

URA Disposition Process

The below provides a general roadmap for the disposition process. The URA has discretion to deviate from the below-outlined process when appropriate or necessary.

This updated process brings any disposition in front of the URA Board at least twice, and sometimes up to four times. Allowing for flexibility when these properties are brought to the Board will help the URA move properties more efficiently. It is anticipated that larger projects with a more significant community impact will still follow the traditional four step process, while smaller projects can follow a more streamlined process when appropriate.

The four possible board actions are as follows:

1. Enter Into Exclusive Negotiations (optional)
2. Approval of Proposal and Authorization to enter into a Contract for Disposition
(Can be combined with #3)
3. Authorization to Execute Deed
4. Issuance of Certificate of Completion and Return of Good Faith Deposit

The general steps that a disposition goes through, along with where each board action occurs in the process, are provided below.

Initiation of Disposition Process

- Client meets with URA
- Client provides the following:
 - o Preliminary concept
 - o Demonstration of financial and development capacity
 - o Preliminary sources and uses budget
 - o Preliminary financing plan
 - o Preliminary expression of community and council person input
- Client meets with URA MWBE Program Officer

1. OPTIONAL BOARD ACTION- Enter into Exclusive Negotiations

- *The URA has discretion on when this authorization will be brought to the Board – and will do so when needed for client to obtain financing (LIHTC funding) or when it is otherwise deemed appropriate or helpful.*

Before Proposal is Approved

- URA establishes purchase price and sends a proposal package to Client
- Client returns proposal package with all items applicable to its project. The returned proposal package will include the following

- Sources and uses budget
- Preliminary 10-year operation pro forma
- Proposal drawing including site plans and elevations
- Expression of community and councilperson input
- Preliminary evidence of financing
- MWBE and MWI narratives, if not previously provided
- MWBE cost calculator and narrative
- Good faith deposit and carrying cost payment
- Sustainability questionnaire for projects over \$250,000
- Qualified buyer check
- Tenant letter of interest for commercial properties where tenant is identified

2. BOARD ACTION- Approval of Proposal and Authorization to enter into a Contract for Disposition

- *When appropriate in the URA's discretion, and when the Client can meet the requirements for both the Proposal and Deed approval, the 2nd and 3rd Board actions can be combined.*

Before a Deed is Approved

- URA obtains City Council approval (if needed)
- Disposition Contract drafting has begun and will be finalized by closing
- Client will provide the following
 - Working and final drawings
 - City planning/zoning approvals and all other necessary entitlements
 - Final MWBE plan with full calculator
 - Evidence of financing

3. BOARD ACTION- Authorization to Execute Deed

Before a Certificate of Completion is Issued and Good Faith Deposit is Returned

- Finalize disposition contract
- Land and financial closing
- Client is responsible for the following
 - Construction- start through completion
 - Periodic construction and MWBE spending reports
 - Request a URA inspection
 - Cost certification
 - Proof of compliance with MWBE/MWI Plans

- URA architect signs off on completion
- MWBE team validates compliance with plans

4. BOARD ACTION- Issuance of Certificate of Completion and Return of Good Faith Agreement