

REQUEST FOR QUALIFICATIONS

**DEVELOPMENT SERVICES
RELATING TO THE TRANSFORMATION OF THE GEORGE R. BROWN
CONVENTION CENTER
AND
CONVENTION DISTRICT TRANSFORMATION PROJECT
HOUSTON, TEXAS**

HOUSTON FIRST CORPORATION

APRIL 10, 2024

**Development Services relating to
The Transformation of the George R. Brown Convention Center
and Convention District Transformation Project
Houston, Texas**

ISSUE DATE: **April 10, 2024**

SOQs DUE: **2:00 p.m. on May 23, 2024** (the “Submission Deadline”)

INSTRUCTIONS: Respondents must submit five (5) paper copies and one (1) electronic copy of their response to this RFQ on a flash drive. Electronic files should include the name of the company as the first part of the file name. Submittals must be delivered timely in a sealed envelope in person, via mail or courier. Any submittal received by email, fax, or after the Submission Deadline will be rejected.

SUBMIT TO: Houston First Corporation, Attn: Mitch Miskowski, 701 Avenida de las Americas, Suite 200, Houston, TX 77010 by the Submission Deadline. Please write “**RFQ**” clearly on the outside of the sealed package

QUESTIONS SUBMITTAL DEADLINE: Any questions concerning this Request for Qualifications (“RFQ”) must be sent by email to bids@houstonfirst.com. Questions must be received no later than **2:00 p.m. on May 9, 2024**.

RFQ PACKETS

A complete copy of this RFQ and all necessary forms and information is available on-line at <https://www.houstonfirst.com/do-business>.

PRE-SUBMITTAL CONFERENCE

A pre-submittal conference will be held for all prospective Respondents at **11:00 a.m. on May 1, 2024** in the second floor **Board Room** at Partnership Tower, 701 Avenida de las Americas, Suite 200, Houston, Texas 77010.

LETTERS OF CLARIFICATION

Any revisions to be incorporated into this RFQ arising from discussions before, during and subsequent to the pre-submittal conference will be confirmed collectively in one or more letters posted online at www.houstonfirst.com/do-business (each a “Letter of Clarification”) prior to the Submission Deadline. When issued by Houston First Corporation, Letter(s) of Clarification shall automatically become part of this RFQ and shall supersede any previous specifications or provisions in conflict therewith. By submitting a response, Respondents shall be deemed to have reviewed all Letters of Clarification and to have considered them in preparing their qualifications submittal. Verbal responses to questions submitted by potential Respondents will not otherwise alter the specifications, terms and conditions as stated herein. It is the responsibility of each Respondent to monitor the foregoing website to ensure they are aware of any such Letter(s) of Clarification and incorporate them in their submittal.

PURPOSE OF THIS REQUEST

Houston First Corporation (“HFC”) is soliciting a statement of qualifications (“SOQ”) from real estate development firms interested in providing the development services described herein. Specifically, HFC is seeking a developer to assist HFC in its transformation of the George R. Brown Convention Center (the “GRB”; such transformation being herein called the “GRB Transformation Project”). The GRB Transformation project is anticipated to consist of two (2) separate phases: (a) Phase I being comprised of the development of an addition to the existing GRB to be constructed on all or a portion of Blocks 287, 309, and 310 of the Central Business District, and (b) Phase II to be undertaken in conjunction with or following completion of Phase I and to be comprised of conforming the existing GRB to the quality and appearance of the addition constructed in Phase I. In addition, the selected developer will assist HFC in visioning for and master planning with respect to (and associated planning for [and potentially implementation of]) infrastructure improvements and alterations or modifications of existing infrastructure in land near the GRB Transformation Project that will foster development of such land with entertainment venues and mixed-use developments that transform such land so that it enhances the appeal of the GRB to the meetings industry as well as residents and visitors to downtown Houston (the “District Transformation Project”). The selected Respondent will also be expected to coordinate the GRB Transformation Project and District Transformation Project with the Texas Department of Transportation project for re-routing Interstate 45 and the lowering of US 59/I-69 (the “TXDOT Project”), including relocation of water, sanitary sewer, stormwater drainage and other utility facilities necessary for the projects.

GENERAL BACKGROUND AND PROJECT SCOPE

BACKGROUND

HFC is a local government corporation created by the City of Houston to facilitate economic growth through the business of conventions and the arts. HFC is responsible for management and operation of more than 10 city-owned buildings and plazas, and underground and surface parking for nearly 8,000 vehicles. Facilities include the GRB, Jones Hall, Wortham Theater, Miller Outdoor Theatre, Talento Bilineque de Houston, Houston Center for the Arts, and certain outdoor facilities such as Jones Plaza and Lynn Wyatt Square, Sesquicentennial Park, Ray C. Fish Plaza, Root Memorial Square, sixteen fountains/water features, and several other landscaped properties. HFC also owns and operates both the Hilton-Americas Houston hotel and Partnership Tower.

The GRB is located on the east edge of downtown Houston, bounded by Rusk, Polk, US Highway 59, and Avenida de las Americas on the north, south, east and west, respectively. Adjacent to Discovery Green and the Hilton-Americas Houston hotel, the GRB is flanked by Partnership Tower and Minute Maid Park to the north and Toyota Center to the south.

In furtherance of its general mission, HFC intends to undertake the GRB Transformation Project and, through the District Transformation Project, to create an environment that fosters development by private developers (and potentially HFC) intended to enhance convention and entertainment generally including by way of expanding or creating opportunities for, and infrastructure for, entertainment venues and mixed-use developments, and enhancing and/or improving facilities for vehicular and pedestrian traffic.

SCOPE OF WORK

A. GRB TRANSFORMATION PROJECT

The GRB Transformation project is anticipated to consist of two (2) separate phases: (a) Phase I being comprised of the development of an addition to the existing GRB to be constructed on all or a portion of Blocks 287, 309, and 310 of the Central Business District, and (b) Phase II to be undertaken in conjunction with or following completion of Phase I and to be comprised of conforming the existing GRB to the quality and appearance of the addition constructed in Phase I.

The addition to the GRB to be constructed in Phase I is presently anticipated to comprise exhibit halls, multipurpose halls, a ballroom, meeting rooms, administration and housekeeping areas, a kitchen and structured parking totaling approximately 1,000,000 square feet. The addition will be located on all or part of Blocks 287, 309, and 310 of the Central Business District. The blocks are located across Polk Avenue, immediately to the south of the GRB. The addition will be connected overhead to the existing GRB. The GRB Transformation Project is also presently anticipated to include the extension of the Avenida de las Americas to the south, and may also include the construction, relocation of parking facilities. Phase I of the GRB Transformation Project will require significant coordination with the TXDOT Project, as well as relocation and reconfiguration of utility facilities.

Phase II of the GRB Transformation Project will consist of modifications and improvements to the existing GRB so that it conforms to the quality and appearance of the addition constructed in Phase I. HFC anticipates that Phase II will be performed concurrent with or immediately following completion of Phase I.

HFC is seeking to engage a real estate development firm to coordinate and manage, on behalf and as the representative of HFC, the work of design professionals and their subconsultant specialists, as required by HFC, the selection of design professionals by HFC, and the selection of and performance by contractors to construct the GRB Transformation Project. The successful Respondent will also be responsible for coordinating the GRB Transformation Project with the TXDOT Project and events held at the GRB, Toyota Center and the Hilton-Americas Houston hotel. The selection by HFC of any additional design professionals and the selection by HFC of the construction contractor shall be in accordance with the methodology permitted by the laws applicable to HFC and will be subject to the approval of the HFC Board of Directors.

HFC **does not seek** from the successful Respondent services that constitute the practice of architecture, the practice of engineering or the provision of general contractor construction services.

The scope of work and professional services to be performed by the selected Respondent include (but will not be limited to): to the extent requested by HFC, advising HFC with regard to, and coordinating and managing on behalf and as the representative of HFC, procurement of design professionals including, by way of example, providing analysis and recommendations with regard to the selection of such professionals as well as assistance in the preparation and negotiation of the contracts with such professionals; assisting HFC with the solicitation of the construction contractor including, by way of example, providing analysis and recommendations with regard to the selection of the construction contractor as well as assistance in the preparation and negotiation of the construction contract with the construction contractor; coordinating and

managing construction services by third parties; coordinating the preparation of third party reports and analysis such as, by way of example, traffic impact analyses; coordinating and managing, on behalf and as the representative of HFC, the performance of design professionals engaged by HFC (and their respective subconsultants), to prepare design and construction documents; and acting as HFC's representative with regard to, and overseeing, construction of the GRB Transformation Project by the contractor(s) selected by HFC. In addition, the work required of the selected Respondent will include assisting HFC with establishing budgets and schedules for the GRB Transformation Project and acting as HFC's representative with respect to all design, construction and development work necessary to complete the GRB Transformation Project in accordance with the project schedule and approved budget. The work will require coordination by the successful Respondent with the TXDOT Project, and with the events scheduled to be held at the GRB, Toyota Center and the Hilton-Americas Houston hotel. The selected Respondent will also be responsible to oversee all punch list completion and coordination of testing and balancing of equipment, training for operation of equipment, completion of the GRB Transformation Project manuals, delivery of computer aided "as built" drawings and supervision and completion of punch-list and warranty work.

Phase I of the GRB Transformation Project is anticipated to be completed in the second quarter of 2028. The selected Respondent with regard to the GRB Transformation Project will be expected to commence providing services upon award and execution of development services contract for such project with HFC.

B. DISTRICT TRANSFORMATION PROJECT

In conjunction with the GRB Transformation Project, HFC also desires to create an environment in land nearby the GRB that fosters development by private developers (and potentially HFC) intended to enhance convention and entertainment generally for visitors to and citizens of the City including, by way of example, expanding or creating opportunities for, and infrastructure for, entertainment venues and mixed-use developments, and enhancing and/or improving facilities for vehicular and pedestrian traffic.

HFC is seeking to engage a real estate development firm to coordinate and manage, on behalf and as the representative of HFC with regard to the District Transformation Project, all necessary aspects of the District Transformation Project including, by way of example, all of the following: the selection of and performance by design professionals to envision and develop a master plan that will achieve the goals of the District Transformation Project; coordinating and managing, at HFC's request, the coordination of, and analyses of, feasibility studies with regard to one or more components of potential vertical developments HFC intends to foster as a result of the District Transformation Project; coordination and meetings with, and presentations to, applicable stakeholders; providing budgeting and cost estimating analysis with regard to the District Transformation Project; providing advice and recommendations with regard to a elements, components and characteristics of a master plan that is likely to generate interest in the private sector to develop entertainment venues, and mixed use developments; coordinating the preparation of third party reports and analysis such as, by way of example, traffic impact analyses; and at HFC's option as a supplemental service, providing development management services with the design and construction phases of the infrastructure work for the District Transformation Project including, by way of example, any one or more of the following: coordinating and managing the preparation by the design professionals for the District Transformation Project of design drawings necessary for infrastructure development work; coordinating the infrastructure work of the District Transformation Project with the development of the GRB Transformation Project and

TXDOT Project; and advising HFC with regard to, and providing analysis and recommendations with regard to the selection of the construction contractor as well as assistance in the preparation and negotiation of the construction contract with the construction contractor.

Each of the design professionals as well as the construction contractor shall be selected in accordance with the methodology permitted by the laws applicable to HFC and will be subject to the approval of the HFC Board of Directors.

HFC **does not seek** from the successful proponent services that constitute the practice of architecture, the practice of engineering or the provision of general contractor construction services.

The selected Respondent with regard to the District Transformation Project will be expected to commence providing services upon award and execution of a development services contract for such project with HFC.

FORM OF AGREEMENT

By submitting a response to this RFQ, Respondent agrees, upon notice of selection by HFC, to enter into a Development Agreement which will include, but not be limited to, the terms and conditions attached hereto as Exhibit "1". If the Respondent takes exception to any portion of the terms and conditions set forth in Exhibit "1", then such Respondent must submit a list of such exceptions as part of its response to this RFQ. HFC reserves the right to reject responses that include substantive objections to the terms of Exhibit "1" without further review or consideration.

The Development Agreement shall further include, by way of example and not limitation, the following requirements/provisions:

- a. **Payment:** Progress payments may be requested no more than once every 30 calendar days.
- b. **Diversity:** The selected Respondent will be required to use good faith efforts to award subcontracts to diverse entities certified in accordance with the [HFC Diversity Program](#). The specific goal for these projects is **30%** of the total value of the Respondent's services.

Respondents should note in their SOQ if they are diversity participants certified by one or more of the identified certification agencies as defined in the [HFC Diversity Program](#); however, such certification shall not lessen or otherwise alter the requirement to use good faith efforts to award subcontracts to certified diverse entities.

- c. **Term:** The proposed term for the Development Agreement is to be agreed upon but is presently anticipated by HFC to be for a period of not less than three years with two one-year renewal options at the sole discretion of HFC.

RESPONSE INFORMATION AND REQUIREMENTS

Although HFC prefers substance over form, Respondents should include the following information at a minimum, but should not exceed 50 pages in length:

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- a. **Transmittal Letter:** Include a brief statement summarizing Respondent’s understanding of the work to be done and include the following information (1) the names, titles, addresses and phone numbers of individuals authorized to make representations on behalf of the Respondent and any third-party consultants that Respondent intends to engage to assist it in providing the services, if any (Respondent and such third parties, if any, being herein called the “Developer Team”); (2) disclose any outside relationships with architectural firms, engineering firms, or construction contractors; and (3) agree to comply with the terms and conditions of the RFQ or identify any objections/exceptions with specificity.
- b. **Company Profile:** Provide in detail Respondent’s experience, methods, and strengths at meeting the needs of its clients.
- c. **Experience in Similar Projects:** Describe experience in projects such as the GRB Transformation Project and the District Transformation Project, including projects involving streetscape improvements, utility relocations, and master planning for and creation of a district or “place” that fosters development of entertainment venues and mixed-use developments, including any experience in central business district settings. Experience in developing pedestrian skybridges and structured parking facilities and underground parking facilities should also be included. In each example given, describe the role played by members of the Developer Team that participated and whether the project was completed on time and within budget.
- d. **Management Team:** Describe the composition and experience of the personnel that Developer Team would assign to HFC projects with a summary of their qualifications. Provide an organizational chart of the team, showing reporting structure of the people proposed to do the work. List the names of key personnel who will provide the work and provide their resumes. Specially identify the project manager (“Project Manager”) who will be primarily responsible for the projects and his or her resume.
- e. **Sub-consultants and Subcontractors:** Please identify any sub-consultants or other subcontractors that will comprise part of the Developer Team, if any, and provide a brief summary of their experience and qualifications. Note that any sub-consultants or subcontractors certified as MWDBEs or HUBs. MWDBEs or HUBs you propose to utilize may also be those proposed to use by other Respondents.
- f. **References:** With regard to each representative project described in your summary of your experience, please provide at least three references, including contact names, phone numbers, and a brief description of the work completed by Respondent.
- g. **Other Relevant Information.** If you have other information you believe relevant to the HFC’s selection, please provide.

TIMELINE

The deadline for physical receipt of the response is no later than 2:00 p.m., **May 23, 2024**. Failure to submit per the above guidelines may result in disqualification by HFC. Submittals delivered by telephonic, electronic, or facsimile media will not be evaluated.

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Qualifying submittals are to be accompanied by a one-page transmittal affixed in an envelope to the submittal package; the transmittal will be date-time stamped upon receipt by HFC staff. Submittals received after the deadline may not be accepted or evaluated by HFC. Respondents to this request may submit responses at any time prior to the deadline.

NOTE: All A.M. and P.M. time references are specific to Houston, Texas, either Central Daylight-Savings Time (CDT) or Central Standard Time (CST), contingent on the corresponding date.

Qualifications submitted in response to this RFQ will be reviewed by a selection committee designated by HFC. From the pool of qualified Respondents, HFC presently intends to identify a short-list of qualified developers for interviews to be held during the week of **June 3, 2024** in Houston, Texas. At least the Respondent's proposed Project Manager must attend. HFC may also elect to require, as part of any interview process, fee proposals from the short-listed Respondents, and thereafter may elect to negotiate with one or more of the short-listed Respondents.

Following the interviews, the selection committee may elect to identify a preferred Respondent and make a recommendation to the HFC Board of Directors requesting authorization to engage the selected Respondent through final negotiations of the Development Agreement.

MANNER OF SELECTION

Initial selection will be based on merit, qualifications, experience, and the organizational and multi-disciplinary strengths of the real estate development firm. A proven track record of successful development projects of the same or similar nature as the GRB Transformation Project and the District Transformation Project and organizational and multi-disciplinary strengths and the skill and experience of the Developer Team will be foremost in the evaluation and selection process. The selection committee will consider factors that its members determine are relevant which may include, but are not limited to, the following (the items listed below are not listed in any order of importance):

- a. Related project experience of the firm(s).
- b. Individuals who would be assigned to the project.
- c. Client references.
- d. Participation of Minority and/or Women-owned Business Enterprises (M/WBE).
- e. Experience of key personnel that will be devoted to the project.
- f. Responsiveness to the RFQ, including any exceptions taken with regard to Exhibit I. Responses should be thorough, relevant and organized.

Final selection will take into account fee proposals, to the extent requested by HFC from the short-list of qualified Respondents.

RESTRICTIONS ON COMMUNICATIONS

From the date issued until the Submission Deadline, Respondents are directed not to communicate with HFC Board member, officer or employees regarding any matter relating to this

RFQ, other than bids@houstonfirst.com or during the Pre-Submittal Meeting. Respondents are solely responsible for observation and compliance with such restrictions, and HFC reserves the right to reject any proposal due to violation of this provision.

PUBLIC INFORMATION

As HFC is subject to the Texas Public Information Act (“TPIA”), all information submitted by Respondents is subject to release under the provisions of the TPIA set forth in Chapter 552 of the Texas Government Code. Each page where confidential or proprietary information appears must be labeled as such clearly and unambiguously. Respondents will be advised of any request for public information that implicates their materials and will have the opportunity to raise objections to disclosure with the Texas Attorney General at their cost and expense.

CONFLICTS OF INTEREST

Respondents are advised that they have an affirmative obligation to disclose any affiliation or business relationship conflict of interest (or appearing to a reasonable person to potentially exist). The disclosure form may be found online at: <http://www.ethics.state.tx.us/forms/CIQ.pdf>. By submitting a SOQ, Respondents represent that they have complied with the requirements of Chapter 176 of the Texas Local Government Code.

VENDOR CODE OF CONDUCT

Respondents who do business or seek to do business with HFC are expected to interact with HFC with high ethics and integrity. To promote ethical conduct by its existing and potential contractors, HFC has adopted a Code of Conduct for Vendors, available online at www.houstonfirst.com/do-business. HFC requires that all Respondents be familiar with and abide by the Code of Conduct for Vendors.

PROTEST PROCEDURES

Any protest relating to the form, terms and conditions, selection criteria, specifications, exhibits, or any other material solicitation content must be filed by the actual or potential Respondent with the Purchasing Agent no later than five business days prior to the Submission Deadline. If the protest consists of a dispute regarding the Respondent recommended by the selection committee, or otherwise relates to the alleged misapplication of selection criteria, then the Purchasing Agent must receive the protest from an actual Respondent after the Submission Deadline, but at least three business days prior to approval of a contract resulting from this solicitation by HFC.

All protests must be made in writing and delivered to Houston First Corporation, Attn: Purchasing Agent, 701 Avenida de las Americas, Ste. 200, Houston, TX 77010. To be considered by HFC, protests must be timely received and include, at a minimum, all of the following information: (a) the name, address and contact information of the Respondent, with sufficient information to establish that a bona fide Respondent is the person or entity filing the protest; (b) the full title of the solicitation; (c) material grounds for the protest, including the provisions of the solicitation and the applicable law or regulation that serves as the basis for the protest; (d) a statement of the specific relief requested by the Respondent; (e) reference to and attachment of any pertinent documents or sources relied upon by the protestor that the protestor wishes to have HFC consider; and (f) an affidavit attached to support any factual allegations stated in the submission. The Purchasing Agent will notify the Respondent promptly to acknowledge receipt of a protest.

COSTS AND EXPENSES

All costs and expenses incurred by any Respondent shall be borne solely by the Respondent and in no event shall HFC have any responsibility therefor.

NO OBLIGATION

HFC reserves the right, should it deem necessary in HFC's best interest, to do any or all of the following: (a) waive any irregularities or deficiencies in any of the responses; (b) select candidates for submittal of one or more detailed or alternate proposals; (c) select candidates for oral interviews; (d) accept any submittal or portion of a submittal; (e) reject any or all Respondents submitting responses; and (f) cancel the entire process.

EXHIBIT "1"
TERMS AND CONDITIONS

The following terms and conditions shall be made a part of any contract or agreement resulting from this RFQ.

1. Indemnification. DEVELOPMENT MANAGER AGREES TO AND SHALL DEFEND, INDEMNIFY, AND HOLD HFC AND THE CITY OF HOUSTON, TEXAS, AND THEIR RESPECTIVE AGENTS, EMPLOYEES, DIRECTORS, PUBLIC OFFICIALS, OFFICERS, AND LEGAL REPRESENTATIVES (COLLECTIVELY "INDEMNITEES") HARMLESS FROM AND AGAINST ALL CLAIMS, CAUSES OF ACTION, LIABILITIES, FINES, AND EXPENSES ARISING OUT OF OR SUSTAINED IN CONNECTION WITH (A) ARISING OUT OF FAILURES BY DEVELOPMENT MANAGER TO COMPLY WITH APPLICABLE EMPLOYMENT LAWS WITH REGARD TO ITS EMPLOYEES, OR (B) ARISING OUT OF INJURY, DEATH, DAMAGE, OR LOSS TO PERSONS OR PROPERTY TO THE EXTENT CAUSED BY THE WILLFUL MISCONDUCT OF, NEGLIGENT ACTS OR OMISSIONS OF, OR BREACH BY DEVELOPMENT MANAGER (ITS AGENTS, CONTRACTORS AND EMPLOYEES) IN THE PERFORMANCE OF ITS SERVICES OR WHILE WITHIN OR ABOUT THE PROJECT SITE OR THE GRB. DEVELOPMENT MANAGER SHALL NOT INDEMNIFY THE INDEMNITEES FOR THEIR NEGLIGENCE.

2. Notice of Indemnification Claims. If HFC or Development Manager receives notice of any claim or circumstances which could give rise to an indemnified loss, the receiving party shall give written notice to the other Party within 10 days. The notice must include the following: (1) a description of the indemnification event in reasonable detail, (2) the basis on which indemnification may be due, and (3) the anticipated amount of the indemnified loss.

This notice does not prevent HFC from later asserting a different basis for indemnification or a different amount of indemnified loss than that indicated in the initial notice. If HFC does not provide this notice within the 10-day period, it does not waive any right to indemnification except to the extent that Development Manager is prejudiced, suffers loss, or incurs expense because of the delay.

Development Manager may assume the defense of the claim at its own expense with counsel chosen by it that is reasonably qualified. Development Manager shall then control the defense and any negotiations to settle the claim. Within 10 days after receiving written notice of the indemnification request, Development Manager must advise HFC as to whether or not it will defend the claim. If Development Manager does not assume the defense, HFC shall assume and control the defense, and all defense expenses constitute an indemnified loss.

If Development Manager elects to defend the claim, HFC may retain separate counsel to participate in, but not control, the defense and to participate in, but not control, any settlement negotiations. Development Manager may settle the claim without the consent or agreement of HFC, unless it: (1) would result in injunctive relief or other equitable remedies or otherwise require HFC to comply with restrictions or limitations that adversely affect HFC; (2) would require HFC to pay amounts that Development Manager does not fund in full; or (3) would not result in HFC's full and complete release from all liability to the plaintiffs or claimants who are parties to or otherwise bound by the settlement.

3. Release. DEVELOPMENT MANAGER AGREES TO AND DOES HEREBY RELEASE, RELIEVE AND FOREVER DISCHARGE THE INDEMNITEES OF AND FROM ALL LIABILITY FOR INJURY OR DEATH TO PERSONS AND DAMAGE OR LOSS TO OR OF PROPERTY SUSTAINED IN CONNECTION WITH OR INCIDENTAL TO PERFORMANCE UNDER THIS AGREEMENT, EVEN IF THE INJURY, DEATH, DAMAGE, OR LOSS IS CAUSED BY THE INDEMNITEES' SOLE OR CONCURRENT NEGLIGENCE AND/OR THE INDEMNITEES' STRICT PRODUCTS LIABILITY OR STRICT STATUTORY LIABILITY.

4. Insurance. With no intent to limit Development Manager's liability under indemnification provisions set forth herein, Development Manager shall provide and maintain in full force and effect from the date of execution of the Development Agreement until final completion all work, including all extensions and amendments thereto, at least the following insurance and available limits of liability:

Commercial General Liability, including Contractor's Protective, Broad Form Property Damage, Contractual Liability, Explosion, Underground and Collapse, Bodily Injury, Personal Injury, Products and Completed Operations	Combined single limit of \$1,000,000 per occurrence, subject to a general aggregate of \$2,000,000; Products and Complete Operations \$1,000,000 aggregate
Automobile Liability Insurance	\$1,000,000 combined single limit including Owner, Hired, and Non-Owned and Auto Coverage
Workers' Compensation	Statutory for Workers' Compensation, Contractor is not allowed to self-insure Workers' Compensation
Employer's Liability	Bodily Injury by accident \$1,000,000 (each accident) Bodily Injury by Disease \$1,000,000 (policy limit) Bodily Injury by Disease \$1,000,000 (each employee)
Excess Coverage	\$5,000,000 each Occurrence/combined aggregate in excess of limits specified for Employer's Liability, Commercial General Liability, and Automobile Liability

Form of Policies. Insurance may be in one or more policies of insurance, the form of which is subject to approval by HFC. It is agreed, however, that nothing HFC does or fails to do with regard to insurance policies relieves Development Manager from its duties to provide required coverage and HFC's actions or inactions will never be construed as waiving HFC's rights to indemnification or to require that Development Manager provide the listed insurance.

The issuer of any policy (1) shall have a Certificate of Authority to transact insurance business in Texas or (2) shall be an eligible non-admitted insurer in the State of Texas and have an A.M. Best rating of at least A- with a financial size category of Class VI or better.

Additional Insureds. Each policy, except those for Workers' Comp and Employer's Liability, must include an endorsement naming HFC and the City of Houston as additional insureds.

Waiver of Subrogation. Each policy must contain endorsement to the effect that issuer waives any claim or right in nature of subrogation to recover against HFC and the City of Houston.

Endorsement of Primary Insurance. Each policy, except Workers' Compensation and Employer's Liability, must contain an endorsement that the policy is primary insurance to any other insurance available to the additional insureds with respect to claims arising hereunder. HFC's insurance is non-contributory.

Required Endorsement Forms. Endorsement forms must accompany the insurance certificates provided by Development Manager's insurance agent, showing additional insured coverage and waivers of subrogation in favor of both HFC and the City of Houston, when such coverage is required. HFC will accept the following endorsement forms and such other endorsement forms as may be approved by HFC:

CG2404 – Waiver of Transfer of Rights of Recovery against Others

CA0403 – Additional Insured Endorsement

CAT353 – Business Auto Extension Endorsement

WC 42304A – Workers Compensation Waiver of Transfer of Rights of Recovery against Others.

Liability for Premium. Development Manager is solely responsible for payment of all insurance premium requirements hereunder and HFC is not obligated to pay any premiums.

Subcontractor Insurance Requirements. Development Manager shall require Subcontractors with whom it contracts directly, whose subcontracts exceed \$100,000, to provide proof of Commercial General Liability, Workers' Compensation, and Employer's Liability coverage that meets all the requirements of Article 11; provided, however, that the amount must be commensurate with the amount of the subcontract, but not less than \$500,000 per occurrence.

5. Termination or Suspension for Convenience by HFC. This Development Agreement may be terminated by HFC with or without cause upon 30 calendar days' written notice to the Development Manager. HFC may, without cause, order Development Manager in writing to suspend, delay or interrupt its services in whole or in part for such period of time as HFC may determine in its sole discretion.

6. Waiver of Jury Trial; Venue; Governing Law. EACH OF HFC AND DEVELOPMENT MANAGER WAIVES, TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW, THE RIGHT TO TRIAL BY JURY IN ANY LEGAL PROCEEDINGS INVOLVING HFC AND DEVELOPMENT MANAGER WITH REGARD TO THIS DEVELOPMENT AGREEMENT. This Development Agreement shall be governed by and construed in accordance with the laws of the State of Texas. The state district courts located in Harris County, Texas shall be the exclusive place of venue with regard to any legal proceedings involving HFC and Development Manager with regard to this Development Agreement.

7. Key Persons. Development Manager shall provide sufficient administrative, management, supervisory and clerical services and a sufficient number of capable administrative, management, supervising, and clerical personnel to perform the obligations of Development Manager hereunder in accordance with the Development Management Standard. The initial project team to perform the duties of the Development Manager hereunder (as existing from time to time, the "**Project Team**"), shall consist of the employees of Development Manager and its key subcontractors

identified in Schedule 1 attached hereto. Development Manager shall designate from time to time an individual to act as representative of Development Manager. _____ is hereby designated as such representative until Development Manager otherwise notifies HFC. Development Manager may, from time to time upon notice to HFC, make changes in and deletions and additions to the Project Team, but may not, without the express prior written approval of HFC, re-assign any of the Key Persons (or permit any subcontractor to re-assign an employee of such subcontractor that is a Key Person) away from the Project unless due to such Key Person's incapacity or termination from employment. Any replacement, however, of any Key Person shall be subject to HFC's prior written approval. Any replacement member of the Project Team reflected on Schedule 1 hereto (or of the Development Manager's representative) that is not a Key Person shall be subject to the prior written approval of HFC, which approval shall not be unreasonably withheld. All matters pertaining to the employment, supervision, compensation, promotion and discharge of such employees are the responsibility of Development Manager and its key subcontractors. Development Manager shall fully comply with all Applicable Laws with which compliance is required to perform the Services. Development Manager shall cause members of the Project Team to devote such time as is required for the efficient and effective performance of Development Manager's duties hereunder in accordance with the Development Manager Standard. It is understood that members of the Project Team shall not be required to devote one hundred percent of their time to the performance of Development Manager's duties hereunder and may perform other duties on behalf of Development Manager and/or its key subcontractors but the primary duty of each shall be to the performance of the duties and services hereunder and each shall devote such time to the Project as is necessary under the applicable circumstances or that is necessary to assure the Development Manager's performance in accordance with the Development Manager Standard.

8 No Assignment. Development Manager may not assign or otherwise transfer all or any portion of its interest in this Agreement or delegate its duties hereunder without the prior written consent of HFC, which consent may be granted or withheld by HFC in HFC's sole and absolute discretion.