SINGLE SOURCE REQUEST

Pursuant to the City of Jacksonville Procurement Code § 126.206 & § 126.312, when requesting a purchase from a vendor subject to the referenced sections, please complete this form to justify your request and submit to Procurement with applicable attachments.

REQUESTING AGENCY (DEPT./DIVISION): Neighborhoods/ Housing & Community Development

FUNDING SOURCE: R & R Loving Hands will be paying for service provided by AmeriNat.

BRIEF DESCRIPTION OF GOODS/SERVICES:

AmeriNat will provide construction loan servicing for a Housing & Community Development Division SHIP funded project, San Juan Village. The City will enter into a trilateral agreement with AmeriNat (servicer) and R&R Loving Hands, Inc.(borrower) to perform construction loan servicing for the project which will provide 22 units of permanent supportive housing for the chronically homeless.

AMOUNT OF PROJECT (attach quote): The borrower will be charged $181.00 per hour for review of SHIP funded draw request

PROVIDE A SUMMARY OF THE SCOPE OF GOODS/SERVICES TO BE PROVIDED; IDENTIFY EACH ITEM, COMPONENT OR SERVICE BEING PROCURED (ATTACH QUOTE/PROPOSAL):

AmeriNat will review all draw requests from the borrower to determine that the following conditions have been met prior to any release of funds: 1) work completed justifies the amount of the draw based on a physical inspection of the project; 2) proper permitting has been achieved; 3) proper construction lien waivers have been obtained. AmeriNat will provide the City with a draw request authorization which shall include: 1) the total amount of funds approved to be drawn by the borrower; 2) the funding source(s) and amount(s) funding the total draw; 3) the construction completion status stated as a percent of completion and a physical inspection report.

PROVIDE A DETAILED JUSTIFICATION AS TO WHY THE REQUESTED GOODS/SERVICES CAN ONLY BE EFFICIENTLY AND EFFECTIVELY PROCURED THROUGH THE RECOMMENDED SINGLE SOURCE PROVIDER:

AmeriNat will be preforming construction loan servicing for Florida Housing Finance Corporation, who will be the first lien holder for San Juan Village. Since AmeriNat is already preforming construction loan servicing for Florida Housing Corporation, as it relates to the project, the fee charged to the borrower will be minimal.

ASSERT THAT YOU HAVE RESEARCHED THE AVAILABILITY OF THE REQUESTED GOODS/SERVICES FROM OTHER SOURCES IN APPLICABLE MARKETS AND HAVE DISCUSSED AND EVALUATED THE SAME WITH COJ'S PROCUREMENT AND EBO DIVISIONS:

Submitted by: Thomas Daly — Chief Housing and Community Development Division

(Name) **(Title)**

Date: August 14, 2019

Requesting Agency's Director's Signature: Chiquita D. Moore
DIRECTOR OF OPERATIONS FOR NEIGHBO

Procurement Division ____

March, 2017

City of Jacksonville, Florida

Lenny Curry, Mayor

Housing and Community Development Division
Ed Ball Building
214 North Hogan Street, 7th Floor
Jacksonville, FL 32202

ONE CITY. ONE JACKSONVILLE.

August 13, 2019

TO: Gregory Pease, Chief, Procurement Division

FROM: Thomas Daly, Chief, Housing & Community Development Division

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The Housing & Community Development Division requests authority pursuant to Section 126.206(a)(ii), *Municipal Code* to enter into a trilateral Construction Loan Servicing Agreement with R & R Loving Hands, Inc. a Florida not for profit corporation and Amerinat, a Minnesota LLC.

The approval of the request documented on the attached Single Source Request form will allow the Housing and Community Development Division to proceed with the funding of a 22 unit permanent supportive housing complex for chronically homeless in Jacksonville.

We thank you for your consideration.

August 16, 2019

Jane G. Bouda
Credit Compliance Manager – Housing
City of Jacksonville | Housing and Community Development
214 N Hogan St. 7th Floor
Jacksonville, FL 32202

RE: San Juan Village
SHIP Funding Construction Loan Servicing

Dear Ms. Bouda:

AmeriNat (the "Servicer") is pleased to provide a quote for Construction Loan Servicing for the $1,500,000 of SHIP funding the City of Jacksonville ("City") will be lending to R&R Loving Hands, Inc, ("Borrower") for the construction and permanent financing of 22 affordable units located at 6473 San Juan Avenue, Jacksonville, Duval County, Florida that will be know as San Juan Village ("Development"). With a mutual agreement AmeriNat can provide the following services to the City:

a. Establish servicing files for the Development that shall contain copies of all documents and reports pertaining to the Development. The Servicer shall maintain the files until such time as the Loan has been paid in full, plus three years, in accordance with all applicable federal and state laws unless otherwise directed, in writing, by the City.

b. Review each Draw Request from the Borrower. The Servicer shall determine that the following conditions, as applicable, have been met prior to each Draw Request being paid:

1. The work completed by the Borrower justifies the amount of the draw based on a physical inspection (of the work completed) by the Servicer.

2. The good and insurable title to the property is vested in the Borrower, free and clear of all encumbrances other than Permitted Encumbrances (as defined in the Mortgage), except as provided in the original title insurance commitment or policy insuring the Development and delivered at the Loan closing, based upon a title endorsement provided by the Borrower and approved by the City.

3. The Borrower, or its designee, has furnished the Servicer with an affidavit stating whether the Borrower has been served with any written notice that a lien may be claimed for any amounts by any person or entity furnishing materials or performing labor of any kind in the construction process of the Development through the date of the previous disbursement. The affidavit shall include copies of the notices of any liens. In the event a lien has been filed against the property, the Servicer shall require that such lien be satisfied, escrowed or bonded before approving a Draw Request.

4. The Borrower has procured proper construction lien waivers including, but not limited to, a contractor's affidavit or bonds from the general contractor and all subcontractors which have provided statutory "Notice to Owner" to the Servicer through the date of the previous disbursement.

5. The Borrower has furnished the Servicer satisfactory evidence that the undisbursed proceeds of the Loan any other City approved funding sources shall be sufficient to pay the cost of completing the construction of the Development as required by the Loan Documents.

6. The construction of the Development is not in violation of the Land Use Restriction Agreement and/or the Extended Use Agreement or any covenants, restrictions, codes, or zoning ordinances affecting the Development.

7. The Borrower has provided the Servicer with a title endorsement indicating that there has been no change in the state of title to the Development since the issuance of the policy.

8. An authorized officer of the Borrower has executed each Draw Request. The names and signatures of the officers of the Borrower who are authorized to execute Draw Requests shall be provided to the City and the Servicer prior to the commencement of Draw Requests and immediately following any change(s) in officers.

9. A draw approval from the Borrower's engineer or architect, which indicates that work has been accomplished in accordance with the Plans and Specifications so as to entitle the Borrower to the draw, accompanies each Draw Request.

10. The general contractor's commercial general liability (CGL) policy (and the Borrower's CGL policy if separate) and the engineer or architect's professional liability insurance, or comparable insurance coverage, is in force.

11. Any change orders are within the scope of the Plans and Specifications and that, after payment of such change order, the Borrower has furnished the Servicer satisfactory evidence that the undisbursed proceeds of the Loan, and any other available sources approved by the City, shall be sufficient to pay the cost of completing the construction of the Development as required by the Loan Documents.

12. The City has been advised that all requirements for the Draw Request have been satisfied and if any requirements are remaining and unfulfilled by the Borrower.

14. The Borrower has fully complied with all other provisions of the Loan Documents.

15. Included in the Draw Request authorization from the Servicer to the City, the Servicer shall include at least the following information:

    i. The total amount of funds approved to be drawn by the Development;

    ii. The funding source(s) and amount(s) funding the total Draw Request;

    iii. The total gross amount of each funding source committed to the Development (in dollars), amount funded for each source after the given draw is disbursed (in dollars and percent of gross commitment), and the remaining available funding for each source (in dollars);

    iv. The construction completion status stated as a percent of completion.

c. Within 5 days after a physical inspection of the construction at the Development, or if physical inspections are subcontracted by the Servicer within 5 days after receipt of an inspection report, and receipt of all required documentation the Servicer will notify the City and the Borrower of approval, disapproval, or modification of the Draw Request.

The aforementioned services will paid by the Borrower at a rate of $181 an hour. As we discussed these services are being provided to another lender providing funding to the Development. As such, with respect to the services provided to the City, the Borrower will only be billed for the additional time it takes to provide the City with the draw package submission associated with SHIP funding requests and preparations of the statements for each draw referred to in b. 15. above that will be provided to the City.

We look forward to discussing a formal agreement and providing these services to the City. If you have any questions regarding this matter you may reach me at (866) 269-1777.

Sincerely,

Mark Fredericks

Mark Fredericks
Senior Vice President Multifamily Services

8/27/19

Jacksonville
Where Florida Begins.

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Procurement Division

Proposed Single Source Awards

Item No.	Title	Potential Vendor	Amount	Links
SS-0228-20	ESRI SOFTWARE LICENSE RENEWAL FY2020	ESRI INC.	93,928.00	Award Package
SS-0230-20	Regional Golf Tourism Marketing for Northeast Florida	FLORIDAS FIRST COAST OF GOLF, INC.	152,378.00	Award Package
SS-0235-20	DOCUMENT MANAGEMENT & CONTROL SYSTEMS	SOUTHSIDE BLUEPRINT		Award Package
SS-0656-19	CONSTRUCTION LOAN SERVICING-P-51-19 SS#7	AMERINAT		Award Package

The City of Jacksonville voluntarily notifies potential bidders of current solicitations and is not responsible for notification failures. It is the responsibility of all bidders interested in doing business with the City of Jacksonville to check for solicitations and ensure their contact information is current.

Procurement Division Home Page

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SINGLE SOURCE AWARD BID # SS-0656-19

Subject: SHIP Funding Construction Loan Servicing (P-51-19 SS#7)

Department: Neighborhoods/Housing and Community Development Division

Description of Purchase: Recommend approval of single source award to AmeriNat for Construction Loan Servicing for the City of Jacksonville SHIP Funded project, San Juan Village. The period of service is from execution of the contract through project completion. The maximum indebtedness is $0.00

Funding Source: R&R Loving Hands will pay for services provided by AmeriNat

Single Source Award To: AmeriNat

Price Justification: See Attachment

Total Award: $0.00 Requisition #: N/A

Attachments: Recommendation Memo and Single Source Form

Certification as to Single Source: Thomas Daly, Chief of Housing & Community Development Division

THE ABOVE PURCHASE IS RECOMMENDED FOR AWARD IN ACCORDANCE WITH CHAPTER 126.206

Alex Baker
Professional Services Specialist

Gregory Pease, Chief
Procurement Division