



**CITY OF WHARTON
SPECIAL CALLED WHARTON HOUSING
FINANCE CORPORATION**

**Tuesday, June 08, 2021
2:00 PM**

CITY HALL

**NOTICE OF
CITY OF WHARTON
SPECIAL CALLED WHARTON HOUSING FINANCE CORPORATION**

Notice is hereby given that a Special Called Wharton Housing Finance Corporation will be held on Tuesday, June 08, 2021 at 2:00 PM at the Wharton City Hall, 120 East Caney Street, Wharton, Texas, at which time the following subjects will be discussed to-wit:

SEE ATTACHED AGENDA

Dated this 04 day of June 2021.

By: /s/ Gary Nunez
Gary Nunez, President

I, the undersigned authority, do hereby certify that the above Notice of Meeting of the Special Called Wharton Housing Finance Corporation is a true and correct copy of said Notice and that I posted a true and correct copy of said Notice on the bulletin board, at City Hall of said City in Wharton, Texas, a place convenient and readily accessible to the general public at all times, and said Notice was posted on June 04, 2021, at 04:30 p.m. and remained so posted continuously for at least 72 hours preceding the scheduled time of said Meeting.

The Wharton City Hall is wheelchair accessible. Access to the building and special parking is available at the primary entrance. Persons with disabilities, who plan to attend this meeting and who may need auxiliary aids or services such as interpreters for persons who are deaf or hearing impaired, readers, or large print, are requested to contact the City Secretary's Office at (979) 532-4811 Ext. 225 or by FAX (979) 532-0181 at least two (2) days prior to the meeting date. BRAILLE IS NOT AVAILABLE.

Dated this 04 day of June 2021.

CITY OF WHARTON

By: 
Paula Favors
City Secretary



A G E N D A
CITY OF WHARTON
Special Called Wharton Housing Finance Corporation
Tuesday, June 08, 2021
City Hall - 2:00 PM

Call to Order.

Roll Call and Excused Absences.

Public Comments.

Review and Consider:

1. Reading of the minutes from the regular meeting held April 13, 2021.
2. WHFC Land Exchange Program
3. WHFC Request for Proposals for Developers
4. Current and future housing projects.

Adjournment.

City of Wharton
120 E. Caney Street
Wharton, TX 77488

HOUSING FINANCE CORPORATION

Meeting Date:	6/8/2021	Agenda Item:	Reading of the minutes from the regular meeting held April 13, 2021.
Attached is a draft copy of the minutes from the regular meeting held April 13, 2021.			
President: Gary Nunez		Date: Friday, June 4, 2021	
Approval: /s/ Gary Nunez			
Secretary: Tonya Machann			

**MINUTES
OF
WHARTON HOUSING FINANCE CORPORATION
CALLED MEETING
APRIL 13, 2021**

Wharton Housing Finance Corporation Executive Director Gwyn Teves declared a Called Meeting duly open for the transaction of business at 2:00 P.M.

Board of Directors present were: Morris Dean, Curtis Edwards, Gary Nunez, Worthy Carpenter, Morrow Lou Sims and Wharton Housing Finance Corporation Executive Director Gwyn Teves.

Board of Director absent was: Tonya Machann.

Visitors present were: City of Wharton Finance Director Joan Andel, City of Wharton City Secretary Paula Favors and City of Wharton Assistant to the Community Development Director Krystal Hasselmeier.

Roll Call and Excused Absences. After some discussion, Boardmember Morris Dean moved to excuse Boardmember Tonya Machann. Boardmember Worthy Carpenter seconded the motion. All voted in favor.

Public Comments. No comments were given.

The first item on the agenda was to review and consider the reading of the minutes from the regular meeting held on July 14, 2020. After some discussion, Boardmember Morris Dean moved to approve reading of the minutes from the regular meeting held on July 14, 2020. Boardmember Curtis Edwards seconded the motion. All voted in favor.

The second item on the agenda was to review and consider the Wharton Housing Finance Corporation Financial Report. City of Wharton Finance Director Joan Andel presented the financial report as of March 31, 2021. After some discussion, Boardmember Worthy Carpenter moved to approve the Wharton Housing Finance Corporation Financial Report ending March 31, 2021. Boardmember Curtis Edwards seconded the motion. All voted in favor.

The third item on the agenda was to review and consider the WHFC Land Exchange Program. Executive Director Gwyn Teves presented a draft of guidelines to implement a Land Exchange Program under the WHFC. After some discussion, Boardmember Worthy Carpenter moved to table the item until a future meeting. Boardmember Morris Dean seconded the motion. All voted in favor.

The fourth item on the agenda was to review and consider the WHFC Request for Proposals for Developers. Executive Director Gwyn Teves presented a draft Request for Proposals guide to put out to developers to implement development under the WHFC. After some discussion, Boardmember Morris Dean moved to approve the draft Request for Proposals guide for developers

to implement development under the WHFC. Boardmember Curtis Edwards seconded the motion. All voted in favor.

The fifth item on the agenda was review and consider current and future housing projects. Executive Director Gwyn Teves discussed several on-going projects throughout the City of Wharton and future business openings. After some discussion, no action was taken.

Adjournment. There being no further discussion, Boardmember Morris Dean made a motion to adjourn. Boardmember Worthy Carpenter seconded the motion. All voted in favor.

The meeting adjourned at 2:25 p.m.

WHARTON HOUSING FINANCE CORPORATION

By: _____
GARY NUNEZ
President

ATTEST:

TONYA MACHANN
Secretary

City of Wharton
120 E. Caney Street
Wharton, TX 77488

HOUSING FINANCE CORPORATION

Meeting Date:	6/8/2021	Agenda Item:	WHFC Land Exchange Program
<p>Attached you will find DRAFT guidelines to implement a Land Exchange Program under the WHFC.</p>			
President: Gary Nunez		Date: Friday, June 4, 2021	
Approval: /s/ Gary Nunez			
Secretary: Tonya Machann			

Wharton Housing Finance Corporation Land Exchange Program Guidelines

I. INTRODUCTION & AUTHORITY

The objective of the Wharton Housing Finance Corporation Land Exchange Program is to encourage development of housing and commercial spaces, as well as community assets, such as neighborhood parks & gardens. The Land Exchange Program aims to do this by transforming vacant and delinquent lots into assets like housing opportunities, spaces for businesses, and/or spaces that enhance the quality of life in the community. Providing land for below-market rates through a 'Request for Proposal' (RFP) process that allows developers to submit proposals for sites encourages outside investments for development, re-establishes lost tax base, and fills vacant or derelict space that otherwise is a nuisance to the City.

The guidelines herein will govern the Land Exchange Program. The Wharton Housing Finance Corporation Executive Director will administer the program on behalf of the HFC according to these guidelines, and in compliance with the policies and procedures set forth here. The Wharton Housing Finance Corporation will review all proposals and land exchange requests for final approval. The Executive Director will be responsible for carrying out the tasks decided on by the Wharton Housing Finance Corporation.

II. DEFINITIONS

"Approved Builder" means a builder that has successfully qualified through the Land Exchange Program's builder qualification screening.

"Committee" means the Wharton Housing Finance Corporation.

"Contract" means Wharton Housing Finance Corporation contract agreement with developer for development of lot obtained through the Land Exchange Program.

"Fair Market Value" means the market value of a lot as determined by an appraisal.

"Guidelines" means the Wharton Housing Finance Corporation's Program Guidelines.

"Income Eligibility Homebuyers" means a homebuyer whose income has been certified by the Executive Director at or below 120% of the Area Median Income (AMI).

"Lot" means City of Wharton and Wharton Housing Finance Corporation's lot made available for sale to an approved developer/proposal through the Land Exchange Program.

"Minimum Standards" means minimum quality standards, construction timelines and financial requirements as outlined in Section IV.

III. LOT SALES

Approved builders and development projects will be eligible to purchase lots through the Land Exchange Program if request for proposal is accepted by the Wharton Housing Finance Corporation and approved as outlined in these guidelines.

A. Lot Prices

Lots will be made available for approved builders and selected development proposals. Lots will be exchanged for approved development proposals at a fixed price discounted from the lots fair market value. The price will be based on a ranking of the lot's condition as well as other factors and will be listed on the availability list.

B. Builder Lot Selection

To purchase a lot through the Wharton Housing Finance Corporation's Land Exchange Program, an approved developer must submit a development proposal for the lot or lots they would like to develop. The proposal will be submitted on a template form attached as "Exhibit A" and backup material which includes:

- i. Proposed floorplan, Elevation, and Material specifications
- ii. Construction Financing Commitment
- III. Construction Timeline
- iv. Proposed Sales price of development (and anticipated Market)
- v. Proof of Ownership and Officers of Corporation Documents

C. Maximum Lot Selections

Builders may submit proposals for each available lot for sale but may be limited to a maximum amount of lot selection proposals approved as determined by the Wharton Housing Finance Corporation.

D. Required Acknowledgements

Approved Builders will submit each proposal with a signed acknowledgement of having read the Land Exchange Program Guidelines and Contract Terms and Conditions.

E. Developer Proposal Scoring and Selection Process

The top 5 proposals submitted by Approved builders (meeting minimum standards outlined in **Section IV(a)** of these Guidelines) will be determined by a review of the Wharton Housing Finance Corporation. The Wharton Housing Finance Corporation review will also ensure that the proposal meets the minimum standards of the Land Exchange Program (as outlined in **Section IV(a)** of these Guidelines).

The top 5 proposals will be reviewed and ranked by the Wharton Housing Finance Corporation for consideration of final approval and assigned points based on:

- i. Design Appropriateness (whether the design fits neighborhood and land uses typical of the area where lot is located)
- ii. Builder proximity considerations (Proximity to lots Builder is actively developing)
- iii. Development Enhancements (Features that increase quality of life in the area surrounding the lot location)
- iv. Proposed sales price (As originally proposed)

The top scoring proposals will be reviewed by the Wharton Housing Finance Corporation for approval. Once approved, Builder will be notified that they are eligible to purchase the lot from the Wharton Housing Finance Corporation and will:

- i. Sign a contract for purchase and development of the lot.
- ii. Pay earnest money for the purchase of the lot.

iii. At closing, record a forgivable deed of trust in favor of the Wharton Housing Finance Corporation for a rate determined by the appraised value of the lot plus 20%.

a. This is fully forgiven at the satisfactory closing to an income qualified buyer.

Wharton Housing Finance Corporation otherwise will be able to recover damages if Builder fails to perform according to the Land Exchange Program Guidelines and Contract Terms and Conditions.

IV. BUILDER REQUIREMENTS & RESTRICTIONS

A. Minimum Standards and Plan specifications

Approved Builders participating in this program will be required to meet minimum standards for quality, construction timelines, and construction financing, as outlined in the City of Wharton Code of Ordinances. Additionally, Approved Builders will be required to adhere to City permitting, building codes, adopted amendments, ordinances, and FEMA flood plain guidelines.

i. Minimum Quality Standards for project construction as outlined in the attached exhibit.

ii. Construction timelines as outlined in the Contract term Sheet.

iii. Construction Financing Requirements as outlined below:

a. Construction Financing Letter of commitment from a lender in the amount of the total cost of construction.

b. In lieu of Commitment Letter, a Builder may either secure a performance bond in the amount of the total cost of construction or enter the funds into escrow with the Wharton Housing Finance Corporation for an amount equal to the total cost of construction.

B. Construction Site and Contractor Standards

Approved Builders and their subcontractors participating in the Land Exchange Program will be required to maintain adequate insurance as outlined in the Contract Terms throughout the entire term of construction.

Approved Builders and their subcontractors participating in the Land Exchange Program will be required to follow construction site requirements and to maintain a construction site that does not adversely affect neighbors.

C. Construction Deadlines

Approved Builders with selected development proposals will be required to adhere to the proposed construction timeline or be subject to penalties. An Approved Builder that is unable to meet the proposed construction timeline must submit a request for adjustments to the proposed timeline that include the following:

i. Justification for reasons preventing the adherence to the timeline, which must be beyond the Builder's ability to control.

ii. New timeline proposal with reasonable time frame to resolve the expressed justification.

D. Community Engagement

Selected Developer for a project leveraging the Land Exchange Program will be required to post signage on proposed project site; notifying neighbors of the following:

i. Project proposed for construction and the price

ii. Approved Builder contact information.

- iii. Wharton Housing Finance Corporation program name:
 ‘City of Wharton Housing Finance Corp. Land Exchange Program’

E. Reports and Audits

Approved Developers will be required to submit monthly update reports on the progress of the project construction on lots purchased through the Land Exchange. These reports will be subject to regular audit by the Wharton Housing Finance Corporation.

F. Approved Developer Eligibility Requirements

To maintain eligibility status, developer must:

- i. Be current on all property taxes owed to taxing jurisdiction in Wharton County.
- ii. Be in compliance with existing contracts with the City of Wharton Housing Finance Corporation’s Land Exchange Program.
- iii. Not incur a program suspension or be in violation of any Land Exchange Program guidelines.

G. Program Prohibitions and Restrictions

Approved Developers participating in the Wharton Housing Finance Corporation Land Exchange Program shall be prohibited from reselling or reassigning any lot purchased through the Land Exchange Program to anyone.

Violation of this subsection could result in assessing penalties outlined in **Section V** of these guidelines.

V. DEFAULT & REMEDIES

A. Generally

Failure of an approved developer to comply with terms and conditions of the Contract or any of Guidelines herein will be subject to penalties and possibly recapture action.

Penalties that may be assessed by The Wharton Housing Finance.

i. Types of Violations

1. Failure to notify community
2. Failure to submit timely reports
3. Failure to comply with building/site codes, standards, and regulations
4. Failure to adhere to construction timeline
5. Failure to build according to approved project proposal
6. Multiple citations
7. Unauthorized sale or transfer of ownership
8. Failure to complete approved project

ii. Types of Penalties:

1. Point Deductions: Impact future project proposals.
2. Monetary Damages: Secured by Forgivable Deed of Trust.
3. Lot Revocation: Wharton Housing Finance Corporation may revoke a lot forfeited by Developer for violation of certain Program Guidelines and Contract Terms and Conditions.

4. Program Suspension: Developer will be banned from submitting project proposals for Land Exchange Program lots.

VI. ADDITIONAL REQUIREMENTS FOR RFP

A. Land Exchange Program Requirements for Developers BEFORE awarded a lot contract (*upon preliminary Land Exchange Program acceptance of lot acquisition bid/proposal prior to entering a purchase and sale agreement to sell lot to Developer*):

- i. Summary of builder's work experience (renewed opportunity to elaborate on experience & history of construction/home building)
- ii. List of potential Mechanical, Electrical and Plumbing subcontractors w/ license #'s—w/ references and summary of work experience
- iii. List of other unlicensed subcontractors—w/ references and summary of work experience
- iv. Naming of design consultants—Architect & specifically structural engineers
 1. Statement as to why particular plans were chosen to develop.
- v. Marketing plan and how builder will identify & qualify potential buyers
- vi. Self-analysis—self assessment of their perceived Strengths/weaknesses/opportunities/threats (SWOT)

B. Land Exchange Program requirements of Builders AFTER awarded a lot contract (*upon Final WHFC acceptance of lot acquisition bid/proposal as a parallel requirement alongside the purchase and sale agreement to sell lot(s) to Builder*):

- i. Copies of executed sub-contracts w/ license numbers as applicable
- ii. Evidence of Lender's commitment to project or proof of funding source
- iii. Certificates of general liability & builder's risk naming HLB as additional insured
- iv. Pro-forma or budget to build a specific floorplan/house on a specific lot once it has been defined
- iv. Digital copies of approved plans & permits once received
- vi. Statement acknowledging Quality Assurance and Quality Control (QA/QC) inspections at various points throughout construction in addition to Code Enforcement inspection tickets
- vii. Structural engineer of record inspection reports at key points (if applicable)
 1. Prior to slab pour
 2. Prior to drying in—structural frame & windstorm
 3. Prior to drywall cover up.

4. Prior to or alongside Cert of Compliance (i.e. final sign off of being built according to approved design)

VII. COMPLAINTS AND APPEALS PROCESS

The Land Exchange Program has developed a complaint and appeals process for both developers and project purchasers. Anyone seeking to file a complaint or appeal against a developer, a proposed or selected project development, or other program complaint or appeal should submit in by mail to:

Wharton Housing Finance Corporation

120 E. Caney
Wharton, TX 77488

Complaints and appeals will be reviewed by Wharton Housing Finance Corporation Staff to determine what actions may be necessary to take. Developers found to be in violation of contract terms or Program Guidelines will be notified within three business days of such determination and shall be given two business days to respond with a plan to remedy the violation. Developers failing to remedy the violation shall be subject to penalties as outlined in Section V of these Guidelines.

Developers seeking to file complaints or appeals should file according to the terms and conditions of the contract.

VIII. REGULATORY CONSIDERATIONS

Fair Housing Act

The federal Fair Housing Act prohibits discrimination in all housing transactions based on race, color, national origin, sex, religion, handicap, or familial status. Homebuyers that feel they have been discriminated against can contact:

The U.S. Department of Housing & Urban Development – Fair Housing & Equal Opportunity

Discrimination inquiries and/or complaints
800-669-9777 (Voice)
1-800-927-9275 (TTY)
www.hud.gov/offices/ftheo

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City of Wharton
120 E. Caney Street
Wharton, TX 77488

HOUSING FINANCE CORPORATION

Meeting Date:	6/8/2021	Agenda Item:	WHFC Request for Proposals for Developers
<p>Attached you will find a DRAFT Request for Proposals guide to put out to developers to implement development under the WHFC.</p>			
President: Gary Nunez		Date: Friday, June 4, 2021	
Approval: /s/ Gary Nunez			
Secretary: Tonya Machann			

OUTLINE, REQUEST FOR PROPOSALS (RFP)

I. Invitation to Bid

- A. overview of property being disposed
- B. goals for the disposition
- C. type of disposition (sale or lease)
- D. deadline for submission
- E. contact information

II. Site Tour and Briefing

- A. date and time
- B. contact information

III. Program Description/Development Guidelines

- A. design guidelines
- B. affordability requirements
- C. bedroom configuration
- D. overview of regulatory constraints
- E. financing options

IV. Property Description

- A. location and site information
- B. completed due diligence on the site (e.g., preliminary site design)
- C. buildings and improvements on the site (if applicable)
- D. zoning
- E. regulatory constraints
- F. utilities
- G. site constraints

V. Proposal Submission Requirements

- A. development plan, including number and size of units, affordability levels
- B. implementation plan and project timetable
- C. development concept, including proposed uses, market, how proposal complies with development guidelines
- D. property management plan
- E. development and operating proformas
- F. proposer financial status, including financial statements
- G. required forms, including certificate of tax compliance and non-collusion, disclosure of beneficial interest in real estate

VI. Developer Selection Criteria and Process

- A. minimum evaluation criteria
- B. comparative evaluation criteria
- C. selection and disposition process, including land development agreement, sample lease

I. INVITATION TO BID

The Wharton Housing Finance Corporation is seeking proposals for the development of at least ___ units of private or rental housing for low- and moderate-income families on approximately ___ acres of surplus land owned by the Wharton Housing Finance Corporation and located at (Address, City, State, Zip). The Wharton Housing Finance Corporation intends to convey/execute a long-term lease with the selected developer for this ___ acre site. The purpose of this RFP is to select a developer who will develop at least ___ new units, a mix of _____ bedroom units for low- and moderate-income families. The preference is for all/___% of the units to be available to families earning less than ___% of area median income. The actual level of affordability will be determined based on the project's feasibility including available financing resources.

Applicants should submit an original and six (6) copies on or before _____.

Wharton Housing Finance Corporation
Attention: Executive Director
120 E. Caney, Wharton, TX, 77488

at which time and place the bids will be opened and recorded. Proposals submitted after this time will not be accepted. Proposals should be marked "Responses to the Wharton Housing Finance Corporation Request for Proposals" and must include all required documents, completed, and signed per the instructions and attached forms included in this bid package. The Wharton Housing Finance Corporation reserves the right to reject any or all proposals or to cancel this Request for Proposals if it is deemed in the best interest of the Wharton Housing Finance Corporation. The Wharton Housing Finance Corporation makes no representations or warranties, express or implied as to the accuracy and/or completeness of the information provided in this RFP. This RFP (including all attachments and supplements) is made subject to errors, omissions, prior sale, lease or financing and withdrawal without prior notice, and changes to, additional, and different interpretations of laws and regulations.

Proposers' Responsibility for due diligence: Prospective developer should undertake their own review and analyses concerning physical conditions, environmental conditions, applicable zoning, required permits and approvals, and other development and legal considerations.

The Wharton Housing Finance Corporation has determined that the award of this contract is subject to the Uniform Procurement Act. M.G.L.c.30B. Therefore, the provisions of M.G.L. c. 30B are incorporated here by reference.

All inquiries regarding this RFP should be submitted via e-mail and directed to: _____,
 Executive Director @ _____,

Proposers must register with the Wharton Housing Finance Corporation at the same e-mail address no later than _____ 2021. All proposal inquiries and responses will be shared with all registered Proposers.

II. SITE TOUR AND BRIEFING

Interested developers are strongly encouraged to attend an on-site briefing session on _____ at __ p.m at the site, <Street>, Wharton, TX. Registration to attend the briefing is required no later than the close of business on _____. To register, or for additional information, contact _____.

III. PROPERTY DESCRIPTION

1. Location and Site Information

This Request for Proposals involves the lease/sale of ___ acres of land owned by the Wharton Housing Finance Corporation. The property is located on _____ and abuts <enter description here _____> to the north and east. The site is not located in an historic district. The assessor’s map can be found at Attachment _____. There are some environmental constraints as noted in #7 of the next section.

2. Utilities

The following information is provided for preliminary informational purposes only and must be independently determined and verified by Proposers.

Utility	Provider	Location
Water		
Wastewater		
Electric		
Gas		

3. Buildings and improvements

There are __ existing buildings on the site. These buildings are approximately _____ years old. Each building has its own septic system. Each building has its own parking area. All units are occupied.

4. Preliminary Site Plans

Attachment _ is the site plan prepared by the Wharton Housing Finance Corporation’s Executive Director. The plans are illustrative only and provide the Proposer grading and other site information.

5. Zoning

The City of Wharton currently does not have zoning.

6. Regulatory Constraints

There are no wetlands that we are aware of nor does the site border any vegetated wetlands.

IV. DEVELOPMENT GUIDELINES

The Wharton Housing Finance Corporation received pre-development funds from _____ to have third party consultants perform initial site feasibility work. The results of that work are attached for the Proposer's information as Attachment __. The consultants, _____, have evaluated the optimal uses for the site, the site design, septic concept, financial feasibility, and recommendations for the unit mix. All applicable findings regarding the site feasibility are included in the attachments. These findings were used to confirm project feasibility for the WHFC. Applicants may or may not choose to incorporate this work into their proposal. The Wharton Housing Finance Corporation makes no representations or warranties, express or implied as to the accuracy and/or completeness of the information.

Key elements that should be taken into consideration by Proposers:

1. CPA Funding

An estimated \$_____ in Community Preservation Act funds will be made available to support the construction of the new affordable units.

2. Affordability

Wharton Housing Finance Corporation's priority is that ___ units will serve families at or below ___ AMI. The units should be restricted to affordable housing purposes in perpetuity or for the longest period allowed by law.

3. Section 8 Project Based Subsidies

The Wharton Housing Finance Corporation will work with the developer to secure project-based Section 8 Rental Subsidies for the maximum allowable number of units, through either the State of Texas or a local Section 8 administrator.

4. Building Design & Construction

The Wharton Housing Finance Corporation would like the buildings to be as "green" as possible while recognizing the balance with financial feasibility. At a minimum, the development shall comply with the City of Wharton's site and building design guidelines as detailed in The City of Wharton's Code of Ordinances. In addition:

- Plans should designate the location of dumpsters and provide for tenant storage; and
- The proposed site plan should include road design, an explanation of the internal traffic flow pattern and how traffic will be managed to ensure safety of all tenants; and
- The Proposer should indicate how they will address the constraints posed by _____.

5. Management and Maintenance Plan (applicable to multi-family or rental properties)

The management plan should include who will manage the property. If a manager has not been selected, please explain how the developer plans on procuring a management agent. The plan should address if there will be on-site management and if so, how that will work, and if not, how that will be handled. Proposers should include a maintenance plan and detail the storage of maintenance equipment.

6. Development Agreement

The Wharton Housing Finance Corporation intends to execute a Development Agreement with the selected developer within 60 days of selection. This agreement will incorporate the provisions of the developer's accepted proposal and will detail how the developer will develop, construct, and operate the project.

7. Lease Payment/Acquisition Cost

Wharton Housing Finance Corporation would like the developer to consider an annual lease payment to the Wharton Housing Finance Corporation. The expectation is that any lease payment would be "below the line" in cash flow of the project, and only be made when the project met its funding requirements. Or: Wharton Housing Finance Corporation would like/requires the developer to consider an acquisition payment to the town/housing authority of at least \$_____.

8. Terms

The lease with the Wharton Housing Finance Corporation will include but is not limited to the following:

- a term of between 5 and 25 years; and
- incorporation of the provisions within the development agreement that are intended to survive the closing; and
- payment of \$_____ due at the time of lease execution; and
- an additional payment of \$_____ per year shall be paid on the anniversary date of the Lease.
- The lease may not be assigned to another entity without the prior written consent of the WHFC.

V. CRITERIA FOR EVALUATING PROSPECTIVE DEVELOPER/OWNERS

The following are the minimum proposal criteria for consideration:

1. Complete conformance with all submission requirements
2. Developer must have a minimum of ___ years' experience in development of affordable housing
3. Certification of compliance on all state and local taxes (attached form)

4. Developer availability to commence work within ___ days of selection

Projects meeting the minimum criteria will then be judged on the following additional comparative evaluation criteria which will be rated on a scale of unacceptable, advantageous or highly advantageous.

Affordability

Extent to which the project meets the affordability preference of all/ ___% units being affordable at ___% AMI or less.

Development Experience

Extent to which the developer's experience exceeds the minimum criteria, particularly with respect to the development team's prior track record with developing housing of a similar scale and type, structuring complex affordable housing finance transactions, and securing necessary permits and funding, as well as prior experience in the aforementioned environmental issue.

Developer Financial Capacity

Review of any legal or administrative actions past, pending or threatened that could relate to the ability or capacity of the Proposer, its principals, or any affiliates to undertake the project. Confirmation that no local, state, or federal taxes are due or outstanding for the development team or any constituent thereof. Review of any bankruptcy within the past ten years by any member of the development team. Review of financial statements to ensure the proposer has the financial strength to complete the proposed development.

Feasibility of proposed project; analysis of development budget

Analysis of operating budget: appropriate for target population, reasonableness of management, administrative costs, maintenance, and utility costs. Analysis of development budget: sources and uses are reasonable and attainable.

Market analysis

Rent comparability, affordability to target households, proposed rent-up period, proposed future rent increases, vacancy allowance.

Financing

Demonstration of ability to secure financing evidenced by history of successful projects with similar financing.

Site and unit design

Conformance with development guidelines and appropriateness of design for the area, the parcel, and the target population.

VI. Submission Requirements

1. The Developer and Development Team

- A. The proposal must include a description of the development team, the individuals, and organizations to be involved in the development, in particular the project manager, and their experience. The development team shall include, without limitation, the developer, architect, engineers, and consultants, and may include the contractor, property manager, lenders, and investors. Background information, including firm resumes and resumes for principals and employees expected to be assigned to the project, shall be provided.
- B. The name, address and telephone number of the Proposer, the name of any representative authorized to act on his/her behalf, the name of the contact to which all correspondence should be addressed, and the names and primary responsibilities of each individual on the development team. The lead project manager should be specifically identified.
- C. If the Proposer is not an individual doing business under his/her name, a description of the firm and status of the organization (e.g., whether a for profit, not-for-profit or charitable institution, a general or limited partnership, a corporation, LLC, LLP, business association, or joint venture) and the jurisdictions in which it is registered to do business. If the Proposer is a non-profit; please include a list of the organization's Board of Directors and areas of expertise they represent.
- D. The nature of the entity to enter into the purchase and sales/ground lease for the property and the borrower and guarantors of debt, if any.
- E. Identification of all principals, partners, co-venturers, or sub-developers participating in the transaction, and the nature and share of participants' ownership in and compensation from the project.
- F. If the property manager has not already been selected and identified above, a discussion of what the process will be for securing property management services.
- G. Description of the organizational structure of the development team and a plan to ensure effective communication between the WHFC and the development team during all phases of the project.
- H. A summary of first, the developer's and secondly, the development team's experience collectively and individually, and with similar projects. Particular attention should be given to demonstrate experience with projects of a similar scale and complexity of site conditions, permitting an affordable housing development, design, and financing. Proposer should demonstrate the ability to perform as proposed and to complete the project in a competent and timely manner, including the ability to pursue and carry out permitting, financing, marketing, design, and construction.

The following format should be used to submit the information for each project presented:

- Project name,
- project location,
- project type and description,
- project scope,
- start date,
- projected completion date and actual date of completion,
- total development costs,
- sources of financing,
- total number of units and bedroom sizes.

- I. Narrative on why the project is similar and why your experience is relevant to the proposed development project.
- J. Information regarding any legal or administrative actions past, pending or threatened that could relate to the conduct of the Proposer, its principals, or any affiliates.
- K. Confirmation that no local, state, or federal taxes are due and outstanding for the development team or any constituent thereof.
- L. List of current projects under development and at what stage these projects are in (predevelopment, pending funding, construction, etc.)
- M. Provision of at least three (3) references with contact names, title and current telephone numbers and e-mail addresses, who can provide information to the housing corporation concerning the Proposer's experience in similar projects.

2. Development Concept

- A. The level of unit affordability. The affordable housing units will be affordable in perpetuity to the extent legally possible. Affordability requirements will be reflected in the developer's agreement/ and the land lease. The preference is for all/___% units to be available to families at or below ___% of AMI. The actual levels of affordability will be determined based on the project's feasibility and available financing resources.
- B. Unit breakdown by bedroom size.
- C. Description of marketing and acceptance processes.
- D. Discussion of the physical plan and architectural character of the project and the various programmatic and physical elements of the development, including energy savings / green building elements of the design and proposed septic system design.

- E. Discussion of any environmental requirements and how the site design meets these requirements.
- F. Discussion of construction management plan as it relates to the environmental impacts of the _____ requirements.
- G. Analysis of the ways in which the proposal satisfies the development guidelines.

3. Project Financing and Financial Analysis

Using the One-Stop application format, provide the following:

- A. proposed pre-development budget, including all projected sources to be used to secure the necessary permits and approvals for the construction and operation of the development.
- B. development budget which includes detailed sources and uses, and
- C. 5-year operating budget.

4. Conceptual Design Drawings

The proposal must include 11 x 17 plans including:

- A. site plan that describes; entry way, driveway, parking layout, building locations, storage locations (if applicable), and trash management
- B. elevations
- C. typical unit floor plans

5. Implementation Plan and Timetable

The proposal must include a description of how the development concept will be implemented, including but not limited to:

- A. Detailed development schedule for all elements of the plan, including key milestones, financing benchmarks, and projected completion / occupancy timeframes, including COW approval process.
- B. Outline of required land use, environmental, operational, and other governmental or regulatory approvals, including land use, zoning, development, and environmental permits.
- C. The Proposer should provide a schedule for securing approvals as part of the proposal.

D. The Proposer should note what zoning variances, special permits or modifications are required.

E. The proposed development should be completed within ____ years of the execution of the Development Agreement.

6. Management Plan

The proposal must include a plan for the ongoing management of the developed facilities. If the Proposer is including a property manager as part of its team, all relevant information as outlined under 'Developer' above should be included as well as details of projects where the Proposer and Manager have worked together before.

At a minimum, the selected Proposer and/or their Management Agent will be expected to:

- A. establish a criteria for tenant selection and a fair and unbiased selection process; and
- B. be responsible for securing the Lease Agreements with the selected tenants; and
- C. create and/or maintain all necessary reports and certifications required under state and federal law; and
- D. create and/or maintain all necessary reports and certifications required by funding banks and agencies; and
- E. collect rent, security deposits and other receipts; and
- F. enforce the terms of the lease agreements; and
- G. maintain and repair the dwelling units; and
- H. maintain adequate insurance against claims for injuries or losses to persons or property that are alleged to have arisen on the Premises.

VII. SELECTION PROCESS

All packages submitted by the deadline will be opened in public and logged in. All information contained in the proposals is public. The Wharton Housing Finance Corporation's board or its designee(s) will review and evaluate all proposals that have been received by the submission deadline based on the criteria outlined herein. Evaluation of the proposals will be based on the information provided in the Proposer's submission in accordance with the submission requirements of this RFP and any interviews, references, and additional information requested by Wharton Housing Finance Corporation. The Wharton Housing Finance Corporation will notify all Proposers in writing of its decision.

EXECUTION OF DEVELOPMENT AGREEMENT AND LEASE

It is the intent of Wharton Housing Finance Corporation to enter into a development agreement with the selected Proposer and then: convey the property/ into a long-term land lease. The development agreement will be negotiated after the selection process and will reflect the selected project program.

ATTACHMENTS

1. Assessor's map
2. Engineering Site Plan
3. Selection rating criteria
4. Certificate of Non-Collusion
5. Tax Compliance Certificate
6. Disclosure of Beneficial Interest

DRAFT

City of Wharton
120 E. Caney Street
Wharton, TX 77488

HOUSING FINANCE CORPORATION

Meeting Date:	6/8/2021	Agenda Item:	Current and future housing projects.
Open discussion on current and future housing projects and opportunities.			
President: Gary Nunez		Date: Friday, June 4, 2021	
Approval: /s/ Gary Nunez			
Secretary: Tonya Machann			