cost Items

Acquisition – Acquisition costs must be supported by an independent third-party appraisal prepared by a state-licensed appraiser. The purchase price must be at or below the as-is market value of the property. Standard closing costs from the acquisition may be included.

Architectural & Engineering Fees – Architectural and engineering fees cannot exceed the following:

- Design services: 6% of total construction costs
- Supervision/Administration: 2% of total construction costs

City Soft Costs – The development budget for each project must include a **$20,000 allowance** for the City's internal project-related soft costs. Similar to lender due diligence or lender legal costs, the inclusion of soft costs allows the City to recoup its direct costs of underwriting, processing, closing, and monitoring the project prior to project completion.

Construction Interest – Any budgeted line item for construction interest must be supported by development period cash flow projections, modeling the actual expenditure of development costs and the anticipated pay-in of equity, NIB funds, and other construction period sources. For presentation purposes, only interest from the date of initial closing through the end of the month in which the

building(s) are placed in service (i.e. approved for occupancy) may be included as construction interest. Additional interest following that date and prior to the conversion to (or closing on) permanent debt must be separately itemized and modeled. In most cases, this should be included in the "lease up reserve" noted below.

Contingencies – Applicants should include a contingency (inclusive of hard and soft costs) within the minimum and maximum amounts noted below. The contingency will be measured as a percentage of hard costs (including the construction contract plus any separate contracts for off-site work but excluding contractor fees).

- New construction projects should include a contingency of least 3% and no more than 7% of hard costs;
- Acquisition/rehabilitation projects, including adaptive reuse projects, should include a contingency of at least 5% and no more than 10% of hard costs.

The City may consider higher contingencies based on identified risk factors such as the known need for environmental remediation or poor subsurface soils.

Contractor Fees – Contractor fees are limited as a percentage of net construction costs as further identified below. Net construction costs exclude the contractor fees, any budgeted contingency, and (even if otherwise included in the construction contract) permits and builder's risk insurance.

- **Contractor Profit:** 6% of net construction costs
- **General Requirements/General Conditions:** 6% of net construction costs. General requirements include on-site supervision, temporary or construction signs, field office expenses, temporary sheds and toilets, temporary utilities, equipment rental, clean-up costs, rubbish removal, watchmen's wages, material inspection and tests, all of the builder's insurance (except builder's risk), temporary walkways, temporary fences, and other similar expenses.
- **Contractor Overhead:** 2% of net construction costs.

With prior approval of the City, contractor fees may vary from the limits above provided the gross contractor fees do not exceed 14% of net construction costs.

Developer Fees – Developer fees are intended to compensate a developer for the time and effort of assembling a project, overseeing the development team, and carrying a project to fruition. Developer fees are also intended to compensate for the risk inherent in the development process, including that not every potential project proves viable and that developers must necessarily advance funds for their own operating costs and various third-party predevelopment costs prior to closing (or in some cases for projects that never proceed). The City, therefore, allows the inclusion of developer fees as follows:

- **Developer Fee**: Developer fees will be calculated as a percentage of total development costs less a) the developer fee itself; b) organizational expenses and/or syndication fees/cost (including investor due diligence fees); and c) reserves, escrows, and capitalized start-up/operating expenses (such as working capital, marketing, etc.).
    - The maximum developer fee will be 15% of the first $10 million in such costs; plus
    - A maximum of 10% of such costs over $10 million.
- **Combined Contractor & Developer Fees**: When an identity of interest exists between the owner/developer and the general contractor, the combined total of contractor fees and developer fees cannot exceed 20% of total development costs less the developer fee.

In some cases, developers may delegate some of its responsibilities to third-party professionals or consultants. This may include contracting specific tasks – such as construction oversight of the builder or specialized consulting related to applying for or structuring various financial incentives like LIHTC. The costs of engaging such professionals, whether they are third-parties or identity of interest relationships, must be paid from (and if separately itemized will be counted against) the allowable developer fee.

Reserves – Capitalized reserves to facilitate the initial start-up and to protect the ongoing viability of the project will include the following:

- **Deficit Reserve:** The City anticipates that in most cases, developments with predicted deficits during the affordability period would not be funded. However, in the event a development's long-term operating pro forma projects actual cash deficits during the affordability period, an operating deficit reserve must be included in the development budget in an amount sufficient, taking into account any interest on reserve balances, to fully fund all predicted deficits through the affordability period.
- **Lease-Up Reserve:** A lease-up reserve intended to cover initial operating deficits following the completion of construction but prior to breakeven operations may be included. Any such reserve must be based on lease-up projections/cash-flow modeling and the lease-up (or absorption) period identified in the project's market study. In evaluating the appropriateness of any lease-up reserve, the City will consider whether the development budget includes specific line items for other start-up expenses that otherwise are typically part of the ongoing operating budget for a development. This may include budgets for marketing, working capital, etc.
- **Operating Reserve:** An operating reserve equal to three (3) months of underwritten operating expenses, reserve deposits, and amortizing debt service must be included in the development budget. The operating reserve is intended as an "unexpected rainy day" fund and will only be accessible after a project has achieved stabilized occupancy.
- **Replacement Reserve:** For acquisition-rehabilitation projects, a capitalized replacement reserve must be included in the development budget. The capitalized replacement reserve should be funded at the greater of i) $1,000 per unit; or ii) the amount determined by a capital needs assessment approved by the City.
- **Other:** The City may consider other specialized reserves as appropriate based on unique features of the project and/or requirements of other funding sources. These may include special security reserves, supportive service reserves, or transition reserves for projects with expiring project-based rental assistance contracts, etc.

Operating Revenues

The City will review an applicant's projection of operating revenues to ensure they are reasonable and achievable both initially and through the affordability period. In evaluating operating revenues, the City will take into account the i) project-specific market study; ii) actual operating performance from other comparable projects including those from the applicant's existing portfolio of real-estate owned; iii) data available from comparable projects in the City's portfolio; and/or iv) information available from actual performance within TDHCA's portfolio.

For purposes of the long-term operating pro forma, operating revenue projections cannot be increased by more than 2% per year. The City reserves the right to "stress" proposals for underwriting purposes to assess the impact of lower inflationary increases, such as modeling the impact of only 1% rent increases

for the first three to five years of a project's affordability period.

Rents

All rents should be supported by the market study. Including the utility allowance, the gross rent for any income/rent restricted unit should demonstrate at last a 15% "discount" compared to comparable "market rate" units.

Non-Rental Revenue

Non-rental revenue must be fully explained and conservatively estimated. In general, no more than $60-$240 per-unit, per-year may be budgeted in "other revenue" including that from tenant fees (such as fees for late payment of rent, nonsufficient funds, garage/carport upgrades, pet fees, etc. or interest on operating account balances). Exceptions may be considered by the City based on the operating history of an acquisition/rehabilitation project or normalized operations of other comparable property in the same market area.

Vacancy

Total economic vacancy includes physical vacancy (a unit is unrented), bad debt (a unit is occupied but the tenant is not paying rent), concessions (a unit has been leased for less than the budgeted rent), and "loss to lease" (a pre-existing lease is less than the most recently approved annual rent but will be adjusted upward at renewal). The minimum underwritten total economic vacancy rate for all projects will be 7.5%

In all cases, based on the market study or other data available to the City, the City reserves the right to require higher vacancy projections. This may include higher vacancy rates for small developments (e.g. less than 20 unit) where standard percentage assumptions about vacancy may not be appropriate. Developers proposing vacancy rates in excess of 7.5% must justify their projections and explain why such projects are still needed and viable despite excessive vacancy projections.

Operating Costs

The City will review an applicant's projection of operating expenses to ensure they are reasonable and adequate to sustain ongoing operations of the project through the affordability period. In evaluating a proposed operating budget, the City will compare projects costs to i) actual operating expenses of comparable projects in the applicant's existing portfolio of real-estate owned (insomuch as possible, comparable projects will be in the same vicinity and operated by the same management company); ii) actual operating expenses of other comparable projects in the City's portfolio; iii) data available on the operating costs of affordable housing in the TDHCA portfolio; and/or iv) minimum per-unit, per-year allowances established by the City through periodic RFPs for rental housing.

For purposes of the long-term operating pro forma, operating expenses, including reserve deposits, will be inflated at no less than 3% per year. The City reserves the right to "stress" proposals for underwriting purposes to assess the impact of higher operating cost factors, such as modeling the impact of higher inflation rates in general of for specific items of cost (for example, assessing the impact of high rates of increase for insurance or development paid utility costs).

Selected Items of Operating Cost

City Monitoring Fee – The City assesses an annual NIB Program monitoring fee of $3,000 per project which will be increased annually by 3%.

Property Management Fees **–** An allowance of 5% of effective gross income (i.e. gross rent potential plus

other revenues minus actual vacancy, bad debt, concessions, etc.) should be included. In the event a lower management fee is proposed, the City will consider using a fee as low as 3% provided the proposed management company is acceptable to the City and has agreed in writing to the lower fee.

Property Taxes – Applicants must provide detailed explanations of property tax projections and, as applicable, provide documentation that any anticipated partial or full exemptions or payments in lieu of taxes (PILOT) have been approved by the appropriate tax assessor. In the absence of a tax exemption or PILOT, the operating budget must provide for a tax rate equal to 2.837% of the market value of the property or the City, at its option, may require confirmation from the tax assessor of the applicant's projection.

Replacement Reserve Deposits – The operating budget must include minimum replacement reserve deposits of:

- New Construction Family: $300 per-unit, per-year
- New Construction Senior: $250 per-unit, per-year
- Rehabilitation: The greater of i) $300 per-unit, per-year; or ii) a higher amount established by a CNA approved by the City.

Note: The City will reserve the right within a project's transactional documents to require periodic CNAs for all projects and to adjust ongoing replacement reserve deposits base on the results of the CNA to ensure that the replacement reserve is sufficient to address all anticipated needs for the project's affordability period of the term of the City's loan, whichever is longer.

Items Payable only from Surplus Cash

Certain costs, sometimes identified by project owners as "operating costs" cannot be included in the operating budget and will only be payable from surplus cash (aka "cash flow"). These include:

- **Incentive Management Fees** payable in addition to the allowable management fees noted above, whether paid to related party or independent third-party management fees.
- **Asset Management Fees** payable to any investor, general or limited partner, or member of the ownership entity.
- **Deferred Developer Fees**
- **Operating Deficit Loan Payments** made to any related party including any investor, general or limited partner, or members of the ownership entity.
- **Other payments** to investors, general or limited partners, or members of the ownership entity, however characterized, including but not limited to negative adjustors, yield maintenance fees, etc.

Ongoing Economic Viability

The City will review the ongoing economic viability of all projects, taking into account long-term projections of revenue and expenses. Projects must demonstrate they can be expected to remain viable for at least the affordability period, taking into account trending assumptions noted above, as well as other any other changes in operating revenues or expenses that can reasonably be anticipated based on other information available to the City or other project funders. In particular, the City will review the debt coverage ratio and operating margin as outlined below.

Debt Coverage Ratio

Projects must demonstrate a minimum debt coverage ratio (DCR) of 1.25 (Net Operating Income divided by amortizing debt service) throughout the affordability period. In some cases, for projects with

relatively small levels of mortgage debt, this may require a higher initial DCR to ensure that the DCR in later years remains at or above the appropriate level.

Operating Margin

In addition to considering the DCR, the City will review the operating margin (surplus cash divided by total operating expenses and amortizing debt service). The operating margin must remain at or above 5% for the period of affordability.

Other Funding Sources

Prior to committing funds, all other funding sources necessary for a project must be identified, committed in writing, and consistent with the both the City's underwriting requirements and the affordability restrictions of the NIB program. In general, developers must make all reasonable efforts to maximize the availability of other funding sources, including conventional mortgage debt and tax credit equity (as applicable), within commercially available and reasonable terms.

Additionally, restrictions or limitations imposed by other funding sources cannot conflict with any applicable NIB requirements and cannot, in the discretion of the City, create undue risk to the City.

Senior Mortgage Debt

Any amortizing mortgage debt that will be senior to the City's NIB loan must:

- Provide fixed-rate financing;
- Have a term of not less than 20 years. Insomuch as possible, the first mortgage should have the longest amortization period available; and
- Allow the City's covenant running with the land (i.e. the deed restrictions imposing the NIB affordability requirements) to be recorded senior to all other financing documents such that the NIB covenant is not extinguished in the case of foreclosure by a senior lender. Note the City NIB loan itself will be junior to conventional amortizing loans; only the deed restrictions must be senior.

Tax Credit Equity

Projections of tax credit equity must be documented by letters of intent or other similar offers to participate in the transaction by the proposed tax credit investor. Prior to committing funds, the applicant must provide evidence it has received a tax credit reservation from TDHCA and provide the proposed limited partnership agreement or operating agreement, as applicable, documenting the terms of the equity investment.

The City will review proposed equity pricing against information from other projects in the region to assess whether the pricing and terms are reasonable.

Deferred Developer Fee

It is common for projects to include deferred developer fees as a financing source. The City will generally require:

- That projections of surplus cash available (after any cash-flow contingent payment due the City) be sufficient to repay the deferred fee within 15 years (notwithstanding other "waterfall" provisions in the partnership or operating agreement, the City will assume that all surplus cash distributions will be credited against the developer fee);
- That following the initial application to the City, the level of deferred developer fee with remain fixed (in nominal dollar terms) in the event City underwriting identifies cost reductions, increases

in other funding sources, or other changes that result in a request of reimbursable proceeds from NIB funds; and

- That any net savings (or increased funding sources including but not limited to upward adjusters for tax credit equity) at project completion and cost certification will be used in equal parts to reduce the deferred developer fee and the City's permanent NIB loan. In the event savings are sufficient to eliminate the deferred fee in this manner, any remaining net savings will be used to further reduce the City's NIB loan, or in the sole discretion of the City, to increase the operating or replacement reserve.

Exceptions and Interpretation

The City has developed these guidelines for several reasons. Generally, they are intended to provide clarity to applicants on what the City expects and transparency about the "rules of the road." However, the City recognizes that it cannot pre-emptively identify every possible special circumstance that may warrant an exception to its general requirements, nor can it identify every possible "loophole" whereby a creative presentation of costs or other projections might subvert the general need to balancing of viability and reasonable returns, risk to the City and public benefit.

Consequently, the City reserves the right to waive specific underwriting criteria for specific projects when, in its sole discretion, the purposes of the program can be better achieved without taking on undue risk. When waiving any given requirement, the City may impose additional special conditions or business terms that are not otherwise typically applied to all projects.

For administrative ease, the City may also align its underwriting standards with those required by other public funders involved in a given transaction, particularly if those standards are more restrictive or conservative than the City's. However, the City retains the right, in its sole discretion, to decide whether to accept alternative standards.

The City also reserves the right to reject any element of a transaction that, despite not being specifically prohibited, was not anticipated by these guidelines or such an element or business term otherwise creates unacceptable risks, excessive returns to the owner/developer, or otherwise undermines the public purposes of the City's program.

Insomuch as is reasonable, the City will update and clarify these guidelines over time to account for exceptions, waivers, or additional restrictions it imposes.

FORM 1

SUBMITTAL CHECKLIST AND TABLE OF CONTENTS

The materials and information listed on this checklist shall be submitted as part of the submittal. Failure to submit any of the requested materials or provide adequate explanation may eliminate the submittal from consideration.

Materials shall be included in the submittal in the order identified on the checklist. Identify the corresponding page numbers in the space provided.

One (1) original unbound Statement of Qualifications and five (5) reprinted bound copies of submittal		
Page No.	**Form No.**	**Form Title**
	Form 1	Submittal Checklist and Table of Contents – Indexed and labeled as Tab "1"
	No Form	Executive Summary – Indexed and labeled as Tab "2"
	No Form	**Statement of Qualifications :**
		Development Experience - Indexed and labeled as Tab "3"
		Financial Capacity and Capability – Indexed and labeled as Tab "4"
		Project Site Plan and Timeline – Indexed and labeled as Tab "5"
		Affordable Housing Scoring Matrix– Indexed and labeled as Tab "6"
		Other Public Benefit– Indexed and labeled as Tab "7"

One (1) original set of unbound signed Required Forms		
Page No.	**Form No.**	**Forms Packet**
	Form 2	Respondent Submittal Cover Sheet/Signature Sheet
	Form 3	Contracts Disclosure Forms
	Form 4	Litigation Disclosure Form
	Form 5	Competitive Sealed Bid (Minimum $20,000)
	No Form	Proposal Guarantee
	No Form	Proof of Insurability
	Form 6	Small Business Economic Development Advocacy Subcontractor/Supplier Utilization Commitment Form
	1295 Form	Certificate Of Interested Parties TEC Form 1295 or Written Verification of Exemption
	Form 7	Reimbursement Request Form
	Form 8	Conflict of Interest Questionnaire & Addendum Forms
	Form 9	Project Pro Forma Form and Excel File
	Form 10	Underwriting Acknowledgement & Exceptions Request
	Form 11	Schedule of Real Estate Owned
	No Form	Purchase and Redevelopment Agreement
	No Form	$20,000 Proposal Security Deposit Check

Submission includes: one (1) **original unbound** Statement of Qualifications signed in ink, six (6) reprinted bound copies of the submittal, one (1) Unbound Packet of Required Forms and one (1) Adobe PDF version of entire submittal with forms on a USB drive. Check Here: _____

FORM 2
SUBMITTAL COVER / SIGNATURE SHEET

RFP POSTING DATE:	**March 6, 2019**	**Request For Competitive Sealed Proposal:** **Frio Street, Property ID #102669**
DATE OF CLOSING:	**April 12, 2019**	**RFP #NHSD03062019**
TIME OF CLOSING:	**(No later than)** **2:00 P.M. Local Time**	**DEPARTMENT / DIVISION:**
SUBMIT TO:	City of San Antonio Office of the City Clerk 719 S. Santa Rosa San Antonio, TX 78204	**Neighborhoods & Housing Services**

READ AND SIGN BELOW. UNSIGNED COVER SHEETS WILL NOT BE ACCEPTED.

Legal Name of Firm:	
Tax ID:	
Address:	
City:	
State:	**Zip Code:**
Contact Person:	
Office Phone Number:	**Alternate Phone Number:**
E-Mail Address:	**Fax Number:**

BY MY SIGNATURE BELOW, I certify I legally am authorized to bind Respondent to the terms and conditions contained in this submitted RFCSP Proposal. I further certify the information contained in this submittal accurately reflects data regarding my organization/firm, the work to be performed and the estimates of planned/delivered services. By signing this Submittal Cover/Contract Signature Page, I understand and agree, if awarded a contract in response to this RFCSP, Respondent shall be ready, willing and able to comply with all representations made by Respondent in this Submittal and during the RFCSP Solicitation process.

Respondent certifies it fully shall comply with all of Contract Documents, pursuant to this RFCSP solicitation, for the amount(s) shown and details contained in Respondent's accompanying Proposal Form. Respondent confirms all work proposed by this RFCSP, when fully completed, shall be performed and acceptable to the entire satisfaction of the City. As the legal representative of Respondent, I certify all prices contained in this proposal carefully have been checked and are submitted as true, correct and final.

As the legally authorized representative of Respondent, I submit this proposal and, by my signature below, acknowledge that I have received and read the entire RFCSP and each of the RFSCP attachments and agree, on behalf Respondent, to be bound by the terms therein. I further acknowledge I have received all Addenda and agree with and Respondent shall be bound by the terms, conditions and requirements of this submitted proposal, all documents listed in the RFCSP Submittal Checklist and Table of Contents, the enabling City Ordinance and all of the associated documentation that form the entire Contract to which Respondent shall be bound, upon the approval of the San Antonio City Council.

I certify all provisions contained in this submitted Proposal shall remain valid for 120 calendar days following the posted deadline date for submissions and, if Respondent is awarded a contract, throughout the entire term of the awarded contract.

Signature of Authorized Individual	Typed Name of Authorized Individual
Date	Typed Title of Authorized Individual

FORM 3
City of San Antonio
CONTRACTS DISCLOSURE

For use of this form, see Section 2-59 through 2-61 of the City Code (Ethics Code)
Attach additional sheets if space provided is not sufficient.

Contracts Disclosure Form may be downloaded at:

http://www.sanantonio.gov/Ethics/FormsResources

Instructions for completing the Contracts Disclosure form:

1. Click on the Contracts Disclosure Forms link under the Conflicts of Interest heading.

2. Download form and complete all fields. Note: All fields must be completed prior to submitting the form.

3. This is **NOT** a high-profile contract.

4. Click the "Print" button and place the copy in submittal response as indicated in the Submittal Checklist. Completed forms should not be submitted electronically.

FORM 4
LITIGATION DISCLOSURE

Respond to each of the questions below by checking the appropriate box. Failure to fully and truthfully disclose the information required by this Litigation Disclosure form may result in the disqualification of your proposal from consideration or termination of the contract, once awarded.

1. Have you or any member of your Firm or Team to be assigned to this engagement ever been indicted or convicted of a felony or misdemeanor greater than a Class C in the last five (5) years?

   Yes ☐ No ☐

2. Have you or any member of your Firm or Team to be assigned to this engagement been terminated (for cause or otherwise) from any work being performed for the City of San Antonio or any other Federal, State or Local Government, or Private Entity?

   Yes ☐ No ☐

3. Have you or any member of your Firm or Team to be assigned to this engagement been involved in any claim or litigation with the City of San Antonio or any other Federal, State or Local Government, or Private Entity during the last ten (10) years?

   Yes ☐ No ☐

If you have answered "Yes" to any of the above questions, please indicate the name(s) of the person(s), the nature, and the status and/or outcome of the information, indictment, conviction, termination, claim or litigation, as applicable. Any such information should be provided on a separate page, attached to this form and submitted with your proposal.

CITY OF SAN ANTONIO

Project Name: Frio Street, Property ID #102669 **Date Issued: March 6, 2019**

ID NO.: RFPNHSD03062019 **Page 73 of 83**

The estimated value of the real property is $83,000.00
Minimum bid: $20,000.00

020

COMPETITIVE SEALED BID FOR REAL PROPERTY FORM

_____

Legal Name of Company (print)

I. REAL PROPERTY BID

Total Amount of Bid Insert Amount in Words and Numbers:

_____**$**_____

(UTILIZATION PLAN SHOULD BE DETERMINED FROM THE BASE BID)

_____ _____

Person Authorized to Sign Bid/Contract (Print) Title of Person Signing

_____

Tax Id No.

_____ _____

Address Fax No.

☐ Local Headquarters

_____ (*Check one*)

City, State and Zip Code ☐ Local Branch Office

_____ _____

Telephone No. E-mail Address

FORM 6
SBEDA

SEE ATTACHMENT

CITY OF SAN ANTONIO
NEIGHBORHOOD & HOUSING
SERVICES DEPARTMENT

041 – Certificate of Interested Parties (Form 1295)

The Texas Government Code §2252.908, and the rules issued by the Texas Ethics Commission found in Title 1, Sections 46.1, 46.3 and 46.5 of the Texas Administrative Code, require a business entity to submit a completed Form 1295 to the City before the City may enter into a contract with that business entity.

Form 1295 must be completed online. It is available from the Texas Ethics Commission by accessing the following web address: https://www.ethics.state.tx.us/whatsnew/elf_info_form1295.htm.

Print your completed Form 1295 and the certification of filing. Sign Form 1295 and submit it along with the certification of filing, with your response to this solicitation. The name listed in Box 1 of the 1295 form should match exactly with the active name on file with the Texas Secretary of State, which can be found at: https://www.sos.state.tx.us/. In Box 3 of Form 1295, provide the solicitation number shown on the cover page of this solicitation (e.g. IFB 6100001234, RFO 6100001234 or RFCSP 6100001234).

The following definitions found in the statute and Texas Ethics Commission rules may be helpful in completing Form 1295.

GOVERNMENT CODE

TITLE 10. GENERAL GOVERNMENT

SUBTITLE F. STATE AND LOCAL CONTRACTS AND FUND MANAGEMENT

CHAPTER 2252. CONTRACTS WITH GOVERNMENTAL ENTITY SUBCHAPTER Z.

MISCELLANEOUS PROVISIONS

Sec. 2252.908. DISCLOSURE OF INTERESTED PARTIES.

(a) In this section:

(1) "Business entity" means any entity recognized by law through which business is conducted, including a sole proprietorship, partnership, or corporation.

(2) "Governmental entity" means a municipality, county, public school district, or special-purpose district or authority.

(3) "Interested party" means a person who has a controlling interest in a business entity with whom a governmental entity or state agency contracts or who actively participates in facilitating the contract or negotiating the terms of the contract, including a broker, intermediary, adviser, or attorney for the business entity.

(4) "State agency" means a board, commission, office, department, or other agency in the executive, judicial, or legislative branch of state government. The term includes an institution of

higher education as defined by Section 61.003, Education Code.

(b) This section applies only to a contract of a governmental entity or state agency that:
(1) requires an action or vote by the governing body of the entity or agency before the contract may be signed; or
(2) has a value of at least $1 million.

(c) Notwithstanding Subsection (b), this section does not apply to:
(1) a sponsored research contract of an institution of higher education;
(2) an interagency contract of a state agency or an institution of higher education; or
(3) a contract related to health and human services if:
(A) the value of the contract cannot be determined at the time the contract is executed; and contract is executed; and
(B) any qualified vendor is eligible for the contract.

Text of subsection as amended by Acts 2017, 85th R.S., Ch. 526 (SB 255) (Changes identified by italicized text apply only to a contract entered into or amended on or after January 1, 2018).

(c) Notwithstanding Subsection (b), this section does not apply to:
(1)) a sponsored research contract of an institution of higher education;
(2) an interagency contract of a state agency or an institution of higher education;) a contract related to health and human services if:
(A) the value of the contract cannot be determined at the time the contract is executed; and
(B) any qualified vendor is eligible for the contract;
(3) a contract with a publicly traded business entity, including a wholly owned subsidiary of the business entity;
(4) a contract with an electric utility, as that term is defined by Section 31.002, Utilities Code; or
(5) a contract with a gas utility, as that term is defined by Section 121.001, Utilities Code.

(d) A governmental entity or state agency may not enter into a contract described by Subsection (b) with a business entity unless the business entity, in accordance with this section and rules adopted under this section, submits a disclosure of interested parties to the governmental entity or state agency at the time the business entity submits the signed contract to the governmental entity or state agency.

(e) The disclosure of interested parties must be submitted on a form prescribed by the Texas Ethics Commission that includes:
(1) a list of each interested party for the contract of which the contracting business entity is aware; and
(2) the signature of the authorized agent of the contracting business entity, acknowledging that the disclosure is made under oath and under penalty of perjury.

Text of subsection as amended by Acts 2017, 85th R.S., Ch. 526 (SB 255) (Changes identified by italicized text apply only to a contract entered into or amended on or

after January 1, 2018).

(e) The disclosure of interested parties must be submitted on a form prescribed by the Texas Ethics Commission that includes:

(1) a list of each interested party for the contract of which the contracting business entity is aware; and

(2) a written, unsworn declaration subscribed by the authorized agent of the contracting business entity as true under penalty of perjury that is in substantially the following form:

"My name is_____, my date of birth is_____, and my address is

_____,_____,_____,_____, (Street)
(City) (State) (Zip Code)

_____. (Country)

I declare under penalty of perjury that the foregoing is true and correct.

Executed in_County, State of_____, on the _____ day of

_____,_____.
(Month) (Year)

_____
Declarant".

(f) Not later than the 30th day after the date the governmental entity or state agency receives a disclosure of interested parties required under this section, the governmental entity or state agency shall submit a copy of the disclosure to the Texas Ethics Commission.

(g) The Texas Ethics Commission shall adopt rules necessary to implement this section, prescribe the disclosure of interested parties form, and post a copy of the form on the commission's Internet website.

Added by Acts 2015, 84th Leg., R.S., Ch. 1024 (H.B. 1295), Sec. 3, eff. September 1, 2015.
Amended by Acts 2017, 85th Leg., R.S., Ch. 526 (SB 255, Sec. 5, eff. September 1, 2017).

Rev. 01/18

CITY OF SAN ANTONIO

Project Name: Frio Street, Property ID #102669 **Date Issued: March 6, 2019**

ID NO.: RFPNHSD03062019 **Page 78 of 83**

The estimated value of the real property is $83,000.00
Minimum bid: $20,000.00

BOND PROGRAM REIMBURSEMENT REQUEST FORM

_____

Legal Name of Company (print)

I. REAL PROPERTY

Total Amount of Bid Insert Amount in Words and Numbers:

_____**$**_____

(UTILIZATION PLAN SHOULD BE DETERMINED FROM THE BASE BID)

II. NEIGHBORHOOD IMPROVEMENTS BOND REIMBURSEMENT REQUEST

Amount of **eligible Bond Funds*** requested in reimbursable costs (if applicable). Insert in numbers:

Site Improvements - $_____

Fees & Permits - $_____

III. ADDITIONAL GAP OR REIMBURSEMENT FINANCING REQUESTS

Name and amount of each gap, reimbursement or financing source (if applicable):

Financing Source #1

Funding Source Name: _____ $_____

Financing Source #2

Funding Source Name: _____ $_____

Financing Source #3

Funding Source Name: _____ $_____

Financing Source #4

Funding Source Name: _____ $_____

**Eligible Bond Funds request must be in compliance with permitted activities in the City Council Adopted Urban Renewal Plan. City Council Ordinance No. 2017-02-02-0052 (Feb. 2, 2017)*

FORM 8
CONFLICTS OF INTEREST QUESTIONNAIRE & ADDENDUM

Example of forms below.

Conflict of Interest Questionnaire and Conflict of Interest Questionnaire Addendum Forms may be downloaded at:

https://www.ethics.state.tx.us/forms/CIQ.pdf

https://www.sanantonio.gov/Portals/0/Files/Ethics/OCC-CIQ-Addendum.pdf

City of San Antonio

Office of the City Clerk

CONFLICT OF INTEREST QUESTIONNAIRE ADDENDUM

FORM CIQ-A

For vendor or other person doing business with local governmental entity

This form is required in all instances where a CIQ form is required. Completed Forms shall be filed with the City Clerk no later than the 7th business day after the date the person/entity: (1) begins contract discussions or negotiations with the City; or (2) submits to the City an application, response to a request for proposal or bid, correspondence, or another writing related to a potential agreement with the City.

A CIQ and CIQ Addendum are required to be filed for **EACH** solicitation submitted, and are required to be submitted together.

1 **Name of person who has or is seeking to have a business relationship with the City of San Antonio.**

2 **Name of Company that has or is seeking to have a business relationship with the City of San Antonio.**

2a **Business Contact information for Company listed above.**

Business Address:

Phone:

Email:

3 **Bid Name or Description of Service**

4 **Printed name of person doing business with the City of San Antonio (same as denoted on Box 7 of Form CIQ).**

Completed Conflict of Interest Questionnaires and Addenda should be mailed or hand-delivered separately from the solicitation (bid) to one of the following addresses:

Mailing Address: **Office of the City Clerk**
P.O. Box 839966
San Antonio, TX 78283-3966

Physical Address: **Office of the City Clerk**
City Hall, 2nd Floor
100 Military Plaza
San Antonio, TX 78205

Print Form

GR.1000-43.LEGAL.VERIFY.Conflict of Interest Addendum
Rev.2016-7 05/04/16

FORM 9
PROJECT PRO FORMA AND EXEL FILE

Respondents are required to provide a project pro forma as an unlocked excel file as part of the response to the RFP.

FORM 10
UNDERWRITING ACKNOWLEDGEMENT AND EXCEPTIONS REQUEST

Part 1
I, the undersigned, hereby certify and acknowledge

(a) that I am duly authorized to act on behalf of the applicant and by signing this acknowledgement am binding the applicant hereto;

(b) that I have read the City's Underwriting Guidelines for projects proposed under the Neighborhood Investment Bond Program;

(c) that I understand and agree that any preliminary selection under the NIB Program will be subject to further underwriting pursuant to these standards;

(d) that any variations, waivers, or exceptions to the Underwriting Guidelines will be in the City's sole and absolute discretion and that failure to satisfy the City's criteria may result in rejection of the proposal prior to entering into a binding sales and/or funding agreement under the NIB Program;

(e) that among other requirements, the City will require that deed restrictions or other covenants running with the land imposing affordability and use restrictions consistent with the NIB Program must be recorded senior to all financing for the project and must be non-foreclosable; and

(f) that any variation, waiver, or exception being proposed as part of the application has been disclosed along with a proposed justification for such a waiver in Part 2 below.

Part 2
[ ] Applicant is not proposing any variations or requesting any waivers from the NIB Program underwriting criteria.
Or
[ ] Applicant proposes and/or request variances to the NIB Program Underwriting Criteria as follows:

Provide a clear description of the standard, the alternative being proposed, and a justification for the variation. Example: Underwriting criteria limits the contingency on new construction to a maximum of 7% of hard costs. ACME Development Group is proposing a 10% contingency at this stage due to the history of the site and the likelihood of debris, buried foundations, and the need for soil replacement.

Signed by	Print Name
On behalf of	Date

FORM 11
SCHEDULE OF REAL ESTATE OWNED

SEE ATTACHMENT