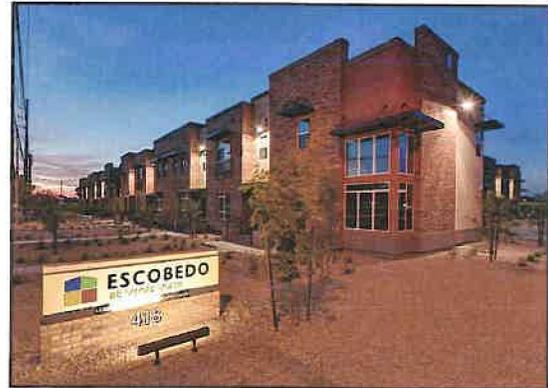
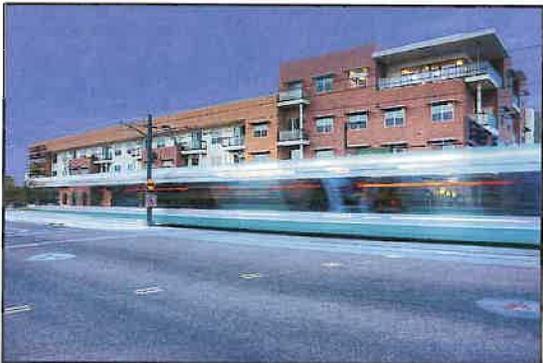


GORMAN & COMPANY, INC.

RESPONSE TO
REQUEST FOR QUALIFICATIONS
RFQ No. 15-002



CITY OF TEMPE
PURCHASE & DEVELOPMENT OF
CITY-OWNED LAND
JULY 24, 2014



200 N. Main Street • Oregon, WI 53575

P: (608) 835-3900

F: (608) 835-3922

www.GormanUSA.com

REAL ESTATE DEVELOPMENT

MADISON MILWAUKEE MIAMI PHOENIX

July 21, 2014

Lisa Goodman, Procurement Officer
City of Tempe, Arizona – Finance & Technology Dept. Procurement Division
20 E. Sixth St., 2nd Floor
Tempe, AZ 85280

**RE: Request for Qualifications (RFP No. 15-002)
Purchase & Development of City-Owned Land**

Dear Ms. Goodman:

Gorman & Company is proud to submit to the City of Tempe's Request for Qualifications for the purchase and development of city-owned land located at the southwest corner of Mill and Southern Avenues in Tempe. Gorman & Company, Inc. has over 30 years of experience in developing some of the nation's highest quality mixed-use and mixed-income workforce housing and neighborhood revitalization projects. We are listed in Affordable Housing Finance (AHF) Magazine as one of the nation's 'Top 50 Developers of Affordable Housing' and regularly receive local and national recognition for our developments. In fact, our mixed-use Gracie's Village development on Apache Boulevard is currently a national finalist for an industry excellence award from AHF Magazine for 'Best Urban Project' in the United States for 2014.

Gorman & Company has a collective capacity that uniquely positions us to partner with the City of Tempe on this exciting challenge. In addition to being a national leader in affordable housing, we are also one of the country's leading developers of adaptive re-use and urban redevelopment projects, repositioning and/or redeveloping school sites, breweries, factories, theatres, hospitals and existing housing into mixed use and mixed income residential developments and hotels using Historic Tax Credit financing, Low Income Housing Tax Credits, EB-5 Immigrant Visa financing, and a wide variety of other federal, state and local financing mechanisms. While we are first and foremost a real estate developer, we specialize in crafting unique combinations of financing structures to solve complex real estate challenges with the goal of creating high-impact projects that serve the needs of diverse communities.

Gorman has developed a reputation for being a strong partner with non-profit organizations, housing authorities, and state and local governments, and we are known as an innovative problem solver. Earlier this year, we were awarded Arizona's first-ever CHAP under HUD's new Rental Assistance Demonstration (RAD) program for the 301-unit Coffelt Public Housing redevelopment, owned and operated by the Housing Authority of Maricopa County since 1952. This \$46 million redevelopment will be the first RAD project in the nation to combine 4% Low Income Housing Tax Credits with

Historic Tax Credits, along with tax-exempt bond financing backed by a HUD-insured 221(d)(4) mortgage. This development will include \$1.5 Million in HOME funding from the State of Arizona, as well as \$500,000 in Community Development Block Grants (CDBG) from the City of Phoenix.

Gorman is a fully-integrated development firm with an Arizona-licensed and bonded construction company, an Arizona-licensed architectural staff, and a full service property & asset management company. We have the ability to tap into any and all of these capacities, depending on the needs of our co-development partner and the project at hand. Our construction team is experienced in Section 3, Davis-Bacon and related regulatory provisions that impact the procurement of construction services and labor. Our architectural team is highly experienced with green building technologies, ADA and Section 504 compliance and inclusive design with a particular emphasis on engaging residents of public and low-income housing in the design process. Our property and asset management team is also experienced in fair housing, tax-credit and HOME/CDBG rental compliance, marketing and lease-up, investor relations, and quality customer service, with a particular emphasis on service-enriched housing.

You will find Gorman & Company to be extremely flexible, cooperative and creative in structuring a unique partnership model that will serve to benefit the objectives of both the City of Tempe and Gorman & Company. In our 30+ year history, Gorman has never filed for bankruptcy, has never defaulted on a single loan, and has never failed to perform under any agreement with the City of Tempe. We have access to significant short term predevelopment capital, construction and permanent financing, as well as a stellar track record with all of our equity partners. We have structured many complex transactions involving a multitude of layers of public and private financing, and have access to some of the nation's most experienced attorneys, CPA's and consultants to supplement our collective capacities to take any feasible project across the finish line.

Thank you for your time and consideration to our proposal. Please feel free to contact me any time at (602) 708-4889 or by e-mail at bswanton@gormanusa.com. We are excited about forging a continuing partnership with the City of Tempe.

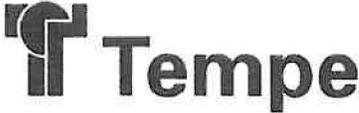
Sincerely,



Brian Swanton
Arizona Market President
Gorman & Company, Inc.
2375 E. Camelback Road, 6th Floor
Phoenix, AZ 85016

Copy: Gary Gorman, President & CEO
Tom Capp, Chief Operating Officer

Addendum to Solicitation



City Procurement Office/City of Tempe • PO Box 5002 • 20 East 6th Street • Tempe, AZ 85280 • (480) 350-8324 • www.tempe.gov/procurement

This addendum will modify and/or clarify: Solicitation No.: | 15-002

and is Addendum No. | 1

Date: | 07/14/2014

Procurement Description: | Purchase and Development of City-Owned Land Consisting of Approximately 3.14 Acres Located at the Southwest Corner of Mill and Southern Avenues

This Addendum is issued to provide the following information regarding your proposal submittal.

- 1. Submit one (1) original, unbound proposal and four (4) copies for evaluation purposes.
- 2. In your proposal, be sure to submit an introduction letter and all of the information under Section VI – Method of Developer Selection and Section VII – Submittal Requirements.

The balance of the specifications and solicitation instructions remain the same. Proposal Offerors are to acknowledge receipt and acceptance of this Addendum by returning of signed Addendum with proposal response. Failure to sign and return an Addendum prior to bid/proposal opening time and date may make the bid/proposal response non-responsive to that portion of the solicitation as materially affected by the respective addendum.

Gorman + Company, LLC
NAME OF COMPANY
200 N. Main St.
ADDRESS (or PO Box)
Oregon WI 53575
CITY STATE ZIP

Gary Gorman, President
BY NAME (please print) TITLE
608-835-3900
TELEPHONE
[Signature]
AUTHORIZED SIGNATURE



Experience

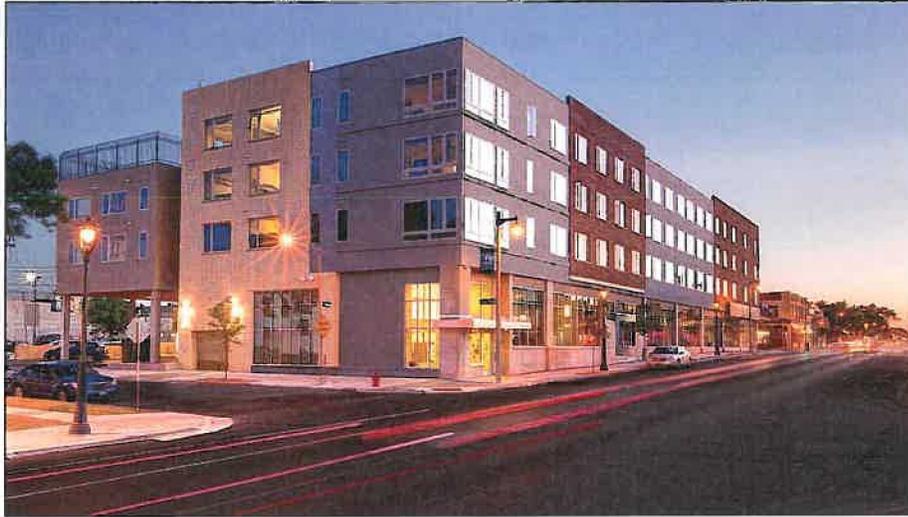
Gorman & Company, Inc. has over 30 years of experience in developing some of the nation's highest quality workforce housing and neighborhood revitalization projects, many of which have been performed in partnership with municipal governments and local housing authorities in various regions across the U.S. In developed affordable workforce housing, Gorman & Company utilizes tax credit equity syndicators to sell Low Income Housing Tax Credits (LIHTC) and Historic Tax Credits (HTC) to investors. The equity raised through the sale of the tax credits is invested in affordable housing developments across the country. On market rate transactions, we use a combination of private equity sources and creative financing structures such as tax-increment financing, EB-5 Immigrant Investor Program and the like.

On the following pages are a few examples of mixed-use and mixed-income projects developed by Gorman & Company. Please note that on all projects noted Gorman was the developer from concept planning, purchase of property, entitlement through the completion of the project and beyond. Gorman was also architect (or architectural consultant) and general contractor.



Villard Square GrandFamily Milwaukee

3427 W. Villard Ave. Milwaukee, WI



Status: Complete

Date Project Commenced: 7/15/10

Number of Units: 47

Ownership Type: Rental

Building Sq. Ft./Land Size: 89,866 sq. ft / 0.7 acres

Concept: Affordable Rental Apartments, Public Library

Completion Date: 8/30/11

Type & Size of Units: 1 BR, 2BR, 3BR

Income levels served: 50% and 60% AMI

Villard Square GrandFamily Milwaukee is a mixed-use development that addresses two strong needs in Northwest Milwaukee – relocation of a neighborhood library that was housed in a building that was failing, and housing for families where grandparents are the primary caregivers for their childrens' kids. The project consists of 47 apartments and a branch of the Milwaukee Public Library. Gorman & Company and Northwest Side CDC partnered with the Milwaukee Public Library System to complete the project.

Amenities: Movie theatre, rooftop garden & playground, exercise studio, beauty salon, business center, and a counseling lounge.

Total Project Development Costs: \$9,485,354

Total Project Construction Costs: \$6,611,495

Sources: Section 42 - LIHTC - 9% Tax Credits - \$4,978,367

Mortgage - \$1,285,000

LID/CDBG (Northwest Side CDC Loan – 3rd Mortgage) - \$1,155,000

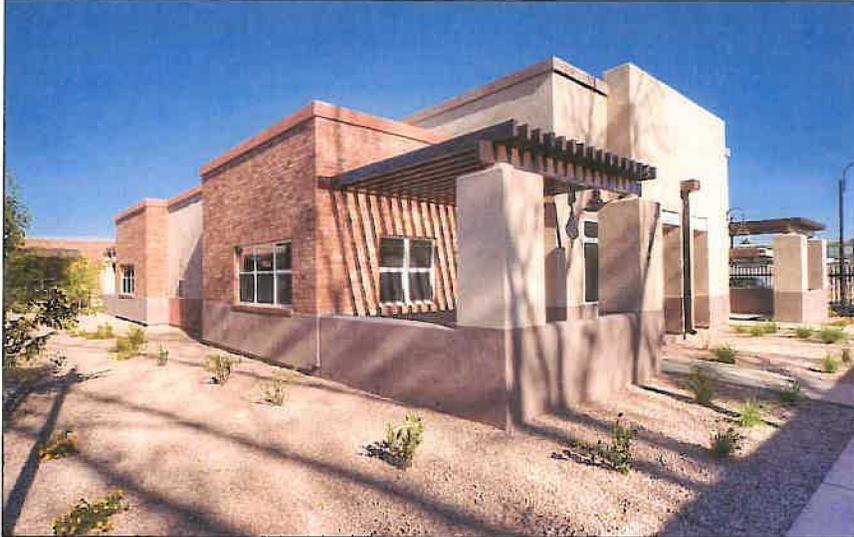
TCAP – 2nd Mortgage - \$ 1,295,847

1602 Exchange Funding - \$771,140



Escobedo at Verde Vista – Phase I

125 E. University Drive, Mesa, AZ



Status: Phase I Complete
Date Project Commenced: 2012
Number of Units: 70
Ownership Type: Rental
Building Sq. Ft./Land Size: 94,449 sq. ft./7.37 acres

Concept: Affordable Rental & Commercial
Completion Date: 11/30/13
Type & Size of Units: 1 BR, 2 BR, 3BR
Income levels served: 40%, 50% and 60% AMI

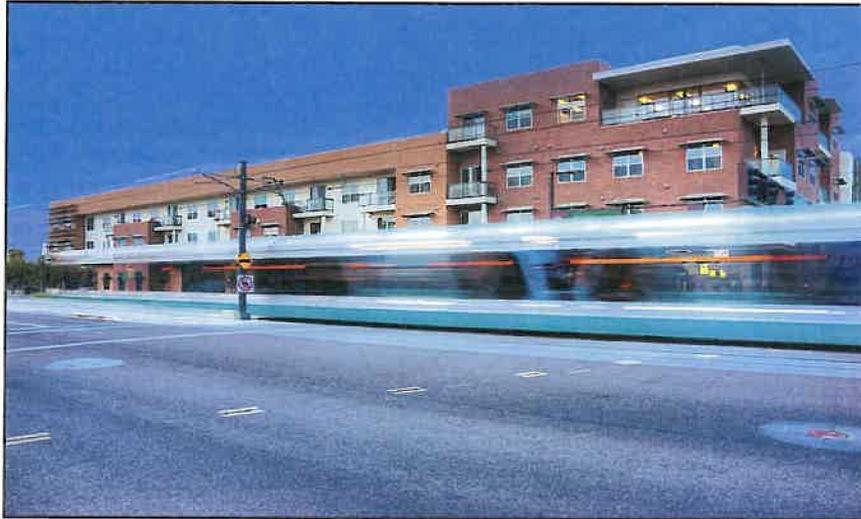
Escobedo at Verde Vista – Phase I was recently constructed on the site of a blighted, vacant and boarded-up former public housing development just north of downtown Mesa, AZ. The project’s co-developer is ARM of Save the Family Foundation, a certified Community Housing Development Organization (CHDO). The resident service provider will be Save the Family, an affiliate of ARM. On-site services to be provided to residents of the development and the surrounding neighborhood will include a before-and-after school program, computer training, financial literacy, and job placement services. The ultimate goal is to develop this project as a 2-phased tax credit-financed rental community, with the intention of converting 100% of all of the units to tenant ownership at Year 15 as a way to build financial capital of low and very low income households in this area. The project includes two commercial buildings along with the 70 affordable housing units, including a 15,000 square foot headquarters for Save the Family Foundation and an 8,000 square foot building leased to the Mesa United Way for the ‘Helen’s Hope Chest’ program. This project is being developed in compliance with Section 3, and we have instituted a series of job fairs at the site for surrounding area residents. **Amenities:** Multi-purpose building for the before-and-after school program, a computer lab and training center, a theatre, fitness center, playground, tot lots, picnic areas, and free wireless internet.

Total Development Cost - \$16,451,100
Section 42 - LIHTC - 9% Tax Credits - \$14,676,992
Developer Self Financing - Deferred Fees - \$415,000
First Mortgage - \$498,410
AZ Behavioral Health Grant - \$440,876
Developer Self Financing - Deferred Fees - \$419,822



Gracie's Village

1520 E. Apache Boulevard, Tempe, AZ 85281



Status: Complete

Selected as Developer: 2011

Number of Units: 50

Type & Size of Units: 1 BR, 2 BR, 3BR

Concept: Affordable Rental, Thrift Store & Community Center

Completion Date: 11/30/2013

Income levels served: 40%, 50% and 60% AMI

Building Sq. Ft./Land Size: 89,193 sq. ft. / 2 acres

Gracie's Village is an affordable family housing development located in the heart of the Apache Boulevard Redevelopment Area in Tempe. The subject site was home to an aging, obsolete and blighted thrift store that sits on a prime 2 acre parcel just steps from two light rail stops along Apache Blvd. In addition to designing the project to a LEED-Gold standard (including solar PV), the project entails 100% accessibility for the physically disabled through our partnership with Arizona Bridge to Independent Living (ABIL). Gorman has forged a co-development partnership with the owner of the property, Grace Community Church of the Valley. A comprehensive service plan has been assembled to expand upon the amazing services already offered at the current thrift store site. These services will include an on-site before and after school program, parenting classes, computer training, job training and placement services, and financial education to name a few. In addition to direct services provided by the church, Grace Community has tapped into a vast network of social venture partners to deliver a vast array of supplemental services. The project includes 13,000 square feet of commercial space leased to Grace Community Church of the Valley to operate 'Gracie's Thrift Store'.

Amenities and/or Mixed Used Component: Amenities include a community room, playground, picnic area, wi-fi café, medical clinic, and workforce development thrift store.

Total Development Cost - \$15,398,335

Section 42 - LIHTC - 9% Tax Credits - \$14,623,335

City HOME Funds - \$300,000

Mortgage - \$475,000



The Brewery District – Milwaukee, WI

Founded in 1844, the famous Pabst Brewery was at one time the largest brewery in America. The Brewery bottled millions of barrels of Pabst Blue Ribbon and other brand beers. Closing its doors in 1996, the 26 buildings stood vacant awaiting their second chance at life. In 2006, Milwaukee real estate investor and developer, Joseph Zilber, purchased the entire Brewery site in hopes to revitalize downtown Milwaukee. The Brewery underwent a major transition into a sustainable neighborhood, capturing an award for LEED Platinum Neighborhood Development (only the third in the country at the time).

Gorman & Company took on one of the very first projects in the Brewery: Blue Ribbon Lofts. Blue Ribbon Lofts is the former keg house and parking storage facility for the brewer. More info is noted below.

Brewhouse Inn & Suites was the second project completed in The Brewery by Gorman & Company. The buildings date back to the late 1800's. More info is noted below.

The third project is the Frederick Lofts.



Frederick Lofts is located in The Brewery District. The Brewery District is currently home to Gorman & Company's Brewhouse Inn & Suites and Blue Ribbon Lofts. Gorman's next project, Frederick Lofts, is a 100 luxury unit market rate development that would be located directly adjacent to the Blue Ribbon Lofts in Milwaukee, WI. The market rate units at Blue Ribbon Lofts are constantly occupied, so much so that there is an overflow of potential market rate renters that are turned away at Blue Ribbon Lofts. The current layout of Frederick Lofts has a unit mix of 3 live/work efficiencies, 77 one bedrooms, and 20 two bedrooms. Frederick Lofts specifically features underground and surface parking, fitness center, clubhouse, and a rooftop deck overlooking downtown Milwaukee. A mixture of glass, metal and wood will be incorporated into the exterior shell of the building. Zilber will be donating the land as part of the deal.



The Brewhouse Inn & Suites

1215 N. 10th Street Milwaukee, WI



Status: Complete **Concept:** Hotel & Restuarant
Date Project Commenced: 10/1/2011 **Completion Date:** 5/1/2013
Number of Rooms: 90 **Type of Rooms:** Extended-stay suites
Building Sq. Ft./Land Size: 108,000 sq. ft./ .62 acres

The Brewhouse Inn & Suites is part of downtown Milwaukee's newest sustainable neighborhood known as The Brewery. For more than 150 years, the Pabst Brewery was a main focal point of downtown Milwaukee. The brewery closed its doors in 1996, leaving an uncertain future for the downtown block that it occupied. In 2006, the brewery complex was purchased by philanthropist Joseph Zilber's investment group to create The Brewery, a complex that will house residential, office and retail space—and with the Brewhouse Inn and Suites, a 90-room all-suite green hotel, as the flagship project.

The Brewhouse Inn & Suites consists of two historic buildings located within the historic Pabst Brewery district. The buildings date back to the late 1800's. With over 132,000 total square feet of space to utilize, The Brewhouse allows for an opportunity to mix both commercial and hotel space. The hotel includes 90 guest suites and a restaurant on the first floor.

Total Project Development Costs: \$20,008,479
Seller Note - \$1,000,000
Federal/State Historic Tax Credit Equity - \$3,973,772
Developer Self Financing - Deferred Fees - \$34,707
EB5 Mortgage - \$15,000,000



Blue Ribbon Lofts

901 West Winnebago Street, Milwaukee, WI



Status: Complete

Date Project Commenced: 2007

Number of Units: 95

Ownership Type: Rental

Building Sq. Ft./Land Size: 176,468 sq. ft./1.41 acres

Concept: Affordable Rental Apartments, Historic Preservation

Completion Date: 12/31/08

Type & Size of Units: 1BR, 2BR, 3BR

Income levels served: 50% and 60% AMI, Market-Rate

Gorman & Company converted the former Keg House of the Pabst Brewery into a 95-unit loft style apartment community. Blue Ribbon Lofts is the lead project in the redevelopment of the Pabst Brewery site, a property rich in local history that includes 26 buildings and over 20 acres of land. The development serves local artists, entrepreneurs and other members of the “creative class” with live-work units and a variety of amenities.

Amenities: Theatre, fitness center, music studio, business center, conference room, community room, gallery space, gazebo, picnic area, playground, and underground parking.

Total Project Development Costs: \$16,241,799

Section 42 - LIHTC - 9% Tax Credits - \$7,236,770

Developer Self Financing - Deferred Fees - \$396,363

Mortgage - \$3,958,975

Subordinate Mortgage - \$812,511

WHEDA Zeros - \$379,955

Federal/State Historic Tax Credit Equity - \$3,457,225



Moline Enterprise Lofts

1871 River Drive, Moline, IL



Status: Complete

Date Project Commenced: 8/30/11

Number of Units: 69

Ownership Type: Rental

Building Sq. Ft./Land Size: 60,206 sq. ft./1.38 acres

Concept: Affordable Live/Work loft apartments

Completion Date: 5/16/12

Type & Size of Units: 1 BR, 2 BR, 3BR

Income levels served: 30%, 50% and 60% AMI

Moline Enterprise Lofts, located in the Quad Cities at the Illinois and Iowa border, is a mixed-use, mixed-income, 69-unit "live-work" development. It is designed to serve up-and-coming entrepreneurs and other members of the region's evolving "creative class." The development is the result of an innovative partnership that includes the city, the local Housing Authority, a business-focused nonprofit organization, and three of the region's largest employers. The development features live-work units that have commercial street entrances, activating the street and allowing small business owners to combine their office, studio, and residence in one place.

Amenities: Presentation room, conference rooms, theater, fitness center, community room, and business center.

Total Project Development Costs: \$12,689,282

Section 42 - LIHTC - 4% Tax Credits - \$2,377,931

Developer Self Financing - Deferred Fees - \$301,621

1602 Funding - \$6,541,910

Mortgage - Bonds - \$1,600,000

IHDA HOME Funds - \$1,867,820



Grand River Station Apartments

314 Jay Street, La Crosse, WI



Status: Complete

Date Project Commenced: 2009

Number of Units: 72

Ownership Type: Rental

Building Sq. Ft./Land Size: 106,056 sq. ft./1.23 acres

Concept: Affordable Apartments, Transit Center

Completion Date: 12/15/10

Type & Size of Units: 1BR, 2BR, 3BR

Income levels served: 30%, 50% and 60% AMI, Market-Rate

Grand River Station Apartments is comprised of a number of components which include a transit center, retail, rental housing, and a parking deck. The rental housing component of this development includes 72 units and will be targeted toward artists and entrepreneurs. The design of the units includes live/work space and project amenities such as a business center, artists' workspace, and an art gallery to cater toward these populations. The first floor transit center serves as a hub for public transportation in downtown La Crosse consisting of 10,000 square feet and also located at ground level. The third floor of the building has a parking deck available to all residents.

Amenities: Theatre, fitness center, business center, conference room, community room, gallery space, salon, workshop/project room, and underground parking.

Total Project Development Costs: \$13,119,756

Exchange Funds - \$9,450,114

Developer Self Financing - Deferred Fees - \$64,196

Mortgage - \$1,930,446

Subordinate Mortgage - \$1,675,000



Park East Enterprise Lofts

1407 N. Martin Luther King, Milwaukee, WI



Status: Complete

Date Project Commenced: 2004

Number of Units: 85

Ownership Type: Rental

Building Sq. Ft./Land Size: 101,819 sq. ft. / 1.1 acres

Concept: Affordable Live/Work Apartments, Corner Retail

Completion Date: 2006

Type & Size of Units: 1BR, 2BR, 3BR

Income levels served: 50%, 60% AMI, Market-Rate

This mixed-use, mixed-income, 85-unit "live-work" development is designed to serve up-and-coming entrepreneurs and other members of a city's "creative class." It is part of a visionary redevelopment district that has been made possible by tearing down an expressway. The development features live-work units that have commercial street entrances, activating the street and allowing small business owners to combine their office, studio, and residence in one place.

Amenities: Fitness center, business center with high end printing capabilities, community room, two conference rooms, theater, and gallery space. There is also retail space on the first floor.

Total Project Development Costs: \$12,584,791

Total Project Construction Costs: \$9,220,052

Sources:

Mortgage - \$4,670,000

Section 42 - LIHTC - 9% Tax Credits - \$7,499,250

Developer Self Financing - Deferred Fees - \$308,041

Brownfield Grant - \$107,500



State at Main

141 Main Street, Racine, WI



Status: Complete

Concept: Affordable Apartments, Market Rate Condos,
Ground Floor Retail

Date Project Commenced: 2005

Completion Date: 2007

Number of Units: 84

Type & Size of Units: 1BR, 2BR, 3BR

Ownership Type: Rental

Income levels served: 50%, 60% AMI, Market-Rate

Building Sq. Ft./Land Size: 168,043 sq. ft. / 1.3 acres

State & Main is a state-of-the-art, mixed-use, mixed-income development. It combines for-sale condominiums; market-rate apartments; affordable apartments; class-A retail space; and commercial, underground parking. It was identified as the number one priority project in a nationally-acclaimed downtown plan.

Amenities: Community room, movie theater, exercise & fitness center, patio with grill, underground parking, and a roof-top terrace.

Total Project Development Costs: \$14,218,132

Total Project Construction Costs: \$9,539,233

Sources:

Mortgage - \$4,300,000

Section 42 - LIHTC - 9% Tax Credits - \$7,462,000

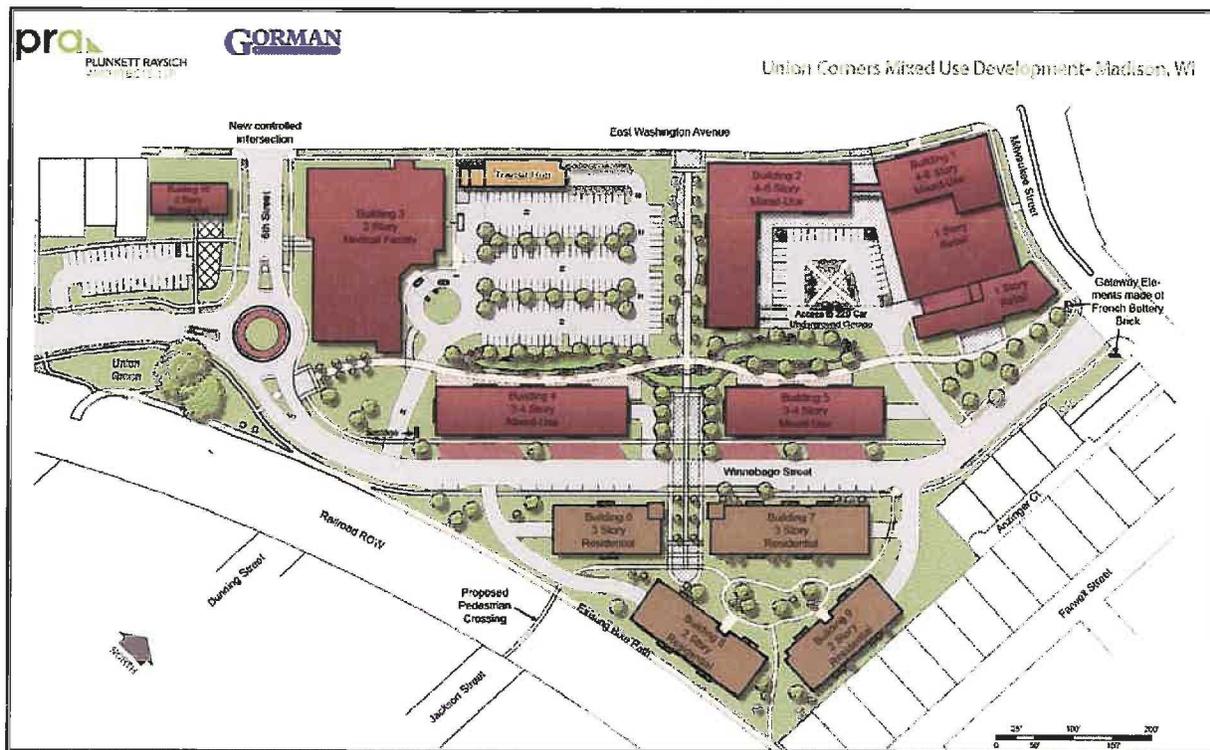
City Tax Incremental Financing - \$1,650,000

Brownfield & Developer Self Financing - Deferred Fees - \$806,132



Union Corners

Milwaukee Street and East Washington Avenue, Madison, WI



Status: In Development

Concept: Clinic, Retail, Parking & Residential

Date Project Commenced: 11/1/2012

Completion Date: Multiple 2015-2018

Land Size: 11 acres

Union Corners is a mixed-use development located at the corner of Milwaukee Street and East Washington Avenue in Madison. Union Corners is an 11 acre infill development site located on the near east side of the City of Madison. The surrounding area includes a mix of commercial uses along East Washington Avenue flanked by established single family neighborhoods. In addition to a mixed use residential component, Union Corners will include a 60,000 square foot medical clinic occupied by the region’s premier healthcare provider; smaller neighborhood related commercial space approximately 150 residential units. Gorman & Company was selected by the City of Madison through a competitive RFP process to be the master developer of this site. We continue to work through zoning and approval processes with the City and will be breaking ground on the clinic in Fall 2014.



Organizational Capacity

Gorman & Company, Inc. was formed in 1984 to develop high quality, affordable and market rate multi-family housing. From the mid-1990s through the present, Gorman & Company has assumed the role of working collaboratively with local communities on significant revitalization efforts, which have also included the incorporation of non-housing uses such as commercial and retail space, hotels, mixed use centers and the like. Since 1984, Gorman & Company has developed over 70 affordable, multi-family developments consisting of over 5,000 units.

Gorman & Company is a “vertically integrated” development firm. We have the in-house capacity to produce affordable, multifamily development projects “cradle to grave”.

Over the past 30 years we have developed internal functions that allow us to address the comprehensive range of development activities that will be required by this type of project. We have 240 employees with a wide range of housing and real estate development experiences and our Arizona staff include developers, an Arizona-licensed architect, and a fully licensed general contractor. Gorman staff are also certified in market analysis, development project conceptualization, financial analysis, and property & asset management.

Gorman & Company’s integrated functions allow us to “collaboratively” design and program a development. All of the company’s functions sit at the same table to program a development from concept through final execution with our local partners and community stakeholders.

Known nationally for our innovative and collaborative financial approaches to providing housing for a wide range of incomes, Gorman & Company has become one of the most respected workforce housing development firms in the nation. Affordable Housing Finance Magazine lists Gorman & Company as being in the Top 20 Affordable Housing Development Firms in the U.S.

Gorman & Company works in partnership with local governments and community groups to solve problems. Gorman & Company has developed innovative and catalytic properties in partnership with a wide range of communities. Almost all of Gorman & Company’s real estate developments are originated by the local community. Gorman’s staff then brings a broad range of development, construction, architectural and management experience to the development process. After Gorman & Company builds its initial development in a community it is uniformly asked to return to accomplish additional projects.

Below is a listing of key team members. We have noted the core duties of each position as it pertains to this Tempe partnership as well as an anticipated percentage of time to be committed to the partnership. We hereby certify that all team members are available to start immediately on any City of Tempe partnership projects. All team members are familiar and experienced in the tax credit application process and we have received multiple tax credit awards in six different states.



Brian Swanton – Arizona Market President

Head development process from start to finish – Estimated time commitment is 25%
Brian Swanton is the Arizona Market President for Gorman & Company, which specializes in the development of affordable housing, renovation of historic buildings and revitalization of urban neighborhoods.

Mr. Swanton was formerly the President and CEO of Community Services of Arizona, Inc., which was Arizona's largest non-profit developer of mixed-income housing, where he directed the preservation and construction of over 2,300 units of housing in 29 residential communities across Arizona and successfully refinanced and/or repositioned 1,702 units in the organization's multi-family portfolio. Mr. Swanton also spent 8 years of his career in the public sector, having served as the Housing Development Manager for the City of Scottsdale, as well as other positions in housing and community development with the City of Glendale, AZ, the Arizona Department of Housing, and the City of Quincy, MA. He has been with Gorman since 2008 where he created a market presence for Gorman from scratch. Over the past 6 years, he has successfully secured over \$175Million in financing for ten projects representing 913 units of affordable housing using LIHTC, NSP, HOME, Historic Tax Credits, RAD, Project-Based Vouchers and the like.

Mr. Swanton holds a Master of Public Administration and a Bachelor of Science in Urban Planning, both from Arizona State University where he currently teaches graduate and undergraduate courses in housing finance and neighborhood revitalization. Brian is also certified as a Housing Development Finance Professional by the National Development Council. He currently serves as President of the Board of Directors for the Arizona Housing Alliance and Chairman of the Church Council for Glendale First United Methodist Church.

Zach Johnson – Real Estate Project Manager – Phoenix Office

Since joining Gorman in 2008, Zach has led Gorman's deal structuring and financial underwriting efforts across all of our national markets. Originally hired at our headquarters in Oregon, WI, Mr. Johnson has since been promoted to Real Estate Project Manager in the Phoenix office to assist with Gorman's southwestern U.S. affordable housing projects. Mr. Johnson has extensive experience with the RAD Assessment Tool and structuring HUD-assisted projects with Low Income Housing Tax Credits. He will be committing 30% of his time to this Tempe project. As Real Estate Project Manager in the Arizona Market, Zach's responsibilities include, but are not limited to, strategic planning for future development sites and activities, financial modeling and forecasting, preparing documentation and coordinating closings with all participating parties, and tracking developments from inception through completion. Mr. Johnson received his bachelor's degree in Finance from the University of Wisconsin-Whitewater.



Megan Schuetz – Development Associate – Oregon Office

Megan serves as Development Associate for Gorman & Company with her primary focus on the Arizona markets. Since 2006, Ms. Schuetz has worked under the direction of the Chief Operating Officer and Market Presidents in all markets to assist in building Gorman’s presence nationwide. Ms. Schuetz coordinates developments from inception through completion including preliminary site research and proposals, funding applications, and due diligence associated with closings. Previous to her employment with Gorman, Ms. Schuetz worked as a marketing assistant and project coordinator at multiple firms in Madison, Wisconsin. She has previously attended the University of Wisconsin-Madison. Ms. Schuetz will be able to commit approximately 25% of her time to this project.

Ben Marshall – Director of Architecture- Oregon Office

Ben has more than 16 years of experience in architectural design and construction administration. He is a registered Architect in Wisconsin and Arizona and is securing his license in the State of Nevada as well. His experience encompasses a wide range of commercial and residential building types. Since 2010, he has been the Director of Architecture at Gorman and Company, Inc. specializing in multi-family housing and rehabilitation projects. Prior to joining Gorman and Company, Ben was with a firm recognized as a regional leader in the design of multi-family housing. He has been responsible for architectural design and construction administration for over 600 housing units in the past 7 years. Ben will be in a position to commit approximately 15% of his time to this project.

Peter Meyer – Lead Architect Southwestern US Market – Phoenix Office

Peter Meyer has been a registered Architect in Wisconsin for the past twelve years and earlier this year also became registered in Arizona. He is currently working on securing his license in Nevada as well. He has designed and supervised the construction of several different multi-family projects throughout Wisconsin, Illinois, and Arizona. He is currently the Lead Architect for the Arizona and Southwestern U.S. Market for Gorman & Company. His projects have included LEED-Platinum and LEED-Gold developments that incorporate solar photovoltaic, rainwater harvesting and many other green building features and all of his designs are fully-accessible for the physically disabled utilizing Universal Design principles. He prides himself in inclusive design, incorporating processes that engage residents, governmental and non-profit partners, community groups and other community stakeholders in the design process. Mr. Meyer will be able to commit 35% of his time to this project and will be the lead architect on this development. Pete also has a staff of two architects serving his needs, all of whom are 100% dedicated to projects in Arizona.

Ron Swiggum – Director of Construction – Oregon Office

Ron has over 16 years of experience in project management, encompassing cross-functional projects, price/cost management, budgetary and competitive estimating, coordination of design professionals, space planning, life cycle costing, contract administration, development and training of personnel, strategic business planning, risk management, proformas, staff leadership, P&L oversight, and customer relations. Ron recently directed construction for the



largest “Green Communities” Public Housing Authority development to date east of the Mississippi River. Ron also served as Construction Project Manager for an award winning Gorman & Company affordable housing development in Glendale, AZ. Mr. Swiggum will be in a position to commit 15% of his time to this project. Under his direction, Mr. Swiggum has a staff that includes full time estimators, construction accountants, and construction administration support for Davis-Bacon and Section 3 compliance, project managers and on-site superintendents.

Ben Shunk, Senior Construction Project Manager

Ben has spent the last 13 years overseeing all phases of multimillion-dollar construction projects for private and public-sector clients. Project experience includes retail, hospitality, multi-family, senior living, low income housing, section 3, Davis Bacon, educational, Green Building and office tenant improvements. Ben manages all aspects of projects from project inception through warranty including: preconstruction, subcontractor scoping and contracting, field supervision, subcontractor change orders, payment applications, budget reporting and forecasting, QAQC, scheduling and closeout.

Ben is also an active Board member with Valley Partnership, has chaired the annual Community Project and serves on the Events committee. Shunk is also active with ULI and ICSC. Ben is a graduate of Arizona State University with an undergraduate degree in Construction Management. Ben also holds an Arizona State real estate license.

Joyce Wuetrich – Director of Asset Management – Oregon Office

Joyce joined Gorman & Company in 1989 and directs the accounting for the corporate entity, as well as the construction and management accounting divisions. She also serves as the head of the asset management team and is directly involved in budgeting, financial analysis and lender relations. Joyce supervises the Human Resources functions, as well as the Compliance team and is a Certified Occupancy Specialist. She is also experienced in the Uniform Relocation Act.

Prior to joining Gorman & Company she was the legal administrator for a Madison-based law firm. Joyce holds a degree in accounting from Upper Iowa University and is a Certified Public Accountant. Joyce is an active member of the Wisconsin Institute of Certified Public Accountants, the Society of Human Resource Management, the Institute of Real Estate Management, the National Multi-Housing Council, Financial Executives International and Wisconsin Commercial Real Estate Women. Joyce oversees all third-party property management and asset management functions for Gorman’s entire portfolio. She will be able to commit an estimated 10-15% of her time to this project. This time commitment can fluctuate, however, as more time is needed at various points throughout the development process.



Other Gorman Leadership:

Tom Capp – Chief Operating Officer

Tom Capp has directed Gorman & Company's real estate development since 1994. Under his direction, the company has focused on urban revitalization, mixed-income housing, historic preservation and the preservation of affordable housing.

Prior to joining Gorman & Company, Mr. Capp was a Senior Associate at Camiros, Inc., an urban planning firm based in Chicago. Mr. Capp is a former public official having served as mayor of Fitchburg, Wisconsin, where he also served as chairman of the city's Planning Commission and chairman of its Economic Development Commission. As executive assistant to Dane County Executive Rick Phelps from 1993-1994, he directed land use and development policy for Dane County (Madison, Wisconsin and surrounding areas).

Mr. Capp has a degree in Economics and Political Science from the University of Illinois at Champaign-Urbana. Tom has served on many industry boards and commissions. He currently serves on the Board of Directors of the National Housing and Rehabilitation Association. In 2007 he was appointed by the White House as a Panel Expert for the Preserve America Summit, an initiative created by executive order to modernize our nation's approaches to historic preservation. He is a frequent speaker and presenter at conferences sponsored by state housing authorities, planning associations, and housing industry groups such as NCSHA, NH&RA, and IPED.

Gary J. Gorman - President

After completing his B.A. in Economics and Law Degrees from the University of Wisconsin at Madison, Mr. Gorman began his career as a practicing attorney focusing on representation of developers and real estate syndicators.

In 1984 Mr. Gorman formed a firm for the purpose of developing and syndicating multifamily real estate projects. After the passage of the Tax Reform Act of 1986, Mr. Gorman specialized in the development of affordable multifamily rental communities utilizing the tax credit created by Section 42 of the 1986 Tax Reform Act.

Gorman & Company, Inc. is now a major developer of affordable rental housing as well as historic renovations. The firm has offices in Wisconsin, Illinois, Arizona, and Florida, as well as projects in six states. Gorman & Company, Inc. has in-house design and construction divisions that have successfully completed over \$350 million of new construction and major renovations. Its affiliated property management firm manages over three thousand units. Mr. Gorman serves as a board member for Catholic Charities and Northern Bankshares, Inc. Mr. Gorman also serves as a member of the Steering Committee for the Housing Credit Group of National Association of Homebuilders (NAHB) and on the Advisory Board for the Federal Home Loan Bank of Chicago. In addition, Mr. Gorman previously served on the Board of Directors for the Madison Area Apartment Association, Credit Bureau of Madison, South Madison Community Development Corporation, and Business Education Partnership.



In addition, Gorman & Company partners with a wide variety of communities around the United States. Each market is led by a Market President that works closely with local governments and community groups to help communities meet their development, planning, economic and social goals. Each has demonstrated capacity to develop affordable housing in both new construction and rehabilitation of existing housing in traditional urban neighborhoods. In addition, all markets work together on a regular basis to share knowledge and expertise especially as it ties to new programs and funding sources like the HUD RAD program.

Edward (Ted) Matkom – Wisconsin Market President
 Kimball Crangle – Colorado Market President
 Hana Eskra – Florida Market President

Below you will find a chart showing all funded Arizona projects noting team members involved.

COFFELT-LAMOREAUX HOMES

<i>Location</i>	<i>Overview</i>	<i>Team Members Involved & Percent of Time Spent Through Completion</i>
Phoenix, AZ	Acquisition & rehabilitation of 296 units of public housing in partnership with the Housing Authority of Maricopa County utilizing RAD, 4% LIHTC, tax-exempt bonds, FHA 221(d)(4), & HOME.. Estimated closing date is September 30, 2014. Estimated completion date is June 30, 2016.	Brian Swanton (20%) Megan Schuetz (5%) Zachary Johnson (20%) Peter Meyer (20%) Ron Swiggum (10%) Joyce Wuetrich (10%) Ben Shunk (15%)

BOWMAN SENIOR RESIDENCES

<i>Location</i>	<i>Overview</i>	<i>Team Members Involved & Percent of Time Spent Through Closing</i>
Nogales, AZ	Adaptive re-use of a historic hotel combining historic rehabilitation with new construction. Project will result in 48 units of senior housing in partnership with the Nogales CDC. Estimated closing date is August 30, 2014. Estimated completion date is March 31, 2015.	Brian Swanton (15%) Megan Schuetz (10%) Zachary Johnson (15%) Peter Meyer (15%) Ron Swiggum (10%) Joyce Wuetrich (5%) Ben Shunk (15%)



ESCOBEDO AT VERDE VISTA – PHASE II

<i>Location</i>	<i>Overview</i>	<i>Team Members Involved & Percent of Time Spent Through Closing</i>
Mesa, AZ	Phase II of demo and new construction of 62 units of public housing including permanent supportive housing for chronically homeless in partnership with the City of Mesa and ARM of Save the Family. Estimated closing date is December 31, 2013. Project will be completed by December 31, 2014.	Brian Swanton (15%) Megan Schuetz (10%) Zachary Johnson (10%) Peter Meyer (20%) Ron Swiggum (20%) Joyce Wuetrich (5%) Ben Shunk (15%)

MADISON HEIGHTS PHASE I

<i>Location</i>	<i>Overview</i>	<i>Team Members Involved & Percent of Time Spent Through Closing</i>
Avondale, AZ	Demo and new construction of 77 units of public housing utilizing HUD RAD program in partnership with Housing Authority of Maricopa County. Estimated closing date is March 31, 2015. Project will be completed by June 30, 2016.	Brian Swanton (15%) Megan Schuetz (10%) Zachary Johnson (10%) Peter Meyer (20%) Ron Swiggum (20%) Joyce Wuetrich (5%) Ben Shunk (15%)

MADISON HEIGHTS PHASE II

<i>Location</i>	<i>Overview</i>	<i>Team Members Involved & Percent of Time Spent Through Closing</i>
Avondale, AZ	Demo and new construction of 66 units of public housing utilizing HUD RAD program in partnership with Housing Authority of Maricopa County. Estimated closing date is March 31, 2015. Project will be completed by June 30, 2016.	Brian Swanton (15%) Megan Schuetz (10%) Zachary Johnson (10%) Peter Meyer (20%) Ron Swiggum (20%) Joyce Wuetrich (5%) Ben Shunk (15%)



Public Process

Gorman & Company's integrated functions, including architectural design and construction, allow us to "collaboratively" design and develop highly successful developments. All of the parties sit at the same table to program a development from concept through final execution, and we always engage our public and non-profit partners, as well as the surrounding community, in a design charette process. Of the over 70 projects that Gorman & Company has completed over the past 30 years, the company has never had a foreclosure, has never defaulted, and has never had the general partner replaced by the investor.

Gorman & Company has extensive experience in working with local governments, neighborhood groups, and third-party consultants on a variety of different processes. Gorman & Company has found that establishing connections and working in cooperation with these groups as early in the development process as possible helps to eliminate conflicts and time delays down the road, and results in a more successful outcome for the project.

Throughout the course of the development process, from conceptual stages through construction completion and operations, Gorman & Company participates in multiple public processes. These processes include, but are not limited to, the completion of Health Impact Assessments, securing entitlements, conducting ongoing discussions with neighborhood groups and officials, and managing media relations.



Financial Strength

Description of the developer's financial strategy for the development of a large-scale mixed-use project. Detail the amount of liquid assets available to the developer and the amount of capital the developer is willing to invest in the development of the City-owned land and adjacent lots. The respondent should demonstrate their ability to acquire large portions of Dannelle Plaza and the financial capacity to complete a multi-phase long-term development project.

Our financial strategy for this particular development will start with a series of collaborative strategy sessions with the City of Tempe and one-on-one negotiations with the adjacent property owners. Without a good working knowledge of the City of Tempe's goals, and without the benefit of land appraisals and direct discussions with adjacent property owners, it is difficult to craft a specific financial strategy for this development.

However, this project will likely use either 4% or 9% Low Income Housing Tax Credits to assist in underwriting the affordability requirements that come with the already-invested Community Development Block Grant (CDBG) rent and income requirements. Gorman & Company utilizes tax credit equity syndicators from across the U.S. to sell Low Income Housing Tax Credits (LIHTC) and Historic Tax Credits (HTC) to investors, and we have strong working relationships with direct investors such as JP Morgan, Bank of America, PNC Bank, Berkshire Hathaway, and the like.

We also have strong construction and permanent debt partners, including US Bank, Chase Bank, BMO Harris, Community Development Trust, and the like. All of these financial partners are very knowledgeable in the constraints of lending to affordable housing developments. We are also experts in utilizing debt products from the U.S. Department of Housing and Urban Development through the use of FHA-insured 221(d)(4) and 223(f) mortgages for both market rate and affordable multi-family housing.

Gorman & Company has also employed a wide range of local, state and national funding sources targeted to stimulate affordable and market rate housing, such as Historic Tax Credits; Federal Home Loan Bank AHP Grants; HOME; CDBG funding; Tax Increment Financing; Capital Funds from Housing Authority partners; Neighborhood Stabilization Program (NSP) funding, Brownfield grants; EB-5 Immigrant Visa equity; and other local government or non-profit grants.

The factor that differentiates Gorman & Company, Inc. from all other affordable housing developers is the fact that we financially stand behind our work and final product in partnership with our clients when financing projects. This commitment incorporates Gorman & Company, Inc. as a true "stakeholder" in any development we are involved in and within the communities in which we work. We guaranty construction completion of every project we are involved in as a stakeholder. As developers of the properties we are financially responsible to: self-fund predevelopment costs; self-finance gaps in project financing through deferred fees; pay for



project overruns; financially guarantee lease up; and fund any operating deficits for several years. Of the over 70 projects that Gorman & Company has developed in the past 30 years, the Company has never had a foreclosure, never defaulted, and never has had the general partner replaced by the investor. The current stockholder equity for Gorman & Company and its affiliate, Gorman General Contractors, is valued at \$42,000,000. We currently maintain a liquidity level of \$3-5M, which we utilize to leverage lines of credit and predevelopment loans for land acquisition and predevelopment for projects of similar magnitude. Our predevelopment lending partners include the Local Initiatives Support Corporation (LISC), the Arizona Community Foundation (ACF), the Raza Development Fund (RDF), the Sustainable Communities Fund, and the Corporation for Supportive Housing (CSH) to name a few. It is highly likely, as we do with all of our other real estate development projects, that we will use a combination of our internal liquid assets and secured predevelopment financing to complete the predevelopment and land acquisition on this proposed project. The exact amount of that capital will be determined after we solicit our third party due diligence consultants to prepare necessary reports such as appraisals, market studies, soils testing, phase I environmental reports, etc. However, over our 30-year history, access to adequate capital has never been an impediment to the successful development of projects of this nature.



Resources

Describe the developer's strategy and ability to work within HUD's rules & regulations as noted above. Describe any partnerships or associations to be developed to ensure HUD compliance and programming. – the City used HUD CDBG to acquire the land (\$2,520,000). A note from the RFQ says "Depending on the proposed redevelopment project, the City and HUD would be willing to write down our investment in the land to zero."

Gorman & Company, Inc. has a great deal of experience in dealing with HUD-financed and/or regulated transactions through the rehab, redevelopment and new construction of Project-Based Section 8, Public Housing, tax credit, FHA-insured, and HOME/CDBG-assisted rental housing. We have also worked through the regulatory complexities of the U.S. Customs and Immigration Service (USCIS) through the use of the EB-5 Immigrant Visa Program, the U.S. Department of Agriculture through the use of Rural Development (RD) programs, and the U.S. Department of the Interior through the use of Historic Tax Credits.

Our Market President in Arizona, Mr. Brian Swanton, is a certified Housing Development Finance Professional by the National Development Council and teaches courses at Arizona State University on affordable housing finance. Mr. Swanton also speaks at local and national conferences on the regulatory complexities of federally-financed projects as he formerly administered federal HOME, CDBG, Section 8 and Public Housing programs at both the State and local levels. The regulatory overlay statutes that impact these developments are many, including Davis-Bacon, the Uniform Relocation Act, Section 3, Section 504, ADA, and the like. As an experienced developer and licensed architect and general contractor, we have a great deal of experience in implementing these requirements into the design and construction of our publicly-financed developments. We have full time staff at our headquarters who oversee and implement Davis-Bacon compliance, for example. We also partner regularly with a team of local and national consultants who are experts in Davis Bacon, Uniform Relocation, Environmental Reviews, Archeological Reviews, and other cross-cutting federal, state and local regulations. We also have access to some of the nation's best legal experts in these matters.

Our management team has deep experience in the public sector, including work experiences in state and local government, housing authority and non-profit management, and publicly-elected positions which aid in our ability to execute a wide variety of real estate developments with a complex array of regulatory barriers.

Some recent examples of this work include Escobedo at Verde Vista in Mesa, AZ (Phase I completed in late 2013; Phase II currently under construction) where we had federal HOME funding, AZ Department of Health Services funding for the Seriously Mentally Ill, Project-Based Section 8 vouchers for the chronically homeless, and Low Income Housing Tax Credits, all on a site with abandoned buildings that contained lead-based paint and asbestos on land being leased to Gorman by the City of Mesa. Our team successfully navigated through all of the



cross-cutting statutes that often times conflicted with one another. We created a collaborative working relationship with the City and State to work together on the Part 58 Environmental Review, we created and implemented a lead and asbestos remediation plan, and we hired a Washington D.C.-based attorney to assist in securing written approval from HUD for our Project-Based Section 8 Vouchers, all prior to construction commencing. Our team has developed a solid working relationship with HUD headquarters, the Region IX Director in San Francisco, and the local Phoenix Field Office staff, which assists greatly in solving inevitable regulatory challenges that each project faces.

We are also working with the Housing Authority of Maricopa County as their lead developer on the first and only two awards ever issued in Arizona under HUD's new Rental Assistance Demonstration (RAD) program, which converts public housing into Project-Based Section 8 while opening the doors to substantial redevelopment of aging public housing by leveraging other federal programs. With these two awards, we are redeveloping the 301-unit Coffelt-Lamoreaux Public Housing project in Phoenix, AZ and the 143-unit Madison Heights project in Avondale, AZ. These two projects represent nearly \$70 Million in total development costs and will both begin construction in late 2014/early 2015. In addition to RAD, these projects will receive HOME, CDBG, LIHTC, HTC, and Section 8 funding. These projects will both trigger Part 58 Environmental Assessments, Uniform Relocation Act and Davis-Bacon compliance, State Historic Preservation Office (SHPO) and National Parks Service reviews, 100-year floodplain mitigation, as well as Section 504 and Section 3 design and construction compliance.

In July of this year, we also finished the substantial rehabilitation on a 95-unit Fannie Mae-foreclosed rental community in Glendale, AZ using \$2.2 Million in Neighborhood Stabilization Program (NSP3) funding from the City of Glendale, as well as federal HOME funding from the Arizona Department of Housing. We successfully implemented compliance with a Part 58 Environmental Assessment, Davis-Bacon, Section 3 and Section 504 regulations, asbestos remediation, and a complex temporary and permanent relocation plan.