

STATE OF TEXAS

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**CENTER CITY HOUSING
INCENTIVE POLICY AGREEMENT
OF THE CITY OF SAN ANTONIO**

COUNTY OF BEXAR

This Center City Housing Incentive Policy Agreement (hereinafter referred to as this "Agreement") is made and entered into by and among the City of San Antonio (the "CITY"), a municipal corporation of the State of Texas, acting by and through its City Manager or her designee and Las Varas Public Facility Corporation, (hereinafter referred to as "DEVELOPER") and whom together may be referred to as the "Parties".

RECITALS

WHEREAS, DEVELOPER is engaged in an economic development project that will be located within the city limits of San Antonio that will consist of the construction of TWO HUNDRED FIFTEEN (215) rental housing units to be located at the corner of Cesar Chavez Boulevard and Labor Street, San Antonio, TX 78210 (the "Project Site"), as more specifically described in **Exhibit A**; and

WHEREAS, once completed, the Project is anticipated to result in the investment of approximately THIRTY-SIX MILLION SIX HUNDRED FIVE THOUSAND AND SEVENTY-EIGHT DOLLARS AND 0 CENTS (\$36,605,078.00) in real property improvements, less land acquisition costs, within the boundaries of City Council District 1; and

WHEREAS, DEVELOPER is seeking economic incentives from the CITY to undertake and complete the Project; and

WHEREAS, the CITY has identified funds to be made available to DEVELOPER in the form of certain fee waivers (the "Incentives") for use in undertaking and completing the Project in accordance with the terms and conditions of this Agreement; and

WHEREAS, the City Council has authorized the City Manager or her designee to enter into this Agreement in accordance with the City's Center City Housing Incentive Policy (the "Policy"), **Exhibit B**, as approved by City Ordinance No.2012-06-21-0501, passed and approved on June 21, 2012, to grant certain funds as described herein and to waive certain fees; **NOW THEREFORE**:

The Parties hereto severally and collectively agree, for the consideration herein set forth, and by the execution hereof are bound, to the mutual obligations herein contained and to the performance and accomplishment of the tasks hereinafter described:

ARTICLE I. AGREEMENT PURPOSE

DEVELOPER shall undertake the Project which is anticipated to promote local economic development and to stimulate business and commercial activity in the City of San Antonio. The CITY is supporting the Project through this Agreement to provide Incentives to be used to defray

costs associated with the Project.

ARTICLE II. AGREEMENT PERIOD

This Agreement shall commence upon the Effective Date listed on the signature page and shall terminate upon the earlier of: (A) December 31, 2016; (B) the full-payment of Incentives by CITY to DEVELOPER, as limited by this Agreement and subject to funding availability; or (C) termination of this Agreement as otherwise provided herein (the “Term”).

ARTICLE III. PROJECT REQUIREMENTS

A. The Project.

1. Investment. DEVELOPER shall invest approximately THIRTY-SIX MILLION SIX HUNDRED FIVE THOUSAND AND SEVENTY-EIGHT DOLLARS AND 0 CENTS (\$36,605,078.00) (the “Minimum Investment”) in an economic development project that will be located within the city limits of San Antonio that will consist of the construction of two hundred and fifteen (215) rental housing units located at the Project Site (the “Project”). The Minimum Investment shall include expenditures in: land acquisition; design; base building construction costs; public improvement costs; taxes and insurance; administrative and financing costs; and DEVELOPER fees, as described in DEVELOPER’s CCHIP Application, **Exhibit C**.

2. Construction. DEVELOPER shall commence construction and demolition, if applicable, at the Project Site on or before July 1, 2015 (“Commencement Date”), and shall use commercially reasonable efforts to complete construction no later than December 31, 2016 (the “Completion Date”), subject to Force Majeure as defined in this Agreement. The Commencement Date shall be determined by the issuance of a building permit for the Project Site and CITY’s receipt of correspondence from the general contractor for the Project certifying that construction has commenced. The Completion Date shall be determined by the issuance of a Certificate of Occupancy for the Project Site by CITY, not to be unreasonably withheld.

a. DEVELOPER shall provide progress reports to City on the Project and Project Site on a quarterly basis from the Commencement Date through the Completion Date (the “Construction Period”). In addition to the quarterly progress reports, should CITY request an interim progress report during the Construction Period, DEVELOPER shall provide such progress report within fifteen (15) business days.

b. DEVELOPER shall comply with all applicable Federal, State and local laws and regulations, including federal Environmental Protection Agency (EPA), Texas Department of State Health Services (TDSHS) and Texas Commission on Environmental Quality (TCEQ) rules and regulations and all other regulations and laws relating to the environment, Asbestos Containing Materials (ACM), Hazardous

Substances or exposure to ACM and Hazardous Substances as applicable and shall develop and operate the Project in accordance with the terms and conditions of this Agreement.

c. No streets, sidewalks, drainage, public utility infrastructure, or other public improvements (“Public Improvements”) with a lien still attached may be offered to the CITY for dedication. If any lien or claim of lien, whether choate or inchoate (collectively, any “Mechanic’s Lien”) is filed against DEVELOPER regarding the Public Improvements on the Project by reason of any work, labor, services or materials supplied or claimed to have been supplied by, or on behalf of, DEVELOPER, or any of its agents or Contractors, DEVELOPER shall cause the same to be satisfied or discharged of record, or effectively prevent the enforcement or foreclosure against the Project’s Public Improvements by injunction, payment, deposit, bond, court order or otherwise.

d. DEVELOPER is responsible for complying with all applicable City Code provisions, including provisions of the Unified Development Code, enforced pursuant to the CITY’s subdivision platting authority, and as amended, including, but not limited to, those provisions related to drainage, utilities, and substandard public street rights-of-ways for development and construction of the Project including the Public Improvements. In addition, DEVELOPER shall exercise commercially reasonable efforts to follow the Urban Neighborhood recommendations of the applicable Master Plan, if any, and shall consider incorporating low impact development strategies for water quality, storm water and drainage where appropriate for the Project. This Agreement in no way obligates City to approve any subsequent permits or requests for the Project as DEVELOPER is still responsible for acquiring all necessary permits and/or approvals as needed for the Project.

ARTICLE IV. ECONOMIC DEVELOPMENT PROGRAM INCENTIVES

The Incentives offered by the CITY to the DEVELOPER in this Agreement shall be in compliance with the Policy in effect as of the Effective Date of the Agreement, which Policy may be amended from time to time. Should the Incentives provided in this Article exceed the maximum amount authorized in the Policy, then that award shall be automatically amended to provide only the amount authorized by the Policy.

Economic Development Program Incentives. CITY is providing DEVELOPER with Incentives in a cumulative amount of approximately, but not limited to, SIX HUNDRED THIRTY-TWO THOUSAND THREE HUNDRED SIXTY-EIGHT DOLLARS AND 0 CENTS (\$632,368.00), as summarized in the attached CCHIP Agreement Term Sheet, **Exhibit D**.

No disbursement of Incentives, other than fee waivers, shall be made until the following:

- (a) Execution of the Agreement by all Parties; and

- (b) Receipt of evidence of the issuance of a building permit from the CITY of San Antonio for the Project's location on or prior to the Commencement Date; and
- (c) Commencement of construction on the Project to be evidenced by the submission and receipt of a letter confirming commencement by the general contractor to CITY on or prior to the Commencement Date; and
- (d) Receipt by the CITY of evidence in the form of a letter from a qualified financial institution confirming DEVELOPER has funds available on deposit or under an existing credit facility or construction loan sufficient to complete the Project on or prior to the Commencement Date.

A. Fee Waivers. CITY is providing DEVELOPER with Fee Waivers in the cumulative amount of SIX HUNDRED THIRTY-TWO THOUSAND THREE HUNDRED SIXTY-EIGHT DOLLARS AND 0 CENTS (\$632,368.00). The cumulative amount represents both City fee waivers in the amount of FIFTY-EIGHT THOUSAND FIVE HUNDRED SEVENTY-FOUR DOLLARS AND 0 CENTS (\$58,574.00) and SAWS fee waivers in an amount not to exceed FIVE HUNDRED SEVENTY-THREE THOUSAND SEVEN HUNDRED NINETY-FOUR DOLLARS AND 0 CENTS (\$573,794.00). The Fee Waivers are administrative in nature and are effective as of the date they are issued as reflected in the attached Fee Waiver Transmittal, **Exhibit E**.

ARTICLE V. CITY OBLIGATIONS

- A. In consideration of full and satisfactory performance of activities required by this Agreement, CITY will pay DEVELOPER in accordance with Article IV above.
- B. CITY will be liable to DEVELOPER or any other entity for any costs incurred by DEVELOPER in connection with this Agreement.

ARTICLE VI. RETENTION AND ACCESSIBILITY OF RECORDS

- A. DEVELOPER shall maintain the fiscal records and supporting documentation for expenditures of Incentives associated with this Agreement. DEVELOPER shall retain such records and any supporting documentation for the greater of: (1) five [5] years from the end of the Agreement period; or (2) the period required by other applicable laws and regulations.
- B. DEVELOPER shall, following reasonable advance written notice from the CITY, give the CITY, its designee, or any of their duly authorized representatives, access to and the right to examine all material records related to the cost of Project (the "Records") and the expenditure of the Incentives. CITY's access to the Records will be limited to information needed to verify that DEVELOPER is and has been complying with the terms of this Agreement. Any information that is not required by law to be made public shall be kept confidential by the CITY. DEVELOPER shall not be required to disclose to the CITY any information that by law DEVELOPER is required to keep confidential. Should any good faith dispute or question arise as to the validity of the data provided, the CITY reserves the right to require DEVELOPER to obtain an independent firm to

verify the information. This certified statement by an independent firm shall be provided at the sole cost of DEVELOPER. The rights to access the Records shall continue as long as the Records are retained by DEVELOPER. Failure to provide reasonable access to the Records to authorized CITY representatives shall be cause for CITY to provide notice of intent to suspend or terminate this Agreement as provided for herein, or any portion thereof, for reason of default. Notwithstanding Section A above, all Records shall be retained by DEVELOPER for a period of five (5) years after all performance requirements are achieved for audit purposes until such audits or other administrative, civil or criminal matters including, but not limited to, investigations, lawsuits, administrative inquiries and open record requests are completed.

ARTICLE VII. MONITORING

The CITY reserves the right to confirm DEVELOPER's compliance with the terms and conditions of this Agreement. The CITY will provide DEVELOPER with a written report of the monitor's findings. If the monitoring report notes deficiencies in DEVELOPER's performances under the terms of this Agreement, the monitoring report shall include a listing of requirements for the correction of such deficiencies by DEVELOPER and a reasonable amount of time in which to attain compliance. Failure by DEVELOPER to take action specified in the monitoring report within a reasonable amount of time may be cause for suspension or termination of this Agreement, in accordance with Articles VIII and IX herein.

ARTICLE VIII. DEFAULT/CURE PERIOD/SUSPENSION

A. Notwithstanding the provisions of Chapter 2251 of the Texas Government Code, in the event DEVELOPER fails to comply with the terms of this Agreement such non-compliance shall be deemed a default. CITY shall provide DEVELOPER with written notification as to the nature of the default (the "Notice of Default") and grant DEVELOPER a sixty (60) day period from the date of CITY's written notification to cure such default (the "Cure Period"). Should DEVELOPER fail to cure the default within the Cure Period, CITY may, upon written notification (the "Notice of Suspension"), suspend this Agreement in whole or in part and withhold further payments to DEVELOPER. Such Notice of Suspension shall include: (1) the reasons for such suspension; (2) the effective date of such suspension; and, (3) in the case of partial suspension, the portion of the Agreement to be suspended.

B. In the case of default for causes beyond DEVELOPER's reasonable control, which cannot with due diligence be cured within the Cure Period, CITY may, in its sole discretion, extend the Cure Period provided that DEVELOPER shall: (1) immediately upon receipt of Notice of Default advise CITY of DEVELOPER's intention to institute all steps necessary to cure such default and the associated time frame; and (2) institute and thereafter prosecute to completion with reasonable dispatch all steps necessary to cure same.

C. A suspension under this Article VIII may be lifted only at the sole discretion of the CITY upon a showing of compliance with or written waiver by CITY of the term(s) in question.

D. CITY shall not be liable to DEVELOPER or to DEVELOPER's creditors for costs incurred during any term of suspension of this Agreement.

ARTICLE IX. TERMINATION

A. Should DEVELOPER fail to timely meet the Commencement Date for the Project in accordance with Article III.A.2 above, at CITY's sole discretion, and with 30 days notice to DEVELOPER, CITY may terminate the Agreement, in which instance any and all Incentives offered to DEVELOPER by CITY shall extinguish.

B. CITY shall have the right to terminate this Agreement for cause should DEVELOPER fail to perform under the terms and conditions herein, or should DEVELOPER fail to cure a default after receiving written notice of such default with sixty (60) days opportunity to cure. CITY may, upon issuance to DEVELOPER of written notice of termination (the "Notice of Termination"), terminate this Agreement for cause and withhold further payments to DEVELOPER. A Notice of Termination shall include: (1) the reasons for such termination; and (2) the effective date of such Termination.

C. Should CITY terminate this Agreement for cause, then CITY shall have the right to recapture any and all disbursed funds made under, as applicable, the Economic Development Program Annual Incremental Property Tax Reimbursement, and/or any and all disbursed Incentive Loan Funds. CITY shall be entitled to the repayment of the recaptured funds within sixty (60) calendar days from the date of the Notice of Termination.

D. In addition to the above, this Agreement may be terminated by written agreement of the Parties as follows:

1. By the CITY (with the consent of DEVELOPER) in which case the two parties shall agree upon the termination conditions, including the repayment of funds and the effective date of termination; or
2. By the DEVELOPER upon written notification to CITY, setting forth the reasons of such termination, a proposed pay-back plan of all funds disbursed, and the proposed effective date of such termination.

Notwithstanding the foregoing, DEVELOPER shall not be relieved of its obligation to repay any and all disbursed funds made under this Agreement, nor shall DEVELOPER be relieved of any liability to CITY for actual damages due to CITY by virtue of any breach by DEVELOPER of any terms of this Agreement.

E. Other Remedies Available. The City shall have the right to seek any remedy at law to which it may be entitled, in addition to termination and repayment of funds, if DEVELOPER defaults under the material terms of this Agreement and fails to cure such default within the cure period set forth above.

ARTICLE X. NOTICE

Any notice required or permitted to be given hereunder by one Party to the other shall be in writing and the same shall be given and shall be deemed to have been served and given if: (a) delivered in person to the address set forth herein below for the Party to whom the notice is given; (b) placed in the United States mail with postage prepaid, return receipt requested, properly addressed to such Party at the address hereinafter specified; or (c) deposited, with fees prepaid, into the custody of a nationally recognized overnight delivery service such as FedEx, addressed to such Party at the address hereinafter specified. Any notice mailed in the above manner shall be effective two (2) business days following its deposit into the custody of the United States Postal Service or one (1) business day following its deposit into the custody of such nationally recognized delivery service, as applicable; all other notices shall be effective upon receipt. From time to time, either Party may designate another address for all purposes under this Agreement by giving the other Party no less than ten (10) calendar days advance written notice of such change of address in accordance with the provisions hereof.

If intended for CITY, to:

City of San Antonio
Attn: Director
Center City Development Office
P.O. Box 839966
San Antonio, TX 78283-3966

If intended for DEVELOPER, to:

Las Varas Public Facility Corporation
818 S. Flores Street,
San Antonio, TX 78204

ARTICLE XI. CONFLICT OF INTEREST

A. DEVELOPER shall ensure that no employee, officer, or individual agent of CITY shall participate in the selection, award or administration of a subcontract supported by funds provided hereunder if a conflict of interest, real or apparent, would be involved. Such conflict of interest would arise when: (1) the employee, officer, or individual agent; (2) any member of his or her immediate family; (3) his or her partner; or, (4) any organization which employs, or is about to employ any of the above, has a financial or other interest in the firm or person selected to perform the subcontract and the relationship calls for payments to be made to such subcontractor on terms which are greater than those which are customary in the industry for similar services conducted on similar terms. DEVELOPER shall comply with Chapter 171, Texas Local Government Code as well as the CITY's Code of Ethics.

B. City may terminate this Agreement immediately if the DEVELOPER has offered, conferred, or agreed to confer any benefit on a City of San Antonio employee or official that the City of San Antonio employee or official is prohibited by law from accepting. Benefit means anything reasonably regarded as pecuniary gain or pecuniary advantage, including benefit to any other person in whose

welfare the beneficiary has a direct or substantial interest, but does not include a contribution or expenditure made and reported in accordance with law. Notwithstanding any other legal remedies, the City may obtain reimbursement for any expenditure made to the DEVELOPER resulting from the improper offer, agreement to confer, or conferring of a benefit to a City of San Antonio employee or official.

ARTICLE XII. NONDISCRIMINATION AND SECTARIAN ACTIVITY

A. As a condition of entering into this Agreement, DEVELOPER represents and warrants that it will comply with the CITY's Commercial Nondiscrimination Policy, as described under Section III. C. 1. of the SBEDA Ordinance 2010-06-17-0531. As part of such compliance, DEVELOPER shall not discriminate on the basis of race, color, religion, ancestry or national origin, sex, age, marital status, sexual orientation, or on the basis of disability or other unlawful forms of discrimination in the solicitation, selection, hiring or commercial treatment of subcontractors, vendors, suppliers, or commercial customers funded in whole or in part with funds made available under this Agreement, nor shall DEVELOPER retaliate against any person for reporting instances of such discrimination. DEVELOPER shall provide equal opportunity for subcontractors, vendors and suppliers to participate in all of its public sector and private sector subcontracting and supply opportunities, provided that nothing contained in this clause shall prohibit or limit otherwise lawful efforts to remedy the effects of marketplace discrimination that have occurred or are occurring in the CITY's relevant marketplace. DEVELOPER understands and agrees that a material violation of this clause shall be considered a material breach of this Agreement and may result in termination of this Agreement, disqualification of DEVELOPER from participating in City contracts, or other sanctions as provided by applicable law. This clause is not enforceable by or for the benefit of, and creates no obligation to, any third party.

B. None of the performances rendered by DEVELOPER under this Agreement shall involve, and no portion of the Incentives received by DEVELOPER under this Agreement shall be used in support of, any sectarian or religious activity, nor shall any facility used in the performance of this Agreement be used for sectarian instruction or as a place of religious worship.

C. DEVELOPER shall, to the best of its knowledge and belief, include the substance of this Article in all agreements entered into by DEVELOPER associated with the funds made available through this Agreement.

ARTICLE XIII. LEGAL AUTHORITY

A. Each Party assures and guarantees to the other that they possesses the legal authority to enter into this Agreement, to receive/deliver the Incentives authorized by this Agreement, and to perform their obligations hereunder.

B. The person or persons signing and executing this Agreement on behalf of each Party or representing themselves as signing and executing this Agreement on behalf of a Party, do hereby guarantee that he, she or they have been duly authorized to execute this Agreement on behalf of that Party and to validly and legally bind that Party to all terms, performances and provisions herein set

forth.

C. CITY will have the right to suspend or terminate this Agreement in accordance with Articles VIII or IX if there is a dispute as to the legal authority of either DEVELOPER or the person signing this Agreement, to enter into this Agreement, any amendments hereto or failure to render performances hereunder. DEVELOPER is liable to CITY for all Incentives it has received from CITY under this Agreement if CITY suspends or terminates this Agreement for reasons enumerated in this Article.

ARTICLE XIV. LITIGATION AND CLAIMS

A. DEVELOPER shall give CITY immediate notice in writing of any action, including any proceeding before an administrative agency, filed against DEVELOPER arising out of the performance of any activities hereunder. Except as otherwise directed by CITY, DEVELOPER shall furnish immediately to CITY copies of all pertinent papers received by DEVELOPER with respect to such action or claim. DEVELOPER shall notify the CITY immediately of any legal action, known to DEVELOPER, filed against the DEVELOPER or any subcontractor thereto, or of any known proceeding filed under the federal bankruptcy code to which DEVELOPER or any subcontractor is a party. DEVELOPER shall submit a copy of such notice to CITY within 30 calendar days after receipt. No Incentives provided under this Agreement may be used in the payment of any costs incurred from violations or settlements of, or failure to comply with, federal and state regulations. The above notwithstanding, DEVELOPER is not required to notify CITY of claims or litigation which arise out of DEVELOPER's operations on the Project, including, without limitation, landlord tenant disputes, personal injury actions (e.g., slip and falls), and other operational activities or relationships.

B. DEVELOPER acknowledges that CITY is a political subdivision of the State of Texas and is subject to, and complies with, the applicable provisions of the Texas Tort Claims Act, as set out in the Civil Practice and Remedies Code, Section 101.001 *et seq.*, and the remedies authorized therein regarding claims and causes of action that may be asserted by third parties for accident, injury or death.

C. This Agreement shall be interpreted according to the Constitution and the laws of the State of Texas. Venue of any court action brought directly or indirectly by reason of this Agreement shall be in Bexar County, Texas.

ARTICLE XV. ATTORNEY'S FEES

A. In the event DEVELOPER should default under any of the provisions of this Agreement and the CITY should employ attorneys or incur other expenses for the collection of the payments due under this Agreement or the enforcement of performance or observance of any obligation or agreement on the part of DEVELOPER herein contained, DEVELOPER agrees to pay to the reasonable fees of such attorneys and such other expenses so incurred by the CITY.

B. In the event CITY should default under any of the provisions of this Agreement and the DEVELOPER should employ attorneys or incur other expenses for the collection of the payments due under this Agreement or the enforcement of performance or observance of any obligation or

agreement on the part of CITY herein contained, CITY agrees to pay to the DEVELOPER reasonable fees of such attorneys and such other expenses so incurred by the DEVELOPER.

ARTICLE XVI. CHANGES AND AMENDMENTS

A. Except as provided below, any alterations, additions, or deletions to the terms of this Agreement shall be by amendment hereto in writing and executed by all Parties to this Agreement. Any amendments to this Agreement which change or increase any of the Incentives to be provided DEVELOPER by CITY must be approved by CITY.

B. It is understood and agreed by the Parties hereto that performance under this Agreement shall be rendered in accordance with the laws and rules governing the Economic Development Program as set forth in Texas Local Government Code Chapter 380, and the terms and conditions of this Agreement.

C. Any alterations, additions, or deletions to the terms of this Agreement required by changes in state law or regulations are automatically incorporated into this Agreement without written amendment hereto, and shall become effective on the date designated by such law or regulation.

ARTICLE XVII. SUBCONTRACTING

A. DEVELOPER shall use reasonable business efforts to ensure that the performance rendered under subcontracts entered into by DEVELOPER complies with all terms and provisions of this Agreement as if such performance were rendered by DEVELOPER.

B. DEVELOPER, in subcontracting any of the performances hereunder, expressly understands that in entering into such subcontracts, CITY is liable to DEVELOPER's subcontractor(s).

C. DEVELOPER assures and shall obtain assurances from all of its contractors where applicable, that no person shall, on the grounds of race, creed, color, disability, national origin, sex or religion, be excluded from, be denied the benefit of, or be subjected to discrimination under any program or activity funded in whole or in part under this Agreement.

ARTICLE XVIII. DEBARMENT

By signing this Agreement, DEVELOPER certifies that it will not award any Incentives provided under this Agreement to any party which it knows to be debarred, suspended or otherwise excluded from or ineligible for participation in assistance programs by the CITY.

ARTICLE XIX. RIGHTS UPON DEFAULT

It is expressly understood and agreed by the Parties hereto that, except as otherwise expressly provided herein, any right or remedy provided for in this Agreement shall not preclude the exercise of any other right or remedy under any other agreements between DEVELOPER and the CITY or

under any provision of law, nor shall any action taken in the exercise of any right or remedy be deemed a waiver of any other rights or remedies. Failure to exercise any right or remedy hereunder shall not constitute a waiver of the right to exercise that or any other right or remedy at any time.

ARTICLE XX. ASSIGNMENT

A. This Agreement is not assignable by any Party without the written consent of the non-assigning Parties. Notwithstanding the foregoing, DEVELOPER may assign this Agreement to a parent, subsidiary, affiliate entity or newly created entity resulting from a merger, acquisition or other corporate restructure or reorganization of DEVELOPER. In such cases, DEVELOPER shall give CITY no less than thirty (30) days prior written notice of the assignment or other transfer. Any and all future assignees must be bound by all terms and/or provisions and representations of this Agreement as a condition of assignment. Any attempt to assign the Agreement without the notification and subsequent consent of CITY, if consent is required under this Article, shall release CITY from performing any of the terms, covenants and conditions herein. Any assignment of this Agreement in violation of this Article shall enable CITY to terminate this Agreement and exercise its rights under Article IX of this Agreement.

B. Any restrictions in this Agreement on the transfer or assignment of the DEVELOPER's interest in this Agreement shall not apply to and shall not prevent the assignment of this Agreement to a lending institution or other provider of capital in order to obtain financing for the Project. In no event, shall the CITY be obligated in any way to said financial institution or other provider of capital. The City shall only issue checks or any other forms of payment made payable to the DEVELOPER.

ARTICLE XXI. ORAL AND WRITTEN AGREEMENTS

All oral and written agreements among the Parties to this Agreement relating to the subject matter of this Agreement that were made prior to the execution of this Agreement have been reduced to writing and are contained in this Agreement.

ARTICLE XXII. AUTHORIZED RELIEF FROM PERFORMANCE (*Force Majeure*)

The CITY may grant temporary relief from any deadline for performance of any term of this Agreement if the DEVELOPER is prevented from compliance and performance by an act of war, order of legal authority, act of God, or other unavoidable cause not attributed to the fault or negligence of the DEVELOPER. The burden of proof for the need for such relief shall rest upon the DEVELOPER. To obtain relief based upon *force majeure*, the DEVELOPER must file a written request with the CITY. CITY will not unreasonably withhold its consent.

ARTICLE XXIV. INCORPORATION OF EXHIBITS

Each of the Exhibits listed below is incorporated herein by reference for all purposes as an essential part of the Agreement, which governs the rights and duties of the Parties.

Exhibit A Legal Description of Property
Exhibit B Center City Housing Incentive Policy
Exhibit C Developer's CCHIP Application
Exhibit D CCHIP Agreement Term Sheet
Exhibit E Fee Waiver Transmittal

Signatures appear on next page.

WITNESS OUR HANDS, EFFECTIVE as of February 18, 2015
(the "Effective Date"):

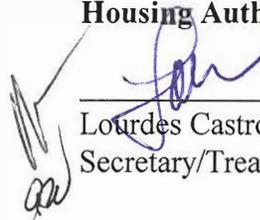
Accepted and executed in three duplicate originals on behalf of the City of San Antonio pursuant to Ordinance Number 2012-06-21-0501, dated June 21, 2012, and by DEVELOPER pursuant to the authority of its Managing Partner.

CITY OF SAN ANTONIO,
a Texas Municipal Corporation



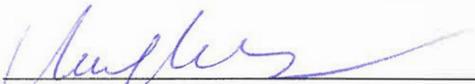
Carlos J. Contreras III
Assistant City Manager

DEVELOPER:
LAS VARAS PUBLIC FACILITY
CORPORATION, a San Antonio
Housing Authority Affiliate



Lourdes Castro Ramirez
Secretary/Treasurer

APPROVED AS TO FORM:

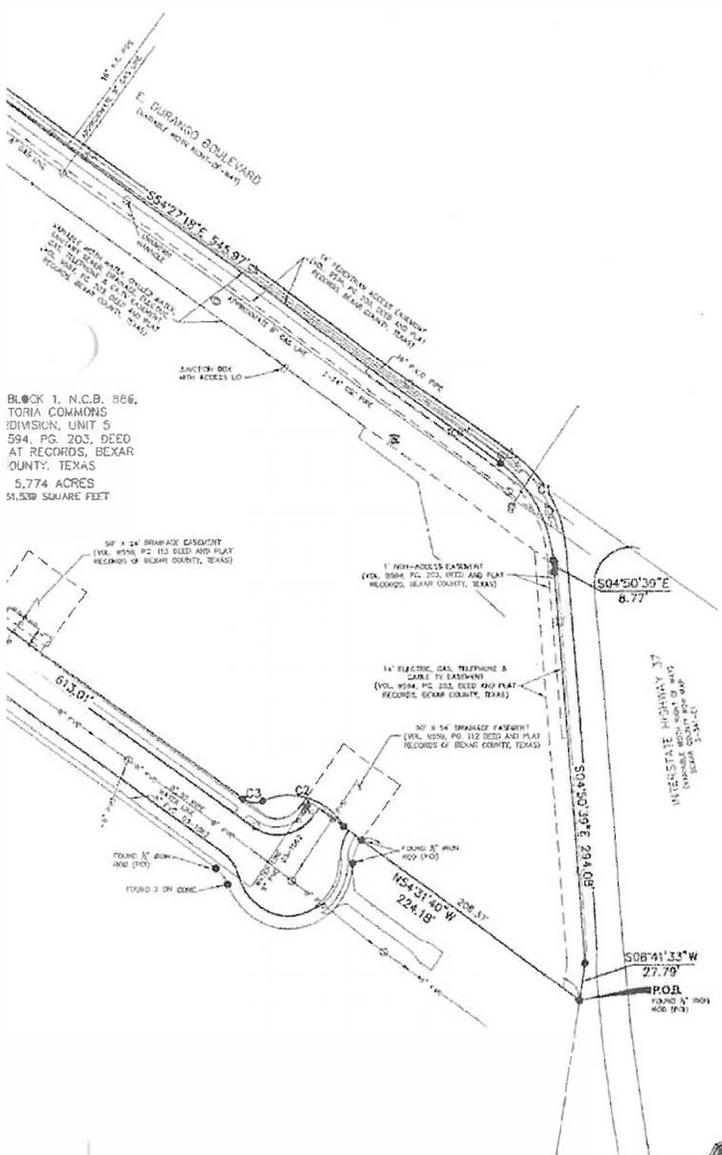


CITY ATTORNEY

Exhibit A

NOTES:
 1) UNLESS OTHERWISE NOTED, ALL CORNERS HAVE BEEN SET WITH 1/2" IRON RODS WITH AN ORANGE PLASTIC CAP STAMPED "C&B-S.A. PROP. COR."
 2) THE BASIS OF BEARING FOR THIS SURVEY IS THE TEXAS STATE PLANE COORDINATE SYSTEM, SOUTH CENTRAL ZONE, NORTH AMERICAN DATUM OF 1983 (NAD 83). (Bearing, Distances and Area are Surface Computed. Scale Factor of 0.99993002890.)
 3) A METES AND BOUNDS DESCRIPTION OF EVEN DATE ACCOMPANIES THIS SURVEY PLAT.
 4) ACCORDING TO THE FEDERAL EMERGENCY MANAGEMENT AGENCY FLOOD EFFECTIVE DATE JUNE 16, 2007, INSURANCE RATE MAP NO. 48028C0465 F THE SUBJECT PROPERTY LIES WITHIN ZONE X (UNSHADED), AREAS DETERMINED TO BE OUTSIDE 500-YEAR FLOOD PLAIN.

- LEGEND:**
- = SET 1/2" IRON ROD W/ AN ORANGE CAP STAMPED "C&B-S.A. PROP. COR." UNLESS OTHERWISE NOTED
 - = "ND 1/2" IRON ROD W/ AN ORANGE CAP STAMPED "C&B-S.A. PROP. COR." UNLESS OTHERWISE NOTED
 - = CHAINLINK FENCE
 - = OVERHEAD ELECTRIC
 - = METAL FENCE
 - = POWER POLE
 - = SANITARY SEWER MANHOLE
 - = FIRE HYDRANT
 - = WATER VALVE
 - = WATER METER
 - = GAS VALVE
 - = UNKNOWN MANHOLE
 - = SANITARY SEWER MANHOLE
 - = STORM DRAIN MANHOLE
 - = TRAFFIC SIGNAL LIGHT POLE
 - = SIGNAL CONTROL PANEL
 - △ = SIGN
 - = TELEPHONE PEDESTAL
 - = ELECTRIC JUNCTION BOX
 - = LIGHT STANDARD
 - = TYPOT MONUMENT
 - P.O.B. = POINT OF BEGINNING



BLOCK 1, N.C.B. 886, VICTORIA COMMONS DIVISION, UNIT 5 594, PG. 203, DEED AT RECORDS, BEXAR COUNTY, TEXAS 5.774 ACRES 51,570 SQUARE FEET

"ALTA/ACSM LAND TITLE SURVEY"

The undersigned hereby certifies to Control One National Association, Ltd. Republic National Title Insurance Company, San Antonio Bonding Finance Corporation, Dunlap Midland, L.P., Las Vegas Public Utility Corporation, City of San Antonio, Texas and Housing Authority of the City of San Antonio Texas (the date of preparation of this survey), and as of the latest revision date prior to the execution of this document, if any, shown on this survey that (1) I am a duly registered land surveyor in the State of Texas; (2) this survey was made on the ground by the use of my direct observations; (3) this map or plat and the survey on which this plat was made is not in accordance with the most recent "Minimum Standards Detail Requirements for ALTA/ACSM Land Title Surveys" (hereinafter established and approved by ALTA and NSPS, and including optional items 1, 2, 3, 4, 6, 7(a), 8, 9, 10, 11(a), 11(b), and 1) of Table A hereof; (4) in my professional opinion, pursuant to the Accuracy Standards as adopted by ALTA, NSPS, and ACSM and in effect on the date of this certification, the Relative Horizontal Accuracy of this survey does not exceed that which is specified therein; (5) I have reviewed and caused a copy of the (Legal Description) (Title Insurance Commitment No. 088555 issued by the Title Insurer as well as a copy of each instrument listed therein) and the entire land and each tract or parcel thereof depicted in the survey to be accurately determined in the field (Description) (Title Commitment) and (4) except as otherwise shown on this map or plat, the subject land is located in a 100-year Flood Plain or in an identified "flood prone area," as defined pursuant to the Flood Disaster Protection Act of 1973, as amended, as reflected by Flood Insurance Rate Map Panel # 48028C0465 F dated June 19th, 2007, which such map panel covers the area in which the subject land is situated.



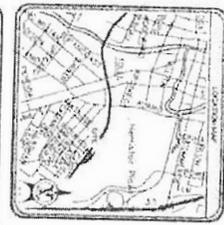
David A. Kauter
 9/8/08
 REGISTERED PROFESSIONAL LAND SURVEYOR
 NO. 5342

Carter Burgess
 Consultants in Engineering, Architecture,
 Construction Management and Related Services
 Carter and Burgess, Inc.
 811 Central Expressway North, Suite 425
 San Antonio, Texas 78232
 (210) 484-0088 Fax (210) 484-4888
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ALTA/ACSM LAND TITLE SURVEY
 OF
LOT 2, BLOCK 1, N.C.B. 886, VICTORIA COMMONS SUBDIVISION, UNIT 5
 VOL. 8594, PG. 203, DEED AND PLAT RECORDS, BEXAR COUNTY, TEXAS
 CITY OF SAN ANTONIO, TEXAS

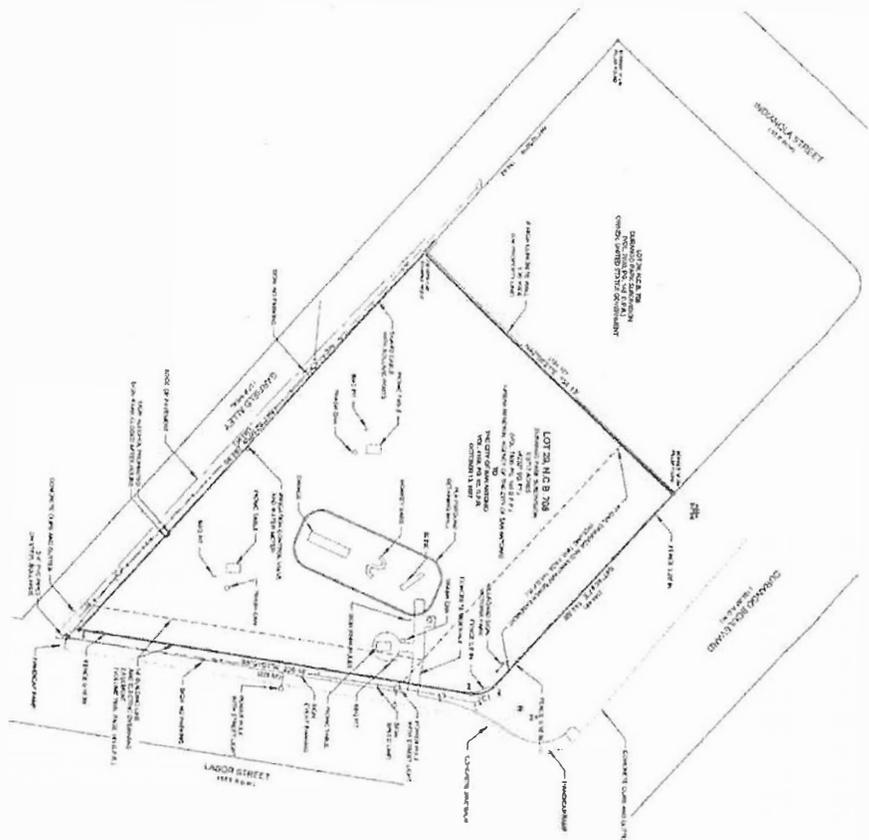
DATE: 9/8/08	DRAWN BY: CJJ	CHECKED BY: DMJ	PROJECT NUMBER: 1013M/132
DESIGNED BY: DMJ	CHECKED BY: DMJ	REVIEWED BY: DMJ	

SHEET
1
 OF 1



(1) The survey was made by the use of a transit and stadia, and the bearings and distances were measured in feet and inches. The bearings were measured to the nearest second and the distances to the nearest hundredth of a foot.

(2) The survey was made by the use of a transit and stadia, and the bearings and distances were measured in feet and inches. The bearings were measured to the nearest second and the distances to the nearest hundredth of a foot.



NO.	DESCRIPTION	ACRES
1	LOT 23, NEW CITY BLOCK T88, DURANGO PARK SUBDIVISION, SAN ANTONIO, BEXAR COUNTY, TEXAS	0.1234
2	LOT 24, NEW CITY BLOCK T88, DURANGO PARK SUBDIVISION, SAN ANTONIO, BEXAR COUNTY, TEXAS	0.1234
3	LOT 25, NEW CITY BLOCK T88, DURANGO PARK SUBDIVISION, SAN ANTONIO, BEXAR COUNTY, TEXAS	0.1234
4	LOT 26, NEW CITY BLOCK T88, DURANGO PARK SUBDIVISION, SAN ANTONIO, BEXAR COUNTY, TEXAS	0.1234
5	LOT 27, NEW CITY BLOCK T88, DURANGO PARK SUBDIVISION, SAN ANTONIO, BEXAR COUNTY, TEXAS	0.1234
6	LOT 28, NEW CITY BLOCK T88, DURANGO PARK SUBDIVISION, SAN ANTONIO, BEXAR COUNTY, TEXAS	0.1234
7	LOT 29, NEW CITY BLOCK T88, DURANGO PARK SUBDIVISION, SAN ANTONIO, BEXAR COUNTY, TEXAS	0.1234
8	LOT 30, NEW CITY BLOCK T88, DURANGO PARK SUBDIVISION, SAN ANTONIO, BEXAR COUNTY, TEXAS	0.1234
9	LOT 31, NEW CITY BLOCK T88, DURANGO PARK SUBDIVISION, SAN ANTONIO, BEXAR COUNTY, TEXAS	0.1234
10	LOT 32, NEW CITY BLOCK T88, DURANGO PARK SUBDIVISION, SAN ANTONIO, BEXAR COUNTY, TEXAS	0.1234



TO THE OFFICE OF THE COUNTY CLERK
 OF BEXAR COUNTY, TEXAS
 FOR RECORD
 I, the undersigned, being a duly qualified and licensed Surveyor in and for the State of Texas, do hereby certify that the foregoing is a true and correct copy of the original survey as the same appears in my files and records.

 Surveyor

LISTED
 1. Title of Survey
 2. Date of Survey
 3. Name of Surveyor
 4. Name of Client
 5. Location of Survey
 6. Description of Survey
 7. Name of Engineer
 8. Name of Drafter
 9. Name of Checker
 10. Name of Approver



LAND TITLE SURVEY OF LOT 23, NEW CITY BLOCK T88, DURANGO PARK SUBDIVISION, SAN ANTONIO, BEXAR COUNTY, TEXAS, RECORDED IN VOLUME 1800, PAGE 146, DEED AND PLAT RECORDS OF BEXAR COUNTY, TEXAS.



VICKREY & ASSOCIATES, INC.
 CONSULTING ENGINEERS
 14971 Gentry Parkway, San Antonio, TX 78240
 Tel: (214) 349-1111
 Fax: (214) 349-1112

NO.	DESCRIPTION	ACRES
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Exhibit B

City of San Antonio
Center City Housing Incentive Policy
(Approved by City Council June 21, 2012)

Section 1. Background and Eligibility:

In spring 2011, the Centro Partnership San Antonio initiated the creation of a Downtown Strategic Framework Plan. In an effort to ensure the execution of the Framework Plan, the Center City Development Office created the Center City Implementation Plan.

The Center City Implementation Plan provided recommendations on how to best implement the Downtown Strategic Framework Plan through increased public investment, creation of a housing finance strategy, coordinated management, and regulation of development. The Implementation Plan recommended that the City establish a predictable housing incentive system for housing in the Center City. Such a system would assist in normalizing land values, provide greater certainty, increase the speed of approvals, and reduce the risk associated with infill development. Therefore, the Center City Development Office developed the Center City Housing Incentive Policy (CCHIP).

The CCHIP incorporates the goals and objectives of the Implementation Plan and provides greater incentives to housing projects within the Targeted Growth Areas identified in the Downtown Strategic Framework Plan and prioritizes the Downtown Core. The Policy encourages historic rehabilitation, adaptive reuse, brownfield's redevelopment, and transit oriented development. Finally, the policy rewards good urban design and encourages mixed use and mixed income development and redevelopment.

The CCHIP applies to multi-family rental and for sale housing projects (Projects) within the Community Revitalization Action Group (CRAG) Target Area. Eligible Projects will receive City Fee Waivers, SAWS Impact Fee Waivers, Real Property Tax Reimbursement Grants, Inner City Incentive Fund Loans, and Mixed Use Development Forgivable Loans based on the terms outlined in the CCHIP.

Section 2. Definitions:

Adaptive Reuse – The reuse of a building or structure, usually for a purpose different from the original. The term implies that certain structural or design changes have been made to the building in order for it to function in its new use.

Brownfields Redevelopment - Abandoned or underutilized properties where expansion, renovation or redevelopment is complicated by real or perceived environmental contamination.

Community Use - A Project that includes one or more of the following community-serving amenities: a plaza or open space that is accessible to the public and designed and maintained to the City's urban design standards; ground-floor retail space for neighborhood-supporting retail; office or other commercial space offered to non-profit organizations; or educational, health, recreational, or other essential neighborhood services.

Community Revitalization Action Group (CRAG) – defined as the San Antonio city limits prior to 1940, which is a 36 square mile area, with the center being the dome of the San Fernando Cathedral. Hildebrand Avenue to the north, Division Street to the south, Rio Grande Street to the east, and 24th Street to the west.

High-rise Residential Development – A Project that is at least 75 feet.

Historic Rehabilitation - The process of returning a property to a state of utility, through repair or alteration, which makes possible an efficient contemporary use while preserving those portions and features of the property that are significant to its historic, architectural and cultural values.

Inner City Reinvestment/Infill Policy (ICRIP) – A Policy of the City of San Antonio to promote growth and development in the heart of the City, specifically in areas that are currently served by public infrastructure and transit, but underserved by residential and commercial real estate markets. It is the intent of this policy to coordinate public initiatives within targeted areas in order to stimulate private investment in a walkable urban community that are the building blocks of a sustainable region. The ICRIP identifies a range of public incentives, including regulatory, procedural, and financing incentives.

Low Impact Development (LID) - Site development features such as rain gardens, bioswales, pervious pavement and other methods provide a functional use of vegetation or permeable surfaces to retain storm water and filter its pollutants before the water is diverted to a storm water collection system.

Market-Rate Housing – A Project in which more than 85% of the units are priced for rental or sale subject to market conditions, without temporary or permanent pricing restrictions.

Mixed Income Housing – A Project in which at least 15% of the housing units are priced for rental or sale to households or persons at or below 80% of the Area Median Income.

Project – A multifamily rental or for sale housing development within the CRAG that creates multiple new housing units (1) on a single lot; OR (2) at a density of at least 16 housing units per acre.

Structured Parking - Parking facilities that are constructed in or as part of a Project. Does not apply to surface parking.

Student Housing – A Project in which the majority of the housing units are occupied by full time students registered at an accredited post secondary institution.

Targeted Growth Areas - The Downtown Strategic Framework Plan identified 8 Targeted Growth Areas for housing redevelopment. These areas are well positioned for residential growth and mixed use development based on an assessment of market momentum, physical capacity for growth, and proximity to areas with established neighborhood character. The 8 Target Growth Areas include Midtown/River North, Downtown Core, Cesar Chavez/Hemisfair Corridor, Near River South, Medical District, Civic Core, Near East Side, and Near West Side.

Transit Oriented Development - A Project designed to maximize access to public transport. Often incorporates features to encourage transit ridership.

Section 3. Geographic Area

The level of incentives provided by the CCHIP is based on the Project's location within the CRAG (Exhibit A). The level of incentive will increase if the Project is within 1 of the 8 Targeted Growth Areas'. The 8 Targeted Growth Areas include Midtown/River North, Downtown Core, Cesar Chavez/Hemisfair Corridor, Near River South, Medical District, Civic Core, Near East Side, and West Side Multimodal/UTSA (Exhibit B).

In an effort to simplify the Policy, the Targeted Growth Areas have been re-classed into 4 Incentive Tiers. Exhibit C illustrates each of the 8 Targeted Growth Areas and the 4 Incentive Tiers and also includes a boundary description for each area.

1. Tier 1 – Downtown Core
2. Tier 2 – Near West Side, Near East Side, Civic Core, Cesar Chavez/Hemisfair, Medical District, Civic Core, and Near River South
3. Tier 3 – River North
4. Tier 4 - Midtown

Section 4. Fee Waivers

Projects within the CRAG will receive City Fee Waivers as permitted by the Inner City Reinvestment Infill Policy.

Projects within the CRAG will receive a SAWS Fee Waiver equal to 100% of their SAWS water and impact fees. The SAWS Fee Waiver is contingent upon funding availability. SAWS allocates funding on an annual basis for this incentive program.

Section 5. Real Property Tax Reimbursement Grant

Projects within the CRAG will receive a Real Property Tax Reimbursement Grant (Grant). The City's real property tax increment generated as a result of the Project is the funding source of the Grant. If a Project is within a Tax Increment Reinvestment Zone it will receive a rebate up to 100% of the previous year's real property tax increment remitted to the City over a period of time that is determined based on the Projects geographic location or type. The rebate is based on the City's participation level in the Tax Increment Reinvestment Zone where the Project is located. If a Project is not within a Tax Increment Reinvestment Zone it will receive a rebate of 66% of the previous years real property tax increment remitted to the City over a period of time that is determined based on the Project's geographic location or type.

The period over which the Grant will be disbursed will be either 10 or 15 years depending on the Project's geographic location or type. A Project will receive a Grant that is disbursed for 10 years if it is located within the CRAG. A Project will receive a Grant that is disbursed for 15 years if it is located within 1 of the 4 Tiers or if it is an Adaptive Reuse or Brownfields Redevelopment Project in the CRAG.

Additionally, if the Project qualifies for a Historic Tax Exemption or Historic Tax Credit per the Office of Historic Preservation. The Tax Rebate Grant and the Tax Credit or Exemption will be used together when possible in order to maximize the incentive.

If a Project is a market rate rental project it is required to maintain 10% of its housing units at the Project's first year rental rate per square foot, adjusted for inflation in accordance with the Consumer Price Index (CPI) for the San Antonio-New Braunfels MSA, for the term of the Grant.

Section 6. Inner City Incentive Fund Loan

Projects within 1 of the 4 Tiers qualifies for an Inner City Incentive Fund Loan (Loan) if the Project meets certain Categories. Project Categories include the following:

1. Mixed Income
2. Community Use
3. Adaptive Reuse
4. Brownfield Redevelopment
5. Historic Rehabilitation
6. High-rise Residential Development
7. Student Housing
8. Transit Oriented Development within ¼ mile of the West Side Multi-Modal Center or Robert Thompson Transit Center

The total Loan amount is calculated per housing unit and varies based on the Tier that a Project is located in and is as follows:

Tier 1 – A Project in Tier 1 will receive \$3,000 per housing unit for each of the Categories it meets and will not exceed \$6,000 per housing unit.

Tier 2 – A Project in Tier 2 will receive \$1,500 per housing unit for each of the Categories it meets and will not exceed \$3,000 per housing unit.

Tier 3 - A Project in Tier 3 will receive \$1,000 per housing unit for each of the Categories it meets and will not exceed \$2,000 per housing unit.

Tier 4 – A Project in Tier 4 will receive \$500 per housing unit for each of the Categories it meets and will not exceed \$1,000 per housing unit.

If the Project meets the Mixed Income or Student Housing Category it must remain Mixed Income or Student Housing for the term of the Real Property Tax Reimbursement Grant.

Additionally, a Project qualifies for a Loan bonus equal to \$1,000 per housing unit if it includes structured parking that accommodates the housing units and \$500 per housing unit if it incorporates Low Impact Development features. The per unit Loan bonus amount is the same for all Tiers.

Rate on the Loan is a fixed rate equal to the one year LIBOR Rate on the date the loan is executed plus 75 basis points with interest compounding annually through the repayment in year 7. The Loan will be disbursed upon proof of the following: (1) receipt of a building

permit and (2) project financing. However, Loans are contingent upon available funding. City Council allocates Inner City Incentive Funds (ICIF) through the annual budget process.

Section 7. Mixed Use Forgivable Loan

A Project will receive an 0% Inner City Incentive Fund Forgivable Loan for retail and commercial tenant finish-out improvements in an amount equal to \$20 per square foot of total first floor retail and \$10 per square foot of total commercial office space. 20% of the entire Forgivable Loan amount will be forgiven annually over a 5 year period provided the space is leased for at least 80% of the term and that the Forgivable Loan is a direct pass-through to the initial tenant of the space to be used exclusively for tenant finish-out improvements. However, Forgivable Loans are contingent upon available funding. City Council allocates Inner City Incentive Funds through the annual budget process.

Section 8. CCHIP Exceptions

Any exceptions to the CCHIP require City Council approval.

Section 9. CCHIP Review and Term

The City will initiate a housing study for the CCHIP area every three years to inventory the total number of housing units, monitor the rental rates and sales values, and identify any necessary adjustments to the policy. Unless the City Council extends and or amends the terms of the CCHIP it will expire on July 1, 2016.

Section 10. Recapture Provisions

CCHIP Agreements will include a provision for the recapture of the incentives (e.g. grants and loans) in the event Agreement terms and requirements are not met. These recapture provisions will survive any subsequent assignment of the Agreement.

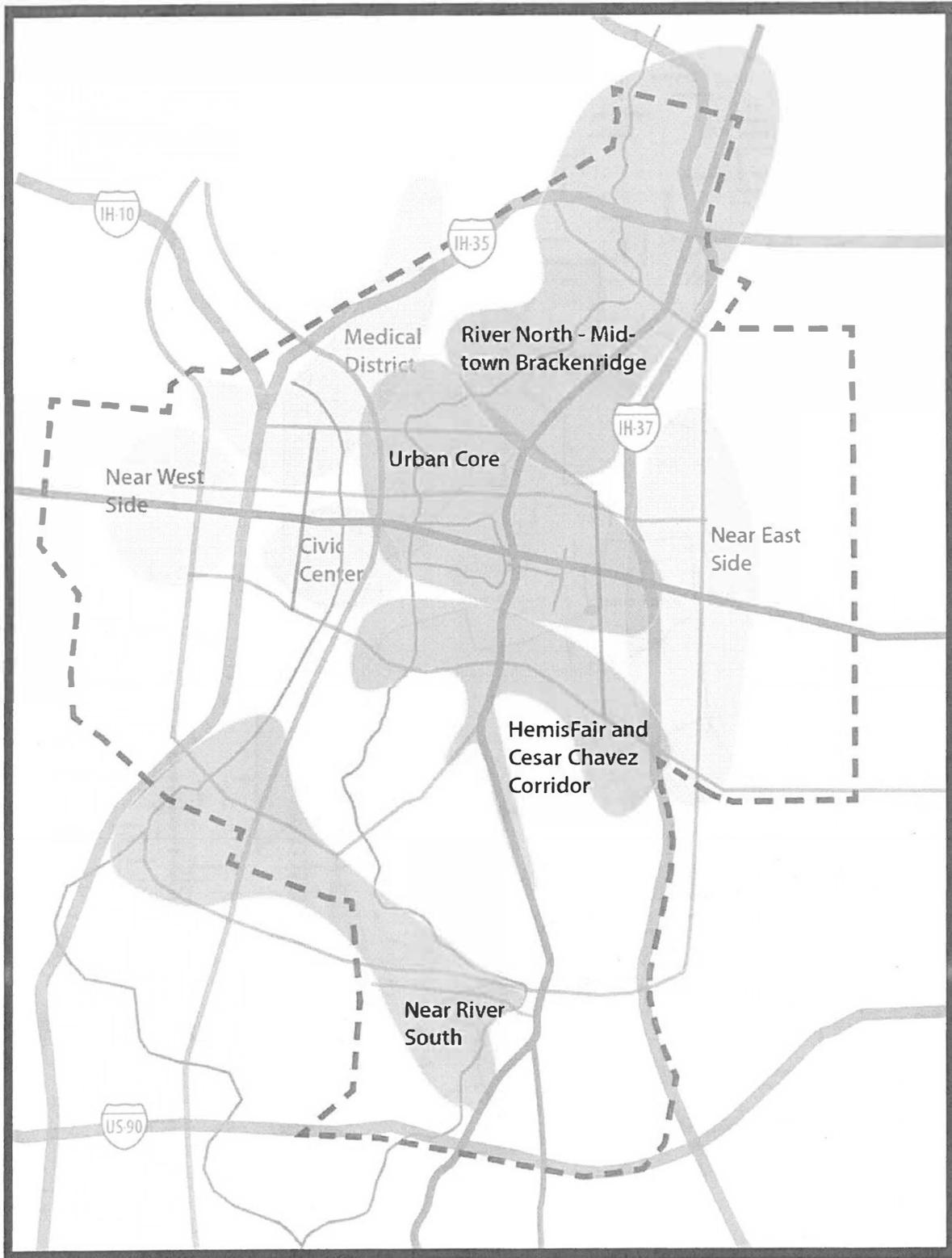
Section 11. Administration of the CCHIP

The Center City Development Office will administer the CCHIP.

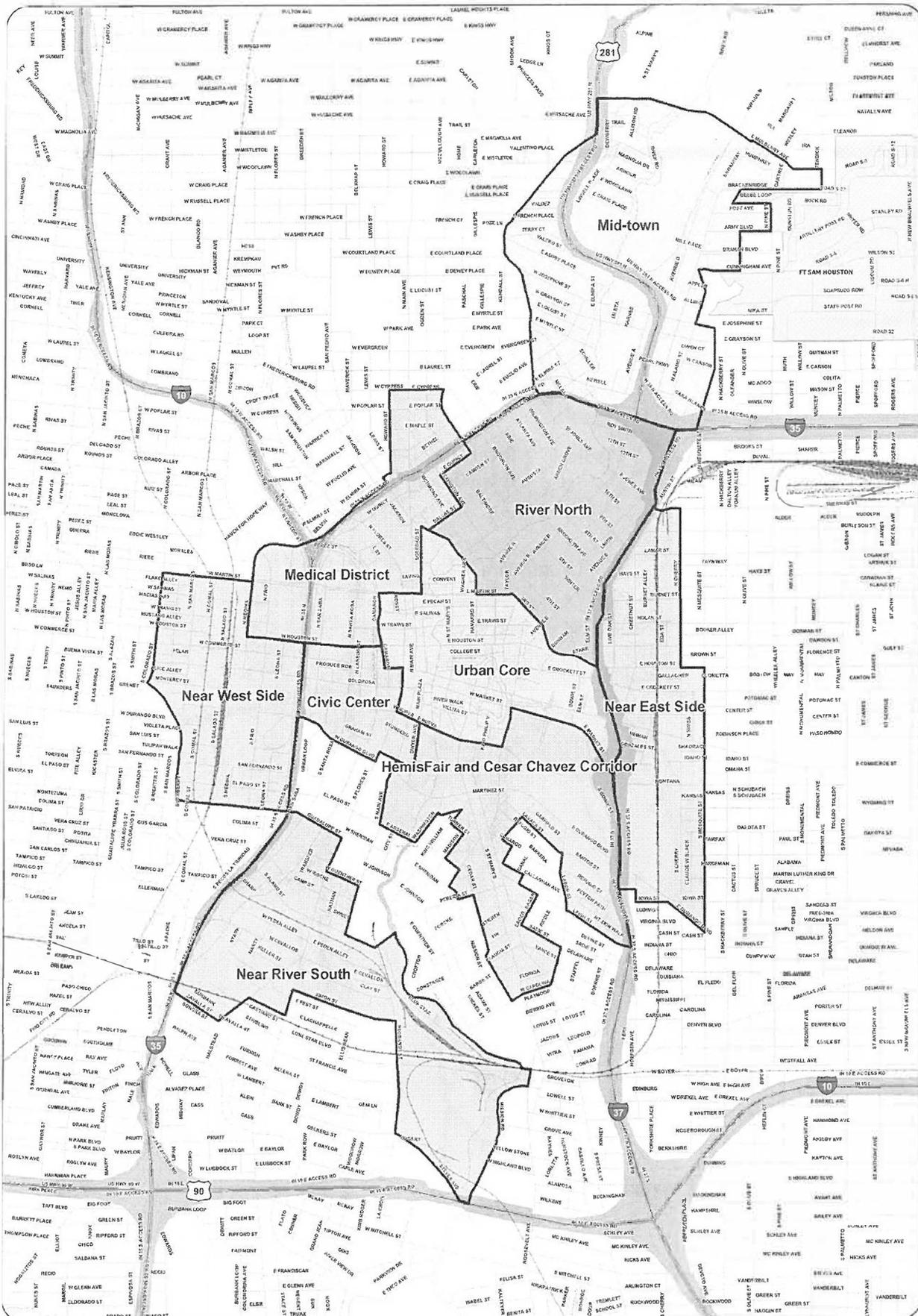
Section 12. Legal Documents

The legal documents used to officiate this policy include the CCHIP Application and the CCHIP Incentive Agreement as described in Exhibits D and E. The City Attorney's Office, in conjunction with the City Manager or her designee, may negotiate additional terms of the agreement as long as those terms do not change the total incentive amount. The City Manager or her designee will be the signatory of the agreement.

EXHIBIT B



**DOWNTOWN STRATEGIC FRAMEWORK PLAN
TARGET GROWTH AREAS**



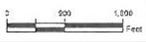
Tier 1
 Tier 2
 Tier 3
 Tier 4



City of San Antonio

Target Growth Areas and Incentive Tiers

City of San Antonio
 100 North Commerce Street
 San Antonio, TX 78202
 210.207.2000



City of San Antonio
 Planning and Economic Development
 100 North Commerce Street
 San Antonio, TX 78202
 210.207.2000
 www.sanantonio.gov

Street Boundaries for Housing Growth Areas

Tier 1

Urban Core

The area bounded by Navarro St. from Soledad St., southeast to E. Martin St. continuing southeast along 3rd St. to Bonham St., east along Houston St. to IH 37 / US Hwy 281, south to E. Market St., north and west along E. Market St. to S. Alamo St., south to E. Nueva St., west to S. Flores St., north to Commerce St., west to Camaron St., north to W. Martin St., east to Soledad St., and north to Navarro St.

Tier 2

Medical District

The area bounded by W. Cypress St. from Howard St., east to McCullough Ave., south to E. Quincy St., west to Lexington Ave., south to Dallas St., west to Navarro St., north to Soledad St., south to Martin St., west to Camaron St., south to W. Houston, west to N. Medina St., north to N. Frio St continuing as Perez St. to the IH 10 / IH 35 Junction, northeast along IH 35 to San Pedro Ave., north to W. Elmira St., east to Howard St., and north to W. Cypress St.

Near West Side

The area bounded by W. Martin St. from N. Colorado St., east to N. Medina St., south to W. Houston St., east to IH10 / IH35, south to Guadalupe St., west to Alazan Creek, north and west to S. Colorado St., and north to W. Martin St.

Civic Center

The area bounded by IH10 / IH35 from W. Houston St., east to Camaron St., south to W. Commerce St., east to N. Flores St., south to W. Nueva St., east to Dwyer Ave., south to Old Guilbeau St., west to S. Flores St., south to Cesar Chavez Blvd., west to IH10 / IH35, and north to W. Houston St.

Near East Side

The area bounded by N. Cherry St. from Sherman St., south to Nolan St., east to N. Mesquite St., south to E. Durango Blvd., west to Iowa St., west to Hoefgen Ave., north to Parsons, west along Parsons to IH37 / US Hwy 281, north along IH37 / US Hwy 281 to E. Jones Ave., east across Austin St. and the Union Pacific Railroad tracks to Sherman St., and east to N. Cherry St.

Hemisfair and Cesar Chavez Corridor

The area bounded by E. Nueva St. from Dwyer Ave., east to S. Alamo St., north to E. Market St., east to IH37 / US Hwy 281, south to Leigh St., west along Leigh St. to Labor St., north to Lavaca St., west to Matagorda St., southwest to Camargo St., east to San Arturo St., south to Callaghan Ave., east to Canal St., south to Leigh St., east to Eager St., south to Sadie St., east to Labor St., south to Carolina St., west to Cedar St., north to Pereida St., west to Mission St., north to S. Alamo St., east to Beauregard St., west to Madison St., northeast to Turner St., west to King William St., north to Washington St., southwest along Washington St. to Turner St., west to Washington St., southwest to E. Arsenal St., west to S. Main Ave., north to Old Guilbeau St., east to Dwyer Ave., and north to E. Nueva St.

Near River South

The area bounded by Guadalupe St. from IH10 / IH35, east to S. Flores St., south to W. Guenther St., east to S. Main Ave., south to S. Alamo St., east then north along S. Alamo St. to the San Antonio River, southeast along the San Antonio River to the Union Pacific Railroad, east to S. St. Mary's St., south to Mission Rd., west and south along Mission Rd. to IH10 / US Hwy 90, west to Steves Ave., north to Probandt St., north to Simon St., west to S. Flores St., south to W. LaChapelle St., west to Nogalitos St., south to W. Zavalla St., west to IH10 / IH35, and north and east along IH10 / IH35 to Guadalupe St.

Tier 3

River North

The area bounded by IH 35 N from McCullough Ave, north and east to the US Hwy 281 Junction, south along US Hwy 281 to E. Houston St., west to 3rd St., north and west along 3rd St. continuing west as Martin St. to Navarro St., north and west to Dallas St., east to Lexington Ave., north to E. Quincy St., east to McCullough Ave., and north to IH 35 N.

Tier 4

Midtown

The area bounded by E. Mulberry Ave from US HWY 281, east to Tendick St., south to Brackenridge Ave., west to the eastern boundary of parcel 1079569, south to the northern boundary of parcel 148441, east along the northern boundaries of parcels 148442 – 148453 to N. Pine St, south to Army Blvd, west to Haywood Ave., south to Cunningham Ave, west to Broadway, south along N. Alamo St to E. Josephine St, south along Austin St. to IH 35, west to N. St. Mary's St., north and east to US Hwy 281, and west and north along US Hwy 281 to E. Mulberry Ave.

Center City Housing Incentive Policy (CCHIP) Scoring Matrix

Minimum eligibility: Project must be located in the CRAG and create at least two housing units (1) on a single lot or (2) at a density of 16 units per acre. See table below for additional eligibility requirements.

Incentive	Description	Other Eligibility Requirements	Incentive Terms		
Fee Waivers	Waiver of City of San Antonio fees and SAWS impact fees	None	Waiver of eligible City fees and 100% of SAWS water and sewer impact fees		
Tax Reimbursement Grant*	Annual rebate to developer of taxes paid to the City on the improved value of the property. Rebate percentage based on TIRZ participation.**	None	Located in CRAG only	10 years	
			Located in Incentive Tier	15 years	
			Brownfield or Adaptive Reuse project located in the CRAG	15 years	
ICIF Loan	Low interest, 7-year loan calculated per housing unit.***	Located in an Incentive Tier AND classified in at least one project category****	Incentive Tier	One Category	Two or More Categories
			Tier 1	\$3,000	\$6,000
			Tier 2	\$1,500	\$3,000
			Tier 3	\$1,000	\$2,000
			Tier 4	\$500	\$1,000
ICIF Loan Bonus	Low interest, 7-year loan calculated per housing unit.	Located in an Incentive Tier AND includes structured parking AND/OR includes low impact development features	Includes structured parking	\$1,000	
			Includes low impact development	\$500	
Mixed-Use Forgivable Loan	0%, 5-year forgivable loan for tenant finish-out improvements.*****	Located in an Incentive Tier AND includes retail and/or commercial office space on first floor.	Includes retail space	\$20 per square foot	
			Includes commercial office space	\$10 per square foot	

* Historic Exemption Tax Credit, if applicable, to be applied in parallel - no taxes in years 1-5, 50% taxes in years 6-10. Tax Reimbursement Grant will rebate any payment made over the base during years 1-15, as applicable based on project location. Project must maintain first year rental rate for 10% of units throughout grant term.

** Projects not located in a TIRZ would receive a rebate of 66% of the taxes paid to the City. TIRZ projects would be rebated based on participation level of the TIRZ.

*** Loan rate is fixed equal to the one year LIBOR rate plus 75 basis points, with interest compounding annually.

**** Project Categories: Mixed Income, Community Use, Adaptive Reuse, Brownfield Redevelopment, Historic Rehabilitation, High-rise Residential Development, Student Housing, Transit-oriented Development within 1/4 mile of the West Side Multi-modal Center or Robert Thompson Transit Center.

***** Forgivable over 5 years at 20% per year. Loan proceeds must pass-through to tenant and space must remain leased for at least 80% of the term.

Exhibit C



Center City Housing Incentive Program (CCHIP) Application

Applicant Information

Name: Edgar Sandoval Title: Project Manager
 Company: Franklin Development Properties, Ltd.
 Project Role: Co-Developer
 Address, City, ST, ZIP: 21260 Gathering Oak, Ste. 101, San Antonio, Texas 78260
 Phone: Fax: 0 8

Project Information

Project Owner / Developer: San Antonio Housing Authority / Franklin Development Properties, Ltd.
 Other Associated Entities and Roles: N/A

Project Name: Victoria Commons - Chavez Multifamily

Project Site Address: Corner of Cesar Chavez and Labor 78210

Start Date: 01/2015 Completion Date: 03/2016

Cost of public improvements: \$ _____

Estimated total project cost: \$ 36,605,078.00 (including public improvements)

Housing units created: 215 Rentals For Sale

Housing units per acre: 64

Target rental price per square foot: \$ 1.06 / Target sales price per square foot: \$ _____

Square feet of retail space: 15000 Square feet of commercial office space: 0

Estimated number of new jobs to be created, if any: 3

Geographic Location

Project must be located in the CRAG. Additional consideration will be given to projects in one of the four subareas targeted for multi-family development.

- Located in CRAG and Tier1: Urban Core
- Located in CRAG and Tier 2: Near River South, Hemisfair/Cesar Chavez, Near East Side, Near West Side, Civic Core, Medical District
- Located in CRAG and Tier 3: River North
- Located in CRAG and Tier 4: Midtown
- Located in CRAG only and no Tier
- Located in a Tax Increment Reinvestment Zone (TIRZ), specifically: Inner City (100%)

Project Categories

- Historic Rehabilitation
 Mixed Income (80%-100% AMI)
 Adaptive Reuse
 Community Use
 Within ¼ mile of Robert Thompson Transit Center or West Side Multi Modal Center
- Brownfield Redevelopment
 High-Rise Residential Development
 Student Housing

Other Project Features

- Low Impact Development
 Mixed Use (at minimum: first floor retail/office)
- Structured Parking

Site Information

City Council District #: 1 Current Zoning: MF33 IDZ

Bexar County Appraisal District Information (www.bcad.org)

Property ID#: 108022 & 108021 Acreage: 2.3887 & .9553

Current Value: Land: \$ 5,826,590.00 Improvements: \$ 0.00

Additional Information

1. Has the project owner/developer or any of its affiliates been cited, currently under investigation, or have litigation pending for any violations of Federal, State, County and/or City laws, codes or ordinances?

- No Yes (please indicate nature/status of the violations on additional page(s))

2. SAWS Impact Fees (if seeking waiver)

Estimate of water and sewer impact fees: \$ 573,794.00 (must obtain written estimate from SAWS)

Projected time to install water/sewer services: (season and year) Summer 2015

3. Other than City incentives, what are the funding sources for the project?

- Equity
 Conventional Bank Financing
 Other: SAHA Funding Sources
- Housing Tax Credits
 HUD Loans

Required Attachments

- Cover letter describing project and summarizing details. Explain project features and categories marked above.
 Corporate Information (history, urban development experience, etc.)
 Site plans and renderings
 SAWS Impact Fee Estimate (Contact SAWS @ 210-233-2009)
 Project Proforma

Victoria Commons - Chavez Multifamily

The proposed Victoria Commons mixed-use and mixed-income development will consist of 215 units constructed in a high rise residential unit "wrapped" design with structured parking and include 15,000 square feet of first floor retail space. 82 units or 38% will be restricted to families and individuals whose incomes are 60% or below the area median income. 133 units or 62% will be market rate units.

Unit mix will consist of:

93 - 1 bedroom units at 745 sq. ft.

84 - 2 bedroom units at 950 sq. ft.

38 - 3 bedroom units at 1,100 sq. ft.

The unit mix is primarily focused on one and two bedrooms and the affordable units will be mixed throughout the building so as to not concentrate affordable or market rate units. The intent is to provide a true mixed income community where affordable and market rate units are indistinguishable from each other.

Physical considerations

Individual unit amenities will include nine foot ceilings, microwave ovens, self-cleaning ovens, and refrigerators with ice makers, storage rooms, washer and dryer connections, high speed internet wiring, desk or computer nooks, R-15 walls, R-30 ceilings, and 14 SEER HVAC s. It is anticipated the development will be built under the Build San Antonio Green Certification, which is focused on energy efficiency and sustainable materials.

The proposed development will offer prospective residents common amenities such as full perimeter fencing, controlled gate access, internal corridors accessible walking/jogging path, community laundry rooms, a furnished fitness center, equipped business center and furnished community room, a children's plays cape, and a rooftop viewing deck.

The unique high density design will provide greater security as there will only be one large building as opposed to multiple scattered buildings. Providing ingress and egress access at designated areas will help ensure greater security.

Community Activities

A Community Activities director will promote resident activities to include weekly exercise classes, twice a month on-site social events (i.e. potluck dinners, game night, movie nights, birthday parties, etc.) , annual income tax preparation, monthly food pantry/ common household items, annual health fairs, quarterly health and nutrition courses. The full time Activities director is responsible for providing community building activities with not only residents, but outside community events as well. This position's primary focus is on creating a community focal point and engaging residents on a daily basis. This management function helps provide after school activities

Management Expectations

Victoria Commons Affordable will be managed by Franklin Apartment Management, Ltd. (FAM). FAM currently manages the newly constructed Sutton Oaks and The Park at Sutton Oaks apartment communities. FAM also manages three other SAHA owned properties: Artisan at Mission Creek, Artisan at Salado Falls, and Artisan at Creekside. Long term management and maintenance is critical to the success of any development, and FAM has provided industry leading services for nearly a decade. As an affiliated entity, FAM does not manage as a true third party manager, but rather as an extension of the ownership group. Long term maintenance, cleanliness, and security are all high priorities as the development Owner must guarantee marketability across all units. This approach ensures all parties are aligned to provide the best long term management of the property.



SAHA - Real Estate Services - DEVELOPMENT PROJECTS

Project #	Project	Council District	Total Units	Mix Rate Units	Tax Credit Units			Total Development Cost	Completion Date	
					Ten Credit Only Units	Public Housing Units (Also Tax Credit)	HIDMS Funded Units (Also Tax Credit)			
Projects Online - New Construction										
1	Legacy at Crown Meadows 7700 Sacrow Rd	Feddig	192	199	0	0	0	\$44,724,000	2004	
No income restrictions; however, rents are affordable to households with incomes ≤ 80% of AMI										
2	Legacy at O'Connor 13645 O'Connor Rd	9th	124	0	150	0	0	\$0,155,150	2003	
3	Legacy on Science Park 4801 Inverness Rd	9th	129	0	120	0	0	\$7,462,500	2003	
4	Rolling Plains 240 Lake St	9th	214	0	0	0	0	\$14,250,000	2004	
5	Government at Highland Park (Clark Center) 1305 Enclave Ave	5	4%	252	0	252	0	\$7,881,270	Mar. 07	
6	Midtown Seniors Pavilion Apts. 5414 Midway Drive	2	4%	146	0	147	0	\$16,590,000	Apr. 07	
7	Costa Verde's Apartments 604 Highway 50 West	8	4%	210	0	250	0	\$7,886,174	Sept. 07	
8	Princeton at Mission Hills (New Construction) 6226 S. New Providence Ave	5	4%	252	0	252	0	\$0,021,107	Sept. 07	
9	Arden at Mission Creek (Approved Military) 1433 Yarrow Rd	4	4%	252	0	252	0	\$22,488,530	Nov. 07	
10	South Merida Apartments 8222 Somerset Rd. 78111	4	4%	212	0	190	0	\$5,376,000	Feb. 08	
11	Arden at Salado II 2714 Sims Expedition Rd	2	4%	252	0	252	0	\$7,314,810	Apr. 08	
12	Costa Verde's Apartments 6225 S. New Providence Ave	8	4%	170	0	150	0	\$6,738,507	Feb. 08	
13	San Juan Suarez Phase I 1925 Zimmerman Rd	6	9%	140	0	91	40	\$4,447,747	Feb. 08	
14	Alembra Sander 7128 New Leavelle Hwy. 78211	4	9%	140	0	120	14	\$2,682,594	Feb. 08	
15	Elm Garden 1505 Jackson Rd. 78120	1	4%	228	0	228	0	\$2,122,698	Feb. 09	
16	Arden at Circleville 1400 Arden at New Falls Drive	6	4%	252	0	252	0	\$21,341,304	Jan. 2010	
17	Hunter View Villas (Duplexes) (City View) 401 Santee	1	4%	245	184	0	49	\$74,258,000	Jun. 2010	
18	San Juan Suarez II 2402 S. Galbreath	6	9%	144	0	90	44	\$11,825,460	May. 2010	
19	Sullivan (Sullivan II) 2144 South IH 35	2	9%	194	8	187	40	\$5,083,028	Dec-10	
20	The Mirabelle 1840 Dandera Rd	7	4%	172	0	95	50	\$19,847,800	Jun-11	
			Subtotal	4012	607	8078	236	132	\$401,908,643.00	
Acquired Units										
21	Camrose Ranch Aurora	NA	Conv.	124	30	0	25	0	\$60,000,000	2007
22	Camrose Ranch II 2128 Greenway Drive	NA	Conv.	114	31	0	21	0	\$7,800,000	2009
23	Princeton at Mission Hills (Reopened at Independence Plaza I)	5	4%	248	0	250	0	18	\$19,787,377.00	2008
24	Princeton at University Park (Reopened at Independence I)	4	4%	240	0	240	0	0	\$22,414,400.00	2008
			Subtotal	716	183	470	49	18	\$58,822,634	
In Service Properties			Grand Total	4,728	889	3,648	341	160	\$409,731,177	
Under Construction										
25	Princeton at Southern Oaks (24 Units)	2	9%	208	46	110	19	0	\$29,141,588	2014
26	San Juan Suarez II 2400 E. Zimmerman	6	4%	252	0	102	63	27	\$21,088,848	2014
			Subtotal	460	46	275	112	27	\$50,230,436	
Grand Total			5,188	735	3,923	453	177	\$459,961,613		



FRANKLIN
DEVELOPMENT
A CORPORATION

PROFILE OF FIRM

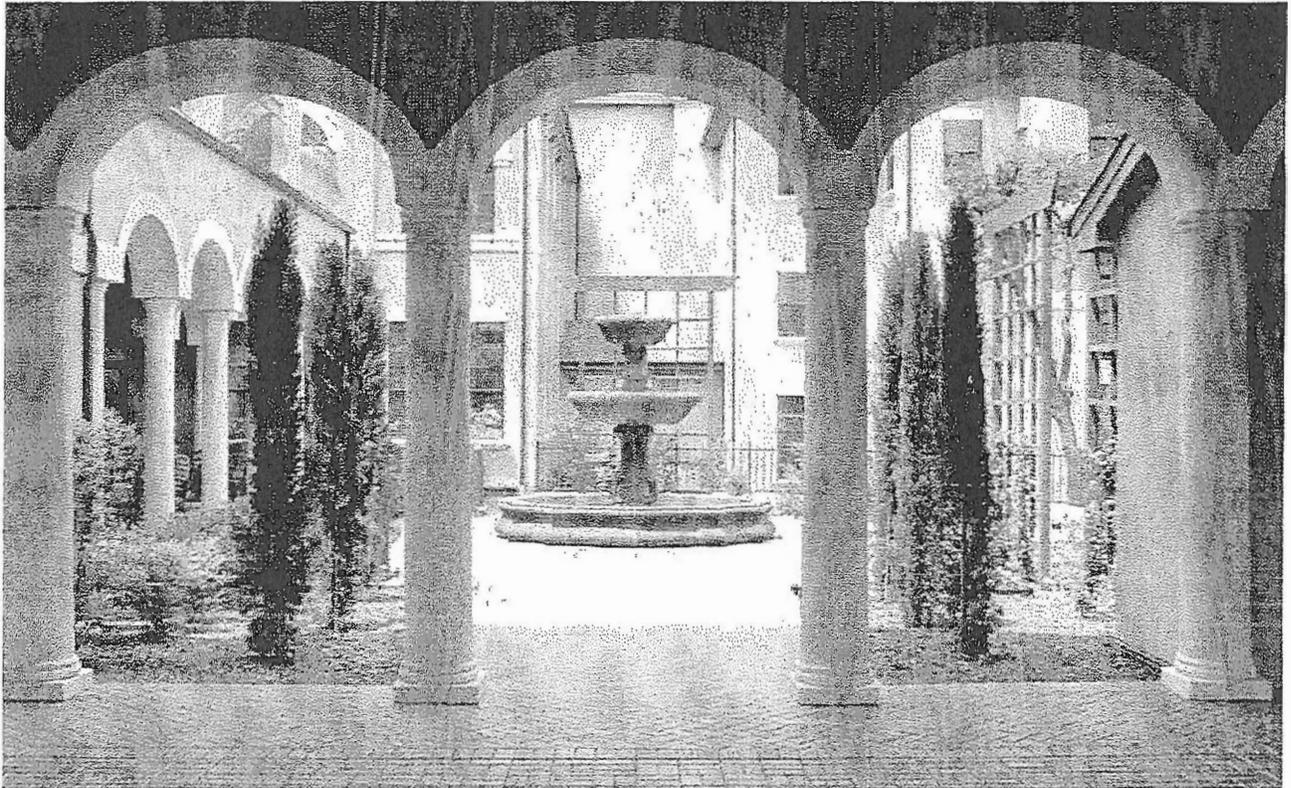


There Are No Limits...



Our Mission Statement

The Franklin Companies are committed to developing, building and managing exceptional housing communities and will treat our residents with dignity and respect.



FRANKLIN
A COMMUNITY DEVELOPMENT COMPANY

21260 GATHERING OAK, SUITE 101, SAN ANTONIO, TEXAS 78260 | 210.694.2223

Franklin Development

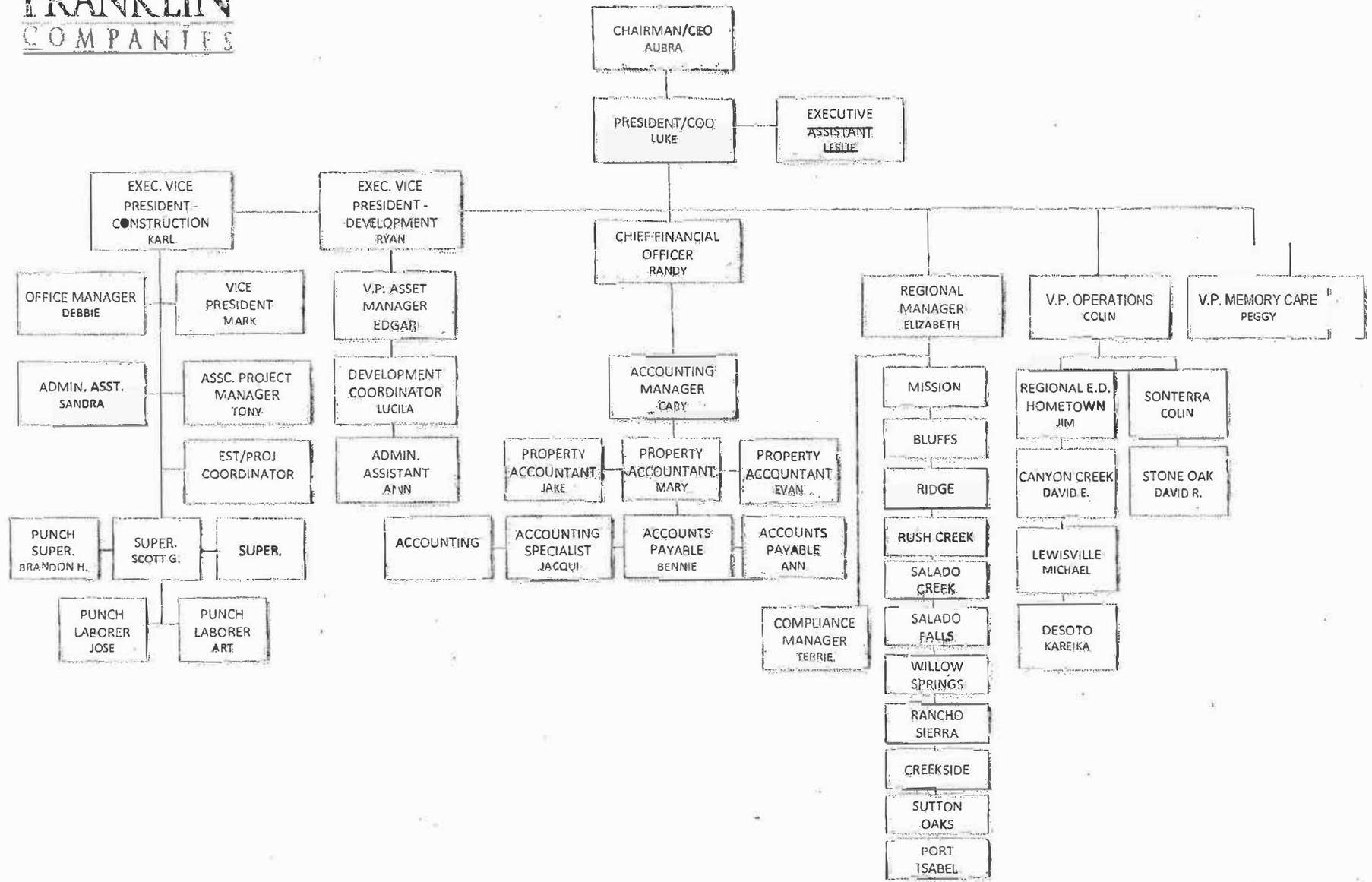
Franklin Development Company, a nationally recognized "Top 50 Builder", specializes in the development, construction, and management of high quality senior and multifamily residential properties. Franklin Development has earned a reputation for high quality, professionalism, and is a recognized leader in the industry.

Over the past decade, Franklin Development has developed over 4,000 multifamily, including nearly 3,000 affordable and public housing units and nearly 1,000 seniors housing units. Franklin Development has particular organizational strengths in ranging complex, layered financing solutions, understanding and navigating the legal and political environments, obtaining the required governmental, community, and regulatory approvals, and managing the planning, design, construction, and operation of multifamily affordable housing.

Franklin Development's competitive advantage lies its size – as a smaller development company, Franklin has built its reputation on providing personalized service to each development from conception through asset management. Our strength lies in our ability for all our team members, including Franklin Development's Founder, Aubra Franklin, to be involved in each phase of the development and therefore the full benefit of combined experience is realized in each project.

Franklin Development is extremely proud of its impeccable reputation. Whether enlisting the support of community leaders, interacting and partnering with local homeowner's groups, or achieving approval of a mixed-finance proposal, Franklin Companies are determined and dedicated to doing it "the right way". Our projects are born out of successful partnerships, and all of our partners, financial partners and consultants have appreciated our commitment to honesty, openness, and integrity.







Aubra Franklin

Chairman/CEO

Mr. Franklin has 20 years experience in the design, development, and construction of multi-family housing projects. He founded Franklin Development in 1995. His responsibilities include strategic planning, product development and design, site selection, acquisition and senior housing operations oversight for the company. Mr. Franklin has a five year degree in Architecture from Texas Tech University. During his tenure as a practicing architect, he designed corporate facilities and managed a major building program for BMW of North America and provided design and project management for companies including Pepsico, Pepsi-Cola and Chrysler Technologies.

Responsibilities

Aubra Franklin, as principal, has the primary duty procuring new business developments for Franklin Development. However, Mr. Franklin also works diligently to provide managerial expertise to each of the Key Personnel within Franklin to ensure his years of experience and talent are exposed to the day-to-day operations of the company. Mr. Franklin is the final authority on all pertinent decisions with regards to the overall direction and outcome of each development. This hands-on approach affords Franklin the unique ability of ensuring each project is given the full breadth of talent of the entire team.

Tax Credit

Artisan at Mission Creek; San Antonio, TX	252 units; 339,438 sf
Artisan at Rush Creek; Arlington, TX	144 units; 164,623 sf
Artisan at Salado Creek; San Antonio, TX	200 units; 217,015 sf
Artisan at Salado Falls; San Antonio, TX	252 units; 360,504 sf
Artisan at San Pedro Creek; San Antonio, TX	252 units; 251,400 sf
Artisan at Willow Springs; San Antonio, TX	248 units; 245,404 sf
Artisan on the Bluff; San Antonio, TX	250 units; 245,848 sf
Artisan Ridge; Dallas, TX	264 units; 306,818 sf
Dove Valley Ranch; San Antonio, TX 2	46 units; 228,625 sf
Rancho Sierra; San Antonio, TX	280 units; 240,403 sf
Sutton Oaks; San Antonio, TX	194 units; 186,925 sf
Artisan at Port Isabel, Port Isabel, TX	73 units, 104,347 sf
The Park at Sutton Oaks, San Antonio, TX	208 units, 199,120 sf
Artisan at Dilley, Dilley, TX	46 units, 46,566 sf

Seniors

Franklin Park Canyon Creek; Plano, TX	214 units; 231,378 sf
Franklin Park Cityview; Fort Worth, TX	203 units; 181,316 sf
Franklin Park Home Town; N. Richland Hills, TX	193 units; 197,423 sf
Franklin Park Lewisville; Lewisville, TX	180 units; 145,566 sf
Franklin Park Sonterra; San Antonio, TX	202 units; 185,025 sf
Franklin Park at Stone Oak, San Antonio, TX	99 units, 94,889 sf
Franklin Park at Desoto	240 units, 233,680 sf

Market Rate

Ratama Ranch; San Antonio, TX	246 units; 245,508 sf
The Gates of Cedar Hill; Cedar Hill, TX	252 units; 248,724 sf
The Legends; Fort Worth, TX	208 units; 211,536 sf
The Legends; Hilton Head, SC	119 units; 121,023 sf

Prior to forming Franklin Development

Aspen Hills; Austin, Texas	309 units
Bent Oaks; Austin, Texas	146 units
Braesview; San Antonio, Texas	396 units
Cape Cod; San Antonio, Texas	244 units
Coral Cove; Clearwater, Florida	200 units
Hampton Cove; San Antonio, Texas	380 units
Harbor Cove; San Antonio, Texas	256 units
La Jolla; San Antonio, Texas	300 units
Laurelwood; Marietta, Georgia	207 units
Mountain View; Colorado Springs, Colorado	252 units
Prime Crest; Austin, Texas	148 units
Privado Creek; Mesa, Arizona	164 units
Quail Creek; Tucson, Arizona	253 units
Royal Crest; Austin, Texas	204 units
Shadow Creek; Phoenix, Arizona	164 units
Summit Creek; Austin, Texas	164 units
Tatum Gardens; Phoenix, Arizona	128 units
The Villages of Deerfield; San Antonio, Texas	300 units
Vista Ventana; Phoenix, Arizona	275 units



Luke L. Classen

President/COO

Luke L. Classen is President and COO of the Franklin Companies. Since he joined Franklin Park, the Company has grown to become one of the largest management companies in southern Texas. A seasoned veteran of start-up companies, Mr. Classen took the owner dream, Aubra Franklin, of having his own management company, to managing the day-to-day operations of 6 senior communities and 11 multi-family communities. Franklin Apartment Management oversees 300+ employees in San Antonio and Dallas.

Prior to joining FAM, Mr. Classen was co-owner of another start-up company, Harbor Retirement Associates, where the company grew from its inception to 14 senior living communities in 3 states.

Mr. Classen has over 25 years of experience in development and operations of senior living communities. He has worked with regional and national companies and has experience with for-profit and non-profit communities. He played an integral role in the start-up of Integrated Living Communities which during his tenure grew to 34 communities in 17 states. A highlight of his vast career includes designing, building and operating a senior community on the campus of a regional hospital. His innovative design and operational approach to a purpose built memory care resulted in the unit filling in 8 months, with the independent living and assisted living units reaching 97% occupancy within the first year.

During his distinguished career, Mr. Classen has served on numerous boards and committees and has been a frequent speaker at national conferences. Some of his board experience includes serving on National Investment Center Advisory Board, American Association of Homes and Services for the Aging Assisted Living Committee and the National Association of Senior Living Industry Executives. He is currently serving on the Executive Board of the American Senior Housing Association.

Mr. Classen is a licensed Assisted Living Administrator and has a Bachelor of Science degree in Business Administration.



Ryan Wilson

Executive Vice President

Ryan Wilson joined Franklin Development in the year 2000. He currently manages all phases of the development process including acquisition, closing construction and asset management. Since joining the team, his responsibilities have incorporated development activities for almost 3,000 multi-family units totaling over \$250 million. Prior to joining Franklin Development, his position was that of Project Engineer for a construction company, involved in the building of over 800 multi-family units. Other positions have included mechanical contractor, and estimator. A native of Seattle, Washington, Ryan carried a double degree earning a Bachelor of Arts from the University of Washington as well as a Bachelor of Science in Construction Management.

Responsibilities

Personal management of all phases of the development process including acquisitions, pre-development, executing transactions, construction, and asset management. Mr. Wilson is in constant contact with key team members to ensure each phase of the development process is properly coordinated. Mr. Wilson is responsible for ensuring development goals, milestones, or other critical issues are met and to direct resources in focusing and clarifying development or asset management goals.

Relevant Experience

Tax Credit

Artisan at Mission Creek; San Antonio, TX	252 units; 339,438 sf
Artisan at Rush Creek; Arlington, TX	144 units; 164,623 sf
Artisan at Salado Creek; San Antonio, TX	200 units; 217,015 sf
Artisan at Salado Falls; San Antonio, TX	252 units; 360,504 sf
Artisan at San Pedro Creek; San Antonio, TX	252 units; 251,400 sf
Artisan at Willow Springs; San Antonio, TX	248 units; 245,404 sf
Artisan on the Bluff; San Antonio, TX	250 units; 245,848 sf
Artisan Ridge; Dallas, TX	264 units; 306,818 sf
Dove Valley Ranch; San Antonio, TX 2	46 units; 228,625 sf
Rancho Sierra; San Antonio, TX	280 units; 240,403 sf
Sutton Oaks; San Antonio, TX	194 units; 186,925 sf
Artisan at Port Isabel, Port Isabel, TX	73 units; 104,347 sf
The Park at Sutton Oaks, San Antonio, TX	208 units; 199,120 sf
Artisan at Dilley, Dilley, TX	46 units; 46,566 sf

Seniors

Franklin Park Canyon Creek; Plano, TX	214 units; 231,378 sf
Franklin Park Cityview; Fort Worth, TX	203 units; 181,316 sf
Franklin Park Home Town; N. Richland Hills, TX	193 units; 197,423 sf
Franklin Park Lewisville; Lewisville, TX	180 units; 145,566 sf
Franklin Park Sonterra; San Antonio, TX	202 units; 185,025 sf
Franklin Park at Stone Oak, San Antonio, TX	99 units; 94,889 sf
Franklin Park at Desoto, Desoto, TX	240 units; 233,680 sf

Market Rate

Ratama Ranch; San Antonio, TX	246 units; 245,508 sf
The Gates of Cedar Hill; Cedar Hill, TX	252 units; 248,724 sf
The Legends; Fort Worth, TX	208 units; 211,536 sf
The Legends; Hilton Head, SC	119 units; 121,023 sf



Edgar Sandoval

V.P. Asset Manager

Mr. Sandoval has 16 years of experience in the development, construction, and management of affordable multi-family projects, 8 years of experience in the construction/rehab and sale of affordable single family homes, and 5 years of experience in single family owner occupied rehabilitation, targeting extremely low-income senior homeowners.

Prior to his employment at Franklin in November 2009, Mr. Sandoval served in senior management positions for two San Antonio based non-profit housing providers. Mr. Sandoval brings extensive experience in community development and non-profit administration.

Background

Mr. Sandoval received a Master of Business Administration from Our Lady of the Lake University, and a Bachelor of Business Administration from the University of Texas at San Antonio.

Responsibilities

Mr. Sandoval work closely with owner, property managers, lenders, investors and third party groups to maintain and create value consistent with the ownership 's objectives. He is responsible for maximizing all real estate potential for the owners and investors.

Relevant Experience

Tax Credit

Artisan at Salado Creek; San Antonio, TX	200 units; 217,015 sf
Artisan at Willow Springs; San Antonio, TX	248 units; 245,404 sf
Fenner Square, Goliad	32 units
Riversquare, Corpus Christi	208 units
Navigation Pointe, Corpus Christi	124 units
Sutton Oaks; San Antonio, TX	194 units; 186,925 sf
Artisan at Port Isabel, Port Isabel, TX	73 units, 104,347 sf
The Park at Sutton Oaks, San Antonio, TX	208 units, 199,120 sf
Artisan at Dilley, Dilley, TX	46 units, 46,566 sf

Bond Financed

Avion Place, San Antonio	477 units
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HUD Insured/ Subsidized

Stablewood Farms, San Antonio, TX	252 units
Bellshire Apartments, Conroe, TX	312 units
Elmhurst Place, San Antonio, TX	24 units
Bavarian Manor, New Braunfels, TX	53 units
Laredo Manor, Laredo, TX	100 units
Oak Manor, San Antonio, TX	229 units
Cunningham Manor, Brownsville, TX	104 units
West Avenue, San Antonio, TX	150 units
Seguin Manor, Seguin, TX	80 units
Rio Manor, Del Rio, TX	90 units
Lexington Manor, Corpus Christi, TX	150 Units

Market Rate

Eleanor Place, San Antonio, TX	9 units
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EXPERIENCE

The chart below describes Franklin Development's relevant project experience over the past decade.

PROJECT	DATE	LOCATION	COST	SQ FT	UNITS	DESCRIPTION	CLIENT	SOURCE OF FUNDS
THE LEGENDS	2000	Hilton Head, SC	\$7,624,449	121,023	119	Family, market rate	Private	FHA 221(d)4, private equity
THE LEGENDS	2000	Fort Worth, TX	\$13,961,376	211,536	208	Family, market rate	Private	FHA 221(d)4, private equity
RATAMA RANCH	2000	San Antonio, TX	\$15,958,020	245,508	246	Family, market rate	Private	FHA 221(d)4, private equity
DOVE VALLEY RANCH	2002	San Antonio, TX	\$15,500,000	228,625	246	Family, mixed-income affordable	Non-Profit	FHA 221(d)3; non-profit sponsor
FRANKLIN PARK LEWISVILLE	2002	Lewisville, TX	\$24,220,121	145,566	180	Senior apartments; market rate	Private	FHA 221(d)4, private equity
RANCHO SIERRA	2004	San Antonio, TX	\$12,092,437	240,403	280	Family, mixed-income affordable	Private	Tax-exempt 221(d)(4) enhanced private activity bonds; 4% tax credits; city HOME loan; developer financing
FRANKLIN PARK CITYVIEW	2004	Fort Worth, TX	\$15,503,000	181,316	203	Senior IL; market rate	Private	Conventional debt, private equity
ARTISAN RIDGE	2005	Dallas, TX	\$20,127,628	306,818	264	Family, mixed-income affordable	Private	Tax-exempt 221(d)(4) enhanced Private Activity Bonds; 4% tax credits
ARTISAN AT SALADO CREEK	2005	San Antonio, TX	\$16,907,557	217,015	200	Family, mixed-income affordable	Private	Taxable 221(d)(4) Debt; 9% tax credits, HOME loan
ARTISAN AT RUSH CREEK	2005	Arlington, TX	\$13,808,913	164,623	144	Family, mixed-income affordable	Private	Tax-exempt private activity bonds; 4% tax credits
ARTISAN AT WILLOW SPRINGS	2006	San Antonio, TX	\$21,584,358	245,404	248	Family, mixed-income affordable	Non-Profit	Tax-exempt 221(d)(4) enhanced private activity bonds; 4% tax credits
ARTISAN ON THE BLUFF	2006	San Antonio, TX	\$23,259,009	245,848	250	Family, mixed-income affordable	Non-Profit	Tax-exempt private activity bonds; 4% tax credits, HOME loan
ARTISAN AT MISSION CREEK	2007	San Antonio, TX	\$24,130,227	339,438	252	Family, mixed-income affordable	Housing Authority	Tax-exempt private activity bonds; 4% tax credits
FRANKLIN PARK HOME TOWN	2007	N. Richland Hills, TX	\$20,261,011	197,423	193	Senior IL; market rate	Private	Conventional debt, private equity
ARTISAN AT SALADO FALLS	2008	San Antonio, TX	\$27,047,125	360,504	252	Family, mixed-income affordable	Housing Authority	Tax-exempt private activity bonds; 4% tax credits, housing authority subordinate debt
FRANKLIN PARK CANYON CREEK	2008	Plano, TX	\$35,238,000	231,378	214	Senior IL; market rate	Private	Conventional debt, private equity
ARTISAN AT SAN PEDRO CREEK	2009	San Antonio, TX	\$28,486,096	251,400	252	Family, mixed-income affordable	Housing Authority	Tax-exempt private activity bonds as Freddie Mac forward commitment; credit-enhanced construction loan; 4% tax credits
FRANKLIN PARK SONTERRA	2010	San Antonio, TX	\$40,042,025	185,025	202	Senior IL, AL; market rate	Private	Conventional debt, private equity

SUTTON OAKS	2010	San Antonio, TX	\$24,213,330	186,925	194	Reconstruction; family, mixed-income affordable, public housing, market rate	Housing Authority	Freddie Mac forward commitment; private construction loan, 9% tax credits; HUD replacement housing factor funds; subordinate Housing Authority debt; neighborhood stabilization funds
FRANKLIN PARK STONE OAK	2011	San Antonio, TX	\$21,316,742	90,068	111	Senior assisted living; market rate	Private	FHA 232; private equity.
ARTISAN AT DILLEY	2013	Dilley, TX	\$7,827,060	46,566	46	Family, mixed income, affordable	Housing Authority	9% tax credits, HOME loan
THE PART AT SUTTON OAKS	2014	San Antonio, TX	\$29,411,389	199,120	208	Family, mixed income, affordable	Housing Authority	9% tax credits, HOME loan; HUD Replacement Housing Factor funds; subordinate Housing Authority debt
FRANKLIN PARK ALAMO HEIGHTS	2014	San Antonio, TX	\$55,910,708	184,486	221	Senior assisted living; market rate	Private	Conventional debt; private equity

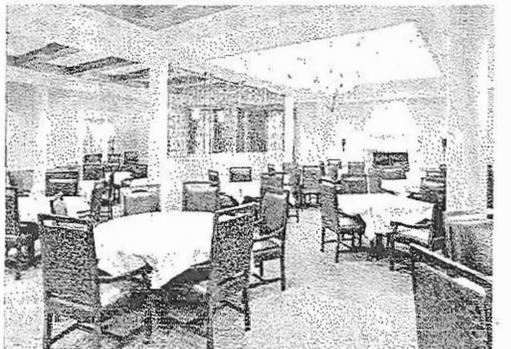
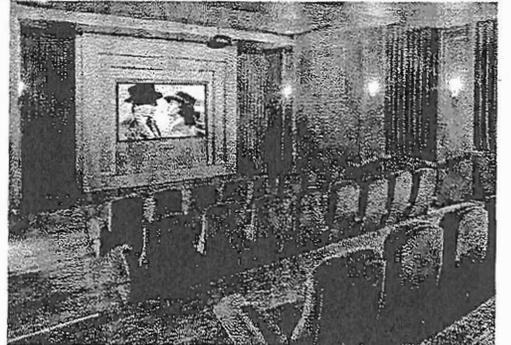


FRANKLIN PARK AT SONTERRA
SAN ANTONIO, TX
202 UNITS
SENIOR HOUSING



Project Description

- Completion in 2010
- Senior Retirement Community
- 202 Total Units. Combined 52 units of Assisted Living with 150 units of Independent Living Units in one property
- Negotiated conventional construction loan with Stillwater National Bank
- Obtained a Texas Department of Aging and Disability Services (DADS) Type B Assisted Living License
- 40 million in development cost

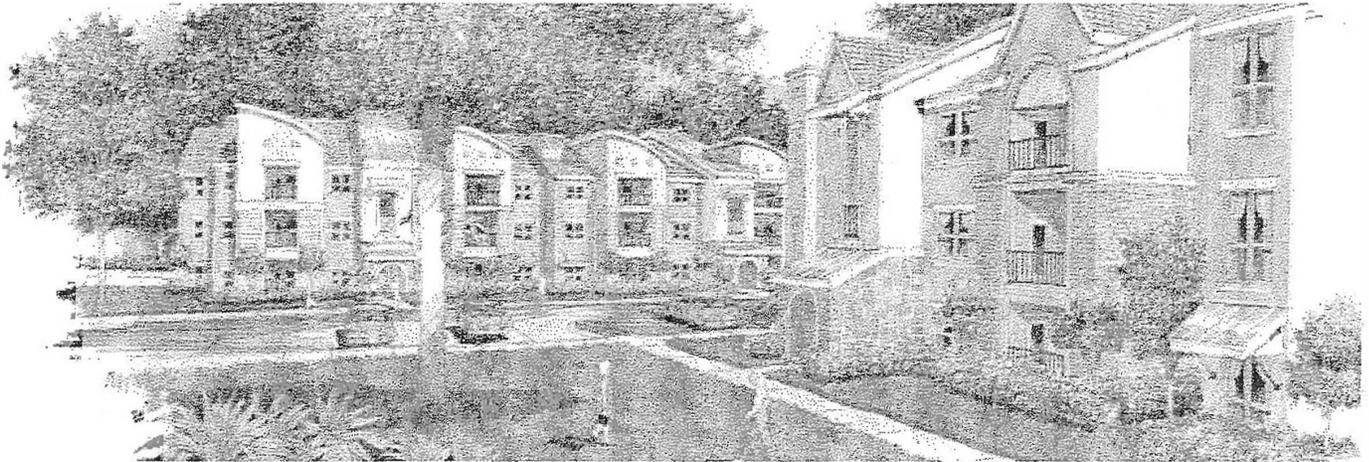




Project Description

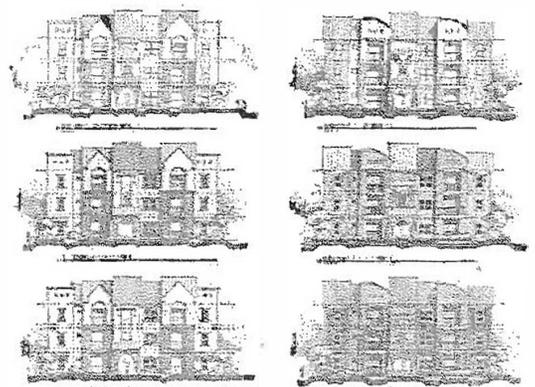
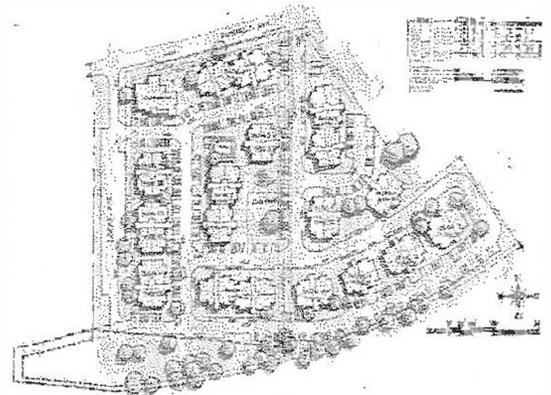
- Completion in 2011
- Senior Retirement Community
- 99 Total Units. Combined 66 units of Assisted Living with 33 units of Memory Care (Alzheimer's) in one single property.
- Negotiated construction and permanent debt through a HUD Section 232 Insured Loan underwritten by Dougherty Mortgage
- Obtained a Texas Department of Aging and Disability Services (DADS) Type B Assisted Living License





Project Description

- Construction in progress; to be completed in 2013
- Family Complex
- 208 units
- Combined dozens of resources including HUD, Housing Authority, Construction Lenders, Permanent Lenders, Freddie Mac, and the City of San Antonio to produce a financial plan that leaves little risk to the development.
- Produced construction documents and received building permit within 5 months.
- Achieved full community participation throughout the process including design, unit mix and financing.
- Leveraged the Housing Authority dollars to maximize impact on the community by replacing old public housing units with new public housing and mixed income housing.
- Organized community residents.
- Established community resident input process on design and amenities.
- Collaborative teams worked closely together to identify the measureable energy efficiency, water efficiency, and indoor air quality in the units to obtain **Build San Antonio Green Level 2 Certification** making the project the first in San Antonio to achieve this level.
- Forward commitment of Tax Credits from TDHCA





Project Description

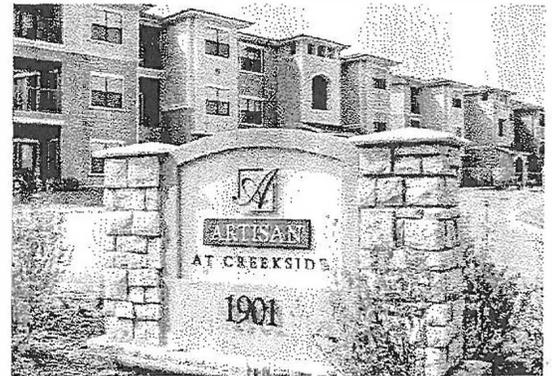
- Completion in 2010
- Family Complex
- 194 units
- Franklin negotiated construction debt with Bank of America, a trusted partner in affordable housing capital markets.
- During a time of falling credit prices, Franklin was able to negotiate a “turn key” deal with Bank of America to sell the tax credits. Very few deals in Texas, or nationally, were able to execute closing in 2009, but Sutton Oaks was the exception. This is testament to Franklin’s relationship and reputation within the industry.
- Achieved approval from HUD on the Mixed Finance proposal within 4 months of submission to HUD.
- Franklin also negotiated with MMA Financial to secure a Freddie Mac forward commitment in less than 45 days.
- The mixed finance proposal was completed and approved within 120 days of award of a tax credit forward commitment.
- Neighborhood Stabilization Funds were utilized to bridge the gap created by steadily falling credit prices.
- Leveraged Housing Authority land value into a source of funds.
- The Board of the Texas Department of Housing and Community Affairs awarded the development an additional \$450,000 yearly credits based on the merits the mixed income development and Franklin’s reputation as a quality developer that always has the best interest of the residents in mind.
- Negotiated with the City of San Antonio to waive permit and abandonment fees to specifically benefit the residents.
- Development included 49 PHA units.
- Forward commitment for Tax Credits from TDHCA





Project Description

- Completion in 2009
- Family complex
- 252 units
- Franklin negotiated permanent debt through the issuance of Tax Exempt Bonds by the San Antonio Housing Finance Corporation.
- The loan structure included a Freddie Mac forward commitment secured by MMA Financial.
- The permanent loan carries an interest rate of 5.66%.
- Bank of America also purchased 4% Tax Credits with proceeds of \$8,828,141.
- TDHCA funds were awarded for \$1,500,000.
- SAHA leveraged its land value into a source of funding. A \$1,150,000 loan by San Antonio Housing Authority equal to the price of the land is subordinate to Senior Debt and deferred development fee and will be paid from available cash flows.
- Franklin Development deferred a portion of its cash development fee to bridge the source gap.
- A redeveloped site; previously considered environmentally hazardous.

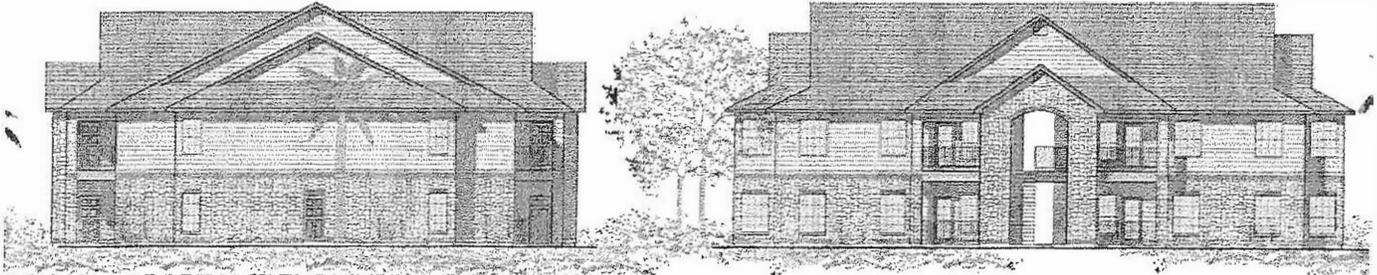


ARTISAN AT PORT ISABEL

PORT ISABEL, TX

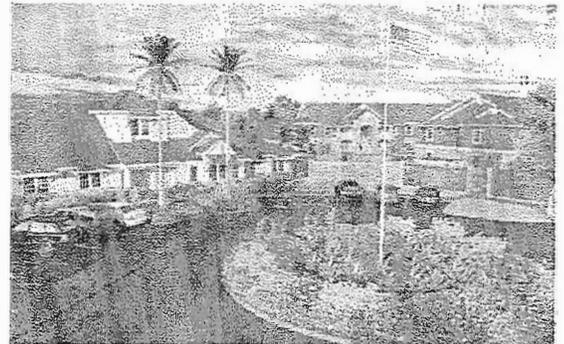
73 UNITS

MULTIFAMILY HOUSING



Project Description

- Completion in 2012
- Family Complex
- 73 Units
- Negotiated construction debt with CITI Bank
- Tax Credits purchased by Richman Capital. Tax credits equity used to pay-off construction loan with CITI
- Total permanent financing provided by TDHCA HOME Loan.
- Leveraged Housing Authority land value into source of funds
- Development included 10 Project Based Section 8 units

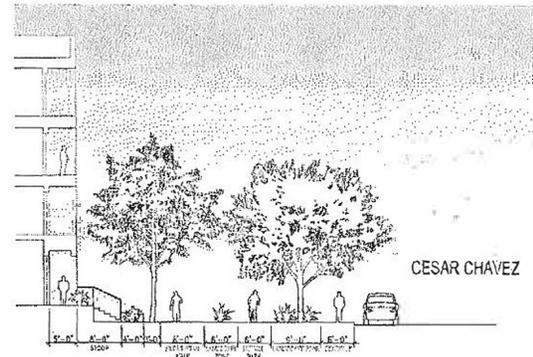


DRAFT



Mixed-use building at the corner of Cesar Chavez Blvd. and Labor St. (Site 1b)

- 5 story massing along Cesar Chavez Blvd and Labor St culminates in a 6 Story corner element created by a double height fifth floor unit. The massing steps down to 4 stories beyond integrating with the scale of the adjacent properties.
- Provide distinctive architectural elements at this prominent corner
- A generous and well designated corner pedestrian zone marks the location of an important pedestrian crossing connecting to the north of Cesar Chavez Blvd.
- Retail along the street with Apartments above with balconies.
- Awnings provide shade and reduce scale at pedestrian level
- Street Trees provide scale and shade
- On-street Parking
- The large retail scheme could utilize additional parking within a carriage road along Cesar Chavez.
- The Small retail scheme may not require the additional parking eliminating the need for the carriage road.

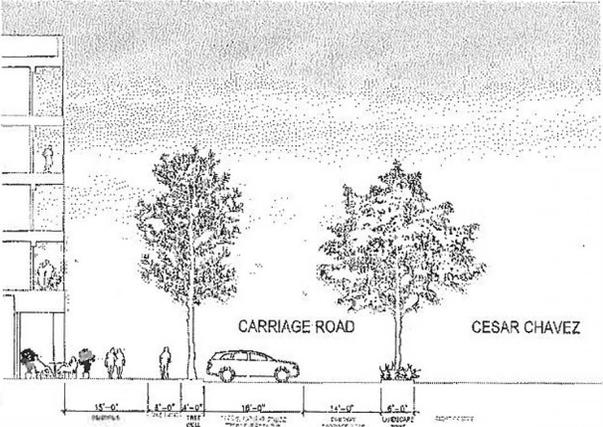


SECTION
C



Streetscape view of Sites 1a and 1b from Cesar Chavez Blvd

- Continuous 4 and 5 story massing along Cesar Chavez helps define public / civic space
- Beyond, 6 story element marks the corner of Cesar Chavez Blvd and Labor St.
- Vertical bays with windows, balconies, shading devices, and material changes help create residential scale architecture.
- Large windows offer views of Hemisfair Park and the city skyline to the north.
- Walk-up residential units could be located along both Cesar Chavez Blvd and Labor St away from the primary intersection
- Durable palette of natural materials such as masonry, metal panel, stucco, concrete



SECTION
D

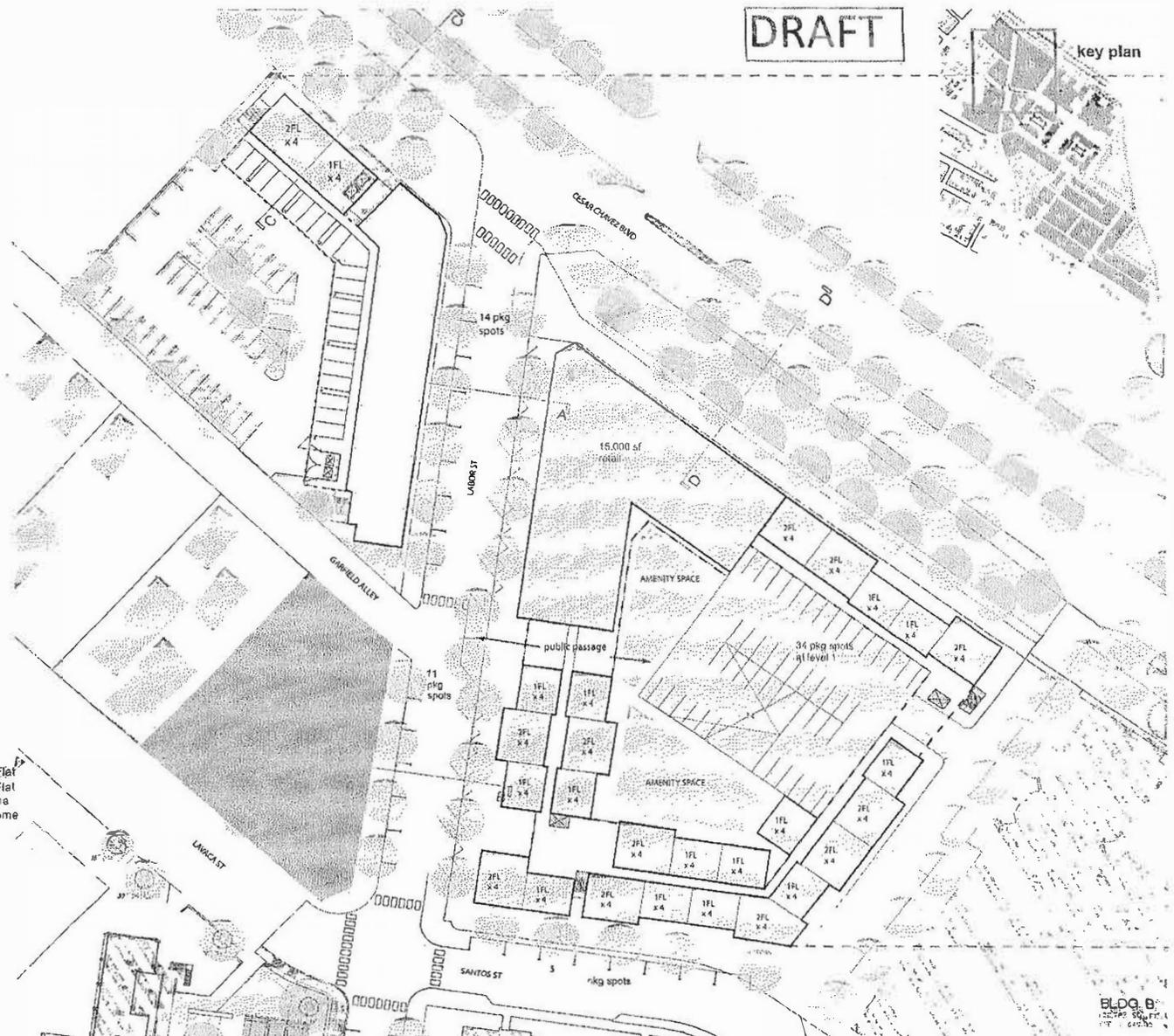
5' 0 10' 30'
April 5, 2012

Sites 1a and 1b: Small Retail Scheme

- The scheme illustrated here incorporates a smaller amount of retail concentrated at the corner of Chavez and Labor and has more walk-up residential units fronting Labor Street.
- Sites 1a and 1b are mixed-use, block buildings that help define an edge to both Cesar Chavez Blvd. and Labor St.
- A more in depth retail study will determine the appropriate quantity of retail and type. Although adequate parking will be provided to service the retail, it should be considered to be highly pedestrian-friendly and encourage a walkable and active streetscape.
- Retail should start at the corner of Labor and Chavez, with Chavez Blvd being the first priority location for retail. Additional retail could extend down Labor Street to the extent that it is supported by market demand.
- Ample street parking by way of parallel and back-in angled parking should be provided to service the retail.
- A structured parking garage will be required on Site 1b to serve the remaining retail parking demand as well as residents. Lower level parking should be reserved for retail.
- This parking structure should be wrapped by occupied building areas and be concealed from the street.
- Where there is not commercial space at the ground level, provide townhouses, live/work units and/or walk-up apartments with elements such as stoops or docks to elevate them above the sidewalk. Landscape can further assist in delineating between public and private spaces as well.
- The commercial space is assumed to be built as a concrete podium structure to facilitate tenant flexibility, with the apartments above assumed to be wood-stick frame.
- The massing of Sites 1a and 1b will be 4 to 5 stories (5 stories: 4 levels of apartments over a concrete podium containing commercial uses; and 4 stories: 4 levels of apartments going to ground level)

DRAFT

key plan



- | | | |
|--|--|----------------------------|
| | Existing Ownership Multi-Family Units | Unit Designation Key |
| | Flex to Ownership Multi-Family Units | 1FL = One Bed Flat |
| | Existing rental Multi-Family Units | 2FL = Two Bed Flat |
| | Rental Multi-Family Units | 1FU = One Bed Walk Up Flat |
| | Ownership Single Family Detached Houses | 2FU = Two Bed Walk Up Flat |
| | Existing Amenity/Community Space | 2TH = Two Bed Town Home |
| | Amenity/Community Space | 3TH = Three Bed Town Home |
| | Possible Grocery Store | |
| | Retail Space | |
| | Open Green Space/Permeable Surface | |
| | Decomposed Granite Parking/Permeable Surface | |
| | Structured Parking | |

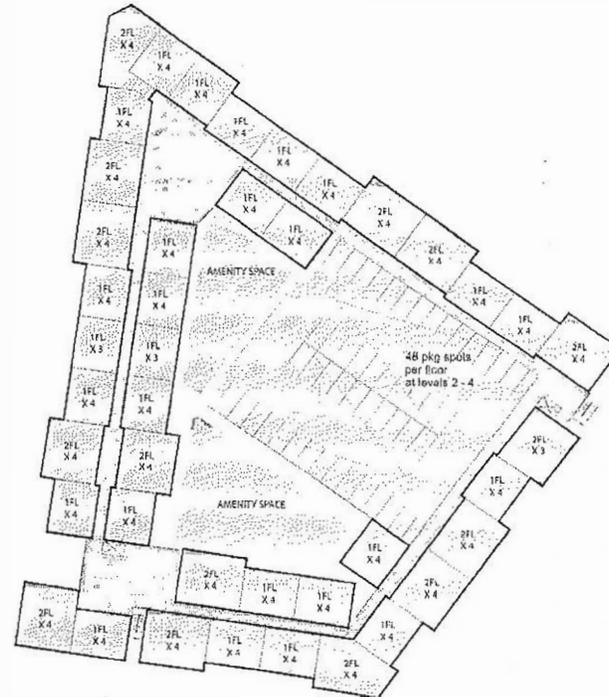
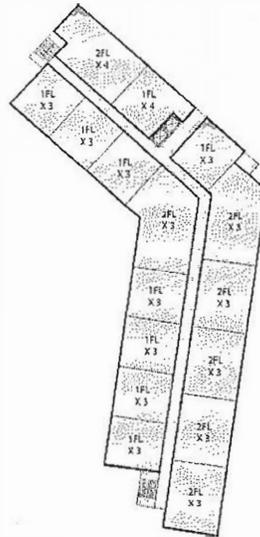


BLDG. B
12/27/10
17' 6" 64032

Sites 1a and 1b:

- Sites 1a and 1b are mixed-use, block buildings that help define an edge to both Cesar Chavez Blvd. and Labor St.
- Both should contain an element of retail at the ground level with multi-family rental apartment flats above.
- A structured parking garage will be required on Site 1b to serve the remaining retail parking demand as well as residents. Lower level parking should be reserved for retail.
- This parking structure should be wrapped by occupied building areas and be concealed from street view.
- The commercial space is assumed to be built as a concrete podium structure to facilitate tenant flexibility, with the apartments above assumed to be wood-slick frame construction.
- The massing of Sites 1a and 1b will be 4 to 5 stories (5 stories: 4 levels of apartments on podium commercial; and 4 stories: 4 levels of apartments going to ground level)
- An amenity space should be provided at site 1b in the triangular spaces between the building massing and parking structure as indicated.
- Apartments should be double loaded where possible to maximize efficiency.

DRAFT



- | | | |
|--|---|-----------------------------|
| | Existing Ownership Multi-Family Units | Unit Designation Key |
| | Flex to Ownership Multi-Family Units | 1FL = One Bed Flat |
| | Existing rental Multi-Family Units | 2FL = Two Bed Flat |
| | Rental Multi-Family Units | 1WU = One Bed Walk Up Flat |
| | Ownership Single Family Detached Houses | 2WU = Two Bed Walk Up Flat |
| | Existing Amenity/Community Space | 2TH = Two Bed Town Home |
| | Amenity/Community Space | 3TH = Three Bed Town Home |
| | Possible Grocery Store | |
| | Retail Space | |
| | Open Green Space/Permiabale Surface | |
| | Decomposed Granite Parking/Permiabale Surface | |
| | Structured Parking | |



scale: 1" = 60'



April 5, 2012



SAWS IMPACT FEE ESTIMATE

Date July 11, 2014 Applicant _____
 Phone No. _____ Type of Business _____
 Service Address 500 Victoria Lane

	DATE	ZONE	METER	EDU	Total
Domestic	6/09/2014-NOW (SAWS & DSP)	LOW	6 in	107.50	\$364,532.50
Irrigation	6/09/2014-NOW (SAWS & DSP)	LOW	2 in	14.00	\$47,474.00
Fireline					\$0.00
Wastewater	6/09/2014- Current	Lower WW		107.5	\$161,787.50
Local Benefit					\$0.00

Total Service Cost Estimate **\$573,794.00**

Remark: _____

All installation charges shall be in accordance with current San Antonio Water System Regulations for water and wastewater service. This estimate is not intended to be an invoice for fees due to SAWS for water/wastewater service. Final costs may include other fees not identified in this estimate.


 Nate Chamberlain

San Antonio Water System
 Counter Services
 nathan.chamberlain@saws.org
 210-233-2325

Exhibit D



CCHIP Agreement Term Sheet

Victoria Commons

Project Name and location: The Victoria Commons project (formerly known as the Victoria Courts Public Housing Development) is located at the corner of Cesar Chavez and Labor Street, San Antonio, TX 78210 within the CRAG, HemisFair and Cesar Chavez Growth Area (Incentive Tier 2), the Inner City TIRZ, and Council District 2.

Project Description: Construction of 215 multi-family rental units with 82 of the units reserved for those with incomes below 60% Area Median Income (AMI). The development will also include 15,000 SF of commercial space for a total project cost of \$36,605,078.

Project Developer and POC: Edgar Sandoval, Franklin Development Properties, Inc.

Incentive Package per CCHIP

City Fee Waivers.....58,574.00

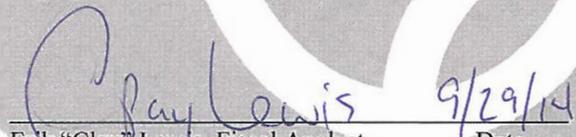
SAWS Fee Waiver573,794.00

TOTAL INCENTIVES \$632,368.00

City fee waivers are funded by the General Fund and will not be available until October 1, 2014. SAWS Fee Waivers are funded through an annual credit allocation.

Approvals:


 Ramiro Gonzales, Program Manager Date


 Erik "Clay" Lewis, Fiscal Analyst Date

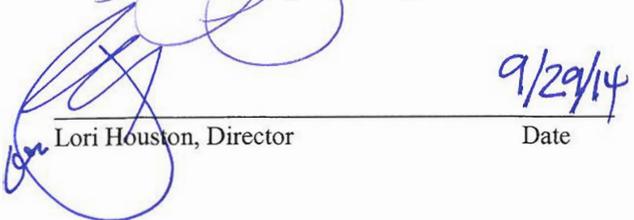

 Lori Houston, Director Date

Exhibit E



Monday, February 02, 2015

sanantonio.gov

[Report a Problem](#) | [Help](#)

[ICRIP Home](#) | [Search](#) | [Active SAWS Waivers Report](#) | [About To Expire Report](#)

ICRIP ADMIN **Welcome Aurora**

Submitted Date	Est. Claim Date	Request Status	Status Date	Approval
1/3/2013 1:15:05 PM	3/30/2014	Approved	1/3/2013 1:16:19 PM	<input checked="" type="checkbox"/> City <input checked="" type="checkbox"/> SAWS <input type="checkbox"/> Council Approved <input type="checkbox"/> Special Expiration <input type="checkbox"/> EDD Project <input checked="" type="checkbox"/> CCHIP Project <input type="checkbox"/> Other CCDO Project

[Back To Home](#)

SAWS
SAWS Waived Amount: 455223

CITY
City Waived Amount:

ICRIP Fee Waiver Form Information WaiverId For 227.

City Status: **ACTIVE**
SAWS Status: **EXPIRED**

APPLICANT INFORMATION

Project Owner: Franklin Development Pr
 Developer Type: Non-profit Organization
 Other Developer Type:

APPLICANT POINT OF CONTACT

Project Role: Owner
 Other Project Role:
 Name: Edgar Sandoval
 Title: Project Manager
 Company Name: Franklin Development Properties
 Applicant Address: 21260 Gathering Oak, Ste. 101
 City: San Antonio
 State: TX
 Zip Code: 78260
 Phone:
 Fax:
 Email:

PROJECT INFORMATION/DESCRIPTION

Project Address: 1010 Locke St.
 City Council District: 2
 Property/Parcel ID: 1141450
 Acreage: 9.6
 Proposed Land Used of Project:

Residential

Other Proposed Land Used of Project:

Housing Units Created: 0

Construction of 208 affordable multifamily rental units. SAHA project.
Project Description: CCHIP Project.

Proposed Level of Investment: \$28,500,000.00

Project Start Date: 9/3/2012

Project Completion Date: 12/31/2013

Current Zoning of Project Site:

Applied for Other Incentive?: Yes No

If so, what Dept(s)?:

SAWS Sewer and Water Impact Fee?: Yes No

SAWS Amount: \$455,223.00

No attachment record was found.

Request Submitted By: Web User

Request Submitted Date: 1/3/2013 1:15:05 PM

Last Modified By: 130732

Last Modified Date: 3/26/2014 8:50:51 AM

Request Status: Approved

Status Date: 1/3/2013 1:16:19 PM

Status Reason:

SAWS Waived Amt: \$455,223.00

SAWS Waived Date: 1/17/2013 10:21:12 AM

SAWS Who Waived: br549

City Waived Amt:

City Who Waived:

City Waived Date:

Council Approved: No

Est. Claim Date: 3/30/2014

City Approved: Yes

SAWS Approved: Yes

City Expiration Date: 3/26/2015

SAWS Expiration Date:

Special Expiration: Yes

EDD Project: No

CCHIP Project: Yes

Other CCDO Project: No

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Public Information/Open Records | Privacy Policy and Disclaimer