



DEVELOPMENT PROPOSAL

The Redevelopment Authority of the City of Erie (RACE) seeks to transfer properties to responsible buyers who can demonstrate a viable plan for the property's rehabilitation and future use. Completion of this proposal form is contingent upon having an approved Development Pre-Application on file with RACE. Please review and adhere to the following requirements:

- **Complete Submission:** This form must be completed in its entirety to be considered.
- **Funding Requirement:** All applicants must demonstrate that they have secured sufficient funding to cover both acquisition costs and renovation costs at the time of submission.
- **Additional Information:** RACE reserves the right to request additional information as necessary.
- **"As-Is" Condition:** RACE properties are sold in "AS-IS" condition without warranties regarding property condition. Applicants assume all responsibility for investigating the property and considering the cost of improvements in their application.
- **Property Evaluation:** Applicants are strongly encouraged to engage a contractor or inspector to evaluate the property before applying. After an application is submitted and approved, offer amounts and contingencies related to property condition cannot be changed or negotiated.
- **Application Evaluation:** Approval of an application and transfer of a property is at the sole discretion of the RACE Board. While offer amount is a critical factor, other aspects such as property use, rehabilitation plan, and applicant qualifications are equally important. The highest offer does not guarantee property transfer, and submitting an application does not guarantee approval.
- **Discretion to Decline:** RACE reserves the right to decline any application for any property at any time.

All applications should be submitted via email to PropertyInquiry@redeveloperie.org or by mail to:

Redevelopment Authority of the City of Erie 626 State Street, Suite 107 Erie, PA 16501

If you have any questions about submitting this application or acquiring a property through RACE, please contact us at 814-870-1540.

This proposal is submitted to the Redevelopment Authority of the City of Erie (RACE) for the purchase and rehabilitation of the

following Property: _____

Developer Information:

Name: _____

Company Name: _____

Address: _____

City/State/Zip: _____

Phone: _____

Email: _____

Intended Use:

Owner-Occupancy

Rental/Investment

Rehabilitate and Sell

Proposed Purchase Price: \$_____

This is the amount you are offering to purchase the property.

Please Note: In addition to the proposed purchase price, the Redevelopment Authority of the City of Erie's adopted Policies & Procedures require buyers to cover all associated closing costs and fees. These may include, but are not limited to:

- Document recording fees
- Transfer taxes
- Development fees
- Escrow deposits
- Administrative costs

Please account for all these expenses in your financial planning prior to submitting this application.

Optional: Price Escalation Clause

I elect to include the Price Escalation Clause in my offer.

If, before this proposal is accepted, the Redevelopment Authority of the City of Erie (RACE) receives a bona fide competing offer with a higher purchase price, the Buyer agrees to automatically increase their offer as follows:

- Increase their offer by: \$_____ above the competing offer
- Not to exceed a maximum total purchase price of: \$_____

If multiple competing offers also contain price escalation clauses, the Buyer's final offer will match the highest escalated price—but will not exceed the Buyer's stated maximum purchase price.

Property Occupancy & Management**Do you plan to personally occupy this property?**

Yes No

Property Ownership Disclosure

All applicants are required to submit a **complete list of all properties** currently owned, whether individually or through an affiliated entity. This includes:

- Vacant land
- Residential properties
- Commercial properties
- Any other real estate holdings

The Redevelopment Authority of the City of Erie (RACE) independently verifies ownership records. If any unreported properties are identified, RACE will contact the applicant for clarification. Failure to disclose owned properties may result in disqualification.

Do you own any properties (in whole or in part)?

Yes No

If yes, please attach a full inventory of all properties you own or co-own.

Rehabilitation Management Plan

How do you intend to manage the rehabilitation of this property?

(Please describe whether you will complete the work yourself, hire contractors, or work with a construction/project management firm.)

Rental or Investment Property Plans

If you indicated that this property will be used as a **rental or investment**, please attach a detailed **Property Management Plan**. Your plan should address the following:

- How the property will be maintained
- Tenant screening processes
- Rent collection procedures
- Emergency response/repair procedures
- Long-term ownership strategy

Property Development Plan (Required for New Development)

Attached a detailed development plan for the subject property. Please include the following items:

- Reason for your interest in this property.
- Any qualifications/training that you/others who will help with the renovation.
- Estimated timeline for completion of the project.
- Schematics, sketches, or drawings of rehabilitation or new construction
- A completed Work Plan (Page 4) and proposed rehabilitation budget.
- Photos of past projects you have completed (if applicable)

Note: This proposal should demonstrate the Developer's realistic understanding of the renovation work required and the associated costs, as well as suitable evidence that the developer has ready access to the resources required to effect a proper and complete rehabilitation.

Development Plan: Outline your intended scope of work for the property (Required for Rehabilitation)

Location	Contractor Performing Work	Repair and Description	Cost Estimate to complete work (Required)	Timeline (Required and will be utilized within any future agreement)
	Contractor Name Lic. # 8783	Replace roof, gutters and downspouts	\$14,000	Within 30 days
HVAC <small>(City licensed Contractor and Permit Required)</small>				
Plumbing <small>(City licensed Contractor and Permit Required)</small>				
Electrical <small>(City licensed Contractor and Permit Required)</small>				
Interior				
Exterior <small>(Must be Completed within 90 days of closing)</small>				
Other				

Proof of Necessary Finances

Please attach an explanation of how the property and renovations will be financed. RACE may request additional information. All applicants are required to demonstrate that they have secured sufficient funds to cover all acquisition costs AND all renovation costs at the time of application submission. Failure to have sufficient funding to cover all acquisition costs and all renovation costs will mean your application will be deemed ineligible. Please attach current proof of financial capacity, documentation with name of applicant(s) and dates is required, and select the type(s) you've provided from the following list:

- Bank Statement
- Loan Pre-Qualification Letter
- Letter of Credit
- Other Documentation: _____

Terms and Conditions for Development Proposal

General Agreement

1. The submission of this Development Proposal to the Redevelopment Authority of the City of Erie (RACE) signifies the applicant's intent to purchase and develop the property under the terms outlined by RACE.
2. This proposal is contingent upon having an approved Developer Pre-Application on file with RACE. If a Developer Pre-Application has not been approved, this proposal will not be considered.
3. RACE reserves the right to decline any proposal for any property at its sole discretion, regardless of offer amount.

Board Authority and Agreement of Sale

1. The RACE Board has final authority to approve the transfer of all RACE properties.
2. RACE will execute an appropriate Agreement of Sale between the approved applicant and RACE, which may include but is not limited to:
 - o A determined use of the property.
 - o A payment amount that includes the purchase price, additional costs, and payment methods required at closing.
 - o A reversionary provision outlining RACE's rights to remedy any unfulfilled terms by the transferee.
 - o Additional conditions or restrictions necessary to ensure the property's use, rehabilitation, and redevelopment align with RACE's priorities.
3. Upon execution of the Agreement of Sale, RACE will not consider other applications for the same property.

Application Requirements

1. **Complete Submission:** This proposal form must be completed in its entirety to be considered valid. Incomplete applications will not be reviewed.
2. **Funding Documentation:** Applicants must provide evidence of secured funding sufficient to cover both acquisition costs and renovation costs at the time of submission.

3. **Additional Information:** RACE may request additional documentation or information to evaluate the applicant's qualifications, financial capacity, and proposal.
4. **Environmental and Energy Compliance:** The developer shall comply with all applicable environmental regulations and make every reasonable effort to ensure the energy efficiency of the property.

Financial Obligations

1. The applicant acknowledges responsibility for all costs associated with the acquisition, including but not limited to:
 - o Document recording fees
 - o Transfer taxes
 - o Additional administrative costs as determined by RACE
2. **Deed in Escrow and Enforcement Mortgage:** At closing, the applicant will execute and deliver a duly executed deed (e.g., "Special Warranty Deed") to an escrow agent, to be held until the project is completed in compliance with the Development Agreement. In the event of a Developer Default, the deed will be recorded, and all rights, title, and interest in the property will revert to RACE. The developer will also execute an enforcement mortgage.
3. **Monthly Development Fee:** A \$150.00 monthly Development Fee will be assessed to cover administrative and oversight costs. This fee will be automatically debited via ACH from the applicant's designated bank account throughout the term of the Development Agreement, continuing until the project is completed and a Certificate of Completion is issued.
4. **Escrow for Development Costs:** The applicant will be required to deposit \$10,000 into an escrow account. These funds will be held and disbursed based on a draw schedule, as agreed upon in the Development Agreement, to ensure progress and compliance with the rehabilitation plan.

Property Development Requirements

1. The applicant agrees to develop the property in compliance with all local, state, and federal laws, including building codes and zoning regulations.
2. Necessary permits must be obtained before any rehabilitation or development work begins. Final documentation of all inspections and approvals must be provided to RACE upon project completion.
3. Occupancy of the property is prohibited during the development process. Occupancy will only be permitted once a Certificate of Occupancy is issued.

Property Evaluation and Purchase Conditions

1. RACE properties are sold in "AS-IS" condition with no warranties regarding marketability or property condition. The applicant assumes all responsibility for investigating the property and assessing rehabilitation costs.
2. Applicants are encouraged to engage a licensed contractor or property inspector to evaluate the property before submitting a proposal.
3. Once a proposal is submitted and approved, no changes to the offer amount or contingencies related to property condition will be allowed.

Approval and Transfer Process

1. The approval of a Development Proposal and subsequent property transfer is at the sole discretion of the RACE Board of Directors.
2. Approval is based on a combination of factors, including but not limited to:
 - o Proposed purchase price
 - o Rehabilitation and development plan

- Financial capacity
- Intended property use

3. The highest offer does not guarantee property transfer. RACE evaluates the overall merit of the proposal in alignment with its mission and policies.

Fair Housing Policy Statement

The Redevelopment Authority of the City of Erie (RACE) believes in equal housing opportunities for all individuals, regardless of race, color, national origin, religion, age, sex, familial status, marital status, sexual orientation, gender identity, or disability. RACE is committed to ensuring equal housing opportunities and non-discrimination in all aspects of its housing activities. RACE's programs comply fully with all local, state, and federal fair housing laws.

Acknowledgment

By signing below, the applicant certifies that they have read, understood, and agree to comply with the terms and conditions outlined above.

Print Developer Name/Title

Developer Signature

Date

Print Developer Name/Title

Developer Signature

Date