

Schedule 2
Request For Proposals for the Purchase and Development of
1322-1336 E. 12th Street

**SCHEDULE OF CRITERIA
FOR REVIEW AND SCORING OF PROPOSALS**

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

A. MANDATORY REQUIRED INFORMATION:

The items listed below must be met or submitted. If not, proposals will **NOT** be evaluated.

1. Bid Security deposit (cashier's check for \$10,000) _____
2. Minimum Purchase Price met _____
3. Proposal **MUST** comply with:
 - a. Urban Renewal Plan _____
 - b. Neighborhood Conservation Combining District (NCCD) _____
4. Detailed Project Development Plan _____
5. Development Entity Information _____
6. Corporate/Partnership Authority Documents
(if entity is not an individual) _____
7. Development Team Experience _____
8. Financial Capacity and Capability
 - a. Company Portfolio _____
 - b. Audited Financial Statements _____
 - c. Financing Commitment History _____
 - d. Pending Projects _____
 - e. Sources of Debt and Equity Capital _____
 - f. Funding Source Action _____
 - g. Legal Action _____
 - h. Bonding Capacity _____
9. Commitment to execution of 40-year Affordable Housing Restrictive Covenant
(if affordable housing) _____
10. Commitment to Development Timeline by evidence of Performance Guaranty _____
11. Commitment to pay all closing costs as required in Purchase & Sale Agreement _____
12. Non-Discrimination Certification _____
13. Affidavit of Non-Collusion, Non-Conflict of Interest, and Anti-Lobbying _____

B. COMMUNITY CONSIDERATIONS:

The items listed below are not mandatory; however, additional points will be awarded for commitment and/or participation.

1. Affordable Housing
 - a. If rental, 10% of units must be reserved for 60% or less MFI _____
 - b. If owner, 10% of units must be reserved for 80% or less MFI _____

- | | |
|--|-------|
| 2. Grocery Store | _____ |
| 3. Minority and Women Owned Business Participation | _____ |
| 4. Green Building Goals | _____ |
| 5. Other Public Benefits | _____ |

C. EVALUATION CRITERIA:

Proposals will be reviewed and scored on a competitive basis per the evaluation criteria below.

1. **PURCHASE PRICE**

(maximum 15 points) _____

15 points: Proposal exceeded the minimum purchase price for the property.

10 points: Proposal met the minimum purchase price for the property..

2. **DEVELOPMENT EXPERIENCE (past 5 years)**

(maximum 25 points) _____

City and the URA are interested in the Developer and/or Development Team's previous experience on similar 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 commercial and/or public projects that have been completed by the Developer and/or Development Team in the past five (5) years, and three (3) additional projects that evidence 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, 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: Developer 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, 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 public sector, and unique challenges of the project.
- Public Entities: Identification of involved public 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.

25 points: Developer and Development Team have demonstrated experience in the successful development of projects of a comparable size, scale and complexity, and have successfully worked with the public sector on public/private real estate development projects in a dense urban context.

15 points: Completed similar development but smaller in size and scope.

10 points: Other Team member directly involved in proposed development has demonstrated experience in the successful development of project similar in size scale and complexity.

3. FINANCIAL CAPACITY AND CAPABILITY

(maximum 15 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 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 URA recognizes that under certain circumstances, this information could be construed as confidential and sensitive. Therefore, the City and URA 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.
- 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.
- Audited Financial Statements: Audited financial statements for the last three (3) years, including cash flow statements and balance sheets and, if publicly held, the most recent 10K and 10Q filings.
- 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.

15 Points: Developer has obtained financial commitment and resources to successfully complete the project within the identified timeline of 3 years.

10 points: Developer demonstrated the capacity to obtain the necessary funds and to complete the project within a reasonable timeframe.

4. PROJECT DESIGN AND READINESS

(maximum 25 points)

Please describe the planning which has occurred in order to purchase property. Each proposal must set forth a detailed conceptual plan for the development of the subject property. Graphic conceptual plans for the proposed project are required. The description of the development concept must include:

- Total size of development, in square footage
- The 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.
- Renderings and conceptual drawings indicating the elevation of proposed structures, a description of the palette of building and landscape materials used, and sections that illustrate the location, designated square footage, and spatial relationship of the mixed proposed uses, including parking.
- The dimensions and schematic layout of parking spaces, and identification of ingress and egress on the parcel.

25 points: Project is compatible with neighborhood vision, area stakeholders support project, project development is ready and Developer is able to timely apply for permits after execution of sales contract.

20 points: Project is compatible with neighborhood vision, but no evidence of area stakeholder support submitted.

5. PROJECT CREATIVITY AND NEED

(maximum 20 points)

To what extent will the project satisfy priority needs, as identified in the current Urban Renewal Plan and the City's Imagine Austin comprehensive plan? Describe the appropriateness of the proposed development for the neighborhood. Please provide:

- Impact on making the commercial corridor more welcoming and on increasing the availability of pedestrian oriented retail goods or services.
- Impact on other public or private investment in the neighborhood.

- Jobs created as a result of the project.
- Elements that promote sustainability. Consider including LEED for Neighborhood Development.

20 points: Project meets priority needs and is appropriate for the redevelopment of the area. Project includes potential jobs for the area. Project is an innovative sustainable project.

15 points: Project meets priority needs and is appropriate for the redevelopment of the area, but no evidence of jobs for the area or that it is a sustainable project.

6. DEVELOPMENT TIMELINE

(maximum 10 points) _____

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 3-year completion of development, and a proposed remedy offered to Seller if building permit is not obtained in 2 years.

10 points: Proposal included a commitment to complete the development within the 3 year requirement.

7. GROCERY STORE

(maximum 20 points) _____

As part of the *East 11th and 12th Street Development Strategy Technical Report*, this property was identified as a potential site for a mid-sized (10,000-25,000 square feet) neighborhood grocery store. It is the desire of area stakeholders that development on this site include a mid-sized neighborhood grocery store.

20 points: Proposal included the development of a mid-sized neighborhood grocery store.

8. AFFORDABLE HOUSING

(maximum 10 points) _____

The Successful Proposer is encouraged to meet affordable housing goals. If a project includes rental housing, a benchmark goal of 10% or more units shall be affordable to citizens earning 60% or less of the Median Family Income (MFI) for the Austin-Round Rock Metropolitan Statistical Area (MSA). If a project includes owner-occupied housing, the goal is 10% or more units affordable to citizens earning 80% or less of the MFI. (See MFI Chart – **Exhibit A**)

10 points: Proposal meets the City's stated affordable housing goals.

9. MBE/WBE PARTICIPATION

(maximum 10 points) _____

As part of the implementation of City Council resolution no. 20120112-058 (see **Exhibit B**), relating to MBE/WBE compliance (the City of Austin program for Minority-owned Business Enterprises / Women-owned Business

Enterprises), the Successful Proposer is encouraged to set MBE/WBE participation goals or make a good faith effort to achieve these goals in the design and construction of improvements on the subject Property.

10 points: Specific MBE/WBE goals were identified and/or response indicates that a Good Faith Effort will be made to achieve the goals.

10. GREEN BUILDING

(maximum 5 points)

The Successful Proposer is encouraged to meet ambitious green building goals. This includes meeting a minimum Austin Energy 2 Star Green Building rating or USGBC LEED Silver rating. (Please refer to information and links provided at www.austintexas.gov/realestate)

5 points: Proposed development achieved the minimum Austin Energy 2 Star Green Building rating.

3 points: Proposed development achieved less than the Austin Energy 2 Star Green Building rating.

11. OTHER PUBLIC BENEFITS

(maximum 5 points)

Other public benefits proposed will be given additional consideration.

5 points: Proposal provides additional public benefits. Examples may include community parking, community gathering plazas, public art, etc.

TOTAL SCORE: _____
Out of 160 points

ENCLOSURE:

Exhibit A – MFI Chart for Round Rock-Austin-Round Rock MSA
Exhibit B – City Council Resolution No. 20120112-058 (M/WBE Compliance)

2013 HUD Income and Rent Limits
Austin-Round Rock -San Marcos, TX MSA
Income Limits - Effective date 3/15/13
Rent Limits - Effective date 6/1/13

HOME Program Income Limits

Income Limit	1 Person	2 Persons	3 Persons	4 Persons	5 Persons	6 Persons	7 Persons	8 Persons
20%	10,250	11,700	13,200	14,640	15,800	17,000	18,150	19,350
* 30%	15,400	17,600	19,800	21,950	23,750	25,500	27,250	29,000
40%	20,500	23,400	26,350	29,280	31,600	33,950	36,300	38,650
* 50%	25,650	29,300	32,950	36,600	39,550	42,500	45,400	48,350
60%	30,780	35,160	39,540	43,920	47,460	51,000	54,480	58,020
70%	35,850	41,000	46,100	51,240	55,350	59,450	63,550	67,650
* 80%	41,000	46,850	52,700	58,550	63,250	67,950	72,650	77,300
100%	51,250	58,550	65,900	73,200	79,050	84,900	90,750	96,600
120%	61,500	70,250	79,050	87,840	94,900	101,900	108,900	115,950
140%	71,750	82,000	92,250	102,480	110,700	118,900	127,100	135,250

*** Income provided by HUD.**

** Income calculated by NHCD based on the formula used by HUD.

HUD rounds to the nearest \$50 dollars

MFI Chart was expanded to include other percentages used by NHCD.

HOME Program Rent Limits

*** Provided by HUD**

	Efficiency	1 BR	2 BR	3 BR	4 BR	5 BR
30% Rent Limit	\$398	\$426	\$512	\$591	\$660	\$728
40% Rent Limit	\$532	\$570	\$684	\$789	\$881	\$972
* LOW HOME Rent Limit	\$643	\$712	\$855	\$986	\$1,101	\$1,215
* HIGH HOME Rent Limit	\$643	\$788	\$992	\$1,249	\$1,374	\$1,497
For Information Only (Below)						
* FAIR MARKET RENT	\$643	\$788	\$992	\$1,343	\$1,627	\$1,871
* 50% Rent Limit	\$665	\$712	\$855	\$986	\$1,101	\$1,215
* 65% Rent Limit	\$844	\$906	\$1,089	\$1,249	\$1,374	\$1,497

Schedule 2
EXHIBIT B

RESOLUTION NO. 20120112-058

The City Council repeals and replaces Resolution No. 20071108-127 with the following:

WHEREAS, each year, the City of Austin enters into multiple third-party agreements, which provide for the construction of public improvements or improvements to City real property by a third party rather than through a direct contract between the City and a general contractor; and

WHEREAS, the City may enter into agreements with private entities requesting City investment for private improvements to private land; and

WHEREAS, such third-party agreements include developer participation agreements, economic development agreements under Chapter 380 of the Texas Local Government Code ("Chapter 380 Agreements"), ground lease agreements, all third-party agreements negotiated between the City and private entities desiring to develop City-owned property; and any agreements pertaining to facilities constructed by private entities in conjunction with reliance on the City's endorsement pursuant to the Texas Major Events Trust Fund Act ("Eligible Third-party Agreements"); and

WHEREAS, the City values ensuring certified minority-owned and women-owned businesses are provided an equal opportunity to participate as

suppliers of material and services on projects resulting from Eligible Third-party Agreements;

WHEREAS, the City desires that the City's Eligible Third-party Agreements comply with the standards and principles of Chapters 2-9A through 2-9D of the City Code regarding minority-owned and women-owned business enterprises (the "City's M/WBE Ordinance");

WHEREAS, the City desires that the City's Eligible Third-party Agreements require efforts be made to provide minority-owned, women-owned, and local small businesses an equal opportunity to participate as suppliers of material and services for the subject project;

WHEREAS, the City desires to redress the unemployment and under-employment in the Austin area by expecting efforts be made to recruit local candidates for employment at the subject project;

WHEREAS, the City desires such efforts will increase the availability of new full-time jobs for local residents; **NOW, THEREFORE,**

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:

1. It is the policy of the City that Eligible Third Party Agreements comply with the standards and principles of the City's M/WBE Ordinance.

2. Eligible Third-party Agreements are to contain contract terms requiring the third party or private entity entering into the contract (the "Third Party") to comply with the standards and principles of the City's M/WBE Ordinance.
3. Consistent with the standards and principles of the M/WBE Ordinance, Eligible Third-party Agreements will include the establishment of ethnic specific M/WBE utilization goals, and a requirement that contractors and consultants on the subject project either meet the ethnic specific M/WBE utilization goals or demonstrate a good faith effort to meet the goals with respect to any design or construction projects including, but not limited to, construction of any leasehold improvements for the subject project. In the event the subject project is assisted by the City's financial investment (either the payment of dollars or waiver of taxes or fees), the goals shall be applied to the value of the entire subject project (as that term is defined in the agreement)—not limited to the value of financial investment provided by the City. In the event the Third Party enters into a build-to-suit lease or turn-key tenant improvement lease for the subject project, it is the Third Party's responsibility to

ensure the landlord complies with this provision for all construction and design relating to the Third Party's move-in.

4. When the Eligible Third-party Agreement is a developer participation agreement, the obligations of the City and the private entity are governed solely by the requirements contained in this paragraph. First, the City shall encourage the private entity to comply with the standards and principles of the M/WBE Ordinance on (a) the design of the water and wastewater infrastructure and related facilities; and (b) the design and construction of the subject project. Second, the City shall inform in writing all applicants for a service extension request that they are encouraged to comply with the standards and principles of the M/WBE Ordinance in the design of the water and wastewater infrastructure and related facilities. Nothing in this resolution modifies the continued applicability of the full M/WBE Ordinance to the procurement and construction of the subject infrastructure resulting from a service extension request under Chapter § 25-9 of the City Code.
5. When a request is made for the extension of electrical facilities, the City's full M/WBE Ordinance shall apply to the procurement, design, and construction of the electrical facilities.

6. When applicable, Eligible Third-party Agreements shall include the requirement of an outreach program designed to solicit participation of minority-owned businesses, women-owned businesses and small businesses.
7. The Third Party shall apprise the City's Department of Small Business and Minority Business Resources ("SMBR") when the Third Party desires assistance from SMBR in its efforts to meet the ethnic specific M/WBE utilization goals. This assistance may include identifying potential scopes of work (including, but not limited to, design, construction, and supply services), providing availability lists, establishing the bid packages available, scheduling and hosting outreach meetings, and otherwise assisting in soliciting bids from M/WBEs.
8. When applicable, the Eligible Third-party Agreement shall include a requirement that the Third Party use commercially reasonable efforts to provide minority-owned, women-owned, and local small businesses an equal opportunity to participate as suppliers of materials and services for the subject project (the "Suppliers Diversity Commitment").

9. The requirement to comply with the standards and principles of the M/WBE Ordinance and the Suppliers Diversity Commitment shall be included in the City's solicitation documents, if any, for the subject project.
10. The obligation to comply with the standards and principles of the City's M/WBE Ordinance and the Suppliers Diversity Commitment shall be material terms of the contract. Failure to comply with the standards and principles of the M/WBE Ordinance and/or the Suppliers Diversity Commitment shall be treated as breach of the contract, which will be subject to breach of contract remedies. The breach of contract remedies shall include the appropriate sanctions provided in the M/WBE Ordinance. Additionally, under Chapter 380 Agreements, if the Third Party (or landlord) fails to comply with the standards and principles of the M/WBE Ordinance, it shall be required to forfeit the City's financial investment (either the payment of dollars or waiver of taxes or fees) for the applicable compliance period as defined in the agreement. In the event the Third Party has received an up-front monetary contribution from the City or a waiver of taxes or fees on the front-end of the compliance period and the Third Party (or landlord) fails to comply with the standards and

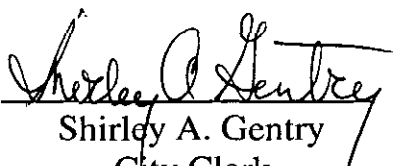
principles of the M/WBE Ordinance, it shall be required to promptly return all monies or reimburse the City for any waiver of taxes or fees received from the City with interest.

11. The requirement to comply with the standards and principles of the M/WBE Ordinance shall be addressed and negotiated at the earliest stages of negotiation of Eligible Third-party Agreements so as to allow ample opportunity for the standards and principles of the M/WBE Ordinance to be fully incorporated into the agreement and other contract documents.
12. The City employees who negotiate Eligible Third-party Agreements will be trained in the standards and principles of the M/WBE Ordinance in order to carry out the directives of this resolution.
13. Eligible Third-party Agreements will include monthly reporting requirements to allow SMBR to track compliance with the requirements contained herein.
14. Eligible Third-party Agreements shall include the requirement that the Third Party make commercially reasonable efforts to recruit residents of the Austin area for available employment opportunities.
15. SMBR shall report its determinations of compliance or noncompliance with the negotiated standards and principles of the

M/WBE Ordinance to the SMBR Advisory Committee and the MBE/WBE & Small Business Council Subcommittee.

16. Eligible Third Party Agreements do not include (1) agreements for the sale of land in which no continuing contractual relationship will exist between the purchaser and the City, (2) interlocal agreements administered by another governmental entity, and (3) agreements for privately-funded public improvements incidental to private development.
17. Any provisions of this Resolution that are inconsistent with its predecessor, Resolution No. 20071108-127, are inapplicable to Third-party Agreements executed prior to the effective date of this Resolution.

ADOPTED: January 12, 2012

ATTEST: 
Shirley A. Gentry
City Clerk