



Tim Keller, Mayor

11/7/2023

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**To:** Albuquerque Development Commission

**From:** Ciaran Lithgow, Redevelopment Project Manager

**Subject:** SOMOS Development Agreement – Case #2023-10

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In July 2023, the Metropolitan Redevelopment Agency (“MRA”) issued RFP #01-2023 (“RFP”), seeking partners to develop MRA-owned land on Central and Alcazar (7200 Central Ave SE) in the Near Heights Metropolitan Redevelopment Area. See Map at the end of the Staff Report for location.

On October 19<sup>th</sup>, 2023 the Albuquerque Development Commission (“ADC”) recommended that the MRA staff proceed to negotiations with the Greater Albuquerque Housing Partnership (“GAHP”) on the proposed SOMOS Project at Central & Alcazar and to return to the ADC to present the negotiated development agreement.

MRA and GAHP have developed a mutually agreeable Development and Disposition Agreement for the MRA-owned land. The project is a 70-unit multi-family building with commercial elements (“Project”). The terms of the agreement are separated in this report by project programming and timing. The full Development and Disposition Agreement is enclosed as Exhibit A.

**Project Programming.** The four-story Project will include:

- 70 housing units, of which at least 60% will be affordable to households at or below 80% of the Area Median Income;
- Ground-floor commercial space totaling 1,000 square feet;
- Common area elements, including eighteen (18) indoor secured bike parking spaces, furnished lounges on each floor, and a community room;
- A dedicated rideshare loading space;
- Parking spaces at or below 0.8 spaces per unit;
- At least 10% of parking spaces shall be electric-vehicle installed charging spaces;
- Electric-only appliances with no gas hookups in the building;
- A solar-ready roof, which shall include necessary electrical infrastructure and load bearing structural design to enable future installation of solar thermal panels;

- At least one (1) mural at a minimum of 150 square feet; and,
- Sustainable low-water landscaping, including street trees.

**Timing.** Timing in the Development and Disposition Agreement is dependent upon several other governmental agencies awarding funds or issuing permits. The agreement has been negotiated carefully to accommodate complex affordable housing financing options.

- GAHP is currently seeking HOME grant funds from the City of Albuquerque's Department of Health, Housing, and Homelessness. If awarded before the end of November 2023, the Developer will apply for the competitive 9% Low Income Housing Tax Credit (LIHTC) in January 2024.
- If GAHP is not awarded HOME funds, GAHP will have one year to find alternative funding sources necessary to apply for 9% LIHTC in January 2025. Alternatively, GAHP has the right to propose alternative (non-LIHTC) financing options to MRA.
- If awarded the 2024 LIHTC, the Developer will complete construction within 16 months of closing on financing.
  - Under this scenario, construction commencement is estimated to occur Q2 2025, dependent on building permit issuance.
  - With commencement in Q2 2025, completion would occur in Q3/Q4 2026.
- If awarded the 2025 LIHTC, the Developer will complete construction within 16 months of closing on financing.
  - Under this scenario, construction commencement is estimated to occur Q2 2026, dependent on building permit issuance.
  - With commencement in Q2 2026, completion would occur in Q3/Q4 2027.



*Figure 1: Rendering of the SOMOS building, courtesy of the Hartman + Majewski Design Group*

**Findings:**

1. As provided in the New Mexico State Metropolitan Redevelopment Code and the Metropolitan Redevelopment Agency Ordinance for the City of Albuquerque, MRA issued a Request for Proposal #01-2023 on July 19, 2023, soliciting redevelopment proposals for the subject property which were due on August 31, 2023.
2. Legal notice was published in the Albuquerque Journal on August 1 and August 8, 2023.
3. MRA received one (1) responsive proposal to RFP 01-2023 from Greater Albuquerque Housing Partnership, which met the Threshold Criteria and satisfactorily addressed the Evaluation Criteria.
4. On October 19, 2023, ADC recommended that the MRA staff proceed to negotiations with GAHP on the proposed SOMOS Project at Central & Alcazar and to return to the ADC to present the negotiated development agreement.
5. A mutually-agreed Development and Disposition Agreement was negotiated between the parties to advance the Near Heights Redevelopment Plan by:
  - a. Developing a parcel along a corridor that was identified as a priority in the Near Heights Plan by adding 70 units of housing.
  - b. Advancing the goal of an International Marketplace by adding small-scale retail for local startup businesses and enhancing the connection between Talin Market and the subject property.
  - c. Eliminating blight by developing a currently vacant and chain-link fenced lot that gathers weeds and litter.

**Recommended Motion:**

Based on the findings in the staff report, the ADC recommends to City Council approval, in form, of the Development and Disposition Agreement with Greater Albuquerque Housing Partnership for the development of the SOMOS housing project.

# Property Site Map

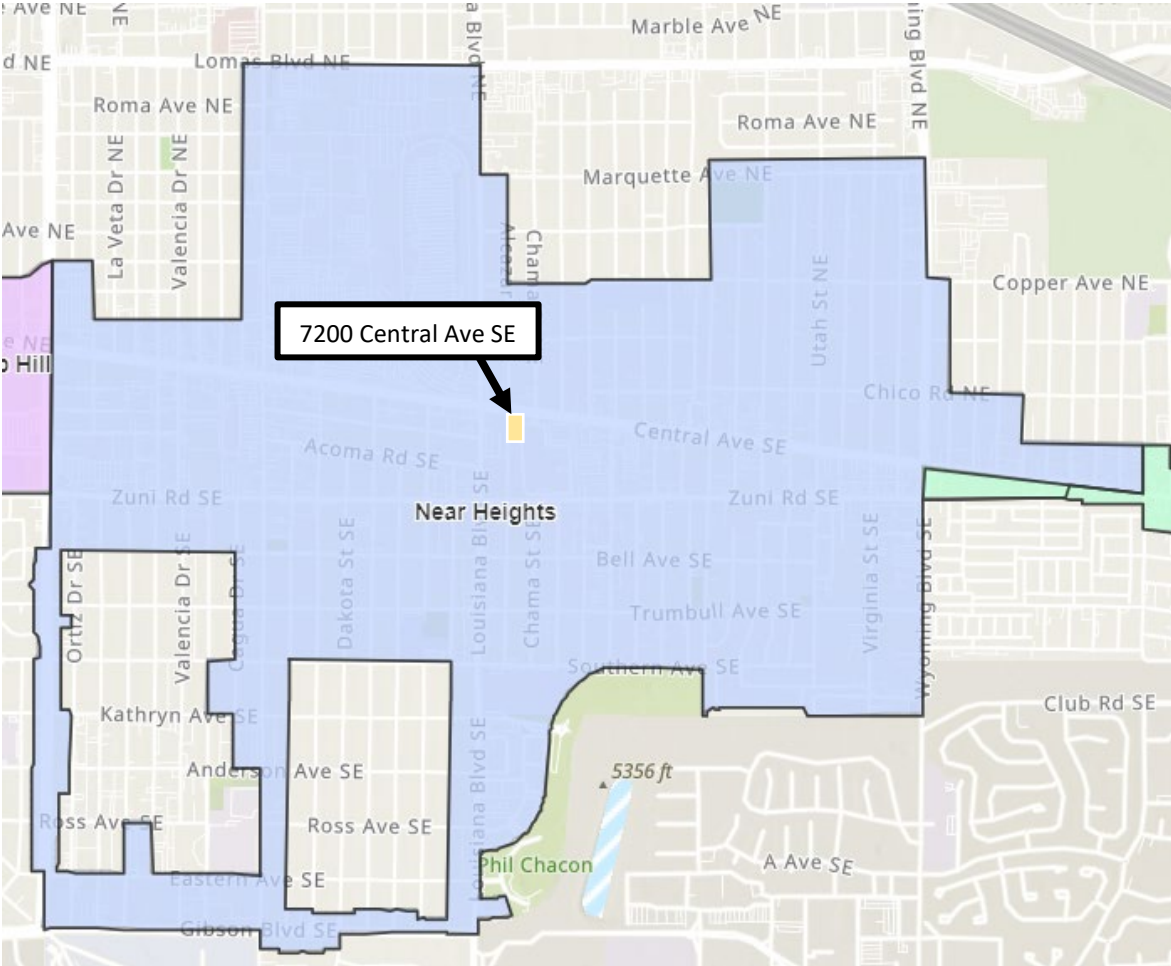




Exhibit A  
SOMOS Development & Disposition Agreement

**DEVELOPMENT AND DISPOSITION AGREEMENT**

By and between the  
**Metropolitan Redevelopment Agency,  
City of Albuquerque, Albuquerque, New Mexico,  
a Municipal Corporation,**

and

**The Greater Albuquerque Housing Partnership  
a New Mexico nonprofit corporation  
320 Gold Avenue SW, Suite 918  
Albuquerque, NM 87102**

**SOMOS at 7200 Central Ave SE**

## DEVELOPMENT AND DISPOSITION AGREEMENT

THIS AGREEMENT (“Agreement”) is entered into and made effective on the date of the City’s Chief Administrative Officer’s signature below, by and between the Metropolitan Redevelopment Agency (“MRA”), a division of the **City of Albuquerque**, Albuquerque, New Mexico, a municipal corporation (hereinafter “City”), and The Greater Albuquerque Housing Partnership, 320 Gold Avenue SW, Suite 918, Albuquerque, NM 87102 (hereinafter “Developer”). The Developer is a New Mexico nonprofit corporation, duly organized and validly existing as such under the laws of the State of New Mexico. City, MRA, and Developer are sometimes hereinafter referred to collectively as “the Parties” and individually as “a Party.”

### RECITALS

WHEREAS, the New Mexico Metropolitan Redevelopment Code, Section 3-60A-1 et seq. NMSA 1978 (the “MR Code”), confers certain powers upon the municipality to promote catalytic developments within areas that have been deemed slum or blighted by the governing body of the municipality and authorizes the municipality to create a Metropolitan Redevelopment Agency; and

WHEREAS, the City of Albuquerque adopted Ordinance § 14-8-4 establishing the MRA for the City and known as the Metropolitan Redevelopment Agency Ordinance; and

WHEREAS, the MR Code requires that areas deemed slum or blighted must have a Metropolitan Redevelopment plan adopted by the municipality that provides proposed activities that will aid in the elimination or prevention of slum or blight; and

WHEREAS, the City Council, has made such a determination and designated the Near Heights Redevelopment Area (“MR Area”) in July 1998 by R-111; and

WHEREAS, the City Council adopted the Near Heights Redevelopment Area Plan (“MR Plan”) on October 6, 2000, by R-90; and

WHEREAS, the MR Plan identifies the need for development that aids in the elimination and prevention of slum and blight and enumerates the following goals: 1) encourage commercial corridor development; 2) encourage motel re-use; and 3) address issues with poor and/or unaffordable housing stock; and

WHEREAS, the MR Plan specifically identified a parcel on the southeast corner of Central & Alcazar as blighted, and therefore ideal for development opportunity; and

WHEREAS, the City and MRA acquired the property in 2004; and

WHEREAS, MRA released the property for development in a Request for Proposal in 2006 and entered into a Development Agreement with a private partner in 2007, but development never commenced and the agreement was terminated in 2015; and

WHEREAS, MRA released a new Request for Proposals (“RFP”) on July 19, 2023, soliciting redevelopment proposals for the site for a housing development project that would add at least 30 housing units to the MR Area; and

WHEREAS, Developer submitted a response (the “Project Proposal”) to the RFP, proposing a four (4) story mixed-income affordable housing project offering 70 housing units and 1,000 square feet of retail space; and

WHEREAS, on [DATE], the Albuquerque Development Commission recommended the City proceed to negotiations on a Development Agreement with Developer; and

WHEREAS, the market rate of the Land (defined below) has been appraised at Five Hundred Thirty-Five Thousand Dollars and No Cents (\$535,000.00); and

WHEREAS, subject to the language of **Section 13.20**, Force Majeure, time is of the essence and implementation of this Agreement within the timeframe stated is of extreme importance to the City and the City does not anticipate providing extensions except as specifically contemplated in this Agreement.

NOW THEREFORE, and in consideration of the premises and the mutual covenants hereinafter, set forth, the Parties formally covenant and agree as follows:

## **ARTICLE I**

### **Definitions**

Section 1.1 The definitions in the MR Code, if any, as they exist at the time of the execution of this Agreement or as amended during the Term of this Agreement are adopted by reference and incorporated herein as though set forth in full in this paragraph. However, in the event of a conflict between one (1) or more definitions in the MR Code and this Agreement, the definitions set forth in this Agreement shall prevail.

Section 1.2 Capitalized terms shall have the meaning assigned to them in this Agreement. If not otherwise defined in this Agreement or the MR Code, capitalized terms shall retain their customary meaning.

Section 1.3 Unless expressly set forth to the contrary in this Agreement, the terms used herein will have the following meanings:

- A. “Agreement” means this Development and Disposition Agreement.
- B. “Land” or “Property” means that certain real property situated in the City of Albuquerque, County of Bernalillo, State of New Mexico, described in Exhibit A.



- C. “Project Proposal” means the response submitted by Developer to the City’s request for proposals, attached in Exhibit B.
- D. “Area Median Income” or “AMI” means the Area Median Income as established by the US Department of Housing and Urban Development (“HUD”) for the Albuquerque Metropolitan Statistical Area.
- E. “Low Income Housing Tax Credit Application” or “LIHTC Application” means the application made by the Developer to the New Mexico Mortgage Finance Authority.

**ARTICLE II**  
**Project Description, Site Plan, and Agreement Term**

Section 2.1. Project Description. The commercial development on the Land (the “Project”) consists of the following and as described in the Project Proposal (see Exhibit B):

- A. The development and construction of the Project will consist of:
  1. At least seventy (70) housing units, of which at least sixty percent (60%) of units will be income-restricted affordable housing at or below eighty percent (80%) of the Area Median Income as established by HUD. As defined in the Project Proposal, ten percent (10%) will be Type A accessible for residents with mobility devices and ninety percent (90%) will be Type B accessible;
  2. At least one (1) ground floor commercial space, to be a minimum of 1,000 square feet (“Commercial Space”);
  3. Common area elements, including eighteen (18) indoor secured bike parking spaces, furnished lounges on each floor, and a community room. Possible additional elements include a food pantry and a roof deck;
  4. Sustainable building elements, including:
    - i. A dedicated rideshare loading space;
    - ii. Parking spaces at or below 0.8 spaces per unit;
    - iii. At least 10% of parking spaces shall be electric-vehicle installed charging spaces;
    - iv. Electric-only appliances with no gas hookups in the building; and,
    - v. A solar-ready roof, which shall include necessary electrical infrastructure and load bearing structural design to enable future installation of solar thermal panels.
  5. At least one (1) mural at a minimum of 150 square feet, or another large public art installation as approved by MRA;
  6. Sustainable low-water landscaping, including street trees; and,
  7. A color palette that does not include the use of gray on the exterior of the building.

All contents of Project Proposal are incorporated herein by reference and are considered to be material terms of this Agreement.

Section 2.2 Final Design Plans.

- A. Within sixty (60) days from the submission of a LIHTC Application and prior to submitting for building permit approval by City, Developer shall submit to MRA a design package for the Project to include a site plan inclusive of a landscape plan and full color elevations (“Preliminary Design Plans”). Preliminary Design Plan shall be fully detailed with site dimensions, landscaping plants and materials, traffic and pedestrian circulation, and façade materials and colors.
- B. City shall have the right to review and approve the Preliminary Design Plans to be consistent with the Project as defined in Section 2.1 and in the Project Proposal.
- C. Upon receiving the Preliminary Design Plans, City will have fifteen (15) business days to review and approve the Preliminary Design Plans, or request modifications. If City does not respond within the fifteen (15) business day period, City will be deemed to have accepted the Preliminary Design Plans. If City requests modifications, Developer will revise and will resubmit the Preliminary Design Plans to City, and the approval procedure detailed above will continue until the Parties have agreed on a final set of design plans. The final agreed upon set of Preliminary Design Plans are hereinafter referred to as the “Final Design Plans”. Any revisions to the Final Design Plans required by the City or any other governmental or quasi-governmental authority to obtain permits for construction of the Project shall be incorporated into and made a part of the Final Design Plans.
- D. Should the Developer and MRA be unable to agree upon Final Design Plans, MRA shall have the option to terminate this Agreement.

Section 2.3 Term of Agreement. This Agreement will become effective upon the execution hereof by the Chief Administrative Officer of the City of Albuquerque, or his or her designee (the “Effective Date”). The Term of this Agreement will commence upon the Effective Date and will terminate when City provides the written Acknowledgement of Satisfaction (as defined and described in Section 7.2). The period of time from the Effective Date to the date on which the City issues the Acknowledgement of Satisfaction shall constitute the “Term.”

**ARTICLE III**  
**Developer’s Responsibilities and Completion of the Project**

Section 3.1. General Developer Responsibilities. Developer shall construct the Project in material conformance with the Final Design Plans. Developer and its affiliates, agents, contractors, or subcontractors are solely responsible for the construction, and management of the Project including, but not limited to:

- A. Assembling a Project team with the necessary expertise, experience, and capacity to develop and manage the Project;

- B. Attending and or facilitating public forums, hearings, and briefings with relevant stakeholders, adjacent neighborhood associations, City Council, elected officials, City agencies, and other organizations as required to obtain the final permits for the Project;
- C. Securing all financing for all costs to complete the Project which may include but are not limited to horizontal and vertical development costs, acquisition costs, pre-development costs, soft costs, off-site costs, and infrastructure costs;
- D. Obtaining and complying with all necessary governmental permits and any other approvals of any nature required for the development and construction of the Project;
- E. Subdividing the Land, as necessary, and covering all associated costs, in accordance with the Project Proposal;
- F. Designing and constructing all on-site improvements related to the Project and in accordance with the Final Design Plans;
- G. Maintaining and operating the Project, including, but not limited to management, maintenance, security, and other industry-standard activities in a first-class manner consistent with reputable business standards and practices typical of similar projects within the Albuquerque metropolitan area;
- H. Paying all real estate taxes and other taxes associated with the Project; and
- I. Paying all charges incurred by Developer, from the Date of Conveyance, for usage of water, gas, electricity or other public utilities relating to the Property. Developer will defend, indemnify, save and hold the City harmless from any such utility charge or expense or liability for same.

Section 3.2. Project Timeline & Occupancy Requirements.

- A. Securing Additional Grants & Financing. The Developer shall be responsible for securing all financing and equity required to build and operate the Project as described in Section 2.1. The Developer shall take the following actions to secure the required financing for the project:
  - 1. If all necessary equity and agreements are secured for the project by January 22, 2024, Developer shall submit for the competitive 9% Low Income Housing Tax Credit (“9% LIHTC”) round of funding in January 2024.
    - a. If the Developer is not selected for the 9% LIHTC in 2024, MRA shall have either:
      - i. The option to terminate this agreement; or,
      - ii. The right to instruct the Developer to pursue a 9% LIHTC application for 2025 and/or to identify alternative financing options; or

- iii. If alternative financing is preferred, the developer shall submit a proposal to MRA no later than three (3) months after written notice is received from the New Mexico Mortgage Finance Authority that the Project was not selected for an award of LIHTC for 2024 (“Alternative Financing Plan One”). MRA shall have the right to approve or deny this plan. If MRA denies this plan, MRA has the right to terminate this agreement.
2. If all necessary funding and agreements are not secured by January 22, 2024, Developer shall either:
  - a. Apply for the 2025 round of 9% LIHTC funding; or,
  - b. Submit to MRA an alternative financing plan that includes application for a 6% LIHTC funding alternative (“Alternative Financing Plan Two”) by August 1, 2024. MRA shall have the right to approve or deny this plan. If MRA denies this plan and the Developer does not intend to submit a 9% LIHTC Application in January 2025, MRA has the right to terminate this agreement.

Failure to secure all financing required for the project by November 30, 2025, will constitute an Event of Material Default.

- B. Submission of Building Permits. Developer shall acquire the Property, obtain all required land use entitlements, and submit for building permit for all aspects of the Project no later than one hundred seventy days (170) days from the notice of a successful LIHTC Application in the form of a Preliminary Reservation Letter from the New Mexico Housing Finance Authority (“Building Permit Submission Date”).
- C. Commencement of Construction. Within thirty (30) days from the date the City issues all required building permits for the Project (“Building Permit Issuance Date”), Developer shall commence construction and hold a ground-breaking ceremony in coordination with the City.
- D. Completion of Construction. Within four hundred eighty (480) days from the Building Permit Issuance Date, Developer shall complete construction as evidenced by the following: (i) final and unconditional Certificate(s) of Occupancy for all components of Project; (ii) documentation of release of liens by contractors, subcontractors and suppliers employed in the Project; and (iii) hosting a ribbon cutting ceremony in coordination with the City (“Construction Completion”). The date Developer provides documentation to City that Developer has meet all conditions listed herein for Construction Completion shall be the “Construction Completion Date.”
- E. Regular Project Cost Estimates. Developer shall obtain regular cost estimates through the design and construction period, sharing such cost estimates with MRA and notifying MRA if there is a ten percent (10%) or more increase in cost estimates, or other cost factors that could put the Project’s feasibility at risk. At a minimum, Developer shall submit cost estimate updates at the following phases:
  - a. Concurrent with submission of Preliminary Design Plans;



- b. At the end of Design Development (as defined by architectural industry standards found in Exhibit C); and,
- c. At 50% Construction Documents (as defined by architectural industry standards, found in Exhibit C).

**ARTICLE IV**  
**City's Responsibilities for the Project**

Section 4.1. Intentionally Reserved.

Section 4.2. Contribution of Land. Contribution and conveyance of the Property to Developer as outlined in Article VI.

**ARTICLE V**  
**Intentionally Reserved**

**ARTICLE VI**  
**Conveyance of Land**

Section 6.1. Contribution and Conveyance of Property. The City hereby agrees to contribute and convey the Property. Developer hereby agrees to accept the Property, upon the terms and conditions of this Agreement.

Section 6.2. Conditions for Property Contribution and Conveyance. City will convey the Property to the Developer by New Mexico statutory form quitclaim deed. Developer shall be responsible for all closing costs and title insurance. The "Date of Conveyance" shall be the day the City provides Developer with an original, fully executed and notarized quit claim deed for the Property. The City shall convey the property upon satisfactory completion of all of the following:

- A. Developer shall obtain all land use entitlements and building permits required for the Project;
- B. Developer shall provide final unconditional documentation for all financing required for the Project;
- C. City has approved the Final Design Plans; and
- D. Developer must provide documentation of the performance bond as detailed in Sections 6.3 and 9.5.
- E. The project will be developed, owned and operated by a to be formed limited liability company or limited liability limited partnership (the "Ownership Entity") and the Developer will serve as managing member or general partner. The land and improvements will be leased or sold by the Developer to the Ownership Entity.
- F. The Developer's obligations hereunder will be assigned by the Developer to the Ownership Entity and assumed by the Ownership Entity. The City agrees to such assignment and assumption.

Section 6.3. Claw Back of Land Value. Subject to Force Majeure, in the event that Developer has not completed construction of the Project within twenty-two (22) months from the Date of Conveyance, Developer shall remit back to the City a maximum amount equal to the value of the land contributed for the Project, which has been determined to be Five Hundred Thirty-Five Thousand Dollars and No Cents (\$535,000.00). Developer shall procure a performance bond for this Project in the amount of Five Hundred Thirty-Five Thousand Dollars and No Cents (\$535,000.00) prior to the Date of Conveyance as described in Section 9.5 below. Upon Construction Completion as described in Section 3.2.D. or payment as provided in this section, Developer shall have no further obligations concerning the Claw Back of Land Value.

Section 6.4. Condition of Title. Title to the Property will be free of all liens, encumbrances, easements, restrictions, rights and conditions of record or known to the City except those set forth in this Agreement and any additional items as may be reasonably approved by Developer. The City will cause the Property to be free of liens relating to improvement work conducted on the Land by the City. In addition, the City will not knowingly allow any document to be recorded in the public records after the Effective Date without the prior written consent of Developer, unless expressly provided in this Agreement.

Section 6.5. City Warranty. Except as specifically set forth herein, the City will have no obligation to make any improvements or alterations to the Land, and as of the closing, Developer hereby accepts the Land, and all other portions of the Land in an "As-Is" condition, with all faults, and as disclosed by the Environmental and Soils Reports. Developer hereby acknowledges that it has relied on its own inspections and due diligence in entering this Agreement and not on any representations or warranties of the City or any broker or other representative of the City concerning the zoning, condition or suitability of the Land for any particular purpose or any other matter. The City makes no warranties other than those expressly made in this Agreement, and makes no implied warranty that the Land is suitable for any particular purpose. Developer hereby waives the benefit of all warranties, express or implied, with respect to the Land including, without limitation, any implied warranty that the Land is suitable for any particular purpose.

Section 6.6. Developer's Environmental Indemnity. Developer will indemnify and defend (with counsel reasonably approved by the City, as applicable) the MRA, the City and its Mayor, Council Members, administration, directors, managers, employees, agents, contractors, successors and assigns (the "City Indemnitees"), and hold the City Indemnitees harmless, from and against any and all claims related to this Project, including but not limited to any liabilities, losses, demands, actions, causes of action, damages, cleanup costs, and expenses (including reasonable attorneys' fees, expert's fees and costs) and/or penalties claimed, threatened or asserted against, or suffered or incurred by any City Indemnitee, arising out of or in any way relating to the release, use, generation, transportation, storage or as a consequence of disposal by Developer or any of its agents, representatives, employees or invitees, or the presence of any Hazardous Materials in, on or about the Property occurring as a result of or in connection with Developer's use or occupancy of the Property, and any and all liabilities, losses, costs, claims, demands, actions, causes of action, expenses and penalties incurred in the removal, remediation and disposal of any Hazardous Materials; provided, however, that the foregoing provisions will not apply to any Hazardous

Materials used, generated, transported, stored or disposed of by a City Indemnitee. The terms and conditions of this Section 6.6 shall survive expiration or earlier termination of this Agreement.

## **ARTICLE VII**

### **Reporting and Acknowledgement of Satisfaction**

Section 7.1. Quarterly Reports. The Developer shall provide to MRA quarterly written reports (“Quarterly Reports”) until Project Completion. Quarterly Reports are due January 31, April 30, July 31, and October 31 of each year. MRA may on occasion and at its sole discretion request additional reports outside of the Quarterly Reports.

- A. Quarterly Reports and MRA requested reports shall include updates on progress obtaining all necessary entitlements, permits, and approvals prior to construction. During construction, the reports will address construction progress (expressed as a percentage of Project Completion), and any concerns or perceived delays to complete the Project by Project Completion. MRA shall provide a template for Quarterly Reports, which shall also be used for additional reports requested by MRA. Quarterly reports shall provide appropriate detail for the City to determine compliancy with Annual Occupancy Requirements.

Section 7.2. Acknowledgement of Satisfaction. Following the Completion Date and satisfaction of all conditions outlined in Section 3.2.D, MRA shall provide a letter acknowledging satisfaction of the same as each are met, notwithstanding the rights and obligations contained within other agreements the Developer may have with the City or MRA.

## **ARTICLE VIII**

### **Warranties and Obligations**

Section 8.1. Warranties and Obligations by the City. The City makes the following warranties as the basis for the undertakings on its part contained herein.

- A. The MRA is a function of the City, a municipal corporation organized and existing under and pursuant to the laws of the State of New Mexico and which is authorized to provide financing for, acquire, construct, own, lease, rehabilitate, improve, sell and otherwise assist projects for the purpose of promoting catalytic developments within areas that have been deemed blighted by the municipality. Except as otherwise set forth in this Agreement, City makes no other warranties, express or implied.

Section 8.2. Warranties and Obligations by Developer. Developer makes the following warranties as the basis for the undertakings on its part herein contained.

- A. The Developer is a New Mexico nonprofit corporation, duly organized and validly existing as such under the laws of the State of New Mexico, and registered to conduct business in the State of New Mexico. The Developer has the requisite corporate authority and power to enter into this Agreement and to perform its obligations hereunder, and it has duly authorized the execution and delivery of this Agreement by the signatory executing this Agreement on its behalf.
- B. The execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, and Developer's compliance with the terms and conditions of this Agreement will not violate the terms of the Developer's Articles of Incorporation or Bylaws or conflict with or result in a breach of any of the terms, conditions, or provisions of any corporate restriction or any agreement or any instrument to which Developer is a party or by which it is bound, nor will it result in the creation or imposition of any prohibited lien, charge, or encumbrance of any nature whatsoever upon the Property or the Project, except for any permitted encumbrances.
- C. There are no legal or administrative proceedings pending or, to Developer's knowledge, threatened against Developer or affecting the Project which, if determined adversely, would have a material adverse effect on Developer or the Project or on the ability of Developer to perform its obligations under this Agreement and any related agreements.
- D. At all times the Project shall comply in all material respects with all applicable zoning and planning ordinances, building codes, flood regulations, environmental laws, ordinances, statutes, rules, and regulations relating to the Project.
- E. Developer shall not amend or change its Bylaws or Articles of Incorporation, or otherwise amend its governing documents in any manner if such amendment or change would result in a conflict with the terms of this Agreement at any time during the Term of this Agreement.
- F. No City Councilor, officer, or employee of the City has any direct, indirect, legal, or beneficial interest in the Developer, the Project, this Agreement or in any contract or agreement between the City and Developer or in any franchise, concession, right or privilege of any nature granted by the City to the Developer in this Agreement.
- G. Developer covenants and warrants that the only person or firm interested in this Agreement as principal or principals is named in this Agreement, and that this Agreement is entered into by the Developer without collusion on the part of the Developer with any person or firm, without fraud and in good faith. The Developer also covenants and warrants that no gratuities, in the form of entertainment, gifts or otherwise, were, or during the Term of this Agreement, will be offered or given by the Developer or any agent or representative of the Developer to any officer or employee of the City with a view towards securing this Agreement or for securing more favorable treatment with respect to making any determinations with respect to performing this Agreement.



- H. The Developer covenants and agrees that no funds awarded through this program will be used for sectarian religious purposes, and specifically that:
- i) there will be no religious test for tenancy eligibility;
  - ii) there will be no requirement for attendance at religious services;
  - iii) there will be no inquiry as to religious preference or affiliation;
  - iv) there will be no proselytizing; and
  - v) services provided will be essentially secular.

## **ARTICLE IX**

### **Real Property Taxes, Insurance, and Other Amounts Payable**

Section 9.1. Payment, Fees, and Other Amounts Payable. Developer shall promptly pay or cause to be paid, as the same become due, real property taxes, utility, and other charges incurred in the operation, maintenance, use, occupancy, and upkeep of the Project, provided that with respect to governmental charges that may lawfully be paid in installments over a period of years, Developer shall be obligated to pay only such installments as are required to be paid during the Term of this Agreement when due. Developer may, in good faith, contest any such charges and in the event of any such contest may permit the charges so contested to remain unpaid during the period of such a contest and any appeal therefrom, provided that during such period, enforcement of any such contested item shall be effectively stayed. If the City reasonably determines that the aforementioned amounts have not been paid, the City shall send a written notice of default, detailing the specific payment that it believes Developer has failed to complete, to the Developer who shall then have fifteen (15) business days to provide verification of payment or cure the default; provided, if such default cannot with due diligence be wholly cured within such fifteen (15) business day period, Developer shall have such longer period as may be reasonably necessary to cure the default, so long as Developer proceeds promptly to commence the cure of same within such fifteen (15) business day period and diligently prosecutes the cure to completion in which case, it shall not constitute a default.

Section 9.2. Payments Required. The obligations of Developer to make the payments required in Section 9.1 hereof and to perform and observe the other agreements on its part contained in this Agreement shall be absolute and unconditional without offset or counterclaim for claims against the City or any other party.

Section 9.3. Maintenance of Project. Developer agrees that, it shall, at its own expense, keep, or cause to be kept, the Project in a reasonably safe condition, and keep all other improvements forming a privately-owned part of the Project in good repair and in good operating condition, making all necessary repairs thereto and renewals and replacements thereof. Any tangible property purchased or installed with public funding or received in exchange for tangible property purchased

or installed with public funding shall become a part of the Project and the Property thereof. Developer shall not permit any mechanic's lien, security interest, or other encumbrance to be established or to remain against the Project for labor or materials furnished in connection with the construction or installation of the MRA Design Elements or any additions, modifications, improvements, repairs, renewals or replacements made by it, provided that if Developer shall notify the City of its intention to do so, Developer may in good faith contest any mechanic's or other liens filed or established against the MRA Design Elements and such notice shall stay Developer's obligation to satisfy the contested liens during the period of such contest and any appeal therefrom unless Developer determines or the City shall notify Developer that, in the opinion of the City, by non-payment of any such items, the Developer shall promptly pay and cause to be satisfied and discharged all such unpaid items.

Section 9.4. Insurance Required. During the construction period, Developer shall keep the Project insured or cause the Project to be kept insured against loss or damage by maintaining policies of insurance and by paying, as the same become due and payable, all premiums with respect thereto, including but not necessarily limited to the following coverage:

- A. Comprehensive General Liability Insurance. Developer shall obtain comprehensive general liability insurance, including automobile insurance, with liability limits in amounts not less than \$2,000,000 aggregate limit of liability for bodily injury, including death, and property damage in any one occurrence. Said policies of insurance must include coverage for all operations performed on or about the Project, including coverage for collapse, explosion and underground liability coverage, coverage for the use of all owned, non-owned, hired automobiles, vehicles and other equipment both on the Project site and contractual liability coverage which shall specifically insure the indemnification provisions of this Agreement. The above requirement shall include but shall not be limited to protection against damage or destruction of public and private property, including telephone conduit, telegraph conduit, power conduit, telephone signal cables, fiber optics cables, television cables, computer cables, fire alarm circuits, gas mains, water service connections, sanitary sewer, sewer, house or building connections, water mains, water service connections, steam lines, petroleum products pipelines, storm drains, storm inlet lines including all appurtenances thereto while located below the surface of the ground including injury or death to person or persons caused by Developer's operations including blasting and trenching, backfilling, tamping, with or without the use of mechanical equipment, and the collapse of or structural damage to a building, house or structure including power, telephone, telegraph, fire alarm, street light poles, curb, gutter and sidewalk on public or private property and destruction of or damage to other public or private property resulting therefrom including injury or death to person or persons and all causes by Developer's operations in the removal of other building structures including their supports, trees and utility poles or by excavation including blasting and trenching, backfilling, tamping with or without use of mechanical equipment. Other public and private property as used above shall include but not be limited to lawns, plants, flowers, trees, fences, yards, walls.

- B. **Worker's Compensation Insurance.** Developer shall comply with the provisions of the Worker's Compensation Act, the Subsequent Injury Act and the New Mexico Occupational Disease Disablement Law. Developer shall procure and maintain, or Developer shall require its general contractor to procure and maintain, complete Worker's and Employer's Liability Insurance in accordance with New Mexico law and regulations. Such insurance shall include coverage permitted under NMSA 1978, §52-1-10 for safety devices. With respect to worker's compensation insurance, if Developer or a general contractor elects to be self-insured, it shall comply with the applicable requirements of law. If any portion of the construction of the Project is to be subcontracted or sublet, Developer shall require the contractor and subcontractor to similarly provide such coverage (or qualify as self-insured) for all latter's employees to be engaged in such work. It is agreed with respect to all worker's compensation insurance, Developer and its surety shall waive any right of subrogation they may acquire against the City, its officers, agents and employees by reason of any payment made on account of injury, including death, resulting therefrom sustained by any employee of the insured arising out of performance of this Agreement. Neither the Developer nor its employees are considered to be employees of the City of Albuquerque for any purpose whatsoever. The Developer is considered to be an independent contractor at all times in the performance of this Agreement. The Developer further agrees that neither it nor its employees are entitled to any benefits from the City under the provisions of the Worker's Compensation Act of the State of New Mexico, nor to any of the benefits granted to employees of the City under the provisions of the Merit System Ordinance as now enacted or hereafter amended.
- C. **Builder's Risk Insurance.** Developer shall procure, or Developer shall cause its general contractor to procure and maintain, until completion of the construction, builder's risk, vandalism and malicious mischief insurance. Alternatively, Developer shall procure and maintain insurance, or Developer shall cause its general contractor to procure and maintain, against loss or damage to the Project by fire, lightning, vandalism, and malicious mischief with the uniform extended coverage endorsement limited only as may be provided in the standard form or extended coverage endorsement at the time in use by the State of New Mexico to provide for not less than 90% recovery of the market value of the buildings and other improvements as constructed at the time of destruction.
- D. **Increased Limits.** The City may require Developer to reasonably increase the maximum limits of any insurance required herein and Developer shall promptly comply.
- E. **Proof of Insurance.** During construction, and not less than once each year, on or before January 31, Developer shall provide to the City without demand, or more frequently upon demand, proof of all required insurance coverages.

Section 9.5. **Performance, Payment and Other Bonds.** Developer shall furnish or cause to be furnished, performance and payment bonds as security for the faithful performance and payment of all its obligations pursuant to the construction of the Project. These bonds shall be in amounts at least equal to the amount of the land value, Five Hundred Thirty Five Thousand and No/100

(\$535,000.00), and in such form and with such sureties as are licensed to conduct business in the State of New Mexico and are named in the current list of surety companies acceptable on federal bonds as published in the Federal Register by the Audit Staff of Accounts, U.S. Treasury Department. The performance bond shall also include coverage for any guaranty period provided by the contractor. The surety on the performance bond shall furnish a waiver whereby it consents to the progress or partial payment to any contractor of amounts for materials and acknowledges that such payment shall not preclude enforcement of such remedied as may be available against such surety. Developer shall cause the City to be named a joint obligee on such bonds. If the surety on any bond furnished by Developer is declared bankrupt or becomes insolvent or its right to do business in the State of New Mexico is revoked, Developer shall substitute or cause to be substituted another bond and surety within ten (10) days thereafter.

Section 9.6 Application of Net Proceeds of Insurance. During the construction period of the Project, the net proceeds of builder's risk insurance, and of fire and other hazard and casualty insurance, carried pursuant to the provisions of this Agreement hereof, shall be applied as provided in this Agreement and the net proceeds of liability insurance carried pursuant to the provisions of this Agreement hereof shall be applied toward extinguishment or satisfaction of the liability with respect to which such insurance proceeds have been paid. The net proceeds of the bonds provided pursuant to this Agreement shall be applied to curing the defect in performance or payment.

Section 9.7. Additional Provisions Regarding Insurance. All insurance required to be taken out by Developer pursuant to this Agreement shall be taken out and maintained with generally recognized responsible insurance companies authorized to do business in the state of New Mexico selected by Developer. An original or duplicate copy of the insurance policies providing the coverage required herein shall be deposited with the City. Prior to expiration or exchange of such policy, Developer shall furnish evidence satisfactory to the City that the policy has been renewed or replaced or is no longer required by this Agreement upon demand. All policies required hereunder shall provide that the City shall be given thirty (30) days prior written notice of cancellation, non-renewal or material alteration of coverage. Provisions that the insurance company shall "endeavor to give the City notice" shall not be allowed.

## **ARTICLE X**

### **Damage, Destruction, and Condemnation**

Section 10.1. Damage, Destruction, and Condemnation. In the event the Project is destroyed or damaged, in whole or in part, by fire or other casualty, Developer shall have the right to use the net proceeds of insurance to restore the Project, and other improvements located on the Property to substantially the same conditions as existed prior to the casualty causing the damage or destruction. If the insurance proceeds derived from a claim for damage or destruction are not used to restore the Project, then the amount of City Funds dispersed to date of said proceeds shall be paid to the City by the Developer or Developer's assigns.

Section 10.2. Partial Damage, Destruction, and Condemnation. If the casualty or condemnation affects only part of the Project and total rebuilding is infeasible, then proceeds may be used for partial rebuilding and partial repayment of City Funds, in a manner that provides adequate security

to the City for repayment of the remaining balance of City Funds. In the event City and Developer cannot agree on the approach to take, City shall make the final decision and Developer agrees to be bound by that decision.

## **ARTICLE XI Special Covenants**

Section 11.1 City's Right of Access to the Project. Developer agrees that the City and any of its duly authorized agents shall have the right at all reasonable times following 48-hours written notice (or 2 business days whichever is longest) and subject to the rights of the tenants and guests, to enter upon and examine and inspect the Project provided that any such inspections shall be conducted in a manner that will minimize any intrusion on the operations of the Project.

Section 11.2 Good Standing. Developer warrants and represents that it has executed, filed and recorded all certificates and other documents and has done and shall continue to do throughout the Term of this Agreement such other acts as may be necessary or appropriate to comply with all applicable requirements for the formation, qualification and operation of a New Mexico nonprofit corporation and the operation and ownership of the Project under the laws of the State of New Mexico.

Section 11.3 Release and Indemnification Agreement. Developer releases the City from, and covenants and agrees that the City shall not be liable to the Developer for any loss or damage to property or any injury to or death of any person or persons occasioned by any cause whatsoever pertaining to the Project, the Property, the use thereof, or any other transaction contemplated by this Agreement; provided that such release shall not apply to any loss or damage caused by the negligence or willful acts of the City or any City employees or agents.

Developer shall defend, indemnify, and hold harmless the City from any loss, claim, damage, act, penalty, liability, disbursement, litigation expense, attorneys' fees, or court costs arising out of or in any way relating to this Agreement, or any other cause whatsoever pertaining to the Project, provided, that such indemnity shall not apply to any loss or damage caused by the negligence or willful acts of the City or any City employees or agents and further subject to the limitations of NMSA 1978 § 56-7-1. The City shall, after receipt of notice of the existence of a claim for which it is entitled to indemnity hereunder, notify Developer in writing of the existence of such claim or commencement of such action. This indemnification agreement shall survive the termination of this Agreement.

Section 11.4 Authority of Authorized City Representative. Whenever, under the provisions of this Agreement, the approval of the City is required or Developer is required to take some action at the request of the City, such approval or such request shall be made by the Authorized City Representative (as defined in Section 13.1) unless otherwise specified in this Agreement and Developer shall be authorized to act on any such approval or request.

Section 11.5 Authority of Authorized Developer Representative. The Developer represents and warrants to the City that the Authorized Developer Representative is empowered to take all actions

contemplated herein and that reliance by the City on the authority of the Authorized Developer Representative (as defined in Section 13.1) shall not give rise to a complaint against the City as a result of any action taken by the City.

Section 11.6. Subordination, Sale, Assignment, or Encumbrance of Project. Except as otherwise expressly permitted herein, Developer shall not sell, assign, dispose of, mortgage, or in any way encumber the Project or any part thereof without the prior written consent of the City. Upon the City's approval of the Developer's financing arrangements, the City may in its discretion subordinate the City Funds to one or more mortgages for borrowed funds necessary to develop the Project. The Developer shall not delegate, assign, sublet, or otherwise transfer, in whole or in part, any of the rights or responsibilities granted in or required under this Agreement without the prior written approval of the City. The City has no obligation to and shall not be required to approve any assignment or other transfer of this Agreement that would result in the services required in this Agreement being performed by any other person or entity other than the Developer.

Section 11.7 Financial Statement of Developer. During the Term of this Agreement, Developer agrees to furnish the City a copy of the Project's annual financial statements within ninety (90) days of the end of the Developer's fiscal year.

## **ARTICLE XII**

### **Events of Default Defined and Remedies Upon Default**

Section 12.1. Events of Default Defined. The following shall be "Material Events of Default" under this Agreement, also referred to as "Events of Default" or "Default" shall mean, whenever they are used in this Agreement, any one or more of the following events:

- A. Failure by Developer to perform any of the provisions, covenants or conditions as outlined in Article II, III, and VII;
- A. Breach of the City of any warranty or obligations set forth in Sections 8.1;
- B. Breach of Developer of any warranty or obligations set forth in Section 8.2;
- C. Failure to maintain insurance in the amount or manner required in Section 9.4; or
- D. Failure to maintain a performance bond in the amount and manner required in Section 6.3 or 9.5.

Section 12.2. No Remedy Exclusive. No remedy herein conferred upon or reserved to the City or the Developer nor any remedy conferred upon or reserved to the City or the Developer is intended to be exclusive of any other available remedy but each and every such remedy shall be cumulative and shall be in addition to every other remedy given under this Agreement or now or hereafter existing at law or in equity or by statute. No delay or omission to exercise any right or power accruing upon any default shall impair any such right or power or shall be construed to be a waiver

thereof but any such right and power may be exercised from time to time and as often as may be deemed expedient.

Section 12.3. Agreement to Pay Attorneys' Fees and Expenses. If the City brings any legal action to enforce the cure of a Material Event of Default after applicable notice and cure and is the prevailing party, the City shall be entitled to recover its reasonable, actual, out-of-pocket attorney fees and expenses incurred in such action.

Section 12.4. No Additional Waiver Implied by One Waiver. If any provision contained in this Agreement should be breached by any Party and thereafter waived by the Party, such waiver shall be limited to the particular breach so waived and shall not be deemed to waive any other breach.

Section 12.5. Remedies Upon Default.

- A. Upon any Material Event of Default and regardless of any other notices previously provided, the non-defaulting Party may send a "Notice of Material Default" to the defaulting Party describing the Material Event of Default and requiring cure within thirty (30) days from the date of the mailing of the Notice.
- B. If the Material Event of Default is not cured or arrangements satisfactory to the non-defaulting Party made to cure the Material Event of Default, the non-defaulting Party may elect to sue for direct damages suffered by it due to the Material Event of Default. Except where otherwise stated, the City may, at the City's option and without limiting the City in the exercise of any other right or remedy the City may have on account of such Default, pursue any remedy allowed by this Agreement, at law, or in equity. The City shall have the unrestricted right to call on the Performance Bond per section 9.5, to call on the Claw Back of Land Value in Section 6.3, and/or to place a lien on the Property, in whole or in part, and including all land and all buildings, and then to foreclose on said lien. The City shall not be responsible for any compensatory damages exceeding the value of this agreement. Notwithstanding the foregoing, in no event shall the property revert to the City following an uncured Event of Default.

Section 12.6. Developer to Pursue Remedies Against Contractor and Subcontractors and their Sureties. In the event of a Material Event Default of any contractor or subcontractor under any contract made in connection with the Project, Developer shall promptly proceed either separately or in conjunction with others to exhaust any remedies against the contractor or subcontractor so in default and against each surety for the performance of such contractor or subcontractor. Developer may prosecute or defend any action or proceeding or take other action involving such contractor or subcontractor or surety or other guarantor or indemnitor which Developer deems reasonably necessary.

## **ARTICLE XII Miscellaneous**

Section 13.1 Notices. All notices, certificates or other communications hereunder shall be sufficiently given and shall be deemed given when mailed by registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

If to the City:            Authorized City Representative  
Manager, Metropolitan Redevelopment Agency  
City of Albuquerque  
Post Office Box 1293  
Albuquerque, NM 87103

*With copies to:*  
Chief Administrative Officer, Office of the Mayor  
City of Albuquerque  
Post Office Box 1293  
Albuquerque, NM 87103

City Attorney, Legal Department  
City of Albuquerque  
Post Office Box 1293  
Albuquerque, NM 87103

If to Developer:        Authorized Developer Representative  
Executive Director  
Greater Albuquerque Housing Partnership  
320 Gold Avenue SW, Suite 918  
Albuquerque, NM 87102

The City and Developer may, by notice given hereunder, designate any further or different addresses or delivery methods to which subsequent notices, certificates, documents discussed herein, or other communication shall be sent. Failure to use designated addresses and delivery methods may constitute a failure of notice and/or delivery.

Section 13.2. Binding Effect. This Agreement shall inure to the benefit of and shall be binding upon the City and Developer, and their respective successors and assigns, subject however to the limitations contained herein.

Section 13.3. Severability. In the event any covenant, condition or provision herein is held to be invalid, illegal, or unenforceable by any court of competent jurisdiction, such covenant, condition or provision shall be deemed amended to conform to applicable laws so as to be valid or enforceable or, if it cannot be so amended without materially altering the intention of the parties, it shall be stricken. If stricken, all other covenants, conditions and provisions of this Agreement shall remain in full force and effect provided that the striking of such covenants, conditions or provisions does not materially prejudice either the City or the Developer in its respective rights and obligations contained in the valid covenants, conditions or provisions of this Agreement.



Section 13.4. Amendments, Changes and Modifications. Except as otherwise provided in this Agreement, this Agreement shall not be effectively amended, changed, modified, altered or terminated except by mutual written agreement of the Parties. Metropolitan Redevelopment Agency Director or Manager is authorized to enter into amendments to this Agreement which do not materially adversely impact the City's rights or obligations pursuant to this Agreement.

Section 13.5. Execution of Counterparts. This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 13.6. Other Instruments. Developer and the City covenant that they shall do, execute, acknowledge and deliver or cause to be done, executed, acknowledged and delivered such instrument, supplemental hereto and further acts, instruments and transfers as may be required hereunder. All such ancillary agreements shall be in accordance with and not contradictory to the terms and conditions set forth in this Agreement.

Section 13.7. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of New Mexico.

Section 13.8. Recording. The public and private easements and plats that are associated with the Project, and every assignment and modification thereof shall be recorded in the office of the County Clerk of Bernalillo County New Mexico, by the Developer.

Section 13.9. No Pecuniary Liability of City. No provision of this Agreement shall constitute an indebtedness of the City within the meaning of any constitutional provision or statutory limitations of the State of New Mexico, nor constitute or give rise to a pecuniary liability of the City or a charge against its general credit or taxing powers.

Section 13.10. Officials, Agents and Employees Not Personally Liable. No official, agent or employee of the City nor member of the City Council shall be personally liable to any person by virtue of any provision of this Agreement.

Section 13.11. Waiver. No provisions of this Agreement shall be deemed to have been waived by either party unless such waiver is in writing, signed by the party making the waiver and addressed to the other party, nor shall any custom or practice which may evolve between the parties in the administration of the terms of this Agreement be construed to waiver or lessen the right of either party to insist upon the performance of the other party in strict accordance with the terms of this Agreement. Further, the waiver by any party of a breach by the other party or any term, covenant, or condition hereof shall not operate as a waiver of any subsequent breach of the same or any other term, covenant, or condition thereof.

Section 13.12. Gender, Singular/Plural. Words of any gender used in this Agreement shall be held and construed to include any other gender, and words in the singular number shall be held to include the plural, unless the context otherwise requires.

Section 13.13. Relationship of Contract Documents. All documents attached to this Agreement or incorporated into this Agreement are complementary, and any requirement of one contract document shall be as binding as if required by all. Any inconsistency among the various documents shall be resolved in favor of the language in this Agreement which, along with its amendments, if any, is deemed to be the primary document.

Section 13.14. Exhibits, Certificates, Documents Incorporated and Attachments. Incorporation by Reference: All certificates, documents, exhibits, attachments, riders, and addenda referred to in this Agreement are hereby incorporated into this Agreement by reference and made a part hereof as though set forth in full in this Agreement to the extent they are consistent with its conditions and terms.

Section 13.15. Governmental Rights and Powers. Nothing in this Agreement shall be construed or interpreted as limiting, relinquishing, waiving, or defining governmental rights and the police powers of the City or abrogating the requirement of any ordinance.

Section 13.16. Cross References. References in the text of this Agreement to articles, sections, or exhibits pertain to articles, sections or exhibits of this Agreement unless otherwise specified.

Section 13.17. Time is of the Essence. Subject to the qualifications otherwise set forth herein, time is of the essence in the performance of this Agreement.

Section 13.18. Intentionally deleted.

Section 13.19. No Partnership or Agency. Nothing contained in this Agreement is intended or shall be construed in any respect to create or establish any relationship other than that of the owner and contractor, and nothing herein shall be construed to establish any partnership, joint venture or association or to make Developer the general representative or agent of City for any purpose whatsoever.

Section 13.20. Force Majeure. Except as expressly provided in this Agreement, neither City, nor Developer shall be deemed to be in default hereunder if either party is prevented from performing any of the obligations, other than payment of rental, fees and charges hereunder, by reason of strikes, boycotts, labor disputes, embargoes, shortages of energy or materials, acts of the public enemy, infectious disease or pandemic, weather conditions and the results of acts of nature, riots, rebellion, sabotage, or any other similar circumstances for which it is not responsible or which are not within its control. After the termination of any such event of Force Majeure, the obligation to perform shall recommence with an appropriate and reasonable extension to any deadlines. The Parties stipulate that Force Majeure shall not include the novel coronavirus Covid-19 pandemic which is ongoing as of the date of the execution of this Agreement. For the avoidance of doubt, Force Majeure shall not include: (a) financial distress nor the inability of either party to make a profit or avoid a financial loss, (b) changes in the market prices or conditions, or (c) a party's financial inability to perform its obligations hereunder.

Section 13.21. Forum Selection. Any cause of action, claim, suit, demand, or other case or controversy arising from or related to this Agreement shall only be brought in the Second Judicial

District Court located in Bernalillo County, New Mexico or in the federal district court located in Albuquerque, New Mexico. The parties irrevocably admit themselves to, and consent to, the jurisdiction of either of both said courts. The provisions of this section shall survive the termination of this Agreement.

Section 13.22. Compliance with Laws. The Developer shall comply with all applicable laws, ordinances, regulations and procedures of Federal, State, and local governments in the development, construction, maintenance and management of the Project

Section 13.23. No Reliance; Construction. City and Developer acknowledge and agree that they have thoroughly read this Agreement, including all exhibits thereto, and have sought and received whatever competent advice and counsel was necessary for them to form a full and complete understanding of all rights and obligations herein. City and Developer further acknowledge that the Agreement is the result of negotiations between them and this Agreement shall not be construed against either Party by reason of that Party's preparation of all or part of this Agreement.

Section 13.24. Appropriations. Notwithstanding any other provisions in this Agreement, the terms of this Agreement are contingent upon the City Council of the City of Albuquerque making the appropriations necessary for the performance of this Agreement. If sufficient appropriations and authorizations are not made by the City Council, or if the City Council un-appropriates and deauthorizes funds during a fiscal year, this Agreement may be terminated upon thirty (30) days' written notice given by the City to all other parties to this Agreement. Such event shall not constitute an event of default. All payment obligations of the City and all of its interest in this Agreement will cease upon the date of termination. The City's decision as to whether sufficient appropriations are available shall be accepted by all parties and shall be final.

Section 13.25. Liability. Any liability incurred in connection with this Agreement is subject to the immunities and limitations of the New Mexico Tort Claims Act, Section 41-4-1 et seq., NMSA 1978, as amended.

Section 13.26. Discrimination Prohibited. Developer will not on the grounds of race, color, religion, sexual orientation, sexual preference, national origin or ancestry, age, physical handicap, or disability (as defined in the Americans With Disabilities Act of 1990), discriminate or permit discrimination against any person or group of persons in any manner prohibited by Title 49 CFR Parts 21 and 23, the Civil Rights Act of 1964, as amended, the Equal Pay Act of 1963, the Rehabilitation Act of 1973, and the New Mexico Human Rights Act. Without limiting the generality of the foregoing, the Developer will not discriminate against any employee or applicant for employment because of race, color, hair types/textures/styles, religion, gender, sexual orientation, sexual preference, national origin or ancestry, age, or physical or mental handicap. Such action will include, but not be limited to: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; selection for training; and disciplinary actions and grievances. The Developer agrees to post in conspicuous places available to employees, and applicants for employment, notice to be provided setting forth the provisions of this non-discrimination clause.

Section 13.27. ADA Compliance. In performing the services required hereunder, Developer will ensure any contractors agree to meet all the requirements of the Americans With Disabilities Act of 1990, and all applicable rules and regulations (ADA), which are imposed directly on the Contractor or which would be imposed on the City as a public entity. Developer, through any contractor, agrees to be responsible for knowing all applicable requirements of the ADA and to defend, indemnify and hold harmless the City, its officials, agents and employees from and against any and all claims, actions, suits or proceedings of any kind brought against said parties as a result of any acts or omissions of the Contractor or its agents in violation of the ADA.

Section 13.28. Audits and Inspections. At any time during normal business hours and as often as the City may deem necessary, there shall be made available to the City for examination all of the Developer's records with respect to all matters covered by this Agreement. The City shall give reasonable notice to the Developer of such examination, and in any event, a minimum of two (2) business days prior notice. The Developer shall permit the City to audit, examine, and make excerpts or transcripts from such records, and to make audits of all contracts, invoices, materials, payrolls, records of personnel, conditions of employment and other data relating to all matters covered by this Agreement. The Developer understands and will comply with the City's Accountability in Government Ordinance, §2-10-1 et seq. and Inspector General Ordinance, §2-17-1 et seq. R.O.A. 1994, and also agrees to provide requested information and records and appear as a witness in hearings for the City's Board of Ethics and Campaign Practices pursuant to Article XII, Section 8 of the Albuquerque City Charter.

Section 13.29. Representation. Each party hereto acknowledges that it has been represented, or has had ample opportunity to obtain representation of counsel, with respect to this contract. Accordingly, each party hereto represents to the other that it has read and understood the terms of this Agreement, and the consequences of executing this Agreement, and that except as expressly set forth herein, no representations have been made to induce the other party to execute this contract.

Section 13.30. Multiple Counterparts. This Agreement may be signed in multiple counterparts or with detachable signature pages, but either or both circumstances shall constitute one instrument, binding upon all parties thereto as if all parties signed the same document. If so executed, each such counterpart of this Agreement is to be deemed an original for all purposes and all such counterparts will collectively constitute one Agreement, but in making proof of this Agreement, it will not be necessary to produce or account for more than one such counterpart.

Section 13.31. Entire Agreement. This Agreement, including any explicitly stated and attached Exhibit(s), constitutes the full, final, and entire agreement of the parties and incorporates all of the conditions, agreements, understandings and negotiations between the parties concerning the subject matter of this contract, and all such agreements, conditions, understandings and negotiations have been merged into this written Agreement. No prior condition, agreement, understanding, or negotiation, verbal or otherwise, of the parties or their agents shall be valid or enforceable unless embodied in writing in this Agreement.

Section 13.32. Amendments or Modifications. No amendment or modification to this Agreement shall be valid or enforceable unless such amendment or modification is executed in writing with the consent and signatures of the parties hereto.

Section 13.33. Headings and Captions. Headings and captions of sections and paragraphs are for convenience, not limitation, and are not to be construed as modifying text.

Section 13.34. Survival. All obligations, covenants and agreements contained herein which are not performed at or before the completion of construction of the Project but which are to be performed after the completion of construction of the Project as provided in this Agreement shall survive the completion of construction of the Project.

Section 13.35. Approval Required. This Agreement shall not become effective or binding until approved by the highest approval authority required by the City under this Agreement.

Section 13.36. Agreement Binding. This Agreement and all parts contained herein shall be binding upon each Party and such transferees, their successors, assigns and all parties claiming by, through or under any of them.

Section 13.37. Interpretation.

- A. The words "City" and "Developer" as used herein, will include, as the context may permit or require, the parties executing this Agreement and their respective heirs, executors, administrators, successors and assigns.
- B. Wherever the context so permits or requires, words of any gender used in this Agreement will be construed to include any other gender, and words in the singular number will be construed to include the plural.
- C. Unless expressly provided to the contrary, the phrases "during the term of this Agreement" and "during the term hereof" will include such periods during which the term of this Agreement is actually extended pursuant to the exercise by Developer of option(s) to extend the term hereof.
- D. This Agreement has been negotiated at arm's length and between persons sophisticated and knowledgeable in the matters dealt with in this Agreement. In addition, each party has been given the opportunity to consult experienced and knowledgeable legal counsel. Accordingly, any rule of law or legal decision that would require interpretation of any ambiguities in this Agreement against the party that has drafted it is not applicable and is waived. The provisions of this Agreement will be interpreted in a reasonable manner to affect the purpose of the parties and this Agreement.

Section 13.38. Final Dates. If the final date of any deadline falls upon a Saturday, Sunday, or holiday recognized by the U.S. Postal Service, then in such event the time of such deadline will be extended to the next day that is not a Saturday, Sunday, or holiday recognized by the U. S. Postal

Service. Whenever the word "days" is used herein, it will be considered to mean "calendar days" and not "business days" unless an express statement to the contrary is made.

Section 13.39. City-Developer Relationship. The City will in no event be construed or held to be a partner, joint venture or associate of the Developer in the conduct of the Developer's business, nor will the City be liable for any debts incurred by the Developer in the Developer's business. The relationship is and at all times will remain contractual.

Section 13.40. Governmental Right and Powers. Nothing in this Agreement will be construed or interpreted as limiting, relinquishing, or waiving any rights of ownership enjoyed by the City in the Property or waiving or limiting the City's control over the management, operations or maintenance of the Property, except as specifically provided in this Agreement, or impairing exercising or defining governmental rights and the police powers of the City

Section 13.41. Open Meetings Requirements. Any nonprofit organization in the City which receives funds appropriated by the City, or which has as a member of its governing body an elected official, or appointed administrative official, as a representative of the City, is subject to the requirements of §2-5-1, et seq., R.O.A. 1994, Public Interest Organizations. The parties to this Agreement agree to comply with all such requirements, if applicable.

Section 13.42. No Collusion. The Contractor represents that this Agreement is entered into by the Contractor without collusion on the part of the Contractor with any person or firm, without fraud and in good faith. The Contractor also represents that no gratuities, in the form of entertainment, gifts or otherwise, were, or during the term of this Agreement, will be offered or given by the Contractor or any agent or representative of the Contractor to any officer or employee of the City with a view towards securing this Agreement or for securing more favorable treatment with respect to making any determinations with respect to performing this Agreement.

Section 13.43. Public Records. The parties acknowledge that City is a government entity and subject to the New Mexico Inspection of Public Records Act (Sections 14-2-1 et seq., NMSA 1978). Notwithstanding anything contained herein to the contrary, City shall not be responsible to The Greater Albuquerque Housing Partnership for any disclosure of Confidential Information pursuant to the Act or pursuant to the City of Albuquerque's public records act laws, rules, regulations, instructions or other legal requirement.

Section 13.44. Electronic Signatures. Authenticated electronic signatures are legally acceptable pursuant to Section 14-16-7 NMSA 1978. The parties agree that this agreement may be electronically signed and that the electronic signatures appearing on the agreement are the same as handwritten signatures for the purposes of validity, enforceability, and admissibility

Section 13.45. Governmental Right and Powers. Nothing in this Agreement will be construed or interpreted as limiting, relinquishing, or waiving any rights of ownership enjoyed by the City in the Property or waiving or limiting the City's control over the management, operations or maintenance of the Property, except as specifically provided in this Agreement, or impairing exercising or defining governmental rights and the police powers of the City.

THIS SPACE INTENTIONALLY LEFT BLANK





IN WITNESS WHEREOF the City and Developer have caused this Agreement to be executed in their respective names and all as of the date first written above.

[DEVELOPER],

Approved By:

\_\_\_\_\_  
Felipe Rael, Executive Director

Date: \_\_\_\_\_

STATE OF NEW MEXICO )  
  )  
COUNTY OF BERNALILLO)

This instrument was acknowledged before me this \_\_\_\_\_ day of \_\_\_\_\_, 2024, by Felipe Rael as Executive Director of The Greater Albuquerque Housing Partnership, a New Mexico nonprofit corporation.

\_\_\_\_\_  
Notary Public

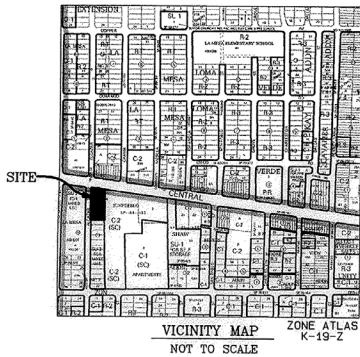
My Commission Expires: \_\_\_\_\_

## **Exhibit A**

### **Legal Description & Plat of Property at 7200 Central Ave SE**

Legal Description: A certain tract of land designated as Tract A-1, lying within Block 11 La Mesa No. 2 Subdivision at the southeast corner of the intersection of Central Avenue & Alcazar Street within Section 19, T. 10N. R. 4E., City of Albuquerque, Bernalillo County, State of New Mexico.

*Plat shown on following page.*



**SHEET INDEX**

- SHEET 1 GENERAL NOTES, APPROVALS, SURVEYOR CERTIFICATION
- SHEET 2 EXISTING LOTS AND TRACTS, IMPROVEMENTS
- SHEET 3 NEW TRACT CREATED & P/U DEDICATION

**GENERAL NOTES**

- BASIS OF BEARINGS TAKEN FROM A PLAT ENTITLED "SUNPUERBLO APARTMENTS" RECORDED IN THE OFFICE OF THE BERNALILLO COUNTY CLERK IN VOL. C30 FOLIO 24 BETWEEN ACS 7-K19 AND FOUND REBAR (S77°08'04"E) DATE IN SINGLE (1) IS TAKEN FROM SAID PLAT ROTATE COW 00°33'27" FROM THIS BASIS TO GRID AZIMUTH.
- REFER TO PLAT ENTITLED "LA MESA No. 2" AS FILED IN THE OFFICE OF THE BERNALILLO COUNTY CLERK IN VOL. D4, FOLIO 1 DATA IN DOUBLE (1) IS FROM SAID PLAT.
- REFER TO A SPECIAL WARRANTY DEED FROM THE CITY OF ALBUQUERQUE, A NEW MEXICO MUNICIPAL CORPORATION TO GRAND CENTRAL DEVELOPMENT LLC, AS FILED IN THE OFFICE OF THE BERNALILLO COUNTY CLERK AS DOCUMENT No. 2007085556.
- CITY OF ALBUQUERQUE ZONE ATLAS PAGE: K-19-Z
- IMPROVEMENTS SHOWN ARE CURRENT AS OF JUNE 2012.
- PLAT SHOWS ALL EASEMENTS OF RECORD KNOWN TO ME AT THE TIME OF THIS SURVEY.

**SUBDIVISION DATA**

TOTAL NUMBER OF EXISTING LOTS: 9  
 TOTAL NUMBER OF NEW TRACTS CREATED: 1  
 GROSS SUBDIVISION ACREAGE: 0.967 ACRES

**PURPOSE OF PLAT:**

THE PURPOSE OF THIS PLAT IS TO:

- ELIMINATE ALL EXISTING INTERIOR LOT LINES FOR THE 9 EXISTING LOTS (1-9 & A) AND COMBINE INTO ONE LOT HEREBY DESIGNATED AS TRACT A.
- DEDICATE THE ADDITIONAL PUBLIC STREET RIGHT OF WAY AS SHOWN HEREIN TO THE CITY OF ALBUQUERQUE IN FEE SIMPLE WITH WARRANTY COVENANTS.

**TREASURERS CERTIFICATION**

THIS IS TO CERTIFY THAT TAXES ARE CURRENT AND PAID ON THE FOLLOWING:

2013  
 107905704209230723 parcel Above  
 Grand Central Development LLC  
 Richard Sklar 11-12-13  
 BERNALILLO COUNTY TREASURER DATE

**SOLAR NOTE**

"NO PROPERTY WITHIN THE AREA OF REQUESTED FINAL ACTION SHALL AT ANY TIME BE SUBJECT TO A DEED RESTRICTION, COVENANT, OR BINDING AGREEMENT PROHIBITING SOLAR COLLECTORS FROM BEING INSTALLED ON BUILDINGS OR ERECTED ON THE LOTS OR PARCELS WITHIN THE AREA OF PROPOSED PLAT. THE FOREGOING REQUIREMENT SHALL BE A CONDITION TO APPROVAL OF THIS PLAT OR SITE DEVELOPMENT PLAN FOR SUBDIVISION."

**OWNERS CONSENT AND DEDICATION**

THE UNDERSIGNED INDIVIDUAL(S), AS THE OWNER(S) OF THE LAND SURVEYED HEREIN, DOES HEREBY CONSENT TO THE LOT CONSOLIDATION SHOWN HEREIN. THE UNDERSIGNED DOES ALSO HEREBY DEDICATE THE ADDITIONAL PUBLIC STREET RIGHT OF WAY AS SHOWN HEREIN TO THE CITY OF ALBUQUERQUE IN FEE SIMPLE WITH WARRANTY COVENANTS. SAID OWNER(S) AND/OR PROPRIETOR(S) DO HEREBY WARRANT THAT THEY HOLD AMONG THEM, COMPLETE AND INDEFEASIBLE TITLE IN FEE SIMPLE TO ALL OF THE FOREGOING AND DO HEREBY REPRESENT THAT THEY ARE SO AUTHORIZED TO ACT. THIS PLATTING IS IN ACCORDANCE WITH THE UNDERSIGNED OWNERS DESIRES AND WISHES. THESE LANDS LIE WITHIN THE PLANNING AND PLATTING JURISDICTION OF THE CITY OF ALBUQUERQUE, NEW MEXICO.

**OWNER**

By: *[Signature]*  
 GRAND CENTRAL DEVELOPMENT LLC VICTOR LIMARAY, MANAGING MEMBER

STATE OF NEW MEXICO )  
 COUNTY OF BERNALILLO ) S S

THE FOREGOING INSTRUMENT WAS ACKNOWLEDGED BEFORE ME THIS 17<sup>th</sup> DAY OF JANUARY, 2013, BY VICTOR LIMARAY

MY COMMISSION EXPIRES 2-25-15



*[Signature]*  
 NOTARY PUBLIC

**PUBLIC UTILITY EASEMENTS**

PUBLIC UTILITY EASEMENTS SHOWN ON THIS PLAT ARE GRANTED FOR THE COMMON AND JOINT USE OF:

- PUBLIC SERVICE COMPANY OF NEW MEXICO ("PNM"), A NEW MEXICO CORPORATION, (PNM ELECTRIC) FOR INSTALLATION, MAINTENANCE, AND SERVICE OF UNDERGROUND ELECTRICAL LINES, TRANSFORMERS, AND OTHER EQUIPMENT AND RELATED FACILITIES REASONABLY NECESSARY TO PROVIDE ELECTRICAL SERVICE.
- NEW MEXICO GAS COMPANY FOR INSTALLATION, MAINTENANCE, AND SERVICE OF NATURAL GAS LINES, VALVES AND OTHER EQUIPMENT AND FACILITIES REASONABLY NECESSARY TO PROVIDE NATURAL GAS.
- CENTURY LINK FOR THE INSTALLATION, MAINTENANCE, AND SERVICE OF SUCH LINES, CABLE, AND OTHER RELATED EQUIPMENT AND FACILITIES REASONABLY NECESSARY TO PROVIDE COMMUNICATION SERVICES, INCLUDING BUT NOT LIMITED TO GROUND PEDESTALS AND CLOSURES.
- COMCAST CABLE FOR THE INSTALLATION, MAINTENANCE, AND SERVICE OF SUCH LINES, CABLE, AND OTHER RELATED EQUIPMENT AND FACILITIES REASONABLY NECESSARY TO PROVIDE CABLE TV SERVICE.

INCLUDED, IS THE RIGHT TO BUILD, REBUILD, CONSTRUCT, RECONSTRUCT, LOCATE, RELOCATE, CHANGE, REMOVE, MODIFY, RENEW, OPERATE, AND MAINTAIN FACILITIES FOR THE PURPOSES DESCRIBED ABOVE, TOGETHER WITH FREE ACCESS TO, FROM, AND OVER SAID EASEMENTS, INCLUDING SUFFICIENT PRIVILEGE TO TRIM AND REMOVE TREES, SHRUBS OR BUSHES WHICH INTERFERE WITH THE PURPOSES SET FORTH HEREIN. NO BUILDING, POOL (ABOVEGROUND OR SUBSURFACE), HOT TUB, CONCRETE OR WOOD POOL DECKING, OR OTHER STRUCTURE SHALL BE ERECTED OR CONSTRUCTED ON SAID EASEMENTS, NOR SHALL ANY WELL BE DRILLED OR OPERATED THEREON. PROPERTY OWNERS SHALL BE SOLELY RESPONSIBLE FOR CORRECTING ANY VIOLATIONS OF NATIONAL ELECTRICAL SAFETY CODE BY CONSTRUCTION OF POOLS, DECKING, OR ANY STRUCTURES ADJACENT TO OR NEAR EASEMENTS SHOWN ON THIS PLAT.

EASEMENTS FOR ELECTRIC TRANSFORMERS/SWITCHGEARS, AS INSTALLED, SHALL EXTEND TEN FEET (10') IN FRONT OF TRANSFORMERS/SWITCHGEAR DOORS AND FIVE FEET (5') ON EACH SIDE.

**DISCLAIMER**

IN APPROVING THIS PLAT, PUBLIC SERVICE COMPANY OF NEW MEXICO AND NEW MEXICO GAS COMPANY DID NOT CONDUCT A TITLE SEARCH OF THE PROPERTIES SHOWN HEREON. CONSEQUENTLY, PNM AND NMGC DO NOT WAIVE NOR RELEASE ANY EASEMENT OR EASEMENT RIGHTS TO WHICH IT MAY BE ENTITLED.

**SURVEYOR'S CERTIFICATE**

I HEREBY CERTIFY THAT THIS LOT CONSOLIDATION SURVEY AND THE NOTES SHOWN HEREON WERE PREPARED UNDER MY DIRECTION FROM A SURVEY PERFORMED IN THE FIELD, FOR THE PURPOSE OF ELIMINATING INTERIOR LOT LINES AND COMBINE INTO ONE LOT AS INSTRUCTED BY THE OWNER(S). TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF THIS PLAT MEETS THE MINIMUM REQUIREMENTS FOR MONUMENTS AND SURVEYS OF THE ALBUQUERQUE SUBDIVISION ORDINANCE AND THAT IT COMPLIES WITH SURVEYING STANDARDS ESTABLISHED BY THE BOARD OF LICENSURE FOR ENGINEERS AND SURVEYORS.

*[Signature]* 5 JAN 17, 2013  
 RICHARD A. MORRIS DATE  
 N.M.P.S. No. 10277



**PLAT OF**  
**TRACT A-1, BLOCK 11**  
**LA MESA No. 2**

(BEING A CONSOLIDATION OF LOTS 1 THRU 8 AND LOT A, BLOCK 11, LA MESA No. 2) WITHIN

SECTION 19, TOWNSHIP 10 NORTH, RANGE 4 EAST  
 NEW MEXICO PRINCIPAL MERIDIAN  
 CITY OF ALBUQUERQUE  
 BERNALILLO COUNTY, NEW MEXICO  
 JANUARY 2013

APPLICATION NUMBER: 1009289

**PLAT APPROVAL**

**UTILITY APPROVALS**

*[Signature]* 1-18-13  
 PUBLIC SERVICE COMPANY OF NEW MEXICO DATE  
*[Signature]* 1-18-2013  
 NEW MEXICO GAS COMPANY DATE  
*[Signature]* 1-18-13  
 CENTURY LINK DATE  
*[Signature]* 1/18/13  
 COMCAST DATE

**CITY APPROVALS**

ACTING *[Signature]* 1/18/13  
 CITY SURVEYOR DATE  
 DEPARTMENT OF MUNICIPAL DEVELOPMENT  
*[Signature]*  
 REAL PROPERTY DIVISION DATE  
*[Signature]*  
 ENVIRONMENTAL HEALTH DEPARTMENT DATE  
 TRAFFIC ENGINEERING, TRANSPORTATION DIVISION 10-10-13  
 DATE  
*[Signature]* 01/30/13  
 ABCNWA DATE  
*[Signature]* 1-30-13  
 CAROL S. DUMONT PARK AND RECREATION DEPARTMENT DATE  
*[Signature]* 1-30-13  
 AMAFCA DATE  
*[Signature]* 1-30-13  
 CITY TREASURER DATE  
*[Signature]* 10-17-13  
 DEPARTMENT CHAIRPERSON, PLANNING DEPARTMENT DATE

GENERAL NOTES, APPROVALS, CERT. SHEET 1 OF 3

INDEXING INFORMATION FOR COUNTY CLERK				
OWNER	SECTION	TOWNSHIP	RANGE	LOCATION
GRAND CENTRAL DEVELOPMENT	19	10 N.	4 E.	ALBUQUERQUE

**MORRIS**  
 surveying | engineering

1210-A Parkway Drive Phone: (505) 498-9100  
 Santa Fe, NM 87507 FAX: (505) 474-8723

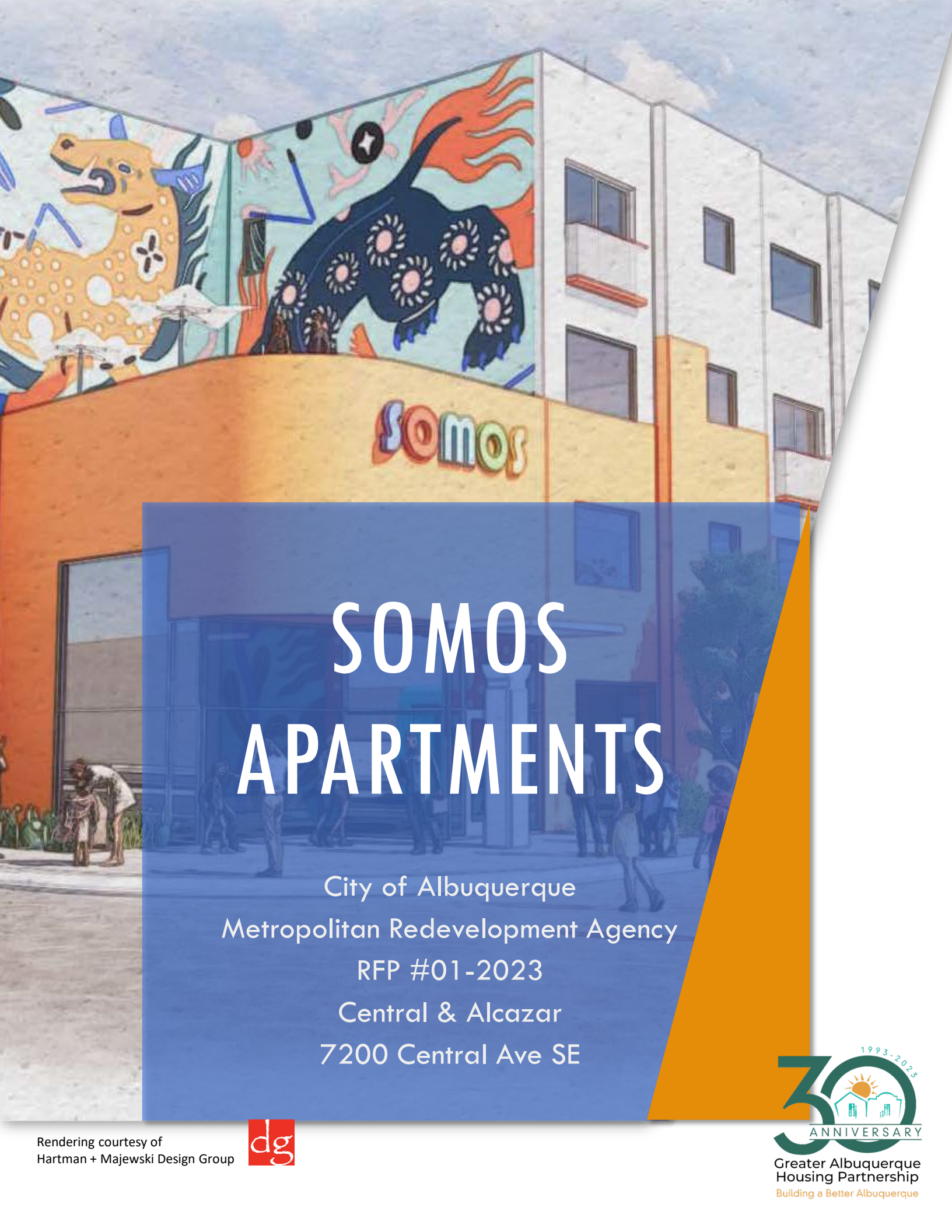
DRAWN BY: A.J.N SCALE: NTS CHECKED BY: R.A.M.  
 NAME: ALCAZAR ST. AND CENTRAL AVE. PROJECT No. 12501

PLATTED: 01/01/2013  
 PROJECT: 12501  
 TITLE: 12501

DOC# 2013124811

1/18/2013 01:28:00 Page: 1 of 3  
 by: Lot # 2013018 2013018 Toulous Oliveira, Bernalillo Co.,

Exhibit B  
Project Proposal



SOMOS

# SOMOS APARTMENTS

City of Albuquerque  
Metropolitan Redevelopment Agency  
RFP #01-2023  
Central & Alcazar  
7200 Central Ave SE

Rendering courtesy of  
Hartman + Majewski Design Group



Greater Albuquerque  
Housing Partnership  
Building a Better Albuquerque

# i. PROPOSAL INFORMATION SHEET

## Exhibit D - Proposal Information Sheet

### Basic Project Information

Project Name: Somos Apartments

Project Size (Square Footage): 63,399sf

Number of New Housing Units Added: 70

Square Footage of Non-Housing Uses (retail, office, community, etc) (if applicable): 1,000 sf

Total Project Cost: \$21,960,448

### Development Team (list all entities, owners, equity partners, etc) and Member Roles:

Developer/Owner: Greater Albuquerque Housing Partnership

Architect: Hartman + Majewski Design Group

### Applicant Contact Information

Primary point of contact: Felipe Rael

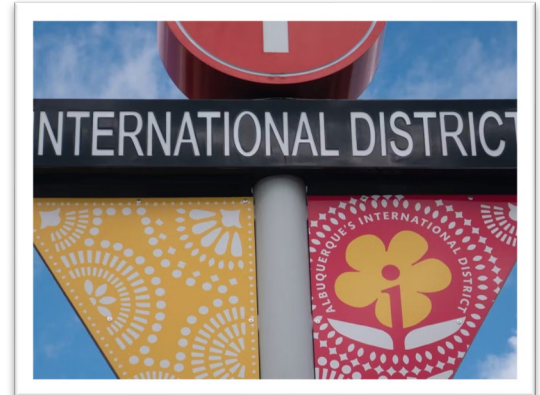
Address: 320 Gold Avenue SW, Suite 918, Albuquerque, NM 87102

Phone: 505.244.1614

Email: info@abqgahp.org

## ii. PROJECT SUMMARY

The Greater Albuquerque Housing Partnership (GAHP) enthusiastically submits Somos Apartments (Somos), a 70 unit mixed-income, mixed-use community development in response to the City of Albuquerque Metropolitan Redevelopment Agency RFP #01-2023 for the site at Central Avenue and Alcazar Street. Selection of Somos as the successful respondent will be the first step in securing the sources of funding needed for this community development. We will also seek City of Albuquerque Department HUD HOME Investment Partnership (HOME) funds through the Department Family and Community Services (DFCS), Community Development Block Grant (CDBG) funds for infrastructure improvements, equity generated from the sale of Low-Income Housing Tax Credits (LIHTC), Project Based Vouchers (PBV), and a commercial loan.



### **Vision and development strategy**

Somos translates to “We Are,” and opens the door to celebrating the cultural diversity and myriad opportunities found in the international District of Albuquerque in an open-ended and creative way.

“Somos”....Hispanic, Native, Asian, Black, White, Immigrant, determined, creative, community, together.

“Somos” Albuquerque.

Somos is envisioned to complete the International Marketplace established in the 2000 Near Heights Metropolitan Redevelopment Area Plan (MR Area Plan) with a new construction, mixed-use, and mixed-income community of 70 one-bedroom apartments above residential amenities, leasing office, and retail space. The concept is to provide a vibrant and culturally interesting place-based building design that meets many levels of community need. The added housing, amenities, new landscaping, and lighting will enliven the vacant lot with the beautification and safety improvements highly prioritized by community members.

The apartment community provides sustainable, innovative, regenerative, and revenue-producing possibilities through its design, services, and community collaborations. Somos is an example of inclusionary housing that provides households with low incomes greater opportunities for economic advancement through housing affordability and stability. While environmental sustainability and innovation are achieved through energy efficiency and Universal Design features, the combination of housing that is affordable to low-income households and on-site enrichment services means a stable, sustainable home for Somos residents. Collaboration with local health providers will create access to services that promote healthy living and housing stability.

Partnership with the International District Community Development Corporation (IDCDC) means an ongoing, synergistic cycle of income, spending, celebration, and growth for the International District. Somos features 1,000sf of storefront retail space visible from the Talin Market Plaza and along a walkable, pedestrian-friendly, thoroughfare. The space will be leased by local small businesses participating in the IDCDC’s incubator and accelerator program which in turn will provide jobs, income, and services needed and used by community members. GAHP has already received a letter of support from the IDCDC committing to securing commercial tenants who will benefit from a new, well-located space with rent affordable for a new business getting started. This combination of business development and new residents to support them and other area businesses enlivens the community with vibrant and needed activity and helps to secure the future of the International District.

The vivid colors and playful building design reflect the rich cultural diversity of the International District and provide a distinct backdrop for weekend farmers markets and festivals to begin again. With community reinvestment and a perfectly situated and artistic design, we hope to see the International Festival and other celebrations of cultures represented in the International District return to the International Marketplace in the coming years.

*Continued*



## Project Summary *(continued)*

### **Project Design:**

Somos is proposed as a 63,399sf, 4-story wood framed, multifamily and mixed-use community consisting of 70 one-bedroom apartments with leasing office and amenity spaces to support residents and 1,000 square foot commercial space placed along Alcazar facing the parking area of the International Marketplace and connected along a pedestrian oriented path.

All 70 units will be one-bedroom, one-bath units. Ten percent (10%) of the apartments will be designed as Type A accessible units for residents with mobility devices or who need the features of a Type A accessible unit. All other apartments will be designed as Type B units and will be along an accessible route and visitable by residents or visitors with mobility devices with an elevator. Apartments will have Universal Design features of wider passage doorways, removable cabinets, blocking in the bathroom walls for grab bars, and clearances around fixtures and appliances that will help the resident keep their housing if their mobility needs change whether through injury, new household members, or they need to age-in-place.

The main entry to the residential apartments will be located to take advantage of the existing decorative paving and tile pillar with African motif located at the corner of Alcazar Street and Central Avenue. The existing sidewalks MRA funded in 2004 will be protected and repaired as needed to keep as much of the existing sidewalk as possible. Cuts needed for utility connections and street trees will be strategically placed to not disturb the existing patterns.

Amenity spaces include a large community room and a potential free food pantry provided through the Roadrunner Food Bank. Indoor secured bike parking will provide 18 bike parking spaces for residents to safely store their bicycle and small furnished lounges will be provided on each floor. If the budget allows, the design will incorporate a third-floor rooftop deck facing Central Avenue.

The main entry of Somos welcomes existing and potential residents into a striking two-story lobby with controlled access to the leasing office and entry to the community room and naturally daylit residential hallways and elevator lobby. A second controlled access entry is provided into the elevator lobby from the secured resident parking area.

Street trees and other low water use landscaping and steps in the building height, as well as optional planter boxes or decorative site furnishings will bring the building height down to pedestrian scale enhancing the streetscape and pedestrian experience. The existing sidewalk along Alcazar Street widens near the midpoint of the site and provides the best location for the commercial space to connect into the greater community. No interior access is planned to the commercial space and residents will enjoy street trees and outdoor seating and shops created with the business offerings.

The site, having been previously developed as the Blue Spruce Package Liquor Store, is highly suitable for multifamily construction. The site grades are primarily flat, and utilities are stubbed to the property line with available service. The site boundary is essentially rectangular with ample solar exposure for quality, usable outdoor amenity spaces and is enough area to accommodate the required parking, refuse enclosure, truck, and fire access.



*Site Plan uploaded separately*



### iii. THRESHOLD CRITERIA

#### **Creates housing units**

Somos is a mixed-use, mixed-income community that will provide 70 new one-bedroom apartment homes, well above the minimum 30 new housing units, and 1,000sf of retail space.

#### **Elimination of blight & contribution to relevant MR Area Plan**

The anchoring element of the Near Heights MR Area Plan is the creation of a Commercial Corridor Project as envisioned in the 2001 International Marketplace market study and design study for the 6 acre site at the southwest corner of Louisiana and Central. The concept was to establish an array of ethnic businesses providing diverse services that appeal to the adjacent culturally rich neighborhoods and draw shoppers and visitors from all over the city and region. The International Marketplace development was to include the Talin supermarket, retail, office, and residential dwellings within the larger 6-acre corner. GAHP is committed to all five factors identified in the MR Area Plan that determined Louisiana and Central as the right location of the International Marketplace. All five are still relevant today and we feel confident will be achieved through the public private partnership with GAHP and the mixed-used design we propose.

- 1. Eliminates blight and prevents further deterioration of property values in the area.** The MR Area Plan took great effort to identify areas of blight and disruption in the community using neighborhood surveys. These survey results identified the Blue Spruce Package Liquor Store as a blight on the community that needed to be removed. In 2004, The City of Albuquerque was successful in acquiring and demolishing the Blue Spruce which occupied the site. Despite these planning efforts, the site remains vacant and undeveloped with over-grown weeds, litter, and security fencing. By developing the site with a large capital investment of new housing, retail space, new landscaping and lighting, and new residents calling Somos home, we will eliminate the blighted conditions and prevent further deterioration of property values in the area.
- 2. Stimulates public and nonprofit/private investment in the area.** Somos will be a public private partnership through GAHP, MRA, and DFCS to convert a difficult to develop site into a mixed-use community investment that will help transform and invigorate the site into the physical and symbolic center of ethnic businesses and community institutions envisioned for the neighborhood. Somos will invest \$17.6 million in construction costs to achieve the vision of a welcoming and diverse community hub that will contribute to the revitalization of the International District. The timing of this investment is optimal to bring new life into the International Marketplace during this period of renewal and recovery while providing needed housing to area residents.
- 3. Increases the number of jobs in the area and increases the patronage of local businesses.** The International Marketplace has been successful but is suffering from disinvestment resulting from the economic stresses we have experienced since the great recession in 2008 and the Covid Pandemic in 2020. Surrounding businesses have closed their doors and the lack of services for people living without shelter is hard on private business owners and city infrastructure. GAHP intends to use the retail space, through collaboration with the IDCDC, to incubate new local businesses grown from the Trumbull and La Mesa community. As estimated by [WeAreApartments.org](http://WeAreApartments.org), Somos will generate 123 jobs with an estimated economic impact of \$23 Million. New residents of housing that is affordable have more discretionary money available to patronize local businesses because they do not have to spend more than 30% of their income on housing.

*Continued*

## Threshold Criteria *(continued)*

- 4. Empowers residents while furthering economic self-sufficiency and sustainability.** GAHP's mission is to create exceptional housing that promotes household stability and vibrant communities. Affordable housing with income restrictions provides a housing option for residents to keep their housing costs low, reducing the risk of the resident becoming housing cost burdened, and allowing the resident to free up disposable income they might not otherwise have available. This empowers residents towards-sufficiency and improved household stability outcomes.
- 5. Promotes the image of a safer community.** Removing vacant and unused parcels is the first step toward actual and perceived improvements to safety. Somos will be designed with Crime Prevention Through Environmental Design (CPTED) principles that all contribute to a sense of safety and belonging that decreases opportunities for crime. Its culturally appropriate design fits into the neighborhood and is visually appealing with new lighting and landscaping that enhances the streetscape and visibility. The pedestrian connections and increased activity within the streetscape with sidewalk tables and chairs, storefronts, and shop displays bring neighbors together and create collective "eyes on the street" that promotes the image of a safer community.

Yvette has been stably housed for over four years at one of GAHP's affordable apartment communities. She pays no more than 30% of her income on rent, which makes it possible for her to cover all her other expenses. "This is the first place I have ever lived by myself. I love it, I feel safe here," she says. "It's been so good to have a place of my own. I got myself a dog too! I love to decorate for myself, I was able to really make this apartment my own. I love it – it's all mine."

While Yvette takes advantage of the enrichment services provided by GAHP such as the food pantry and exercise classes, what she appreciates the most are the people. "The people make me happy. I've made very good friends here. I feel so safe – and I've never felt safe anywhere."



# IV. EVALUATION CRITERIA

## a. Development Team Experience

Exhibit D: Experience Matrix

Example	1 (required)	2 (required)	3	4	5
Project Name/Address	PAH! Hiland Plaza, 5000 Central Ave. SE, Albuquerque, NM 87108	Luminaria Senior Community, 10600 Central Ave. SE, Albuquerque, NM 87123	Sterling Downtown 800 Silver Ave SW, Albuquerque, NM 87102	Casa Feliz 443 Española Street SE, Albuquerque, NM 87108	Cuatro Senior 1319 4 <sup>th</sup> St. NW, Albuquerque, NM 87102
Proposer Entity	Greater Albuquerque Housing Partnership	Greater Albuquerque Housing Partnership	Greater Albuquerque Housing Partnership	Greater Albuquerque Housing Partnership	Greater Albuquerque Housing Partnership
Participating Development Team member & role	Developer/Owner	Developer/Owner	Developer/Owner	Developer/Owner	Developer/Owner
Project Type (residential, retail, etc)	Residential/Multi- family/Mixed Use	Residential/Multi- family	Residential/Multi- family	Residential/Multi- family	Residential/Multi- family
# of housing units	92	92	107	89	56
Total Square Feet	79,758	68,800	78,008	64,624	70,908
Project Budget	\$22,992,843	\$17,934,142	\$15,611,241	\$16,343,646	\$12,972,711
% Over Budget	NA	NA	NA	3%	1.5%
Construction Commencement Date	04/25/2022	01/04/2021	04/11/2017	01/15/2016	01/12/2015
Construction Completion Date	09/01/2023	03/30/2022	07/03/2018	08/23/2017	07/18/2016
Months to Complete Construction	17	15	15	19	18
Other Comments/Notes	Equity provided by Raymond James	Equity by Raymond James & debt by BOK Financial	Equity provided by Raymond James	Equity by Raymond James & debt by BOK Financial	

**Experience Matrix**

<b>Example</b>	<b>6</b>	<b>7</b>	<b>Team Demonstrated Expertise and Experience</b>
Project Name/Address	Plaza Ciudadña 310 Indian School Rd NE, Albuquerque, NM 87102	Plaza Feliz 517 San Pablo St. SE, Albuquerque, NM 87108	<p>GAHP has a 30-year history of successful development of similar projects that have revitalized communities and furthered economic development. We specialize in improving blighted and difficult to develop sites and create apartment homes that provide housing that is affordable to people with low incomes while beautifying the neighborhood. We currently own and operate seven LIHTC communities with 570 apartment homes. As evidenced in this matrix, GAHP demonstrates that we have the experience needed in financing, building, and operating similar projects on time and on budget.</p> <p><i>*Please refer to our detailed Past Successful Developments (attached) and GAHP Organizational and Team resumes (uploaded separately).</i></p>
Proposer Entity	Greater Albuquerque Housing Partnership	Greater Albuquerque Housing Partnership	
Participating Development Team member & role	Developer/Owner	Developer/Owner	
Project Type (residential, retail, etc)	Residential/Multi-family	Residential/Multi-family /Mixed-use	
# of housing units	68	66	
Total Square Feet	60,558	59,138	
Project Budget	\$14,649,114	\$12,940,007	
% Over Budget	NA	NA	
Construction Commencement Date	02/12/2013	01/03/2011	
Construction Completion Date	04/02/2014	01/19/2012	
Months to Complete Construction	14	12	
Other Comments/Notes			

## ii. Examples of Past Successful Developments

# Meeting Community Needs in the Central/Highland/Upper Nob Hill MRA



PAH! Hiland Plaza (PAH!) is a 79,758 square foot, 4-story 92-unit mixed-income apartment community with a mix of 1-, 2-, and 3-bedroom apartments for households with children. Rents are set to be affordable for residents with incomes at or less than 80% of AMI. PAH! Hiland was funded with City of Albuquerque pass-through HOME & CDBG and utilization of Low-Income Housing Tax Credits from the New Mexico Mortgage Finance Authority. Twenty-three (23) Project Based Voucher (PBV) units contribute to a deep level of affordability so residents pay no more than 30% of their income towards rent. Construction was completed in August 2023. GAHP partnered with local architects Hartman + Majewski Design Group and general contractor Jaynes Corporation to complete the work on PAH!



The apartment community is located along a major transit corridor on Route 66 (Central Avenue) in the Central/Highland/Upper Nob Hill MRA on the site of what was previously the Desert Sands Motel. PAH! is the first new construction, mixed income affordable housing in the neighborhood that encourages equal access to the improved transit corridor and infrastructure, added amenities, and safer neighborhood that come with community investment. PAH! Hiland Plaza is noteworthy in that it meets the development goals of the MRA to create a walkable, mixed-use district with “great main street shopping and new options for exciting living spaces” and brings a \$14 million investment to the community, the largest single investment in the master plan’s 18-year history.



*The PAH! logo includes the ASL for Finally!*

PAH! Hiland Plaza is designed to achieve LEED-H Platinum certification with energy efficiency focusing on limiting air infiltration within the well-insulated exterior walls and roof, Energy Star light fixtures and appliances, a solar thermal central hot water system, WaterSense labeled low water use fixtures, and low-water-use landscaping and irrigation. Electric vehicle charging stations are located inside the secured gate for resident use and outside the fence line for 2 ride share vehicles that provide an amenity to both residents and the greater community.

While this beautiful apartment community is distinctive in its own right, PAH! Hiland Plaza is to be celebrated as Albuquerque’s first multifamily affordable housing community designed by and for the Deaf Community and one of only five in the nation. GAHP partnered with the Deaf Culture Center of New Mexico (DCCNM) to create a space that is not only appropriate for individuals and small families with low incomes, but one with specific design elements that accommodate the needs of the Deaf community in New Mexico. Originally named for the historic Hiland Theater in the Highland Business District east of Nob Hill, Hiland Plaza was renamed PAH! which comes from an expression in American Sign Language meaning “Success!” or “Finally!” The DCCNM members chose the name to honor the long process and sense of joy that arose when we were all finally able to make this dream a reality for the Deaf community.



# Senior Living in the East Gateway MRA



Luminaria Senior Community is a 68,800 square-foot, 4-story, 92-unit mixed-income senior community consisting of 1- and 2-bedroom units with amenities and universal design features for seniors 55+ to age in place. Rents are set to be affordable for residents with incomes at or less than 80% of AMI. Luminaria was completed in 2022 with pass-through funding from the City of Albuquerque HUD HOME funds and utilization of Low-Income Housing Tax Credits from the New Mexico Mortgage Finance Authority. Twenty-three (23) Project Based Voucher (PBV) units contribute to a deep level of affordability so residents pay no more than 30% of their income towards rent. GAHP partnered with local architects Dekker/Perich/Sabatini and general contractor Jaynes Corporation to complete the work on Luminaria.

Luminaria is located along a major transit corridor on Central Avenue in the East Gateway MRA on property owned by the New Mexico State Land Office (NMSLO). Luminaria is noteworthy in that it meets the development goals of the East Gateway MRA and the Route 66 Action Plan by removing the blighted Ponderosa clubhouse and developing a parcel that has suffered significant disinvestment over the last two decades. GAHP partnered with the NMSLO to clean up a blighted and underutilized site for the community and created a development that generates income directly benefiting New Mexico schools and hospitals.

Luminaria is an Energy Star Certified Building and is registered to achieve Platinum certification through the protocols of LEED for Homes. Feature include Photovoltaic carports, LED Energy Star light fixtures and Energy Star rated appliances throughout, a solar thermal central



hot water, system, acoustically rated low-e glazing, and WaterSense labeled low water use fixtures. Landscaping includes low water use irrigation and native or adapted plantings, permeable parking areas, and shaded garden courtyards.

In response to area residents and consistent with the Route 66 Action Plan, the design features a contemporary aesthetic inspired by historic Route 66 with color, lighting, building form, signage and murals that harken it heyday. To create the murals facing historic Route 66, GAHP hosted a mural design competition targeted towards the local artist community with a grant award of \$15,000. The artist, Molly Mendenhall, created two exterior murals representing the Route 66 theme with a day scene, below left, capturing her love of plants, animals, and the outdoors, and the night scene, below right, with a moonlit cityscape.



# Small Site, Big Results, Healthy Living in Albuquerque's Downtown 2025 MRA

**STERLING | DOWNTOWN**  
800 Silver Avenue SW Albuquerque, NM 87102

Sterling|Downtown is a multifamily apartment community geared towards Albuquerque's workforce and within walking distance of many urban amenities making it a large part of this walkable and bikeable community. Rents are set to be affordable for residents with incomes at or less than 60% of AMI. Sterling was funded by the City of Albuquerque Workforce Housing Trust Fund, NM Housing Trust Fund, utilization of Low-Income Housing Tax Credits from the New Mexico Mortgage Finance Authority, and tax-exempt bonds issued by Bernalillo County.

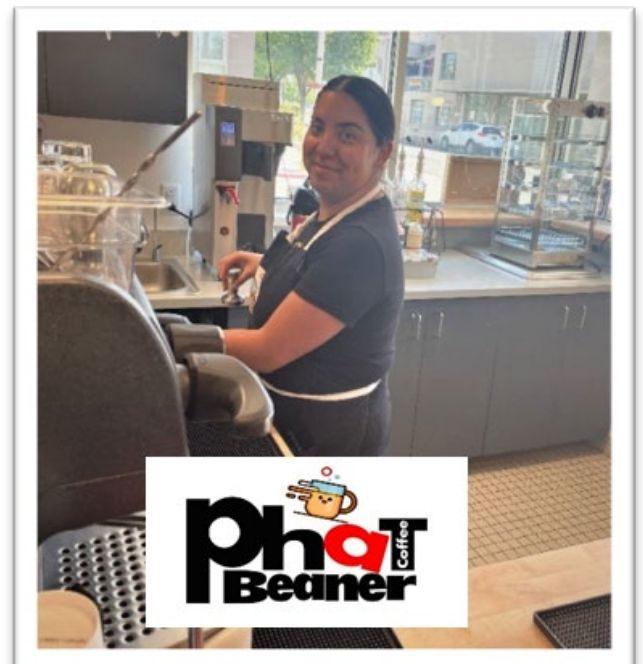
Sterling is noteworthy for its small footprint on .9780 acres that GAHP was able to transform into a four-story, apartment community of 107 units featuring resident parking, a roof top deck, a community room, on site café, and fitness center. These amenities as well as storage options for residents, bike storage and maintenance space, a dog wash, and computer access with an internet café, all promote a healthy, active, urban lifestyle.

Completed in 2018, Sterling has proven to be a high-quality option for the downtown workforce. The community is located in the Downtown 2025 MRA on Silver Avenue, a designated bicycle boulevard, and its proximity to transportation as well as its high level of walkability has charmed its residents and the neighborhood. A resident recently wrote, "These are one of the nicest apartments in Albuquerque! The management is first class and the maintenance guys keep the place super clean. The upper floors have fantastic views of downtown and the Sandias, and the whole building is new, with fancy amenities. Five Stars!"

Moreover, Sterling is a [LEED Platinum](#) building with Photovoltaic carport, solar thermal central hot water system, and meets all the criteria for the [WELL Building Standard](#).



Sterling is also noteworthy for its coffee shop space located in the lobby. With partnerships through the South Valley Economic Development Center, this site has served as an incubator for small businesses. Our first tenant, Plata Coffee, is now a thriving business in the Sawmill Market. The coffee shop is currently operated by Phat Beaner Coffee and Burritos, a woman-owned establishment led by a local chef and entrepreneur that started off as a food truck and has since grown to be a wholesale supplier and catering service in Albuquerque. GAHP envisions similar partnerships for the retail space at Somos.



### iii. Letters of Support

## RAYMOND JAMES®

August 25, 2023

Felipe Rael  
Greater Albuquerque Housing Partnership  
320 Gold Ave SW #918  
Albuquerque, NM 87102

Re: Somos  
Albuquerque, NM

Dear Felipe:

I am pleased to hear of the potential Somos development and to inform you of the Raymond James Tax Credit Fund's ("RJTCF") significant interest in an equity investment in this project.

Subject to a thorough underwriting review, RJTCF at this time is projecting a limited partner equity contribution of approximately \$0.92 per credit dollar, resulting in \$14,928,313 in net equity (based on an annual allocation of 1,622,805 LIHTCs) to the project based on the following projected payment schedule:

- a. 15% at Closing;
- b. 15% at 50% Construction Completion;
- c. 40% at Certificate of Occupancy;
- d. 29% at Stabilization,
- e. \$100,000 (1%) at 8609;

The exact amount of the final limited partner equity contribution RJTCF will offer depends on a number of factors including market conditions, project timing and underwriting specifics. Some of the underwriting conditions include:

- Operating Reserve equal to 6 months of operating expenses, debt service and replacement reserve contributions;
- Annual Replacement Reserve contributions are based on \$250/unit/year (increasing at 3% per year);
- At the Closing, the Partnership may pay \$35,000 (\$10,000 for Due Diligence fee and \$25,000 for Legal Fees) to the RJTCF Fund as a due diligence/legal reimbursement fees in respect of the costs associated with the due diligence process and preparation of Partnership documents and legal opinions;
- This Project meets RJTCF's guideline requiring a debt service coverage ratio of at least 1.15.
- No permanent loan may include a covenant that requires the Partnership to maintain a debt service coverage ratio on an ongoing basis;
- Income/expense trending is subject to further due diligence but RJTCF's standard is based on a ratio of 2:3

Raymond James Tax Credit Funds is a leading provider of high-quality affordable housing developments throughout the nation. Since the tax credit program began in 1986, we have raised more than \$6 billion in equity for more than 1,600 properties throughout the United States.

Our focus on the quality of our development partners, specific market expertise and comprehensive due diligence have earned us recognition as a leader in the affordable housing industry.

**Raymond James Tax Credit Funds, Inc.**  
A Subsidiary of Raymond James Financial, Inc.

880 Carillon Parkway • St. Petersburg, FL 33716  
800-438-8088 Toll Free • 727-567-8455 Fax  
Visit our Web Site at [www.RJTCF.com](http://www.RJTCF.com)

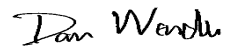


At Raymond James, our clients come first, and we will provide the highest level of service with integrity. This approach has allowed RJTCF to retain our development partners and maintain a stable group of investors that have partnered with RJTCF year after year.

All of us at RJTCF are very enthusiastic about the possibility of working with your organization on this tax credit project.

Please feel free to contact me at 503-675-3933 ([Dan.Wendle@raymondjames.com](mailto:Dan.Wendle@raymondjames.com)) if I can be of further assistance.

Sincerely,

A handwritten signature in black ink that reads "Dan Wendle". The signature is written in a cursive, slightly slanted style.

Dan Wendle  
Vice President  
Director of Acquisitions, West Region



**LISA E. ALBERS**  
Senior Vice President  
Community Development Banking Group  
Phone: 918-588-6420  
Fax: 918-895-8102

August 28, 2023

Mr. Felipe Rael  
Somos  
320 Gold Ave SW, Suite 918  
Albuquerque, NM 87102

Mr. Rael,

On behalf of BOKF, N.A. dba Bank of Albuquerque (the Bank) it is our pleasure to offer the following financing terms for the construction of the 70-unit, mixed-use development in Albuquerque, New Mexico named Somos. The terms presented below are for discussion purposes and are indicative of a loan structure we would like to pursue and are based on the information provided by you and our underwriting assumptions.

**Borrower:** TBD

**Loan Amount:**

*Construction Loan:* \$13,869,846 non-revolving advancing line of credit. This is based on the following factors occurring prior to funding: a project budget of \$21,960,448, receipt of 9% Federal LIHTC allocation from MFA, HOME funds, CDBG funds, and a loan from the General Partner.

*Permanent Loan:* \$2,300,000

**Maturity:**

*Construction Loan:* Twenty-four (24) months from closing. Monthly interest payments will be due during construction.

*Extension Option:* One conditional, six-month extension may be granted on the construction period. A fee of 0.50% of the outstanding loan amount plus the remaining availability will be assessed. Conditions include: receipt of temporary certificates of occupancy; no events of default; and extension of the permanent takeout.

*Permanent Loan:* Seventeen (17) years from closing.

**Collateral:** First mortgage on the project which consists of 70 units; the assignment of all leases and rents, contracts, plans and specifications of the project.

Services provided Bank of Albuquerque, Bank of Arizona, Bank of Arkansas, Bank of Kansas City, Bank of Oklahoma, Bank of Texas, Colorado State Bank and Trust, doing business as BOKF, NA.

**Interest Rate:** The rate will be broken into two (2) tranches:

*Tranche 1* \$2,300,000 will be fixed at BOK's cost of funds plus 275 basis points, which today equates to approximately 7.75%. The rate will be fixed at the time the construction loan closes and will continue through the term of the permanent loan. This tranche will be funded first and will be fully funded 12 months from the date the construction loan closes. It will be interest only for 2 years and at conversion it will begin amortizing on a 30-year amortization. Standard Tier 1 prepayment penalty of the greater of 1% or yield maintenance will apply.

*Tranche 2:* \$11,569,846 will float at 30-Day SOFR plus 275 basis points. This tranche will be interest only and will be completely paid off when the loan converts to the permanent loan.

**Origination Fee:**

*Construction Loan:* A non-refundable fee of 1.00% of the construction loan will be payable at closing.

*Permanent Loan:* A non-refundable fee of 1.00% of the term loan will be payable at conversion.

**Payment Terms:**

*Construction Loan:* Monthly interest payments will be due during construction.

*Permanent Loan:* Fixed monthly payments of principal and interest based on a 35-year amortization.

**Prepayment Penalty:**

*Tranche 1:* The greater of yield maintenance or one percent (1%) of the prepaid amount.

*Tranche 2:* None.

**Guaranty:**

*Construction Loan:* The Greater Albuquerque Housing Partnership (GAHP) and the General Partner will provide unlimited guarantees of payment, completion, environmental and other indemnities until conversion. Loan will contain standard fraud carve-out provisions (including environmental) throughout the life of the facility.

*Permanent Loan:* None, except for standard fraud carve outs.

**Sources of Funds:**

Proceeds from the sale of an allocation of 9% Federal LIHTCs from the Syndicator of which a minimum of fifteen percent (15%) must be payable at closing. The identity of the equity investor and pay-in schedule must be disclosed and acceptable to the Bank.

**Use of Loan Proceeds:**

The Loan proceeds will be used exclusively to construct the 70 units in Albuquerque, New Mexico.

**Disbursement  
Of Loan Funds:**

Disbursement of Loan proceeds will occur no more than monthly, following the Bank's receipt and acceptance of written advance requests.

Requests should be based on the final approved project budget and the progress of the construction of the Project, and subject to a third party inspecting review. Advance requests shall be accompanied by support documentation, lien waivers, and date down endorsements.

**Appraisal:**

Funding is contingent on the Bank's receipt of an acceptable self-contained appraisal report stating the Market Value of the Project, prepared by a Bank-approved MAI.

**Environmental  
Report(s):**

Prior to closing, Borrower will provide the Bank with a Phase I environmental audit, prepared by a licensed environmental engineer, approved by the Bank, reflecting the Project's real property to be free and clear of any environmental hazard on, under, or around the subject.

**Mortgage Title  
Insurance:**

Prior to closing, the Bank requires receipt of a commitment for mortgage title insurance in an amount equal to the maximum loan amount, issued by a Bank-approved title insurance company, listing no liens other than those which are to be paid off prior to or at closing. There are to be no exceptions other than routine utility easements and restrictions, and the current year's taxes not yet due. The Bank shall be named as the insured mortgagee.

**Survey:**

Prior to closing, the Bank requires receipt of a minimum ALTA survey of the Project, in form and content acceptable to the Bank, showing all easements, encroachments or any other item which may affect the Bank's lien position. The survey must be satisfactory to delete the survey exception in the mortgage title insurance commitment.

A foundation survey must be received prior to the commencement of any vertical improvements.

All surveys are to be performed by a New Mexico registered land surveyor acceptable to the Bank. All surveys must be certified as true and correct to the Bank, title insurance company and the Borrower.

**Flood Insurance:**

If any improvements (existing and/or proposed) on the Project are or will be located in an area identified by the U. S. Department of Housing and Urban Development (H.U.D.) as an area having "special flood hazards", flood insurance must be purchased and maintained in the amount of the Loan.

**Insurance:**

At or before closing, all Real Estate Secured Properties must be covered by Property, Casualty and General Liability insurance coverage and in some cases may require other property specific coverage. Construction loans must, also, be covered by Builder's Risk coverage including Worker's Compensation.

Insurance policies must be provided by companies meeting a criterion of being, at minimum, A.M. Best rated A, size category VII or being Lloyd's of London or be covered under a FAIR plan, if it is the only coverage available at a reasonable cost. The named insured is to be the Borrower and in all cases the Bank (Mortgagee) shall be named as an additional insured and Loss Payee and Mortgagee.

**Governmental Approvals:**

Borrower shall provide the Bank with evidence of all necessary governmental approvals for the Project, including but not limited to, zoning and building permits.

**Utilities:**

Borrower shall provide evidence to Bank of the availability, at the Project, of all utilities service necessary for the construction and operation of the Project including, but not limited to water, electric, natural gas, telephone and sanitary sewer.

**Plans & Specifications:**

Prior to Closing, Bank requires copies of all Borrower's final building plans and specifications with architect's certification. The Borrower agrees that no changes will be made in the plans and specifications without the prior written consent of the Bank.

**General Contractor:**

The general contractor to be used to construct the Project shall be subject to the approval of the Bank, prior to Loan closing.

**Construction Contract:**

A certified copy of the final fixed price bonded construction contract will be provided to the Bank prior to closing.

**Assignment of Project Documents:**

As additional collateral the Borrower will assign to the Project Funding Sources, which will include the Bank, the Borrower's interest in the architect's drawings, other plans and specifications and the construction contract.

**Inspecting Architect:**

The Bank will engage an independent project architect approved by the Bank, to perform a pre-construction review and cost analysis in addition to monthly construction progress and draw request reviews during the construction of the Project. All costs for services rendered by the inspecting architect are to be paid for by the Borrower.

**Other Encumbrances:** No other encumbrances will be placed on the collateral without the prior written approval of the Bank.

**Assignment:** This commitment cannot be assigned without the prior written consent of the Bank.

**Guarantor Financial Statements:** Guarantors will provide Bank with annual financial statements, including balance sheet including contingent liabilities, income and expense statement, tax returns and any additional supporting information reasonably requested by the Bank.

**Pending Litigation:** Borrower shall certify to Bank that no litigation or proceedings are pending or threatened which might adversely affect the Borrower's or the Guarantor's ability to perform under the terms of this agreement or the loan documents.

**Ownership Change:** Ownership of the Borrower shall not change during the term of the Loan without the prior written consent of the bank.

**Representation of Fact:** This commitment is subject to the accuracy of all information and representations submitted with or in support of the application for the Loan.

**Opinion of Counsel:** Prior to or at closing, the Bank requires a legal opinion of Borrower's counsel which will provide a legal opinion confirming that all matters pertaining to the Project and Loan are valid, enforceable and in accordance with the intended terms and do not violate any laws.

**Preparation of Loan Documents:** The Bank's legal counsel will prepare the loan documents at the expense of the Borrower.

**Take-Out Assurances:** Prior to closing of the Construction Loan, written assurances, which obligate a funding source to pay-down the Construction Loan, must be in place. The assurances will obligate the funding source to restrict proceeds in the amount of the required pay-down and set forth a date no later than the maturity date of the Construction Loan in which the proceeds will be funded to the Bank.

**Developer Fee:** A portion of the Developer Fee may be paid at closing. The remaining will be funded once the equity installment is paid.

**Related Deposit Accounts:** The related deposit accounts for this project will be maintained at the Bank, this will include:

- Construction Account
- Operating Account
- Replacement Reserve
- Operating Reserve
- Tax and Insurance Reserve

**Expenses:**

Borrower will pay all expenses associated with the Loan. The expenses shall include but not be limited to; attorney's fees, lender's title insurance policy, appraisal, environmental report, survey and mortgage tax (where allowed by law), and engineer or inspector fees. Any costs incurred for this financing will be the responsibility of the Borrower to pay. Please be advised that it is the Borrower's sole responsibility to pay these costs irrespective of whether the loan closes or not.

**Other Requirements:**

The subject requirements are intended to set out the primary terms and conditions of the Loan, but are not all-inclusive. This commitment is subject to review by the Bank's legal counsel, and the Bank reserves the right to reasonable require other mutually agreeable conditions and documents necessary to establish, perfect, and maintain the contemplated Loan, including but not limited to loan agreement, note, mortgage, assignment of leases and security agreement.

According to the Bank Secrecy Act, the Bank is required to obtain, verify and record certain identifying information as part of our due diligence process. To comply with this regulation, we must ask for specific identifying information including Name, Address and other information that will allow us to verify your identity. Additionally, we may request other identifying documents in order to meet the verification requirements.

Thank you for the opportunity to consider financing this project. Please let me know if I can answer any additional questions.

Best Regards,



Lisa E. Albers





708 San Mateo Blvd SE  
(505) 922-5671  
Alex@idcdc.org

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8/23/23

City of Albuquerque  
Metropolitan Redevelopment Agency

Dear Review Committee,

IDCDC has a focus on place-based entrepreneurship in the International District where we help clients start, stay & grow their business. By creating the pipeline for businesses through our store front program, we can give an affordable space for startup businesses to grow. We are pleased to support GAHP response for the Central & Alcazar RFP. We see this as a great partnership where IDCDC will work with GAHP to support the 1,000+ commercial aspect. IDCDC will lend its support with community input, lease structuring and Tenant Improvements for the tenants coming in the space. We see this as an opportunity to expand community-based businesses within the International District who struggle with locating appropriate space and favorable lease terms in the International District. We have already shared IDCDC's two-year community plan with GAHP and see an alignment with our two organizations. This will be an all-around community project combining housing and economic development.

Warm regards,

~~Your Name~~   
Executive Director



## b. Community Benefits Matrix (uploaded as Excel spreadsheet)



### Sustainability: EV Charging Stations

Project includes on-site Electric Vehicle charging stations.

**At least 2 parking spaces or 5% of total on-site parking spaces are EVSE installed, whichever is greater.**

GAHP is committed to providing EV charging stations as a resident amenity to reduce reliance on fossil fuels and provide equity in access to EV charging and vehicles to low-income communities. At Somos, we have 37 total parking spaces, of which 5% results in 1.85 spaces. Therefore, two parking spaces will be provided with a single dual port charging station providing both spaces with rapid charging for electric vehicles. The electrical load will be designed with a separate electrical panel for EV charging with a capacity for 10% or 4 spaces to be provided with EV charging as the use of electrical vehicles increases. At our most recent project, PAH! Hiland Plaza, we received a grant for 4 EV chargers and 2 EV ride share vehicles. One EV charger with dual ports is located outside the secured fence for the 2 ride share vehicles. If another grant is available, we will pursue this grant for Somos as well.

### Sustainability: On-Site Solar

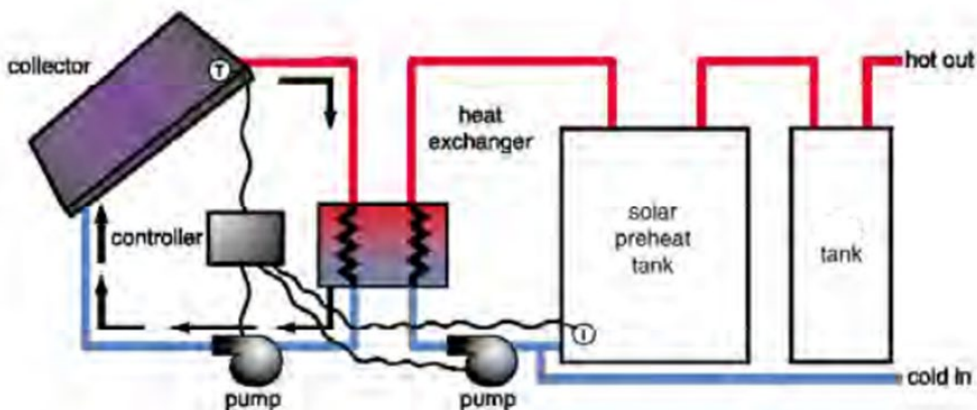
**Roof top is built to be solar-ready with necessary electrical infrastructure and structural support.**

On site solar will be provided through two systems, 1) solar thermal panels on the roof that preheat the hot water for the full building and 2) conduits below grade installed in the landscape to be solar ready for future photovoltaic carports. The solar thermal panels and conduit in the site will be installed during construction of the building.

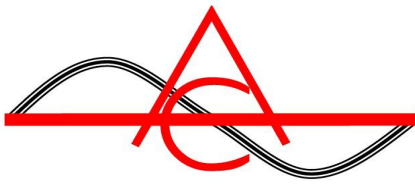
The roof will be structured to support solar thermal panels used to preheat the central hot water system for the entire building up to at least 80% of the functional hot water temperature. High-Efficiency all electric hot water heaters in a central mechanical room will be used to heat the water to final temperature before it is circulated through the building and to all the apartment homes. On previous projects, we have used natural gas to fuel the hot water heaters to heat the water the remainder of the way. Somos will be fully electric.

The solar thermal collectors are arranged in an array on the roof in which the solar rays are collected into tubes that transfer heat to water storage tanks and heats the water to 80% of its optimal temperature. This solar preheat system intercepts the main domestic water supply with the preheated hot water before it goes into the central “boiler,” which in our case is a collection of five or so high-efficiency water heaters. The water heaters then heat the water the final 20% needed to reach optimal operating temperature and serve the entire building with continuous hot water. This solar thermal preheat cuts 90% or more of cost to heat the hot water for the whole building, is highly reliable, and has functioned well for us and our residents since construction of Sterling in 2018, Luminaria in 2022 and PAH! in 2023.

For more information see [The Central Solar Water Heating Systems Design Guide \(wbdg.org\)](https://www.wbdg.org/inspiration/solar-thermal-water-heating-systems-design-guide)



\*Calculation letter by professional electrical engineer (attached)



**A C ENGINEERING ENTERPRISES, LLC**  
141 E. Palace Ave Santa Fe, NM 87501 (505) 842-5787

August 29, 2023

Mr. Ketan Bharatiya, AIA, NCARB  
Architect  
The Hartman + Majewski Design Group  
120 Vasaar Drive S.E.  
Albuquerque, NM 87107

**RE: 7200 CENTRAL AVE SE APARTMENTS – ALBUQUERQUE, NM**

Dear Ketan:

The purpose of this letter is to confirm the following electrical design criteria regarding the proposed Somos Apartment:

1. The electrical infrastructure will be designed based upon an “all electric” building. All electrical infrastructure within the building and site will be coordinated with the architect and included in the construction drawings submitted for building permit.
2. The electrical loads and electrical panel capacity will include EV parking within the site plan. One dual-port electric vehicle charging station serving two EV parking spaces will be installed during construction. Electrical panel capacity and conduits below grade will be installed for an additional dual-port electric vehicle charging station to be added in the future.
3. Conduits will be designed and installed below grade to make the site “solar ready” for a future solar photovoltaic carport.
4. The roof top will exceed “solar ready” requirements with electrical infrastructure designed and installed for roof mounted solar thermal panels preheating the water for the central solar hot water system. Required roof structure and mounting of solar thermal panels will be provided in the construction documents by the structural engineer and shown in the construction drawings submitted for building permit.

Sincerely,

Fred J. (Bud) Telck, P.E.  
President

## Sustainability: Shift to Electric

Housing units do not include gas hookups (i.e., no gas stoves, gas water heaters, etc.) - electric appliances only.

As a sustainable and energy efficient building, Somos will consist of all electric building systems, Energy Star LED lighting, and Energy Star certified electric appliances throughout.

GAHP will pursue LEED for Homes certification to a minimum of Silver certification and achieve a HERS rating of 55 or better in all dwelling units, meaning the design of the building will have an energy efficiency rating better than 45% of commercial buildings under construction. HERS ratings are verified onsite during construction by a third-party rater to ensure the construction is completed and tested in accordance with reduced air leakage requirements.

Historically, we have provided natural gas to the central hot water system that provided hot water to all apartments, however, as a goal to shift to an all-electric building system, we are committing to install solar thermal panels on the roof to preheat the hot water and reduce the load of the electricity requirements such that the construction can make this shift to all electric.

Energy efficient, all electric heat pump systems are used for heating and cooling in the apartments.



## Sustainability: Encourages Alternative Transportation

1. Site Plan includes a dedicated ride share loading space.

We selected to provide a ride share loading space adjacent to the retail space to support convenient access and business interest in the small businesses as well as the reduced parking on-site. The proximity of the ART rapid ride bus stop at Louisiana and Central and the access to walkable businesses in the area make this site ideal for utilizing the IDO parking reduction up to 50% of the required off-site parking.

3. On-site parking ratio is less than 0.8 per unit (multi-family) or 2:1,000sf (commercial).

With 70 dwelling units, 34 parking spaces for residents, 2 spaces for the 1,000sf of retail business and 1 ride share loading space will be provided. 37 total spaces/70 units is a ratio of .53 parking spaces per dwelling unit and is in compliance with current City of Albuquerque IDO off-street parking requirements.

\*Site plan with parking calculations and dedicated rideshare loading space (attached)



# Sustainability: Encourages Alternative Transportation

\*Site plan with parking calculations and dedicated rideshare loading

## space PARKING DATA:

- 1 space/ DU = 70 spaces - UC-MS-PT (Part 14-16-5; 5-5: Parking and Loading; pg. 229)
- 1 space required per 1,000sf of commercial - 2 commercial spaces provided
- 50% Reduction - Proposed Development located within Premium Transit Area
- Electrical Vehicle Charging Station Parking Credit: 1 EV counts as 2 parking spaces towards the satisfaction of minimum off-street parking requirements.
- 10% of parking to be EV capable, 4 total. (2 of the 4 spaces will have a dual port charging stations installed.)
  - a. EV parking provided = 2 spaces
  - b. EV parking reduction = 4 spaces
- Required Parking = 32 spaces
- Provided = 32 off-street spaces, 5 on-street = 37 spaces total
- Required Motorcycle Parking = 2 Spaces
- Provided Motorcycle = 3 Spaces
- Required Bicycle Parking = 10% of required off-street parking spaces = 4
- Provided = 4 exterior and 18 interior



SITE PLAN



# Sustainability: Efficient Unit Sizes

Multifamily projects offer least 50% of units at 600 usable square feet or smaller.

Somos Apartments will include 70 one-bedroom, one-bath units efficiently sized with 570 usable (net) square feet. All apartments will have the same unit floor plan with minor adjustments in cabinetry to address accessibility requirements for Type A Accessible and Type B Adaptable units. All apartments are on an accessible path along interior corridors with an elevator and two stairs for vertical circulation. One hundred percent (100%) of the apartments are less than 600 usable (net) square feet.

\*Floor plan delineating unit size and unit types by size:

## Unit Floor Plan





## Economic Impact: Generates Gross Receipts Taxes

At least 1,000 square feet of interior retail space (for rent to commercial user and not to be used as residential leasing or amenity space).

Somos will contain no less than 1,000 square feet of first-floor, non-residential space fronting Alcazar Street NE. The rent for and the use of this first-floor, non-residential space will generate its applicable Gross Receipts Taxes for the City of Albuquerque.

This storefront retail space will be activated by neighborhood entrepreneurs identified through the International District Community Development Corporation (IDCDC) business accelerator program to support local small businesses.

Beyond the Gross Receipts Tax generated by the commercial use, a tremendous economic impact will come from the construction of rental multifamily housing.

As estimated by [WeAreApartments.org](http://WeAreApartments.org), Somos will generate 123 jobs with an estimated economic impact of \$23 Million and \$798,000 in tax revenue. On Exhibit E, we are estimating \$17.6 Million in hard construction costs including \$1.46 Million in Gross Receipts Taxes.

\*Site plan with calculations:

### Mural Location:



### Retail Space:



LEVEL 1 FLOOR PLAN  
10 UNITS



## Economic Impact: Adds Density

**Projects in MRA are in areas of change. MRTA projects areas should maximize the allowable density to create vibrant urban districts**

Somos consists of 70 units on .967 acres which translates to 72 DU per acre. This increased density is a key step toward transit-oriented design, healthy cities, and meeting our local housing needs.

The Albuquerque Integrated Development Ordinance (IDO), Zoned MX-M, MIXED-USE – MEDIUM INTENSITY ZONE DISTRICT, ‘The purpose of the MX-M zone district is to provide for a wide array of moderate-intensity retail, commercial, institutional and moderate-density residential uses, with taller, multi-story buildings encouraged in Centers and Corridors.’ Located along in a major transit corridor and within a ¼ mile of premium transit station, a 4-story mixed-use, mixed-income community is highly appropriate to provide the array of moderate-density residential uses envisioned in the form-based zoning code.

This higher density housing, when combined with businesses and services into a mixed-use community, is more equitable to people who do not drive or own a car, is healthier when neighborhoods are walkable and active, and is necessary to reduce urban sprawl and over-demand of limited resources and infrastructure.

\*Site plan with calculation (refer to site plan in “Alternate Transportation and uploaded separately)



## Economic Impact: Affordable Housing

**At least 60% of units are affordable to households <80% AMI & project is being funded and monitored for compliance by governmental entity other than MRA.**

*Per Formal Inquiry #6: To demonstrate % of units affordable to <80% AMI, please provide a chart that provides a schedule of unit types (ex: studio, 1br, 2br); number of units by type; # of units affordable per unit type proposed by AMI; and total % affordable. For funding and compliance, describe the anticipated affordable housing funding/financing sources; list which government agency is responsible for monitoring and compliance post-construction; and describe (briefly) how these entities monitor the project for affordability compliance post-construction.*

100% of the units at Somos Apartments are 1-bedrooms with 84.3% of the total below 80% Area Median Income (AMI). These set-asides will be achieved through a layering of HOME Investment Partnership funds, Low-Income Housing Tax Credits (LIHTC), and Project Based Vouchers (PBV). Each of these are monitored on an annual basis by testing 20% of the resident files for compliance with their respective program requirements. HOME funds are monitored through City of Albuquerque Department of Family and Community Services (DFCS), the NM Mortgage Finance Authority (MFA) monitors the LIHTC, and the Albuquerque Housing Authority will monitor the PBVs.

	Total Units	# units affordable at or below 60% AMI	# units affordable at or below 50% AMI	# units affordable at or below 30% AMI	# units at market
1 bedroom	70	24	14	21	11
<b>Total</b>	<b>70</b>	<b>24</b>	<b>14</b>	<b>21</b>	<b>11</b>
		34.3%	20%	30%	15.7%
<b>84.3% &lt; 80% AMI</b>					



## Placemaking: Culture and Art

Project includes a mural that is at least 150 sq. ft or other significant artistic feature such as a large sculpture, artistic lighting, etc. Art must be located within prominent public view.

We are proposing to include a wall mural at the corner of Alcazar and Central visible to traffic along Central. This is a conceptual design proposal by the Architectural team at the Hartman & Majewski Design Group. The mural(s) will be a minimum of 150 sf in bright colors that enhance the international appeal of the building and complement the building design and architecture.

\*Site plan (uploaded separately)



## Community Wealth Building: Local Business

Legal applicant entity is a local business.

The Greater Albuquerque Housing Partnership is local business incorporated in 1993 and is a trusted and successful Community Housing Development Organization who has worked with the City over 30 years to build a better Albuquerque. We have the staff knowledge, experience, and capacity to successfully bring this proposed development through the funding applications and construction so that it can achieve the vision of this international marketplace, providing much needed housing and economic benefits to the International District.

- Exhibit L – GAHP Modified W-9 (attached)
- Business License (attached)







SECTION 1: CONTACT INFORMATION AND TAXPAYER IDENTIFICATION NUMBER

NAME (as shown on your income tax return). Name is required on this line; do not leave this line blank.

BUSINESS NAME/ disregarded entity name, if different from above.

PRIMARY ADDRESS (number, street, and apt or suite no)

REMITTANCE ADDRESS (number, street, and apt or suite no)

CITY, STATE, and ZIP CODE

REMITTANCE CITY, STATE, and ZIP CODE

PHONE

EMAIL ADDRESS

@abqgahp.org

SOCIAL SECURITY NUMBER

OR

EMPLOYER IDENTIFICATION NUMBER

New Mexico CRS TAX ID (if applicable)

TAX CLASSIFICATION (check only one)

INDIVIDUAL/SOLE PROPRIETOR or single-member LLC

C CORPORATION

S CORPORATION

PARTNERSHIP

TRUST/ESTATE

LIMITED LIABILITY COMPANY-- Enter the tax classification (C=C Corporation, S=S Corporation, P=Partnership)

Note: For a single-member LLC that is disregarded, do not check LLC; check the appropriate box in the line above for the tax classification of the single- member owner.

501(C)3/NON-PROFIT ORGANIZATION

OTHER (SEE INSRUCTIONS)

EXEMPTIONS (codes apply to certain entities, not individuals; see instructions)

EXEMPT PAYEE CODE (if any)

EXEMPTION FROM FATCA REPORTING CODE (if any)

SECTION 2: BUSINESS DEMOGRAPHICS (CHECK ALL THAT APPLY)

Local Business - Headquartered and maintains its principal office and place of business within the Greater Albuquerque Metropolitan Area (City of Albuquerque or Bernalillo County).

Doing Business Locally - Either not headquartered or does not maintain its principal office and place of business here, but maintains a storefront in the Greater Albuquerque Metropolitan Area and employs one or more City of Albuquerque or Bernalillo County residents.

Woman Owned Business - At least 51% owned and controlled by one or more women, in the case of a publicly-owned business, at least 51% of the stock of which is owned by one or more women.

Minority Business Enterprise (MBE) Owned - At least 51% owned and controlled by one or more racial/ethnic minorities or, in the case of a publicly-owned business, at least 51% of the stock of which is owned by one or more racial/ethnic minorities. Please specify the race/ethnicity of minority owners (question to the right).

LGBTQ+ Owned Business - At least 51% owned and controlled by one or more LGBTQ+ individuals, in the case of a publicly-owned business, at least 51% of the stock of which is owned by one or more LGBTQ+ individuals.

None of the Above Categories Apply

If your business is MBE-owned, please specify the race/ethnicity of minority owner(s). Check all that apply:

Hispanic American

Native American

Black or African American

Asian-Indian American

Asian-Pacific American

SECTION 3: PURCHASE ORDERS (COMPLETE ONLY IF YOU ACCEPT POs)

ELECTRONIC POs AND INVOICES (select one)

Transcepta (preferred method)

Email

PO CONTACT INFORMATION

FULL NAME

EMAIL ADDRESS

SECTION 4: CERTIFICATION

Under penalties of perjury, I certify that:

- 1. The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
2. I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
3. I am a U.S. citizen or other U.S. person (defined in the instructions); and
4. The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification Instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because of underreporting interest or dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN.

The Internal Revenue Service does not require your consent to any provision on this document other than the certifications required to avoid backup withholding.

SIGNATURE of U.S. person

Rita Gonzalez

DATE

PRINT NAME

Rita Gonzalez

TITLE

Controller



**Bill Richardson**  
Governor

STATE OF NEW MEXICO  
**Taxation and Revenue Department**  
Audit & Compliance Division  
Call Center Bureau

**Jan Goodwin**  
Secretary

THE GREATER ALBUQ HOUSING  
320 GOLD AVE SW STE 918  
ALBUQUERQUE NM 87102-3266

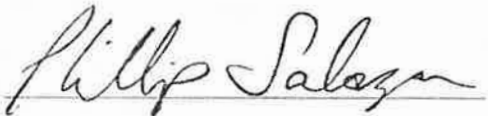
May 23, 2006  
CRS ID: 02-252978-00-0  
Letter ID: L1109469440

STATE OF NEW MEXICO TAXATION AND REVENUE DEPARTMENT  
**REGISTRATION CERTIFICATE**

Date ID Issued	IDENTIFICATION NUMBER	Business Start Date
23-May-1994	02-252978-00-0	18-May-1994
Business Location		Business End Date
320 GOLD AVE SW STE 918		
City and State		Zip Code
ALBUQUERQUE, NM		87102-3266
Taxpayer Name		Taxpayer Type
GREATER ALBUQ HOUSING PARTNERSHIP		CORPORATION
Firm Name		Filing Frequency
THE GREATER ALBUQ HOUSING		MONTHLY
Mailing Address		
320 GOLD AVE SW UNIT 918		
City and State		Zip Code
ALBUQUERQUE, NM		87102-3266

This Registration Certificate is issued pursuant to Section 7-1-12 NMSA 1978 for Gross Receipts, County Gross Receipts, Municipal Gross Receipts, Compensating and Withholding Taxes. This copy must be displayed conspicuously in the place of business. Any purchaser of the registrant's business is subject to certain requirements under Section 7-1-61 NMSA 1978.

Audit and Compliance Division Director

By 

Any inquiries concerning your Identification Number should be addressed to the Audit & Compliance Division, P.O. Box 630, Santa Fe, New Mexico 87504-0630

Form Revised 02/2003

THIS CERTIFICATE IS NOT TRANSFERABLE

STATE OF NEW MEXICO TAXATION AND REVENUE DEPARTMENT  
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Firm Name		Filing Frequency
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Mailing Address		
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City and State		Zip Code
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Form Revised 02/2003

THIS CERTIFICATE IS NOT TRANSFERABLE

## c. Meets an Unmet Housing or Community Need

The International District is an area that is in much need of affordable housing, capital investment, job and income opportunities, small business development, and beautification. This culturally diverse but poverty-stricken area will benefit immensely from mixed-use development that will bring housing that is affordable for people with low incomes, neighborhood improvements, and opportunities for small businesses to start and be successful. Somos provides a unique opportunity meet the City of Albuquerque's need for more housing, enhance the existing commercial area, and enliven the neighborhood with new possibilities for jobs, community, and connection.

### i. Unmet Housing Need

#### A Statewide Housing Shortage

The lack of quality, affordable housing is a long-time issue in New Mexico and particularly in Albuquerque's International District. The [New Mexico Housing Strategy](#) report estimates New Mexico has 32,000 too few affordable rental units to meet the needs of low-income renters (those with incomes at 30% of the area median income (AMI) or less) and that Bernalillo County alone accounted for a deficit of 17,758 units. The strategy recommends improving existing affordable housing, both privately and publicly owned, and redeveloping underutilized and vacant properties to increase supply and catalyze economic development. The New Mexico Legislative Finance Committee's [Policy Spotlight on Homelessness Supports and Affordable Housing](#) noted that almost half of all renters are cost burdened, paying more than 30 percent of their income for housing. Virtually all renters with household incomes under \$20,000 are cost burdened, meaning they pay more than 30% of their income towards rent.

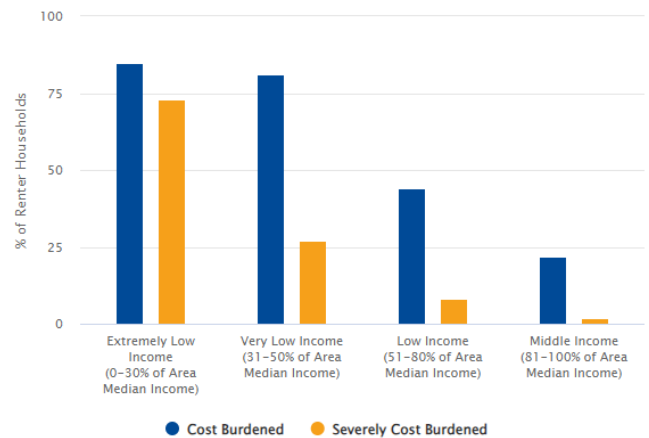
#### Albuquerque's Housing Needs

In 2020, the Urban Institute conducted the [Albuquerque Affordable Housing and Homelessness Needs Assessment](#). The study revealed that the number of renter households with extremely low incomes is increasing and that more than 40% of rental units affordable to households with extremely low incomes are occupied by households with higher incomes. The study estimates that the city has a gap of about 15,500 units of affordable housing for renter households with extremely low incomes. The issue of an affordable housing shortage in Albuquerque took center stage this year when Mayor Keller proposed the Housing Forward plan that recommended several zoning law changes to create pathways for the development of 5,000 additional units of housing by 2025.

#### International District: A High Poverty Neighborhood

In the International District of Albuquerque, the lack of affordable housing is a stark reality. A community needs assessment was completed in May of 2023 by Linda Stone, MPH in collaboration with the International District Service Provider Collective (IDSPC). The collective includes agencies that provide a continuum of health and support services. This report, partly in response to the participating member organizations, highly emphasizes the need for affordable housing with support services focused on healthcare, job training, literacy, and other much needed core services. According to the [Community Needs Assessment](#) (CNA), the district's median per capita household income was \$14,523 as compared to New Mexico's median household income of \$54,020. Thirty five percent (35%) of the population lived below the poverty level, twice that of Bernalillo County and 75% higher than the New Mexico rate of 20%. By census tract, the International District's poverty rates were between 25.3% and 66.6%. Additionally, 20% of households reported having no access to personal transportation. Due to these deep levels of poverty, the CNA reports that affordable housing was one of the top service needs for people in the International District, second only to access to healthcare. Lack of housing was listed as the number one barrier to accessing care and improving health outcomes. High rents and inadequate housing options in the neighborhood cause a high degree of transiency, multiple moves, and displacement of people and their lives. When asked to identify and rank the importance of service gaps in the district, most respondents listed lack of or limited access to affordable housing as one of the top five service gaps. The number one policy recommendation was to invest in affordable and supportive housing.

Housing Cost Burden by Income Group



Continued

## Meets an Unmet Housing or Community Need *(cont)*

### Market Data Summary

Somos is less than 2 miles directly east of PAH! Hiland Plaza for which an extensive [market study](#) was completed in fall of 2020. We are utilizing the data from this market study because conditions have not materially changed since the study except for the 92 affordable units developed by GAHP and there were no additional rental housing projects being planned within the primary market area (PMA). The Market Study reveals the demand for housing is very high and supply is low, particularly for housing that is high quality with high energy efficiency, security features, and services provided directly on site. Of the 1,310 units surveyed, 70% were built prior to 1987 indicating an aging housing stock that forces low-income households into substandard living conditions.

The PMA is 8.74 square miles with an estimated population of 52,400 and 23,239 households. The share of renter households is high at 61.4% with 70% of the projected 2024 households with 1-2 persons per household. The median Site PMA renter income remains well below the median owner income. At \$26,211, the projected median income among renter households in 2024 is 55.8% lower than the \$59,276 median income among homeowner households. Sixty three percent (63%) of the households' income in the site's PMA is below the median income for the Albuquerque MSA. Occupancy rates range between 95%-100% across all project types, which is symptomatic of a housing market where supply is limited. One-bedroom units are particularly scarce, especially at the 30% and 50% AMI levels. We are proposing that 50% of all units be set aside for households at or below 50% AMI, with a further 30% of all units set aside at or below 30% AMI.

Area Median Income	One-Bedroom		
	Units	Vacant	Occ. Rate
30%	4	0	100%
40%			
50%	9	0	100%
60%	155	8	94.8%
<b>Total</b>	168	8	95.2%

The evaluation of the preliminary market feasibility for PAH! Hiland Plaza was favorable, and Somos benefits from similar proximity near and within walking distance of numerous community services should have a positive effect on the proposed development's marketability. Income-appropriate demographic trends of positive household growth are steady through at least 2024, thereby increasing the demand for affordable housing alternatives. Between 2019 and 2024, households are projected to increase by 361, or 1.6%.

The need for housing that is affordable for people with low incomes is unequivocal. The housing crisis in the state, and particularly in Albuquerque, is putting undue pressure on low-income households who are experiencing a high-cost burden and low availability of affordable, high-quality housing. The situation is even more dire for those who live in the International District where incomes are very low and equitable housing options are extremely limited. GAHP will meet this unmet housing need by providing 70 new units at Somos with 84% of units affordable to people at or below 60% of the AMI.

### ii. Unmet Community Needs

The International District has several unmet community needs including, but not limited to, affordable housing as discussed above, job opportunities, ongoing small business development, and catalytic reinvestment in the neighborhood. The International District is one of the densest and most ethnically diverse areas in Albuquerque. A population boom following World War II and subsequent decades of economic struggles have transformed the neighborhood from what was a sparsely populated area with a few homesteads into the neighborhood with the highest population density in the state of 6,198 people per square mile. ([from Wikipedia rev. July 2023](#)) Talin Market, located across the street from the proposed project, has injected new life into the district. Unfortunately, the area surrounding Talin is still in need of investment and revitalization to achieve the original vision of "a physical and symbolic center for the various ethnic communities that have settled in the Near Heights." ([MR Area Plan, 2000](#)).

*Continued*

## Meets an Unmet Housing or Community Need *(continued)*

According to the CNA, the leading causes of homelessness were due in large part to the inability to afford housing, financial instability, and lack of income. Moreover, unemployment in the International District is disproportionately high and reflects a need for additional skills, training, and education. A recent assessment of the South San Pedro neighborhood (adjacent to the site's Trumbull Neighborhood) utilized the [Flourishing Neighborhood Index \(FNI\)](#) and provides additional insight into the lives and needs of the residents of the district. According to the assessment, Physical Environment was the second lowest scored section of the neighborhood survey particularly as it relates to repair of streets, sidewalks, and other public infrastructure as well as street lighting and maintenance of business land and buildings. The assessment also reveals that the neighborhood residents feel a lack of community and desire more opportunities to come together as a group.

Somos will meet these unmet community needs of this high poverty area by 1) providing the ongoing pipeline of business development needed to achieve a regenerative source of income, jobs, and training. Our partnership with the IDCDC will promote small business development with opportunities for jobs, income, and spending in the district. 2) GAHP's investment in the community will provide much needed neighborhood improvements and beautification. 3) On-site enrichment services, provided with the housing that is affordable will address the specific needs of residents and provide community gatherings and social interaction in collaboration with our trusted local service provider partners in the IDSPC.

### iii. Additional Housing

The proposed 70 housing units far exceeds the threshold requirement of 30 housing units.

### d. Project Schedule

1. Based on the rough timeline provided within the RFP, we anticipate the following project schedule of development:
  - Conceptual design will be completed with this RFP response.
  - RFP review and selection Sept. 31- Nov 31, 2023
  - Exclusive Negotiations Agreement Oct. 14 – Dec 14, 2023
  - Development Agreement Negotiations Feb 14 – July 14, 2024
  - City Council approval is needed by November 2024 for 9% LIHTC application in January 2025.
  - Development and Disposition Agreement executed Dec 2024
2. The development will continue into Schematic design if awarded the MRA RFP selection. We will continue Schematic design when we apply for pass-through affordable housing funds from the City of Albuquerque with their next available RFP in 2023 or 2024
  - City Council approval is needed by November 2024 for 9% LIHTC application in January 2025.
3. The application for 9% tax credits will begin in November of 2024 following the award of pass-through City of Albuquerque funding. The 9% tax credit application is a statewide, highly competitive process where tax credits are allocated to approximately 5 to 6 projects per year.  
If awarded a 9% LIHTC allocation the schedule will proceed as follows:
  - Application Jan 15, 2025
  - Award letter will be issued May 2025
  - Architect and Engineers to complete Construction Documents Sept 2025
  - The team will achieve building permit and close financing Dec 2025
  - Allowing us to break ground Jan 2026 with 14–16-month construction period
  - Occupancy is anticipated as June 2027

***Note: If the MRA RFP selection can be completed and negotiated with a City Council approved Development Agreement before Jan. 15, 2024, one year can be cut from the duration of this development such that occupancy can be achieved by June 2026.***

## v. FINANCING STRUCTURE

The majority of the financing for Somos will be equity generated from the syndication of Low Income Housing Tax Credits (LIHTC). Per the draft 2024 Qualified Allocation Plan issued by the Mortgage Finance Authority, the maximum amount of LIHTC is \$1,622,805 in annual credits. Per the enclosed investor Letter of Intent (LOI) we anticipate generating \$14,928,313 in limited partner equity and \$100 general partner equity. Per the enclosed lender LOI, cash from operations supports a \$2,300,000 first lien commercial loan. The development gap between the \$21,960,448 total development costs and the equity and debt is \$4,732,035. This development gap is anticipated to be filled by \$2,346,676 HOME and \$500,000 in CDBG from DFCS. As a Community Housing Development Organization (CHDO), GAHP has a commitment to reinvest program income in our developments. We anticipate a \$1,000,000 GAHP loan and \$885,359 in deferred developer fee. GAHP has contributed the following amounts of program income to previous projects including \$636,000 for Sterling, \$1,050,000 for PAH! and estimated \$1,000,000 for Farolito. We have forecasted \$0 for land value, with the consideration that the fair market value (use) will be offset in the development and disposition agreement as the source for the land transfer.

## vi. SITE CONTROL

Per Formal Inquiry #5:

**Question Received:** Please confirm that we will only have site control once the RFP is awarded. Can we just indicate as such on our narrative?

**Metropolitan Redevelopment Agency Response:** This was an error in the RFP. Awardees do not need to provide proof of site control, as the City owns the subject Property. Section G(vi),

## vii. LETTER OF ACKNOWLEDGEMENT

Exhibit G (attached)



Exhibit F

Metropolitan Redevelopment Agency

RFP Letter of Acknowledgement

Greater Albuquerque Housing Partnership

\_\_\_\_\_ acknowledges that I/we have read and understand the Greater Downtown Housing REFI and all published addenda posted at <https://www.cabq.gov/mra/request-for-proposals>. Additionally, \_\_\_\_\_ acknowledges that the City will require the following for any Project proposed on the Subject Site:

1. Civil Rights Compliance: All contractors must certify that they shall comply and act in accordance with all provisions of the Albuquerque Human Rights Ordinance, the New Mexico Human Rights Act, Title VII of the U.S. Civil Rights Act of 1964, as amended, and all laws and resolutions relating to the enforcement of civil rights.
2. Debarment or Ineligibility Compliance: All contractors must certify that they have not been debarred or otherwise found ineligible to receive funds by any agency of the federal government, the State of New Mexico, any local public body of the State, or any state of the United States. Should any contractor receive notice of debarment, suspension, ineligibility or exclusion, that contractor shall notify the City in writing immediately.
3. All contractors working on the Project being proposed will be required to pay prevailing wages per the New Mexico Public Works Minimum Wage Act, Sections 13-4-10 to 13-4-17 NMSA, regardless of whether this is deemed to be a public works project or a private project.
4. The Developer will comply with the New Mexico Subcontractors Fair Practices Act, the New Mexico Subcontractors Prompt Payment Act, contractor(s) and subcontractor(s) registration as required by Section 13-4-13.1 NMSA.
5. The Developer will comply with the Public Works Apprentice and Training Act, prevailing wages per the New Mexico Public Works Minimum Wage Act, Sections 13-4-10 to 13-4-17 NMSA.

*Felipe Raal*

\_\_\_\_\_  
Signature

**PROJECT DATA**

Address: 7200 Central & Alcazar, Albuquerque, NM

Total Units: 70 Dwelling Units  
 Unit Types: 1 Bedroom 1 Bath -  
 7 units (10% of total units) Type "A"  
 2 Units hearing disability

Zoning: IDO Moderate-Use-Moderate Intensity Zone District (MX-M)  
 Neighborhood Association: Trumbull  
 Mainstreet Transit Corridor Area  
 Premium Transit Station Area: Yes  
 Major Transit Corridor Area: Yes  
 Main Street Corridor Area: Yes  
 Within ¼ mile of Main Street Corridor Area: Yes  
 Within ¼ mile of Premium Transit Area: Yes  
 Community Planning Area: Near Heights  
 (APO) Airport Protect Overlay: No  
 (CPO) Character Protection Overlay: No  
 (HPO) Historic Protection Overlay: No  
 View Protection Overlay: No

**Setbacks (UC-MS-PT)**

Front Min.: 0 ft / 15t  
 Side Min.: 0 ft / Street Side: 15ft  
 Rear Min.: Street / Alley: 0 ft  
 Allowable Building Height: 65 ft.  
 Actual Building Height: +/- 52 ft.

**PARKING DATA:**

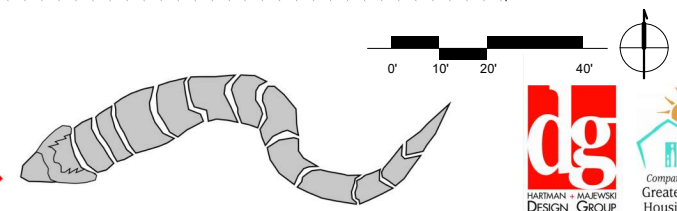
- 1 space/ DU = 70 spaces - UC-MS-PT (Part 14-16-5; 5-5: Parking and Loading; pg. 229)
- 1 space required per 1,000sf of commercial - 2 commercial spaces provided
- 50% Reduction - Proposed Development located within Premium Transit Area
- Electrical Vehicle Charging Station Parking Credit: 1 EV counts as 2 parking spaces towards the satisfaction of minimum off-street parking requirements.
- 10% of parking to be EV capable, 4 total. (2 of the 4 spaces will have a dual port charging stations installed.)
  - a. EV parking provided = 2 spaces
  - b. EV parking reduction = 4 spaces
- Required Parking = **32 spaces**
- Provided = 32 off-street spaces, 5 on-street = **37 spaces total**
- Required Motorcycle Parking = 2 Spaces
- Provided Motorcycle = 3 Spaces
- Required Bicycle Parking = 10% of required off-street parking spaces = 4
- Provided = 4 exterior and 18 interior

**USABLE OPEN SPACE**

1BR: 225 SF/Unit  
 70BR: 70X 225 SF = 15,750 SF  
 US-MS-PT 50% Reduction = 15,750 SF/2 = **7,875SF REQ**  
 Provided usable open space: **11,242SF**



SITE PLAN







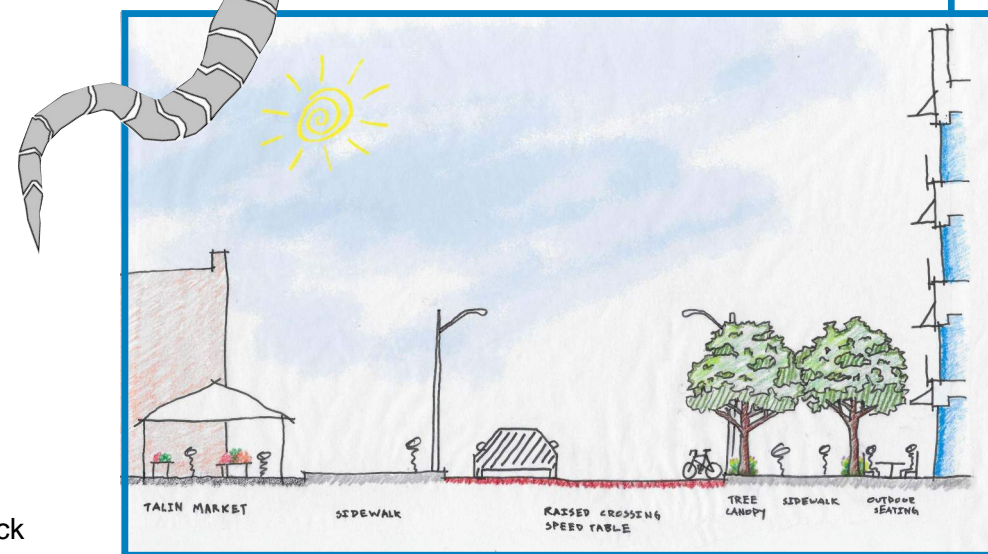
Festivals at Talin Market



Talin Market food trucks



Farmers Market



Street section through Alcazar



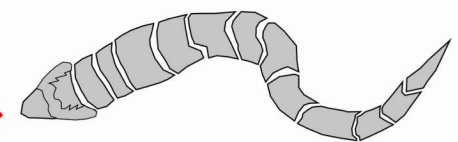
Commercial Street Edge Potential

The International District buzzes with energy, from its festivals at Talin Market to its prior food truck events and farmers markets. The strategic placement of the commercial space will engage and provide a visual backdrop to reflect the energy and vibrant community of residents enjoying International Marketplace.





Cultural diversity through the built environment



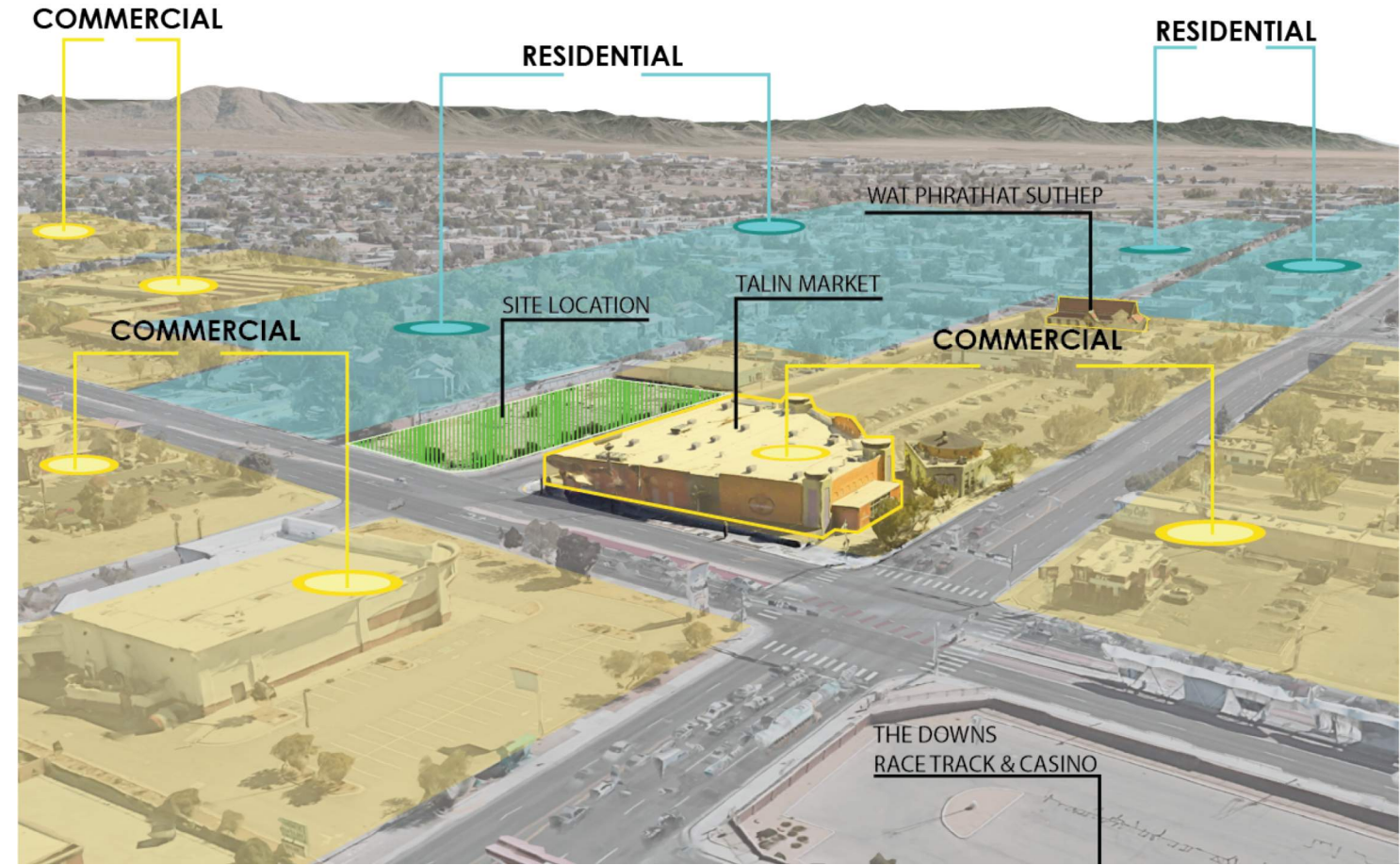


The site is situated near the busy intersection of Central Ave and Louisiana Blvd. Due to this, the site is surrounded by residential and commercial establishments all within the Mixed -Use - Moderate Intensity Zone District (MX-M) IDO Zoning. The site also has immediate access to Central Ave via car and multiple bus lines within a 1/4 mile walking distance.

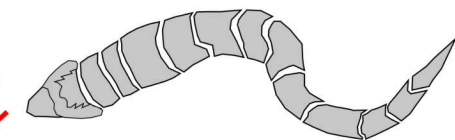
-  PEDESTRIAN CROSSWALK
-  PEDESTRIAN CIRCULATION
-  PUBLIC TRANSIT
-  VEHICULAR CIRCULATION
-  BUS LINES
-  PROJECT SITE



Vehicular and pedestrian circulation on site, bus stops

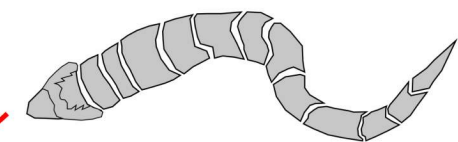


Commercial vs Residential

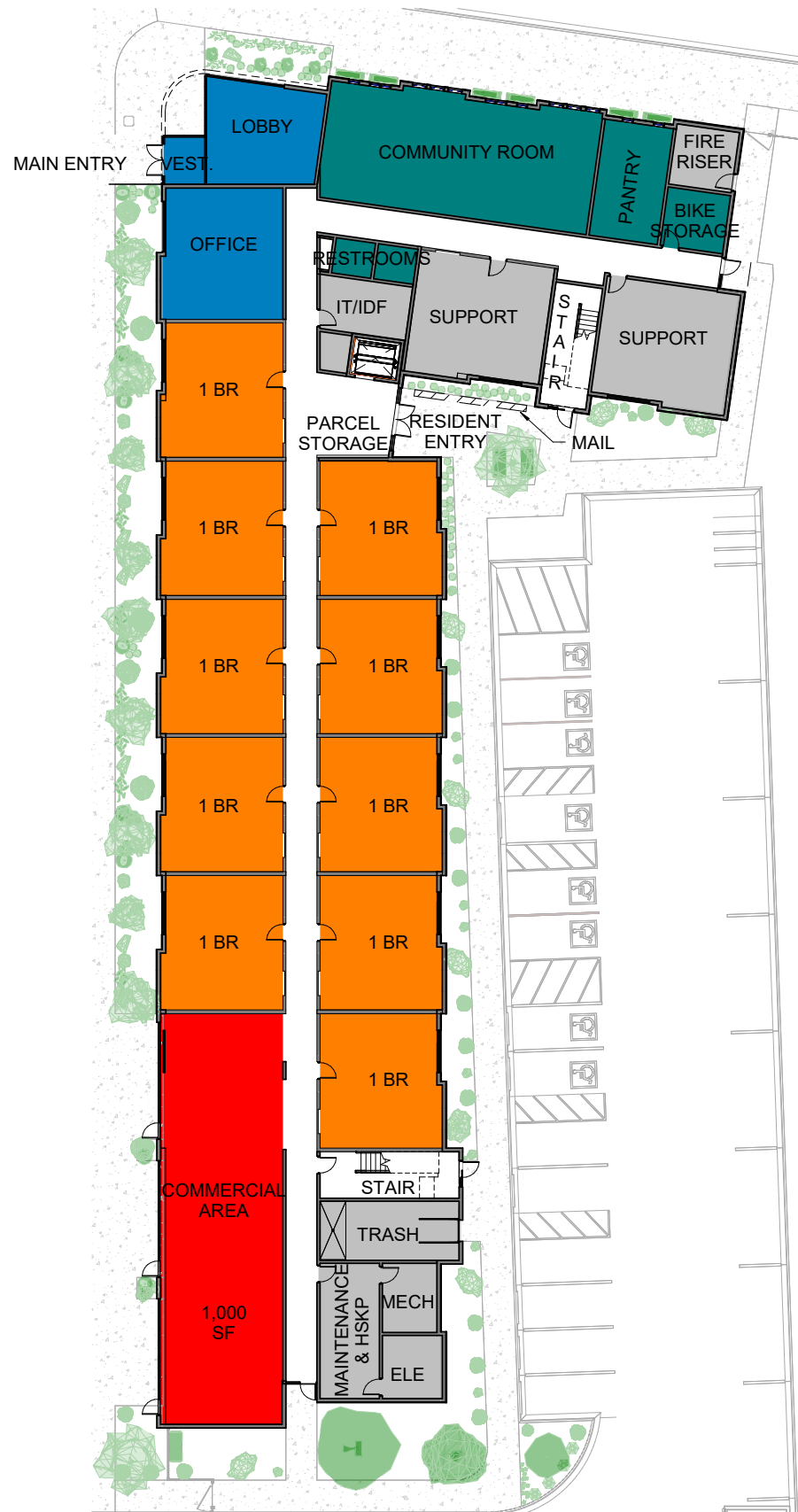




The surrounding neighborhood is exploding with vibrant color and energy. Below are excellent examples of the color, textures, and energy you can experience throughout this neighborhood.





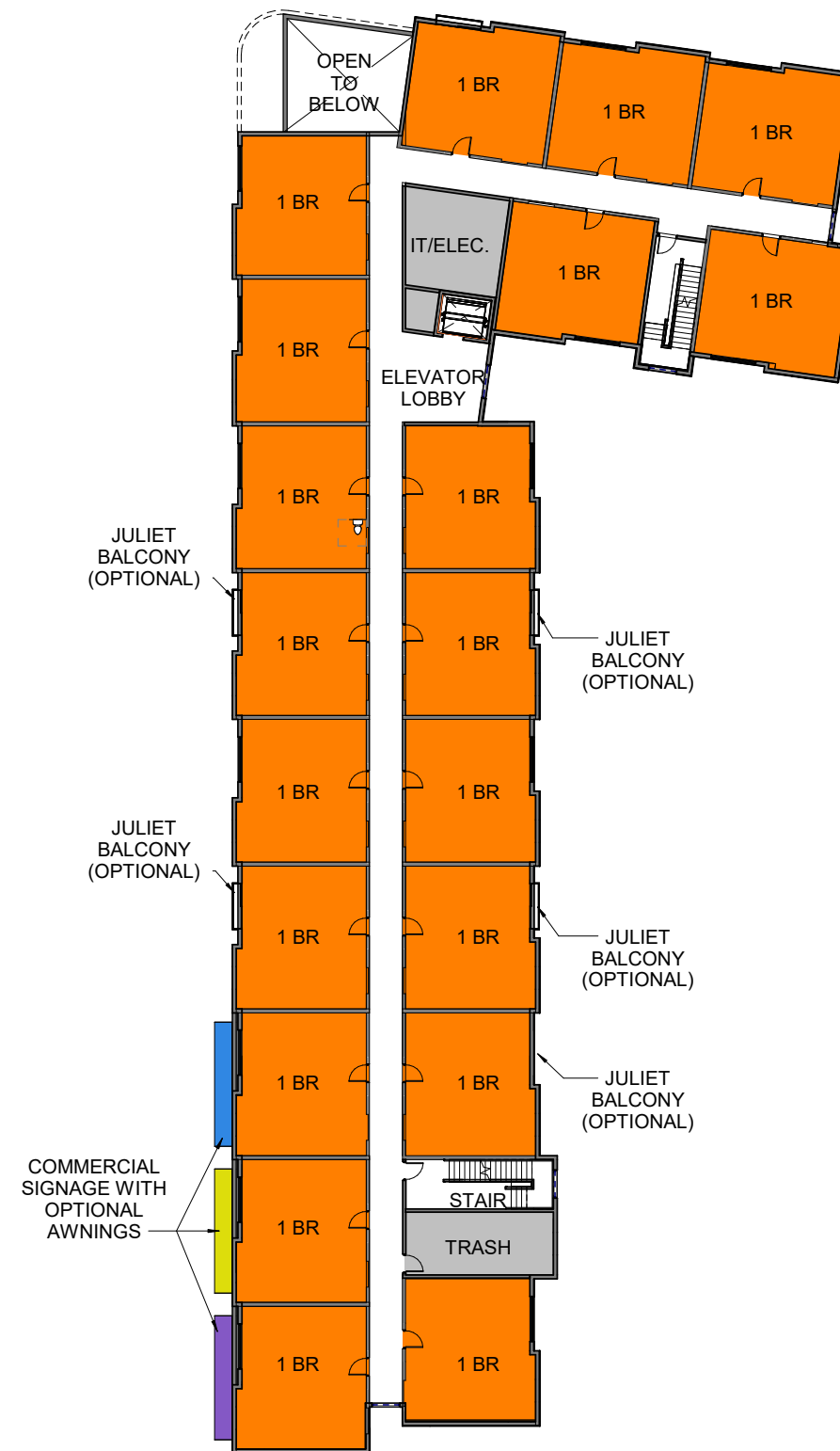


LEVEL 1 FLOOR PLAN  
10 UNITS

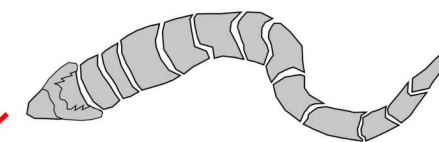
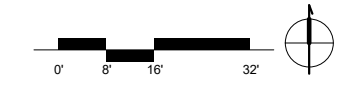


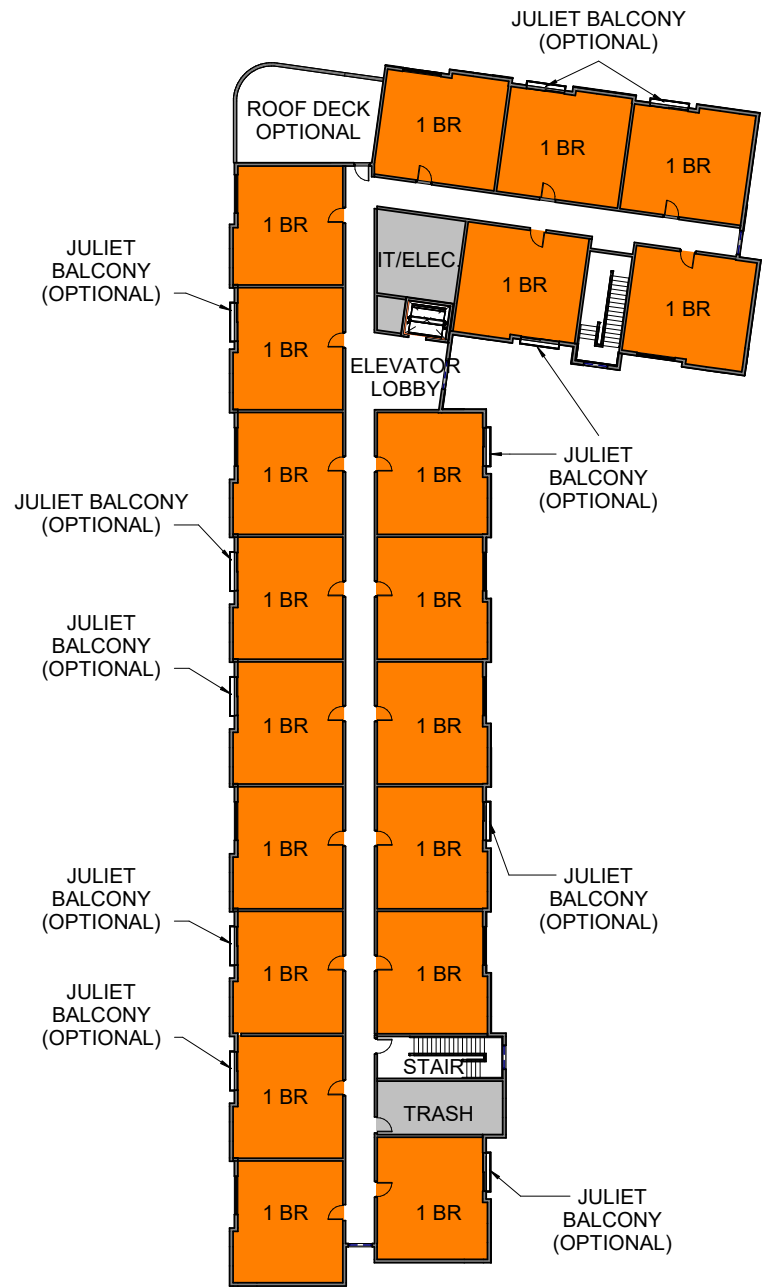
LEGEND

- AMENITIES
- COMMERCIAL
- OFFICE/ENTRY
- SUPPORT
- UNIT

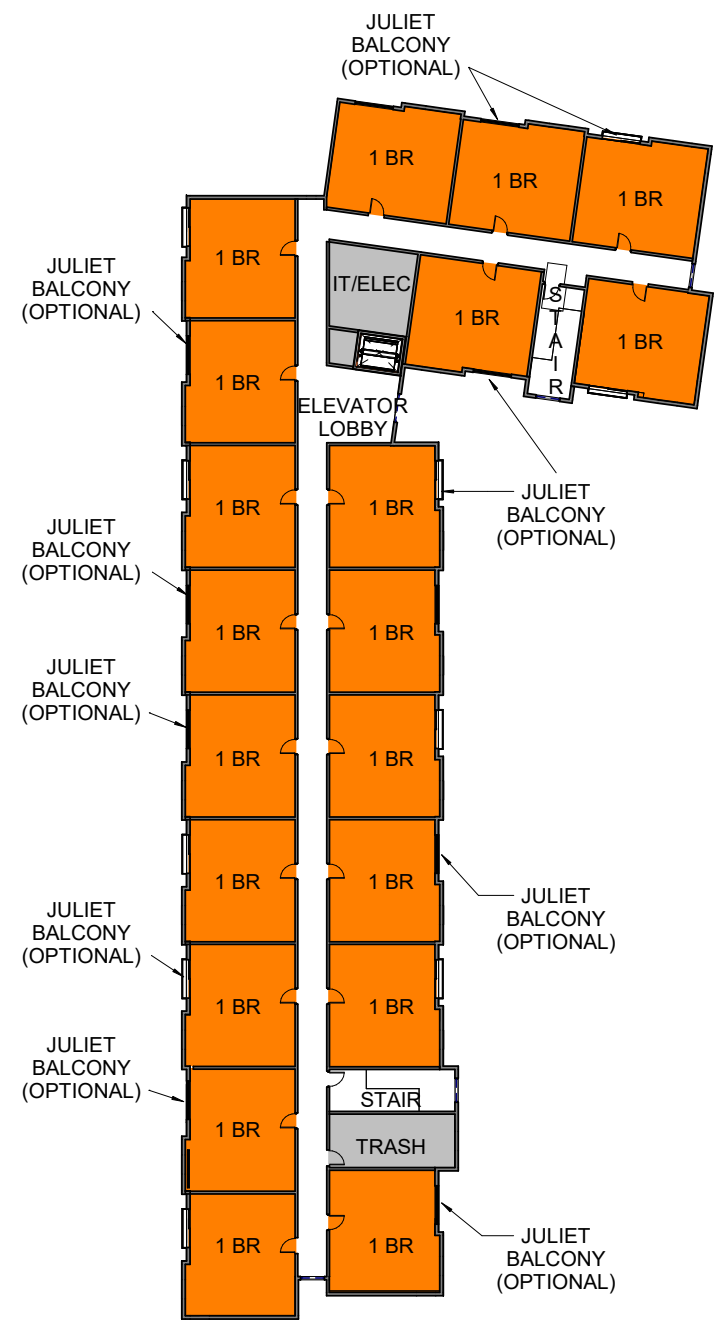
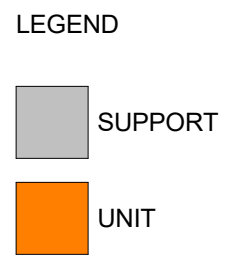


LEVEL 2 FLOOR PLAN  
20 UNITS

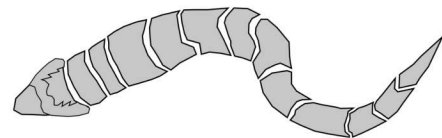
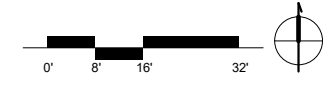


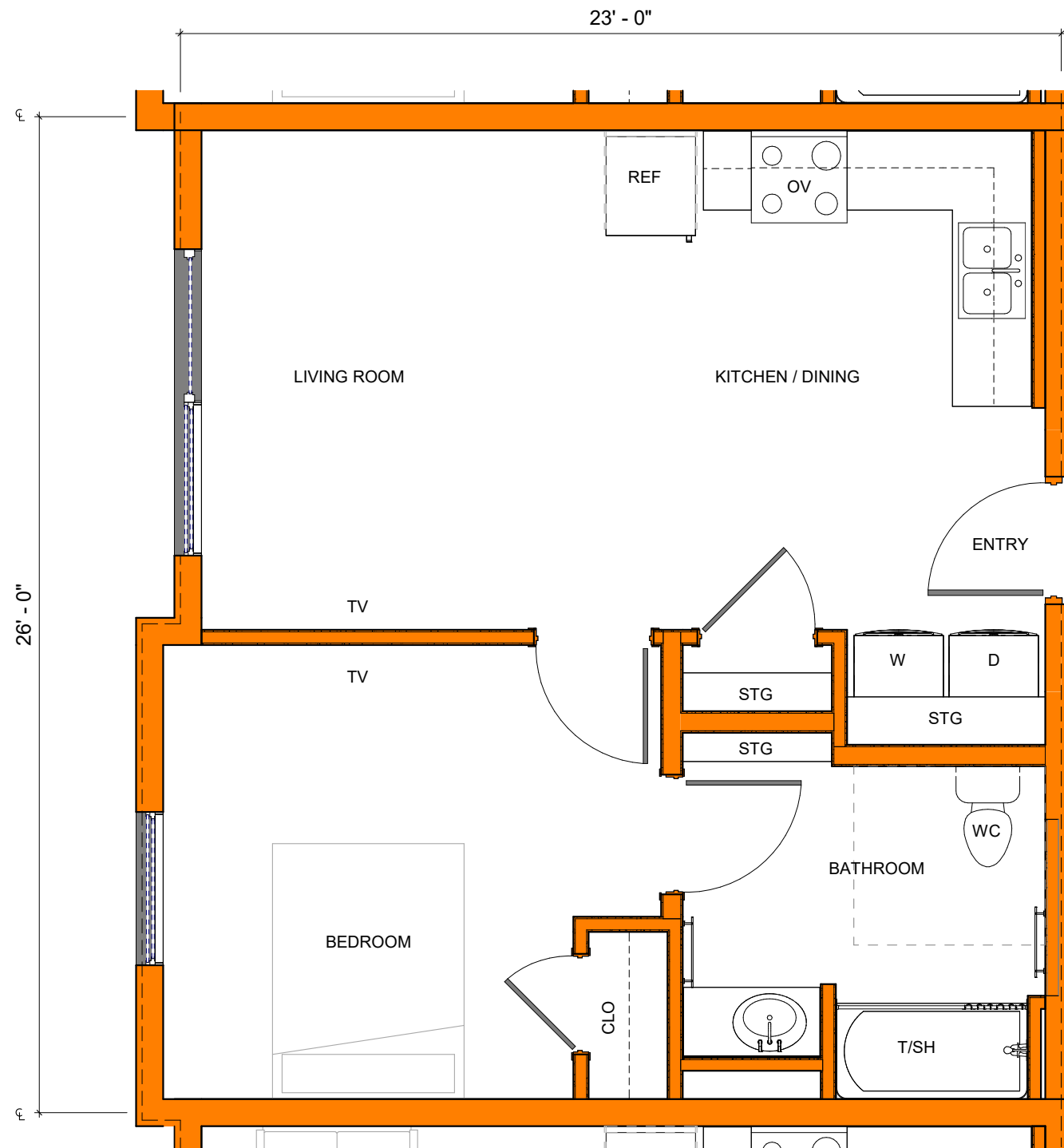


LEVEL 3 FLOOR PLAN  
20 UNITS



LEVEL 4 FLOOR PLAN  
20 UNITS

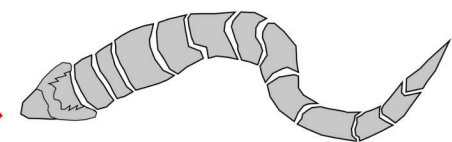




UNIT PLAN  
NET SQ.FT. - 570

LEGEND

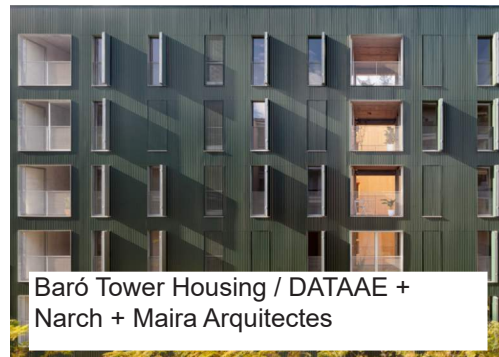
- W - WASHER
- D - DRYER
- REF - REFRIGERATOR
- OV - RANGE/OVEN
- WC - WATER CLOSET
- T/SH - TUB/SHOWER
- CLO - CLOSET
- STG - STORAGE/SHELVING
- TV - TELEVISION CONNECTION







Barking Central / Allford Hall Monaghan Morris



Baró Tower Housing / DATAAE + Narch + Maira Arquitectes



Luis Barragan



Luis Barragan



Libeň Docks / QARTA architektura



Wientalterrassen Residential Quarter / Berger+Parkkinen Architekten

**Spaces for people, expressed through design & color. Spaces for people of all ages, expressed through materiality. Spaces for vibrancy, expressed through neighborhood connectivity.**

**Reflection of neighborhood expression, embodied through architecture.**



Thomas Gifford Architect



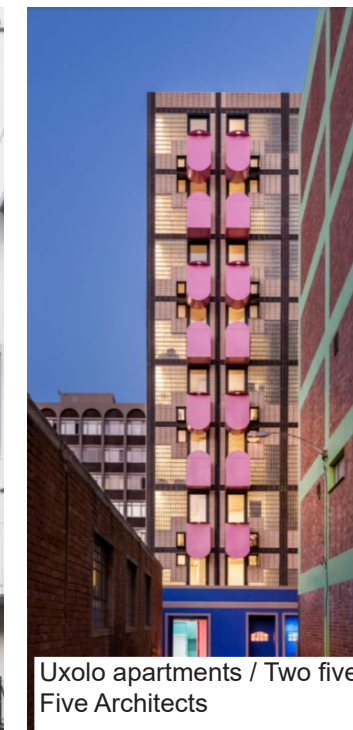
Shinkin Bank Nakaooki branch - Saitama, Japan



The Paradise of Color – Beijing, China



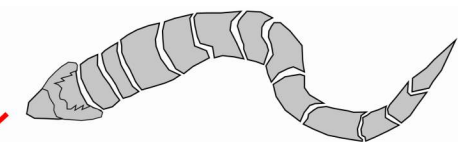
Wientalterrassen Residential Quarter / Berger+Parkkinen Architekten



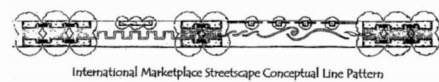
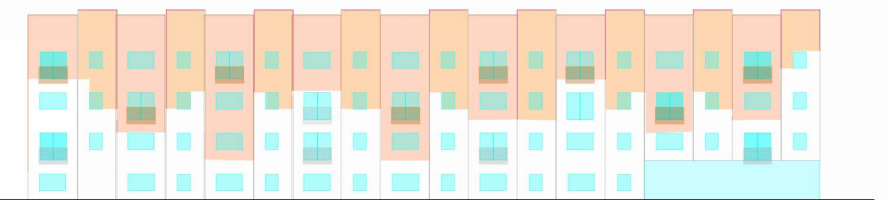
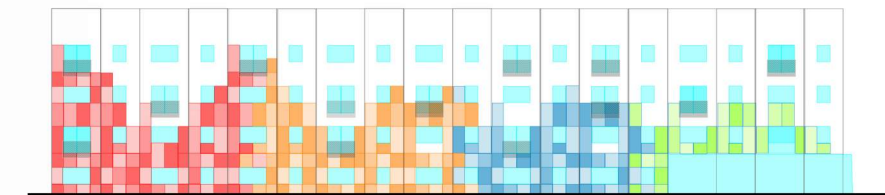
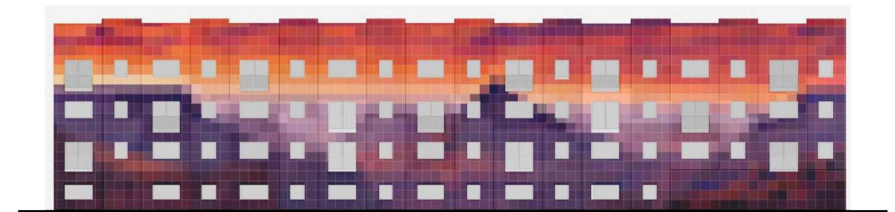
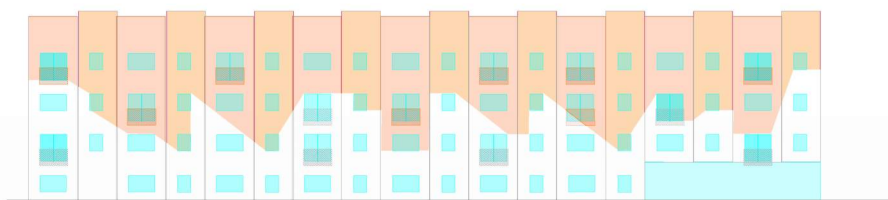
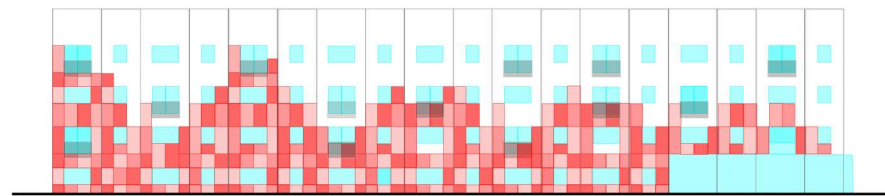
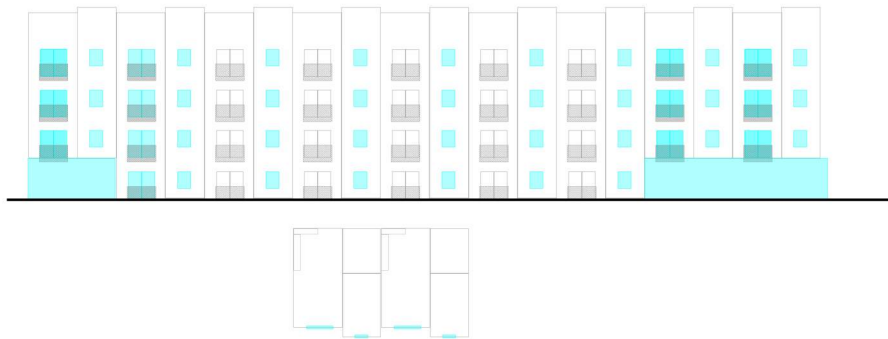
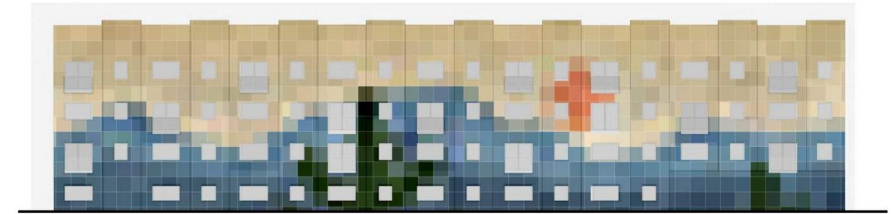
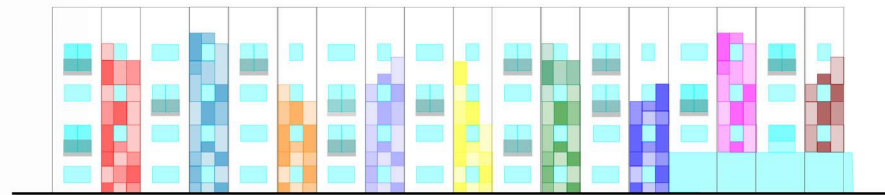
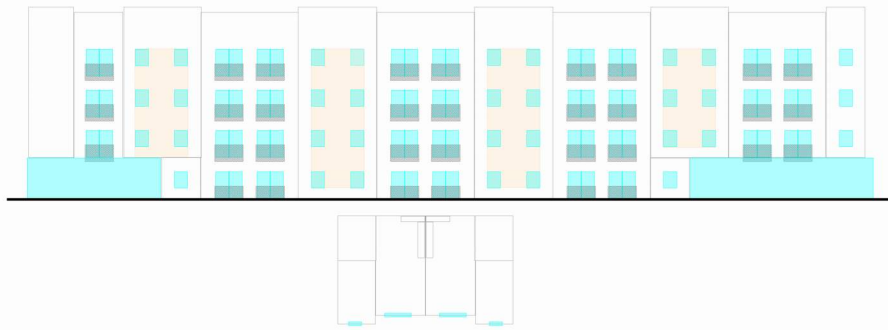
Uxolo apartments / Two five Five Architects



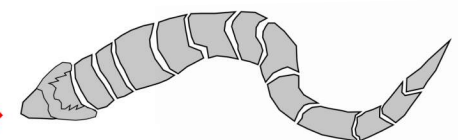
Seguin – Boulogne-Billancourt, France Sugamo Shinkin Bank Nakaooki branch – Saitama, Japan







The cultural mosaic of the neighborhood represented through different colors on the building





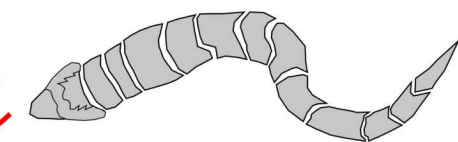
SOUTH ELEVATION



SOUTHWEST ELEVATION



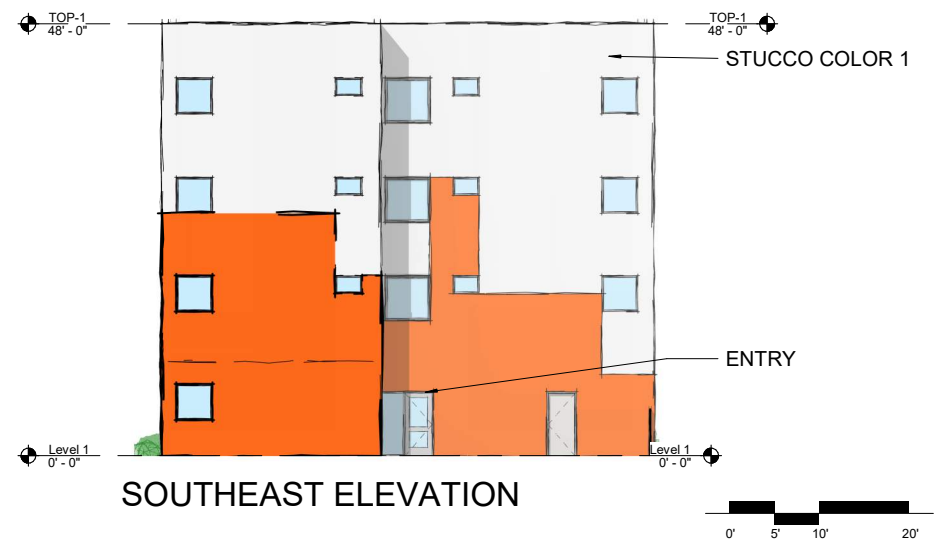
WEST ELEVATION







NORTH EAST ELEVATION



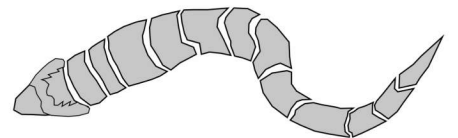
SOUTHEAST ELEVATION



EAST ELEVATION



EAST ELEVATION - ENTRY



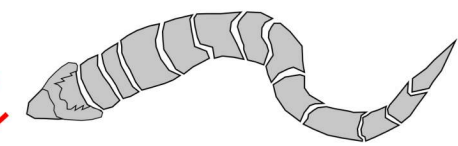




Central and Alcazar Looking SE



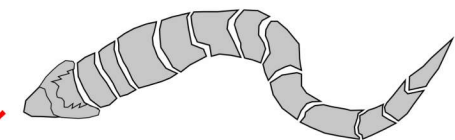
Renderings







Alcazar Looking N







Birdseye Looking NE



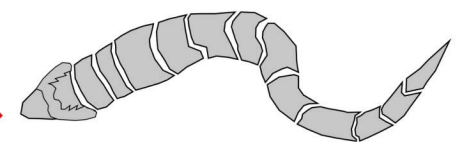
Birdseye Looking NW



Birdseye Looking SW



Birdseye Looking SE





# Exhibit C

## Industry Standards of Architectural Design Process

### 7 Phases of Architectural Design Process

What makes [construction project management](#) exceedingly difficult is the coordination necessary to connect the involved parties. Think about it; there are architects making the drawings, contractors executing blueprints and engineers making sure that the numerous systems involved have structural integrity. That doesn't include the other teams working on-site as well as the suppliers, vendors and more.

The architectural design process is how these different parties work together, but for that to happen, there needs to be a process. The architectural design process is made up of seven phases: pre-design, schematic design, design development, construction documents, building permits, bidding and negotiation and construction administration. These phases put realistic project deliverables and deadlines in place.

#### 1. Pre-Design

We start with pre-design, often referred to as the programming phase, which kicks off the architectural design process. At this stage, the architect works with the client to understand the plot of land on which the project will take place. They'll also discuss if there are other structures already on the site and what the client wants for the building they're commissioning.

This means the architect needs to conduct research and collect information. Some things they must know are local zoning and land-use restrictions, [project scope](#), client desires, scale, surrounding buildings, neighborhood, site conditions, building codes and more. After this, they will brainstorm, sketch and model various design ideas.

#### 2. Schematic Design (SD)

Now you want to develop the designs and present them to the client. This means developing a design proposal. Architects will create site plans, floor plans and building elevations. Also necessary are structural, mechanical, electrical, plumbing and heating, ventilation and air conditioning (HVAC) systems.

At this point, you'll want to show your ideas to others and get their feedback. Architects meet regularly with their clients to show them the [drawings](#) of different variations to help everyone decide on which design is best. Disagreements are reduced if the architect takes the client's needs into account when designing.

After the meetings with the client, the architect analyzes the feedback and makes changes. It's always good to make changes at this phase in the design process to avoid adding costs and potentially delaying [the construction schedule](#) if done at a later date. This process of meeting and revising will continue until the design is agreed upon by all parties.



### 3. Design Development (DD)

Now that the client is happy with the design, it's time to create a more detailed plan. Those details include the placement of doors and windows and any adjustments to the building form. At this stage, a structural engineer will join the design team to help come up with more [accurate estimates](#) for the project.

The exterior and interior finishes are then presented to the client and materials, fixtures and other finishes are discussed. There will be a back and forth with the client often determined by costs, which will lead to both sides having to compromise. However, at the end of this stage, the building's exterior, layout and dimensions are finalized and most of the materials have been chosen. There might still be some minor changes to the building design.

### 4. Construction Documents (CD)

Here's where the design services move into working construction drawings. Of all the phases, this one tends to take the most time. It's important that architects make sure their designs are well-planned for execution. The construction project documents also must be approved.

It's possible that an in-house construction contractor will join the development team during this phase of the architectural design process. At this point, the required drawings for the permit set and the construction set are needed. The building permit set is delivered to the permitting authority and can take a long time to approve, so it's advisable to get this done first. The construction set has the details and dimensions of the design for the builder to use throughout the process.

### 5. Building Permits

The city or county will review the building permit set and check if it's structurally sound and follows local zoning laws and building codes. This process is imperative to avoid dangerous mistakes for which the architects, builders and property owners can be liable. It's also illegal to commence construction without first [securing permits](#) for the job.

The time to pull permits for the construction project can vary. Smaller construction projects might only take a couple of days, especially if they're simpler. But larger, more complex or historical construction projects can take substantially longer, taking months versus days.

**Related:** [8 Free Excel Construction Templates](#)

### 6. Bidding and Negotiation

This phase refers only to architectural firms that aren't building the project themselves. The [bidding process](#) is when architects contract with a construction company that will do the actual construction. The process is expedited if permits have already been pulled.

The architect will advise the client when bids come in to find the best fit for the project, including qualifications and costs. This can be done through negotiated bids where builders go through construction documents and review materials and schedules. Keep in mind that sometimes the client already has a construction company in mind for the project.

A competitive bid process is when the architect looks over the local construction companies and their past projects. Then, the bidding process starts and construction companies will compete for the job, a process that usually takes three weeks. Quality, cost and experience are considered when choosing the winning bid. In both bidding cases, the winning construction company will contract with the client, not the architect.

## **7. Construction Administration (CA)**

The final phase involves the architect frequently visiting the construction site to answer questions and deal with issues that arise. Having access to the architect is one way to avoid costly delays. The regularity of the architect's visits depends on the size of the construction project and it could be weekly or monthly. The construction crew is in charge of the development of the project from this point on. This phase will last as long as it takes to complete the construction.