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FINAL REPORT

**Demonstration Project
Private Housing Construction on Municipally Owned Land
Slovak Republic**

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Executive Summary

The objective of this RFS was, in an attempt to replicate a similar program in Bulgaria, to demonstrate a process of public-private partnerships, through which Slovak municipalities could use their land resources to spur private development of housing by making land available to private developers on a competitive basis. The outcome of the process was disappointing, in that it failed to produce any acceptable development proposals. However, it was useful in introducing a host of new procedures and perspectives that the municipalities, in particular, found of interest and applicable to other situations. It also helped identify some of the factors most needed for market-driven residential development to succeed in Slovakia.

Four Slovak municipalities were assisted in organizing and conducting a pilot project to develop private housing on municipal land. Two sets of consultants — municipal development specialists (one American and one Slovak) and private sector real estate development specialists (one American and one Slovak) — provided the assistance. Over the period October 1995 to May 1996, involving six visits, the consultants worked with each sector (the city and the developers) through the steps in the project.

This report provides a description of the program, including the consultant team, the participating municipalities and their projects, and the specific activities involved. The report also includes an evaluation of the program, a discussion of the conditions that affected its outcome, recommendations for the next steps to capitalize on the experience, and a proposed workplan. Finally, it provides recommendations for real estate development training in the public and private sectors.

Appendix 3 of this report includes a manual of step-by-step procedures for replicating the program in other municipalities in Slovakia.

1 Introduction

The objective of this RFS was to demonstrate a process of public-private partnerships, through which Slovak municipalities could use their land resources to spur private development of housing by making land available to private developers on a competitive basis.

During 1993-94, USAID supported development of a demonstration program in Bulgaria to provide technical assistance and training to municipal officials and private developers in organizing private development of housing on municipal land. A consultant team introduced three municipalities to an Request for Qualifications/Request for Proposals (RFQ/RFP) land tender and procurement process. Within 12 months, all three municipalities had selected sites, prepared RFPs, received development proposals, and awarded development contracts. More than 300 housing units were developed as a result of the program, with no external funding involved.

The Slovak program sought to replicate the Bulgarian one, based on similar conditions: municipalities who wished to reduce their housing shortages; private developers who wanted to enter the market and build housing as a commercial venture; and private citizens who wanted to upgrade their living standards by obtaining single-family and low-rise, multi-family units and to leave the mass-produced, panelized-concrete housing estates.

Under the Slovak program, USAID assisted four municipalities in organizing and conducting a pilot project to develop private housing on municipal land. Two sets of consultants — municipal development specialists (one American and one Slovak) and private sector real estate development specialists (one American and one Slovak) — provided the assistance. Over the period October 1995 to May 1996, during six visits to Slovakia, the consultants worked with each sector (the city and the developers) through the steps in the project.

The consultants:

- assisted in assessing sites and defining development objectives;
- provided sample documents for developing the tender (RFP);
- previewed and helped complete the documents prepared by the cities;
- assisted in advertising the tender and in planning a pre-proposal conference;
- assisted in holding the pre-proposal conference;
- assisted in developing selection criteria and forming selection committees;
- assisted private developers in preparing proposals to respond to the tender; and
- assisted in reviewing and evaluating the developer proposals.

Two additional tasks were intended, but could not be accomplished given the lack of any acceptable proposals:

- working with both the city and developers to refine proposed development concepts and business structures; and
- assisting the municipal project coordinators in setting up monitoring mechanisms.

2 The Program

2.1 Consultant Team

The consultant team included two U.S. consultants, Real Estate Development Specialist Robert W. Doubek and Municipal Development Specialist Peter L. Bass, two Slovakian counterparts, Municipal Development Specialist Jan Komrska of the Slovak Technical University Faculty of Architecture and Real Estate Development Specialist Jaroslava Zapletalova of the Slovakian Housing Institute, and the Administrative Manager/Interpreter Gabriel Kindernay.

2.2 Participating Municipalities and Development Projects

The following municipalities, with the indicated projects, participated in the program:

Village of Turňa nad Bodvou:	Reconstruction of two incomplete school buildings, each two stories high and approximately 600 sq.m. in area, located on a 4,000-sq.m. site, for up to 24 dwelling units
City of Prešov:	Development of from 70 to 80 new housing units on a vacant site of 5,700 sq.m. adjacent to the old city center
Village of Horná Mičiná:	Completion of a partially constructed, three-story, eight-unit building located on a 2,028-sq.m. site in the village center
City of Banská Bystrica:	Development of from 25 to 30 new housing units on a vacant site of 16,888 sq.m. in an existing developed housing area

2.3 Summary of Project Activities

2.3.1 Background

In January and February 1995, the Real Estate Development Specialist carried out field work (under a separate RFS) to assess the status of private housing development occurring in Slovakia, to address questions basic to the process of private development of housing, to identify impediments to the process, and to recommend where USAID assistance could be effective. The field work consisted of 39 separate meetings, interviews, and site inspections, with real estate developers, architects, municipal officials, owners building their own single-family houses, and others. Projects were observed in 15 cities, towns, and villages located in 3 regions and included single-family dwellings constructed by their owners, mixed-use projects combining commercial, retail, and residential space, and new penthouse units on existing multi-family buildings. As a result of the survey, this housing demonstration project was identified as a potential area for USAID assistance.

2.3.2 Recruitment of Cities: May-October 1995

May 1995

The Real Estate Development Specialist returned to Slovakia May 4-12, 1995, to identify municipalities for potential participation in the project. Utilizing the contacts made in February, he met with the following municipalities to explain the program:

Nove Mesto:	Mayor Jozef Varta and City Manager Marian Bresovak
Pezinok:	Mayor Ing. Ivan Pessel and Ing. Juraj Bakalar, Construction Department
Zvolen:	Ing. arch. Vaclav Chochol, City Chief Architect, and Dipl. Ing. arch. Stanislav Likavec, Office of the Chief Architect
Banovce nad Bebrince:	Ing. Jan Turcan, Mayor
Humenne:	Dipl. Ing. Lubomir Majernik, Commercial Director of Chemostav HSV and member of the town zoning committee
Michalovce:	Milan Adam, Head of City Department of Environment, Zone Plans and Development
Kosice:	Stefan Andrejko, Deputy Mayor
Turňa nad Bodvou:	Mayor Bartok and Village Manager Alexander Varga

In each case, the consultant explained the concept of the housing demonstration project based on public-private partnerships and use of the RFP process and provided a written description of the program. On May 26, 1995, a letter outlining the program was sent to the eight municipalities with a request to respond by June 12th if interested in participating. Positive responses were received from Nove Mesto, Humenne, and Turňa nad Bodvou.

July 1995

The consultant later visited Slovakia from July 23-30, 1995, to meet with additional potential participant cities and to inspect sites for the program.

He had the following meetings:

Nove Mesto:	Ing. Dusan Macuch
Strba:	Michal Sykora, Mayor, and Danusa Belakova, Deputy Mayor
Humenne:	Dipl. Ing. Lubomir Majernik and Ing. Ladislav Ferko, Department of Construction
Turňa nad Bodvou:	Mayor Ladislav Bartok

Initial Team Visit: October 1995

During the period October 1-11, 1995, the Real Estate Development Specialist and a consultant in municipal development, accompanied by the Administrative Manager/Interpreter, made the first field visit under the program to (1) evaluate the proposed sites and projects from a technical and financial point of view, and introduce and explain a sample RFP, (2) explain the program

to municipal officials in other potential participant cities, and (3) interview potential candidates for the two CCN team members.

The team visited Turňa nad Bodvou, Humenne, Strba, Nove Mesto, the city of Prešov, and the village of Horná Mičiná. As a result of the visit, the team and USAID agreed that Turňa, Prešov, and Horná Mičiná would participate in the project, that an infrastructure project would be offered to Humenne, that USAID would continue discussions with Strba on the most appropriate assistance, and that Nove Mesto would be dropped from consideration for lack of interest.

The responsible official in Prešov was Ing. arch. Vladimír Debňar, Deputy Director for Land Development and Chief Architect. The responsible officials in Horná Mičiná were Mayor Ondrej Pilka and council chairman Jan Stubniak.

The Slovakian counterparts, Real Estate Development Specialist Jaroslava Zapletalova and Municipal Development Specialist Jan Komrska, were selected during this visit also.

The team also met with Prva Komunálna Banka a.s., Zilina, to discuss potential financing for the overall program.

2.3.3 Drafting of RFPs: November 1995-January 1996

November 1995

The full five-member consulting team — Mr. Doubek, Mr. Bass (who replaced an earlier consultant), Prof. Komrska, Ms. Zapletalova, and Mr. Kindernay — conducted its first field visit during November 20-28, 1995, to (1) assist in drafting RFPs, (2) meet with additional cities interested in the program, and (3) obtain comments from private developers.

Draft RFPs were created and/or critiqued for Turňa nad Bodvou, Prešov, and Horná Mičiná. The cities of Zvolen and Banská Bystrica were evaluated as having suitable projects, and USAID indicated a willingness for them to participate.

Humenne had no suitable land for a proposed infrastructure project, and it was dropped from further consideration. Upon review of the Strba project, it was found not to be suitable for the program, but it was decided that the team would develop an economic pro forma and investment summary for the planned recreational complex. The city of Nove Mesto nad Vahem was provided with a sample Development Agreement.

Meetings were held with private developers and banks to obtain comments and advice on the design and execution of the program, as follows: IDR Construction, Kosice; PROREAL, Prešov; PPS a.s., Prešov; MIRANN, Kosice; PORTEX, Zvolen; and Polnobanka, Zvolen.

Following the visit, the team sent a detailed letter to the five participating cities to explain the concept and the next steps in the program. The team also prepared, translated, and forwarded the following additional draft materials for the RFP packages:

- Development Agreement
- Developer's Submission and Certification
- Development Cost Budget
- Development Pro Forma
- Development Timetable and Project Characteristics
- Exhibit Checklist
- Terms of Reference for Financing Survey
- Advertising Plan for Notice of Availability of RFP

January 1996

During the team's next visit, January 21-27, 1996, draft RFPs were reviewed for Turňa nad Bodvou, Prešov, and Horná Mičiná, and exhibits were identified and selected. For Banská Bystrica, a draft RFP was created using the model of the Prešov RFP, and city officials affirmed their intent to issue the RFP on the same schedule with the foregoing three municipalities.

The city of Prešov selected a site near the town center. The city of Banská Bystrica determined that the previously selected site could not be used because of the lack of a General Plan, and decided to prepare an RFP for a 1.5-hectare site in an established housing area.

The city of Zvolen determined that the selected site could not be used until a General Plan was approved. The team agreed to check on the approval status during its next visit and, if possible, include Zvolen in the program.

The team agreed to follow up with the four municipalities as follows:

1. Develop an advertising list and plan to publicize the RFP
2. Assist in preparation of exhibits
3. Review and comment on next draft of the RFP

In addition, the team agreed to advertise the project in Prešov for Western investors.

Subsequent to its January visit, the team did extensive work, communicating by telephone and fax, in completing final drafts of the RFPs and related documents and in announcing the availability of the RFPs in the four municipalities.

The primary vehicles for announcing the availability of the RFPs were direct mail and newspaper advertisements. A direct mailing was developed with the assistance of the Private Construction Contractors Association of Slovakia (PCCAS), which supplied mailing labels for Slovak companies in businesses related to design, construction, real estate, banking, and other related participants in the real estate development process from a list compiled by the Slovak State Statistical Office and several other sources developed with the consultants. An announcement of the RFPs was mailed to the 5,000 addresses on or around February 20, 1996.

The announcement was also run in the two Slovak financial newspapers, the weekly *Trend* on February 21st and the daily *Hospodarske Noviny* on February 20th and 27th. An ad announcing the Prešov RFP was run in the German financial newspaper *Handelsblatt* on February 29th.

RFPs were translated and faxed for review by the American consultants. The RFPs and exhibits were then further revised by Mr. Kindernay. The RFPs and exhibits, in a form recommended by the team, along with a draft cover letter from each city to the developers, were delivered to the municipalities on March 6th. With the RFPs, each city was sent a memorandum outlining guidelines for responding to requests for RFPs and allowing inspection of documents. The municipalities then issued the RFPs in response to requests received.

2.3.4 Pre-Proposal Conferences: March 1996

Over the period March 18-22, 1996, the full consulting team attended pre-proposal conferences in the four municipalities selected for participation in the program and conducted training workshops for the private developers attending the conferences.

The dates and times of the conferences were as follows:

Village of Turňa nad Bodvou:	Tuesday, March 19, 10:00 am
City of Prešov:	Wednesday, March 20, 9:00 am
Village of Horná Mičiná:	Thursday, March 21, 1:00 pm
City of Banská Bystrica:	Friday, March 22, 9:00 am

The numbers of companies requesting RFPs and attending the conferences were as follows:

	Attendance	Requests for RFPs
Village of Turňa nad Bodvou:	1	4
City of Prešov:	8	12
Village of Horná Mičiná:	5	11
City of Banská Bystrica:	9	7

As part of each pre-proposal conference, the Real Estate Development Specialist, using eight variations of a sample pro forma, explained how the pro forma was used to determine cash flow. He emphasized how the results of a project with constant costs and revenues could yield differing profits and returns on equity, depending on financing and timing of purchaser payments. His Slovakian counterpart presented and reviewed a listing of the terms of construction loans that were available from Slovak banks, along with procedures for applying for a loan. The Municipal Development Specialist presented and reviewed an outline of procedures for performing a study of the housing market.

The team also visited the Village of Strba on Monday, March 18th, to review the document entitled "Framework for Analyzing and Achieving the Development," which had been prepared by the team as agreed at the November meeting. The preliminary conclusion of the analysis is that the project as designed was not economically feasible.

2.3.5 Developer Assistance: May 1996

The two Real Estate Development members of the team conducted the next visit, May 13-16, 1996, to assist the private development companies in preparing their proposals, which were due on May 22 and 24.

Of all the companies that had requested RFPs and had participated in the March pre-proposal conferences, only one — HCS s.r.o. of Dolni Kubin — indicated an intention to submit a proposal and requested the team's assistance in preparing it. The two team members therefore met with HCS in Banská Bystrica on Monday, May 13th, and assisted HCS in preparing a pro forma for a proposal for a 74-unit building in response to the Prešov RFP.

During the meeting, it was evident that HCS had done no significant work in costing out the project, and had no information at all regarding soft costs. HCS had attended the pre-proposal conferences in Horná Mičiná and Banská Bystrica, but was submitting a proposal only for Prešov. In their opinion, the construction work in place in Horná Mičiná was of such low quality as to be fit only for demolition. They stated that the city of Banská Bystrica had failed to provide reliable technical information about the development site. The main problems were the actual location of utility lines and elevations, since the site had been used over the years for disposal of construction debris.

The team returned to Bratislava to consult with USAID regarding the next steps for the project. As requested by USAID, the Slovakian counterparts, together with Michal Maťaš, Executive Director of PCCAS, conducted phone interviews with a number of companies about their failure to participate. USAID subsequently concluded that the best course for the project was to wait and see what proposals, if any, were submitted on May 22nd and 24th, and then evaluate the experience.

Prior to the visit, the entire team, working through Mr. Kindernay, undertook the following tasks to prepare the four municipalities for receiving proposals and to make the developers aware of the availability of USAID assistance in preparing proposals:

- sent letters to the four municipalities reminding them of the need to send the record of the pre-proposal conference to all participants and requesting that the names of all be sent to the team;
- sent a letter to all potential proposers to inform them of the availability of telephone assistance from Ms. Zapletalova and the opportunity for private appointments with team members in early May; and
- contacted all potential proposers by telephone to offer private appointments during the visit to assist them in preparing proposals.

2.3.6 Assistance to Municipalities on Proposal Review and Evaluation: May 1996

The purpose of the May 27-31, 1996b visit by the American Municipal Development Specialist was to assist the participant cities in reviewing and evaluating proposals received under the program, and to determine next steps regarding both specific proposals received and the program

in general in these cities. Information was also gathered for the overall evaluation of the program and for future assistance.

Prior to the trip, the consultant had drafted a proposed selection process for use by the municipalities in reviewing and evaluating proposals. It was not shared with municipal staffs during this trip because of lack of any adequate proposals to evaluate.

The Slovakian Real Estate Development Specialist attended the opening of proposals in Prešov on May 24. One proposal was received. It was prepared by the firm HCS of Dolny Kubin, the only firm that had requested and received assistance the previous week from the American Real Estate Development Specialist.

The architectural sections of the proposal (for 74 units of housing and 8 commercial spaces) were quite advanced, well done, and fairly complete. The proposal also contained reasonably adequate information on construction and some development costs, but was extremely deficient in the documentation of marketing, developer experience and background, and business plan submission components. The developer also did not submit the required deposit, the required submittal letters, and most of the forms. The contemplated business and financing plan and price, if any, being offered for the site, were unclear.

The City Architect and the Municipal Development Specialist agreed that the proposal was not viable and that the city would send a letter to all original participants (i.e., anyone requesting an RFP or attending a pre-proposal conference) stating the outcome of the process and thanking them for their interest.

The Slovakian Municipal Development Consultant attended the proposal opening in Banská Bystrica on May 22. One proposal was received. It consisted essentially of a cost study to build out the city's earlier-drawn architectural concept for the entire site of 4.5 hectares (of which only 1.8 hectares was owned by the city). The bidder presented very little financial information, no deposit, no marketing concept, no business plan, and no offer. He merely listed a set of problems with the site and project that he believed the city should resolve, and indicated his interest in building the units if the city or someone else wished to be the client in the future.

City staff and the American consultant agreed that the proposal was non-responsive and that the city would notify all original participants who requested an RFP or attended the pre-proposal conference stating the outcome of the process and thanking them for their interest.

The city staff specifically indicated their intention to use the process on other sites in the future (perhaps in a somewhat modified form) and specifically requested technical assistance, particularly in financial analysis, with regard to another site, the 42-hectare Prianska Terasa site, which has received City Council approval to proceed later this year.

No developer proposals were received by the Villages of Horná Mičiná or Turňa nad Bodvou in response to their RFPs. As a result, no direct action was taken by the consultant during this trip with regard to these two locations.

2.3.7 Final Actions

Following the final visit the team took the following actions:

- drafted a letter for the municipalities to send to the developers who participated in the pre-proposal conferences and the two developers who submitted responses;
- drafted letters for USAID to the four cities with regard to their past and ongoing participation in the program;
- drafted a proposal to USAID with regard to further action through the program with Banská Bystrica;
- prepared an Outline of Questions to Slovak Developers Regarding the Program, to be used by the Slovak counterparts in conducting detailed, structured interviews of the potential developers that attended the pre-proposal conferences; the two CCN team members were requested to focus on the participants' decisions regarding the specific site offering, their reactions to the overall approach and process, and their suggestions for the future;
- the Slovak counterparts completed their report, "Evaluation of the Public-Private Partnership Demonstration Project in the Slovak Republic Based on Interviews with Participating Companies" (Appendix 1), using the Outline of Questions mentioned above; and
- completed this Final Report.

3 Evaluation

As noted in the Introduction, this demonstration program for private housing development on municipally owned land was modeled after and attempted to replicate the 1993-94 project in Bulgaria. While the Bulgaria program resulted in new housing projects in three separate cities, the Slovak program in four municipalities attracted in total only two non-responsive proposals. Although the lack of concrete results has been disappointing, the purpose of the program was to demonstrate a process rather than to create housing *per se*. As all key elements of that process were undertaken and completed, the program can be deemed to have met its objectives. Indeed, municipal representatives have indicated that the knowledge they obtained in the program will be useful in future projects and processes.

The program's real value, however, will be in revealing why there were no concrete results and in providing a framework for designing additional programs with the ultimate goal of creating a market-based residential development industry in Slovakia. As soon as the lack of proposals became evident, the consulting team began to gather information as to its cause. During his visit in May, the Municipal Development Specialist developed the structured questionnaire to be used by the Slovak counterparts in conducting telephone interviews of companies that had requested RFPs but not submitted proposals. The interviews were completed in late July and early August, and the report is included as Appendix 1.

The following evaluation constitutes the opinions, findings, and conclusions of the American team members, but also draws from the information and conclusions contained in the CCNs' report.

3.1 The Program

3.1.1 Concept

Based on its tangible results in Bulgaria, Romania, and the Russian Federation, the concept of the program can be considered sound. The successful completion of all steps in Slovakia, along with the active participation of municipal officials and active though limited participation of the private sector, further demonstrates that the concept of the program is sound. In the right conditions, the program concept could again be effectively used in the CEE area. Section 3.2 (pages 14-18) more fully describes those conditions.

3.1.2 Team Personnel

U.S. Experts

An objective evaluation by U.S. consulting team members of their own performance is not possible. However, comments on the necessary skills and attitudes may be useful. While technical issues confronted were within their knowledge, competence, or experience, a greater challenge was understanding Slovakian views given the absence of experience in market-driven real estate development. The team's experience both of having managed the issuance of RFPs for housing and other commercial development and of having submitted proposals as a developer was perhaps the most valuable asset in dealing with the Slovak municipal officials. A sense of practicality and the need for closure helped keep the project on schedule.

Also necessary are a capacity to creatively and flexibly respond to changing situations and to tolerate the inevitable surprises and ambiguities in introducing a new program, tact in dealing with highly placed, though inexperienced, local officials, an overall sense of humor, and physical stamina to meet the demands of a tight travel schedule.

Slovak Team Members

The Slovak team members performed extremely well, although neither had any experience with the RFP process, and a purpose of the program was to train them to replicate the program in other municipalities.

The Slovak Real Estate Advisor is perhaps the country's leading expert on housing, and she readily understood any concept addressed. Although less knowledgeable about market processes, the Slovak Municipal Development Advisor's strong technical knowledge of architecture and planning was essential in drafting the RFPs. Their interest and commitment was displayed especially during the drafting of the RFP in Horná Mičiná, when the two took over and spearheaded the process with the village council — one day after becoming familiar with details of the process by assisting the U.S. advisors in drafting the RFP for Prešov. Unfortunately, both Slovak team members held full-time positions, and the program work had to be squeezed into their schedules. Neither could devote substantial time to the project between field visits, and both had to be prompted to carry out specific assignments.

Administrative Manager/Interpreter

The expertise of the Administrative Manager/Interpreter, who served as in-country coordinator, was indispensable to the program. He handled all logistical arrangements and provided all management and administrative services needed for the project. His 23 years of business experience in the U.S. facilitated communication with the American team members and ensured his own understanding of the program concepts. A single interpreter/translator for the entire program, rather than in each city, ensured continuity and uniformity in vocabulary and usage in all documents.

3.1.3 Logistics

After the actual participating municipalities were selected, logistics were simplified. The program's limited budget required that travel and field time be used as efficiently as possible. The American consultants normally departed the U.S. on a Saturday evening, meeting the Slovak team in Bratislava Sunday afternoon, and immediately departing for Kosice. The interpreter would meet the team on Monday morning in Kosice and travel to each city. Generally, a one-day field visit was scheduled for each city, beginning on a Monday, with the team traveling from east to west, i.e., Turňa, Prešov, Banská Bystrica/Horná Mičiná. The van would be used for both local and intercity transportation back to Banská Bystrica. The team members then would travel by train or bus from Banská to Bratislava.

The Administrative Manager/Interpreter served as the center of communications. Municipalities were instructed to fax their documents to him. He in turn faxed his Slovak/English and English/Slovak translations to team members and municipal officials as appropriate.

3.1.4 Costs and Level of Effort

The costs and level of effort (LOE) used in the program were limited to \$175,000 and 204 days, which was the maximum amount available for Slovakia technical work under the extension year for the contract.

While the original budget has been adhered to, less field and travel time was utilized than originally anticipated. A significant amount of time in the U.S. was spent in completing the four RFPs and advertising their availability. Through a process of review and comment with the Administrative Manager/Interpreter, a final field visit was also eliminated.

3.1.5 Recruitment of Cities

The recruitment of the participating municipalities was a more complex task than originally anticipated. As discussed earlier, cities were being added and eliminated even during the period that RFPs were being drafted.

A major difference between the Slovak and Bulgarian programs was that the Slovak program did not include a national conference to provide an overview of the concept to the municipal and private sectors. The national conference was eliminated in Slovakia because of budget constraints and because the Housing Survey conducted in early 1995 had provided contacts with numerous municipalities. It was assumed that most would be interested in participation.

Although in meetings with each municipality, a detailed written explanation of the program concept was provided, officials nonetheless appeared to have difficulty in understanding its purposes.

Difficulty in recruiting municipalities was compounded by internal confusion about which officials or departments were responsible or had to approve participation. Further complicating factors were an apparent lack of knowledge of what development sites were available and their status, e.g., the lack of a Territorial Plan in Zvolen and the legal problems in Prešov, and, importantly, the actual lack of any significant site opportunities in many cities. Given these circumstances, it is unclear whether a national conference would have made any significant difference in the final outcome of the program, although it may have been useful in stimulating interest in participation by other cities.

3.1.6 Municipal Sector

An evaluation of the municipal sector's role in the program includes the factors of understanding, enthusiasm, cooperation, and proactivity, which varied from city to city. In general, officials understood the overall concept and mechanics of the program, but their major challenge was to understand their role as the referee for the development process rather than its driver. At the same time, officials did not have a good understanding of the depth and reliability of information about the sites that they needed to make available to the private sector for the program to work.

Enthusiasm for the program also varied. One small village mayor was exemplary in his commitment to preparing good documents and very receptive to trying new ideas, and he appeared to have high hopes for the success of the process. Another official was somewhat more difficult, repeatedly failing to return phone calls or provide needed information to the team. He also made significant changes in the documents in what appeared to be an arbitrary manner. Another municipality took the position that they had nothing to lose in undertaking the process; but, given the small size of the staff, very little knowledge could be transferred. A drawback in the two larger cities may have been the lack of any direct active involvement or greater visibility by the mayor.

Cooperation with the consulting team was generally good during field visits, although the Administrative Manager/Interpreter sometimes had difficulty in obtaining information by phone once the team left the field. One major factor in reducing interest in the program was the decision by Banská Bystrica to charge Sk 500 (US\$16.50) for a copy of the RFP.

In general, the city officials were much less proactive than had been assumed in designing the program. While the team had assumed that the local officials would take the lead in drafting documents and assembling exhibits, it soon became clear that the team would have the major responsibility for this task. Likewise, had the team not taken responsibility for announcing the availability of the RFPs and generating interest by the private sector, the task likely would not have been done.

This lack of proactivity is believed to have had a major impact both on the quality of the RFP materials produced by the localities and in the reception of the process by the private sector. There appears to be an innate skepticism in the Slovak Republic toward the competence and motivation of public officials, and, unless they make exceptional, obvious, and sincere efforts to overcome this image by active involvement and support of the projects, these attitudes may prevail and lead potential private participants to totally dismiss such opportunities.

The ability of the U.S. team members to get the Slovak public officials to attend to all necessary details was also affected by the officials' sense of pride and/or lack of patience in some cases. Some officials seemed to insist on demonstrating that they knew what to do and did not want their hands held on every step, yet they then produced documentation with serious deficiencies and failed to pay proper attention to factors of significance that the Americans had tried to emphasize and elaborate on. For example, despite the American consultants' concerns from the beginning about potential claims by a developer to the proposed Prešov site under a pre-existing, one-and-a-half page option agreement, the municipal official in charge in Prešov insisted he had the matter under control. Later, when the developer asserted a claim to the site, it effectively killed interest by the potential proposers in the best site in the demonstration program. Other examples included failure to document infrastructure capacities or to provide basic accurate ownership information on sites or on site conditions. As a result, many of the potential private participants specifically criticized the lack of accurate and adequate site information as a significant factor in their decisions not to pursue further participation.

3.1.7 Private Sector

In the preliminary meetings in January, private sector representatives expressed interest in the program and a desire to participate. The number of companies who requested RFPs and attended the pre-proposal conferences, however, was disappointing in view of the approximately 5,000 direct mail announcements that were mailed and received and the national advertising campaign. Since the announcement itself did not specify that the companies were required to undertake unfamiliar tasks, such as marketing and financing, or to assume any risks, greater interest and curiosity about the program was expected.

Part of the problem appears to be an almost total lack of an active "developer" or real estate sector in Slovakia. The firms indicating interest were a mix of light and heavy construction companies, various specialty subcontractors, architects and engineers, and several individuals. Few had any experience with the concept of the "developer" role in which one individual or entity assumes responsibility for all phases of the residential development process from initial market analysis, project/product conceptualization, and feasibility testing through design, costing, financing, construction, marketing, and sales.

However, significant enthusiasm for the program was shown by a number of the attendees at the pre-proposal conferences, and the lack of subsequent proposals or further inquiries was surprising. All remained for the seminars on pro forma analysis, construction financing, and market analysis, and appeared to be interested. It was somewhat surprising that so few bothered to undertake the exercise of preparing and submitting a proposal, especially since the proposers

were free to set their own terms in the proposal, which had been repeatedly emphasized; and that the proposers were being offered free technical assistance.

3.1.8 Documents

The RFPs and related documents were based on those typically used in the United States and were quite complete. They were designed to generate a substantial amount of information — enough to both protect the cities and allow them to do a competent evaluation, and, at the same time, lead a serious developer through the typical analytical process necessary to create a project with a realistic chance of success.

The premise that potential Slovak “developers” would want to do a fairly complete analysis of the project before submitting or participating may have been misplaced; the complexity of the documents, combined with Slovaks’ distrust of both public officials and foreign outside intervention (USAID), as well as the problems they had with the sites, may have dissuaded some parties from proposing.

3.1.9 Announcements

As noted above, the team recognized the need to take the lead in announcing the availability of the RFPs. As Slovakia is a small country and constitutes a single market for real estate development, the announcements for all cities could be combined. The two ads in the national economic newspapers and the 5,000-piece direct mailing were deemed to have provided effective coverage of the potential pool of developers, and it is believed that further advertising would not have significantly affected the response rate. It was also noted that the attendees at the pre-proposal conferences typically came from the city containing the subject site or cities near it. Furthermore, proposals actually received were from groups local to the immediate area. This was true in the Bulgarian and Romanian cases as well, and suggests that, in the future, promotion should focus on firms within 50-100 miles of the sites to be developed.

3.2 Conditions and Concerns Affecting the Program Outcome

To date, the overall program concept has yielded mixed results in Slovakia. It has not produced any housing and it obtained only a limited response from the private sector. However, it did achieve success in taking four Slovak municipalities through the complete process and in providing supporting and reusable documentation that can be applied elsewhere in the country. In addition, municipal officials involved found the procedures and documents useful for other projects; both they and the private sector participants found the analytical framework and methodologies of value and interest for wider application.

Given the above, the following addresses the factors and concerns believed to affect the success of the program in directly providing housing on available sites in Slovakia. It is based on the results and conditions occurring in Slovakia, supplemented with experience drawn from similar Bulgarian and Romanian programs.

3.2.1 Country-Wide Conditions Affecting the Program

General Economic and Market Conditions

Moderately or rapidly inflating house prices, in local currency, appear to help generate interest and stimulate participation. At the time the program in Bulgaria was implemented, housing prices had rapidly increased and were still rising. Similarly, in other CEE and NIS countries and in the Russian Federation, substantial reservoirs of early pent-up housing demand (backed by actual cash) fueled initial price rises after the fall of Communism and provided a cushion for builders. In Slovakia, on the other hand, prices had peaked and had begun to drop by the time the program started. Real estate was no longer seen as a sure hedge against inflation and currency devaluations. This economic background would tend to make potential bidders more hesitant in the Slovak case.

Sectoral Capacity at Business and Professional Levels

An existing base of private business-oriented architectural-, engineering-, construction-, and other building trades-related talent is important to the success of a public-private partnership. Medium to larger enterprises in particular can afford the time, risk, and effort to prepare bids and have some financial capacity and credibility to carry out the projects. Principals and other staff members with a broad perspective must be involved from the beginning of the process and at the pre-proposal conferences.¹ The Bulgarian program was preceded by a conference on the public-private partnership process that enabled interaction between the technical consultants and established developers for several months prior to the release of RFPs. In the Slovak program, there was no significant preliminary information exchange with potential proposers before the RFPs were released. The lack of experience with the complete development process of a significant portion of the attendees at the pre-proposal conference significantly colored their perceptions and restrained their firm's willingness or capacity to develop proposals.

Availability of Practical Interim or Permanent Financing

Availability of financing would be a very positive stimulus to such programs, but does not appear to be the sole or deciding factor. The lack of cost-effective development financing is widely cited (both by Slovaks and participants in the other CEE states) as a major impediment to getting projects going and tends to discourage interest the program. Nevertheless, it did not prevent viable bids from being submitted in Romania and Bulgaria, where developers typically use customer deposits and progress payments to finance construction on a pay-as-you-go basis.

Experience with Entrepreneurship

Having engaged in some type of entrepreneurial or risk-taking activity increases the confidence and willingness of firms to bid. Only a few of the Slovak participants had any experience as entrepreneurs, particularly in the sense of understanding and appreciating the need to initiate, "push," and coordinate a range of activities to achieve results. On the other hand, in Bulgaria, several firms had been engaged with such activity in the housing sector over preceding years.

¹ More narrowly defined staff do not appear to have the flexibility or experience to understand the "development process" and the complete set of steps or business issues involved in completing a feasible and responsive proposal. Such staff, when assigned to the conferences or project, tend to dismiss the process or are confused by it.

The Slovaks also appear to have a lower tolerance for risk and uncertainty, especially if the upside potential appears to be ambiguous or doubtful. Their failure to really understand the housing market or how to analyze or project demand for a product also tended to restrain the Slovaks from generating proposals.

3.2.2 Conditions in Specific Municipalities Affecting the Program

In addition to the general conditions discussed above, there were local factors in the individual municipalities that appear to have limited the number of proposals received.

Poor Sites and/or Poor or Ambiguous Information Regarding the Sites

The lack of appropriate sites and/or information concerning available sites was perhaps the single most decisive factor in constraining the success of the program. By and large, all the sites included as demonstrations were problematic. From the onset of the program, the consultants had difficulty generating viable sites that would be immediately available for inclusion in the demonstration. It was discovered that, as a general rule, the Slovaks do not make much land available for imminent development. Historically, with centralized planning, they focused on quite high densities (which reduces the zoned area needed). Under that system, too, the sequence of development was prescribed for several years in advance, thereby further limiting potential supply of land available. Many cities visited were precluded from participation in the initial demonstration because they had **no sites available** with the proper zoning.² Other sites were eliminated because of location, infrastructure, terrain, or other considerations. The sites finally chosen were the best available and still problematic, especially in retrospect.

The Prešov site was considered to be the strongest in the program — level, clean, centrally located in the town, and accessible to infrastructure from all sides. However, a developer had lingering claims to its development rights, and it contained a small out-parcel in the middle that, while not essential for inclusion, could affect the design, layout, and construction cost of a project on the remaining site. The Banská Bystrica site, despite initial assertions to the contrary, had significant title, contiguity, and subsoil conditions, which adversely affected the potential integrity and cost of a project.³ The remote village locations of the Horná Mičíná and Turňa nad Bodvou projects raised concerns about the available market demand. The especially poor quality

² Land required to pass through the Territorial Planning process (with specific prescribed procedures, steps, meetings, hearings, etc. under Slovak law) was precluded from the initial demonstrations, even if municipally owned.

³ Both cases illustrate the difficulty in working with Slovak city officials to prepare the research and documentation on the sites: the officials failed to fully appreciate the need by the private sector to eliminate ambiguity from the projects. For example, in Prešov, the Chief Architect (who was in control of the demonstration there), when questioned early on about the status of the pre-existing agreement with the developer Martinak regarding its earlier option on the site, expressed 100% confidence that it had expired for technical reasons and had no further force and effect. Despite the consultants' continued concern that Martinak might challenge or undermine the city's right to offer it up in a competitive process, the Chief Architect wanted to proceed on the site and promised to resolve beforehand with Martinak any issues that might arise. Later, after the site was offered, and with only one proposal received, a number of the potential proposers (who had attended the pre-proposal conference) indicated that Martinak's ambiguous presence contributed to their decision not to more closely examine the site. After the City Attorney received a letter from Martinak asserting the continued validity of their option, the City Architect reversed his position that Martinak was "no problem."

of the existing construction was also troublesome to developers as they attempted to determine the market share to be reached for the project to cover estimated costs and turn a profit.

Beyond the real problems with the sites, the potential bidders were unable to obtain adequate background documentation on site conditions. Site descriptions were poor; existing plans were inaccurate or useless; information on infrastructure capacity and availability, ownership, soil conditions, accurate elevations, etc. was inadequate, misleading, or missing. The poor information on the sites frustrated bidders' attempts to analyze potential projects and in some cases was characterized as being downright misleading, as well as demonstrating the cities' cavalier or irresponsible approach.

As a general rule, based on the Slovak experience, and the experience in other countries with more successful bidding, sites should be included only after ownership, infrastructure, physical condition, and related issues are resolved, and if adequate information on the sites can be included in the bidding package. There is evidence that the existence of prepared plans is helpful to the process, unless the plans are inappropriate for the potential market and/or too complicated or expensive to build.⁴

Concerns about Strength of Local Markets

Participants were unable to conduct any sort of in-depth or meaningful market analyses. Nonetheless, based on more intuitive approaches, they could not discern any potential demand at prices covering probable costs, for housing in the two village locations (Horná Mičiná and Turňa nad Bodvou). Development of the sites seemed too risky given the remote locations of the two towns and the not-so-attractive location of the sites within them.

On the Banská site, expectations of high development costs associated with site conditions, infrastructure costs, and land ownership patterns led some potential bidders to think the market would not support the level of pricing required. The situation regarding the strength of market demand in Prešov, with the best site in terms of location, is unclear. Potential developers raised greater concerns about the potential Martinak claims and lack of adequate information on site conditions (e.g., water table level, infrastructure capacity), rather than express reservations about covering their costs.

The more successful bids, in Romania and Bulgaria, were in the larger cities (populations greater than 100,000) where there is a built-in "move up" market that had not been fully served by other post-Communist housing development activities (including owner-built, single-family housing). There were sites of good to excellent quality, i.e., more central locations, no negative neighboring nuisances, available infrastructure, and minimal on-site physical problems.

⁴ In Romania, for example, when given a chance to either use existing plans or take longer and propose their own, all developers opted to use the existing plans. However, in Horná Mičiná and Turňa nad Bodvou, despite the existence of plans, the potential developers thought they were useless because the construction in place would require reconstruction and it did not reflect what was on the plans anyway. The developers in these cases believed they needed "as built" plans, which the villages were unable to supply; a new set of substantially changed plans reflecting their own projects, would be required.

Concerns about City Support and Trustworthiness

As already mentioned, Slovaks are suspicious about the motives and competence of their city officials. The confidence of potential bidders in the process was significantly lessened in the larger cities by the failure of the professional city architects and planning departments to supply accurate, useful, and timely technical information on the sites, infrastructure, project concepts, and the like. The poor documentation and staff response actually fanned developers' mistrust as to the real intent of the process (Would it actually result in site awards and projects? or Was it simply a front for some other goal, for example, a pre-determined winner?). The relative lack of responsiveness by local staffs, the lack of clearly visible, active participation or publicity by the higher levels of city administration (for example, direct mayoral involvement), and the lack of any offers by the cities of financial support (such as sharing infrastructure costs, design costs, etc.) also concerned the potential developers. This developer RFP approach is an extreme departure from former practice, where the city typically paid for everything up front (design, problem resolution, infrastructure, etc.).

The fairly short time line and absence of usable existing detailed plans constrained potential response. The existence of realistic, uncomplicated, and appropriately designed plans helps minimize bidders' up-front costs, shortens the time line, reduces risks, and could be a useful transition device from preexisting practice and habit.

Also, a clear demonstration of strong city support as evidenced by direct mayoral involvement, professionally responsive staff, and a city's willingness to share in risk and costs of such elements as infrastructure, plans, and site preparation would further instill confidence and enthusiasm among prospects.

4 Recommendations on Next Steps

4.1 Recommendations regarding the Public-Private Partnership Demonstration Program

The public-private partnership demonstrations highlighted many of the current shortfalls in the Slovak system. These shortfalls result from the collapse of the past socialist approach of providing housing, and the failure to replace it with a viable market-based approach. A principal finding of the demonstration program is that the local public officials, the technical/professional sector (architects, planners, attorneys, etc.), and the construction sector had no significant understanding of how to provide housing in a market-based economy and cannot effectively respond to new opportunities without training in the new process. This lack of understanding would be a problem even if the present limited availability of sites and construction money were not a serious problem.

USAID's and the local participating municipalities' experimentation with the program to date has yielded fruitful results by beginning to disseminate an understanding of the market-based development process throughout Slovakia, at least in those municipalities and with those "developers" who were exposed to the opportunities presented under the current demonstration. Their involvement in the process is already producing tangible changes in the way in which the participating municipalities are evaluating and planning potential housing sites and approaching the private sector on a host of other development-related issues. This positive fall-out, plus

observations to date by private developers, suggests USAID should consider methods to assure availability of the basic concepts of the program to other cities in Slovakia.

However, it is recommended that USAID employ a more strategic, high-leverage approach. This modified approach would de-emphasize detailed case-by-case technical assistance and instead (1) emphasize broad dissemination of the public-private partnership program materials and (2) focus more on training municipalities to understand market-driven real estate development concepts and their impact on their activities.

There are several reasons for maintaining some program continuity and follow-up capabilities.

- The basic work has been completed for the program's continuous use. When operating optimally in a locale, the program can produce immediate benefits, as well as longer-term spin-offs, that further USAID's strategic objectives in the areas of both **economic restructuring** and **democracy**. Appendix 2 (Indirect and Longer-Term Benefits of the Public-Private Partnership Program Demonstrations) details the type of impacts the program has had both in Slovakia and elsewhere.
- Slovak cities generally appear to have sufficient legal authority and capability to use the program model immediately, although some modifications in the documents may be necessary to bring them into greater conformity with existing Slovak practice and laws.
- The program provides local governments with a relatively straightforward tool for putting municipally owned assets into productive use and generating locally controlled revenues. In this and other regard, the program directly furthers USAID's strategic objective of **developing competent self-governing municipalities as a keystone of democratic pluralism** by helping establish more effective management systems, creating a transparent and public process for making use of city-owned property, and increasing local revenues.
- **Perhaps most importantly**, the program process is not limited to developing housing, but trains municipalities in a variety of new technical skills and perspectives, including procurement, financial analysis, and general approaches in contracting with the private sector. This experience can be applied widely to improving local government decision-making, management, and operating skills and capacities.
- With some modifications and changes in emphasis, the program can directly affect the development of related skills and capacity in the emergent private sector, thus furthering USAID's strategic objective of **developing and expanding a private housing sector as a major component of a market economy**.
- The approach could be adopted widely by other cities without a large investment by USAID in technical assistance and without requiring USAID's long-term commitment.

In terms of USAID's general overall search for models of technical assistance that are low cost but high leverage examples capable of use in other countries, this program is a positive contribution for the following reasons.⁵

⁵ Appendix 2 provides more information on the direct benefits of these programs to the municipal and private sectors and to USAID.

- In a given location, a municipality only needs a **short time frame** (less than a year) to go from start through to a negotiated development agreement for a particular site.
- The process **affects both public sector and private sector participants**, increasing their understanding of potential respective roles and their experience in forging working alliances that can then be extended to other types of economic and development activity.
- The process touches on procedures, methodologies, and documentation of **much broader use and applicability** to both public and private sector participants, e.g., market analysis, cost estimating, financial and pro forma analysis, design of marketing and business plans, contract negotiations, and bid solicitation and evaluation.
- The process is relatively **simple and straightforward to use** — it does not require excessive inputs of time or money or institutional/legal changes to produce immediate results.

More streamlined versions and other adaptations of the full-fledged program process might also produce quicker, more efficient and appropriate responses in the context of the conditions now prevailing in Slovakia. For example, there appears to be substantially less of a need to ensure widespread multiple competitive bids on single sites than there is simply a need to recruit, educate, and work with a few qualified development entities and make sure that basic contractual and monitoring systems are in place to assure that they perform. In this type of scenario, after an initial Request for Qualifications phase (instead of full-fledged competitive bid package), a city could work with a qualified developer to jointly design a project and enter into an exclusive right to negotiate on a particular site. Technical support for such modifications could be supplied by the U.S. consultants to the country-wide process “guardians,” by special seminars or courses and/or by modifications/additions to the basic published procedural materials.

For these reasons, it is recommended that, with regard to the program in Slovakia, USAID consider supporting the three follow-up components identified immediately below.

Publish the P/PP Program Materials

Arrange for the completion of the codification of the existing public-private partnership program materials and any necessary legal review,⁶ translation into Slovak, and printing. Appendix 3 (The Public-Private Partnership Process as Applied in Slovakia: Step-by-Step Procedures and Documents) presents a codification of the process and associated documents that can serve as the point of departure for publication of the public-private partnership process in Slovakia.

⁶ It may be appropriate to have Slovak legal counsel review the sample contract documents for conformity with the national legal code on related matters to assure no conflicts or contradictions in that context. This aspect was not extensively examined by the consultants during the demonstration for two reasons: local staffs within the larger cities (Banská and Prešov) decided to take responsibility for any legal concerns and expressed few (whether based on a lack of sophistication, their own perspective as to the relevance, actual research or opinion, or pride or desire for control), whereas the smaller villages decided that such concerns were academic in that they lay beyond their limited resources or capabilities, and that the easy way out was to assume that any problems could be resolved down the road. This might not be such a bad approach, since the exact relevance of existing and changing national laws is perhaps very difficult to determine and perhaps resolve, except on a case-by-case basis as they arise.

Institutionalize the Process

Arrange for a “home” for the concept and local stewards or “guardians” of the process — that can make the past Slovak experience and materials available to other cities and developers, advertise their availability, hold conferences, provide copies, answer questions, and provide consultations. These stewards could be selected from among one or more of the following examples: the Local Self-Government Assistance Office (in Bratislava), the Housing Institute, or Slovak Technical University. There may be other equally or more suitable organizations in the country known to USAID that may be worth investigating as sponsors. It would, of course, be necessary to explore in depth with the mentioned groups their interest in, observations on, and appropriateness in playing such a role. It is realistic to assume that such a role will not initially be self-supporting and would require financial assistance from USAID and/or other donor agencies.

Consider Limited, Strategically Chosen Cases of Additional Technical Assistance

Further application of a city-specific technical assistance program similar to the first phase of the public-private partnerships program is not generally proposed or recommended. The exception is for specific cases that would either (1) represent a significantly different variant of the present program with potentially broad applicability and/or (2) offer strategic, high-visibility political effects or precedence-setting (bandwagon) effects. The proposed Technical Assistance to Banská Bystrica on the Prianska Teresa project scores significantly on both counts. (Appendix 4 provides both the rationale for and the details of this particular initiative.)

4.2 Recommendations regarding Training in Market-Based Real Estate Development

4.2.1 Need for Training

Notwithstanding the above points in favor of the specifics of the public-private partnership program, there is a fundamental need for broader basic training in the market-based real estate development process. Entrepreneurial, profit-oriented real estate development requires such a fundamental shift in approach and psychology that the public-private partnership process can make only limited and perhaps random inroads into the need for a more structural shift in Slovak understanding and attitudes regarding development. An attempt to use the public-private partnership process to solve this larger issue is a case of the tail wagging the dog: a more focused and direct assault on the underlying training deficit and attitudinal problems needs to be made if change and results are to occur in a Slovak environment that, at present, appears to be relatively inimical to sustaining widespread market-based real estate development.

For this to change in the future, all sectors of the Slovak economy involved in the real estate development process (public officials, bankers, engineers, architects, builders, brokers, etc.) will **need to understand the basic principles and factors involved in market based development**, and then push to create and capitalize on opportunities by interacting with one another and the available resource base. The assumption is that once they understand the issues, process, and techniques, energetic local individuals (whether motivated by profit potential, professional advancement, or simply doing their best) will direct their energies to creatively developing housing, and can then use the public-private partnership model as one of many opportunities to help achieve their goals. A well-designed training program, based on learning from the experi-

ences with the public-private partnership in Slovakia, as well as from training and development efforts elsewhere in CEE/NIS, represents a low-cost, high-leverage approach in beginning to create the local in-country institutional infrastructure and knowledge base to catalyze a nascent development sector.

This seems to be borne out by the reaction to the public-private partnership program as expressed by some of the participants. In fact, some of the principles and methodologies highlighted by the program were identified as being of great general interest to both the public and private participants, and warrant more in-depth elaboration and being placed in a broader context, generalized, and widely disseminated. While this is based on somewhat fragmentary direct evidence and observation so far in Slovakia (see Appendix 1), a more complete case can be made based on the experience in other CEE states where the program process has also been demonstrated. Aspects that have been of most practical interest to participants (both public and private) include:

- techniques and processes for market, economic, financial, and pro forma analysis;
- site identification, site analysis, and data collection/organization techniques (particularly training in evaluating costs in relationship to feasibility and cost/product tradeoffs);
- competitive bidding, including the RFQ and RFP process and submission requirements;
- systematic bid evaluation methodologies (especially weighing factors other than price alone, e.g., use of point scoring systems);
- advertising and solicitation techniques; and
- content of development agreements, including performance requirements.

Exposure to these approaches (all of which are integral steps in a complete partnership program development process) was of great interest to the participating municipalities, who wished to apply them to a broader range of projects, relationships, and issues, many frequently not involving housing development at all.

4.2.2 Audiences

The following constitute the principal potential players likely to be involved in development at the local level in Slovakia; it is important that not just the key staff, but also the heads (i.e., "director," "manager," "chief") of the departments concerned get some decent information and understanding of the overall development process.

Public Sector (Municipalities)

Department heads and key staff, as appropriate:

Offices of the chief architect; departments of housing/land development/public works

Economics, "investment" departments

City managers and city finance

Procurement/purchasing departments

Departments of planning, property management, construction, and regional development

Other prior state-owned or -controlled development departments that have now been municipalized

Private Sector

Construction: owners, key staff of construction companies of all sizes

Real estate: owners of land and buildings, owners and operators of brokerage and property management firms, and “developers”

Banks: managers in charge of business development and new lending

Service professionals: lawyers, architects, engineers, accountants, consultants involved in building and housing processes

Entrepreneurs: owners of various enterprises, e.g., hotels, stores, restaurants, etc.

4.2.3 Principles in Designing the Training Courses

To be effective, a training program on the real estate development process should do the following.

- **Have the flexibility to educate and inform different sets of participants** — the local government sector, the financial sector, the professional support services sector, the construction sector, and the real estate sector — in the development process:
 - ▶ In some aspects, the training will be in common, e.g., the basic “outline” course of the overall real estate development process: stages, players, principles, methodologies, points of interaction between players. There could be one “core” overview course (approximately two days long) to serve this purpose common to most participants.
 - ▶ The training also would need to have some elements focused on the unique roles and perspectives of particular sectors, for example:
 - Local officials:* larger issues relating to urban planning, in a market economy (regulatory concerns, protection of public interest), special operating rules unique to public sector, application of process elements to other situations (e.g., procurements, offering leases);
 - Construction companies/potential developers:* forms of business organization, business plans, how to make a profit, operate a business, marketing plan and procedures;
 - Professional service providers:* their relevance and points of intervention in the process, potential services they can provide and roles they can play in the process; and
 - Financial sector:* evaluation of the feasibility of developer proposals; market analysis; cost data; marketing plans, timetables, collateral.
- **Be modularized and offered with some frequency:** the training should be broken down into multiple modules that can be offered either as a series, as stand-alone elements (not necessarily requiring a particular order of study), and also in forms oriented toward the specific clientele/audiences. The modules should also be designed to allow for periodic repetition, to allow those who miss one offering a chance to catch it at another time.
- **Draw on existing CEE/NIS experience:** some similar training efforts have been undertaken in other CEE/NIS states both specifically on real estate development and on other types of entrepreneurial training, e.g., small business planning, setting up property maintenance companies. A substantial amount has been learned as to how best to set up, market, and run the training and what approaches have the best long-term impact and leverage. Various spe-

cialists have learned what different types of training approaches (materials, case examples, class size, interaction, recruitment techniques) work and what subject matter is most useful and digestible. Various training programs have been completed in the CEE/NIS regions in recent years and their impacts assessed in other USAID and international development literature.

- **Maximize use of existing materials:** not only can this reduce the cost to set up and jump start the effort, but, by using materials already field-tested and improved, better results may be achieved. Of course, the materials need to be carefully evaluated and adapted/modified/strengthened to reflect the local cultural milieu and unique Slovak needs.
- **Be demand driven:** the training should be most oriented toward individuals who are motivated to learn and make things happen. There needs to be a reasonable set of threshold criteria to ensure that only the more interested, more motivated, and reform-oriented practitioners are likely to attend and subsequently do something as a result of the sessions.
- **Train in-country people to continue the training:** existing in-country professionals should be trained both so they can train future generations, be able to interact immediately in the development process at all levels, and help improve the relevancy and success of the training by integrating the new approaches taught with existing Slovak practices and context.

4.2.4 Contents of the Training Courses

The training courses should, at a minimum, cover the basic market-driven residential development process — from beginning to end (that is, from market analysis and site designation through to housing unit completion, sale, and maintenance, e.g., condo association).

A “core” or overview course(s) could be designed to appeal concurrently to public officials, private developers, potential consulting firms, banks, and university departments (planning, architecture, and business schools). It is believed that a working comprehension and perspective on the whole residential development process could be given in two days. Chart 1 (next page) shows a possible outline for such a core course as well a series of more in-depth modules targeted at a range of specific audiences. It is structured to allow for:

- process overview from beginning to end;
- examination of alternative roles/structures for public-private players;
- participant workshops to develop approaches best suited to local needs; and
- training in particular methodologies, e.g., pro forma modeling, market analysis, financing plan preparation.

Chart I

Initial Concept for Slovak Residential Real Estate Development Courses

	Overview	Technical	
	(hours)	(days)	(days)
		Private	Public
Overview course: = everything in two days			
1. The development process	1	0.5	0.5
2. The developer , team members and entity structures	1	"	
3. Building to the market:	2	1.5	0.5
a. The basic concept		0.5	
b. Defining the market		"	
c. Defining the product		1	
d. Matching the two/ feasibility testing		"	
4. Finding/creating and evaluating sites	2	1	1
a. Existing sites and testing for feasibility		0.5	0.5
b. Steps/ techniques to create new sites : City perspective			0.5
c. Steps / techniques to create new sites : developer perspective		0.5	
5. Business plan / proforma	2	1	0.5
a. Project concept and steps/timetable		0.5	
b. Entity structure		"	
c. Cost/revenue projections=proforma		0.5	0.5
6. Cash flow modelling/financing needs	4	2	1
a. Financing plan			
b. Financing applications			
7. Project construction and management	1	1	0.5
a. Bidding			
b. Staffing and management concepts			
c. Quality and process controls			
d. Marketing			
8. Public/ private partnerships	2	0.5	1
a. Concepts and alternatives			
b. Processes and steps/ documentation			
	15	7.5	5
	(hours)	(days)	(days)
Development Process, Team and Building to market	1st AM	2	1
Finding, Creating and Evaluating Sites; Business Planning	1st PM	2	1.5
Pro Forma, Financial Plan and Funding	2nd AM	2	1
Project Construction, Management and Marketing	2nd PM	1	0.5
Public/Private Partnerships	2nd PM	0.5	1

5 Specific Recommended Next Steps: Work Plan

The following recommendations as to immediate next steps are made based on the above considerations.

5.1 Regarding the Public-Private Partnership Demonstration Program

5.1.1 Complete Publication of Materials in Slovak

- a. USAID/Bratislava and, at its option, potential Slovak “guardians” to be of the process review Appendix 3 (The Public-Private Partnership Process as Applied in Slovakia) for comments.
- b. If judged necessary by results of a., arrange for a legal review by Slovak attorneys of relevant documents.
- c. Edit and modify.
- d. Translate into Slovak.
- e. Publish.

5.1.2 Prepare Ongoing Sponsorship and “Guardians” for the Program

- a. Find home(s) for program in Slovakia.
- b. Provide some initial TA/monitoring support to the sponsors/”guardians.”
- c. Develop course module on the public-private partnership process (based on materials in Appendix 3) for them to offer and assist them in the first round of the course offering.
- d. Help define linkages to other programs, e.g., municipal assistance efforts, broader sectoral training, finance reforms at national level, donor agency efforts, etc.

5.1.3 Provide Limited Ongoing In-Depth Technical Assistance

- a. The only specialized TA contemplated at this time is in Banská Bystrica; its purpose is to broaden and expand program concepts/methodologies/approaches — the results could be codified into an additional “case study” or module depending on outcome. (Appendix 4 contains more details.)
- b. Additional TA could be supplied to other cities via existing vehicles, for example, as add-on assistance offered via the ICMA-run Local Self-Government Technical Assistance Program (in Bratislava); Slovak Technical University student projects.

5.2 Regarding Training in Market-Based Real Estate Development

5.2.1 Refine Purpose of Training; Determine Target Markets and Recruitment Methods

Review with USAID/Bratislava and, at its option, potential Slovak and other participants, e.g., the Housing Institute, PCCAS, EERPA, Slovak Technical University, and others. Clearly state goals and expectations, audiences (by priority), time frames, target number of students, frequency; in other words, refine this concept paper. Also determine how the training will be advertised and promoted; criteria for enrollment, and expectations to be made of prospective attendees (for example, to enroll, will they be asked to present real case samples they are

working on, e.g., land under their control or ownership that they seek to develop, or will they have to pay to take the course(s)?).

5.2.2 Review/Evaluate and Select from Other Training Programs

Review existing literature from USAID and other sources who have already done this training in CEE/NIS. This could include the private consulting contractors under other AID efforts, e.g., PADCO, ICMA, Abt, Urban Institute, etc. For example, the ICMA Kazakstan/Kyrghistan Residential RE Development Course has a lot of highly useful and readily adaptable materials.

5.2.3 Determine Course Modules; Relate to Target Audiences and Proposed Methods of Delivery

Based on 5.2.1 and 5.2.2 above, construct an overall “course of study” consisting of multiple modules that can be mixed and matched for governmental officials, private market participants, bankers, etc. Structure these modules in such a way that there are detailed sub-components that cover generic issues of importance to multiple audiences, and more specialized items of interest to particular subgroups. Determine which Slovak-based institutions will have responsibility for administering and giving each set of course modules.

5.2.4 Plan, Prepare, and Hold a Two-Day Overview Course as Soon as Practicable

Prepare an “overview” course summarizing all components applicable to multiple markets — a two-day course on whole development process in a market economy from start to finish. Work on this course need not wait until the whole program is evolved — in fact, it can play an important role in helping refine the content for the more detailed modules.

Orient it to be suitable to a **large audience** of both public and private parties involved in housing development. Use it to (1) expand knowledge about the market-based development process, (2) inform people about the public-private partnership approach that they could use immediately, (3) get the two sectors thinking of alternative methods of working together, and (4) identify next highest priority course offerings.

5.2.5 Establish the “Local Infrastructure” to Support the Training Program

These are the local Slovak-based groups that will be responsible for ongoing course development, promotion, marketing, administrative details, translation, eventual repeats of courses, and consultations. Build on existing relationships and procedures (e.g., annual, monthly meetings of existing organizations) to develop and expand the course giving infrastructure base. This presumably could include PCCAS, the Housing Institute, Slovak Technical University, the Local Self-Government Technical Assistance Program Office, REAEE, and others.

5.2.6 Plan and Hold Subsequent Course Offerings Based on Demand

Based on the actual feedback from the first overview course offering and ongoing surveying and marketing, determine subsequent courses of interest and hold them at appropriate times and in an appropriate format.

APPENDICES

Appendix 1

**Evaluation of the Public-Private Partnership Demonstration Project in the
Slovak Republic Based on Interviews with Participating Companies**

Appendix 2

**Indirect and Longer-Term Benefits of the
Public-Private Partnership Program Demonstrations**

Appendix 3

**The Public-Private Partnership Process as Applied in Slovakia:
Step-by-Step Procedures and Documents**

Appendix 4

Proposed Technical Assistance to Banská Bystrica on the Prianska Teresa Project

Appendix 1

Evaluation of the Public-Private Partnership Demonstration Project in the Slovak Republic Based on Interviews with Participating Companies

Prepared by
Jaroslava Zapletalova and Jan Komrska

For
PADCO, Inc. and the United States Agency for International Development
August 1996

1. Introduction

This report is a summary of information received from 23 participants, out of a total of 30 registered, in the Housing Development Demonstration Project in four municipalities on municipally owned sites. The information was obtained through telephone interviews about the requirements and procedures of this demonstration project.

2. Problems Encountered by Developers in Preparing RFPs

Based upon the answers to the questionnaire for developers prepared by Peter Bass, we can clearly conclude that thus far this type of expert does not exist in Slovakia. A majority of the interviewed developers answered that they were not familiar with the proposed system of preparing overall housing development, securing financing and subsequently marketing the finished project. A majority had difficulty with this type of process and therefore did not participate and submit an RFP.

Some thought that it would be more suitable if activities of this nature were done by other kinds of organizations, such as real estate companies, territorial planners, architects, etc.

Most of the companies do not even consider development activities such as this, because they are not prepared for it, lacking both personnel and knowledge of the field. The construction companies indicated that they are better suited for straight construction work, without the additional burden of securing financing and doing marketing. This attitude is predominant in smaller (20-40 employees) and small (3 to 7 employees) companies.

Thus far construction companies are not able to negotiate with municipalities about cooperating on common goals in housing development, especially on questions relating to development parcels.

Cities do not have a clear concept for housing development. The situation concerning financing of necessary infrastructure is complicated. Municipalities do not have the resources, and the utility companies, which are still state owned, do not deal with it.

Major problems for construction companies are calculating the price which they should pay for a site before construction begins, during construction, and after completion, as well as the means of payment, or else justifying to a municipality the need for a long term lease of the land for the future owners of the dwellings and common areas. The majority of the participants in the pre-proposal conferences saw payment for the land as a very important issue, but a totally unfamiliar one, with many different ways to do it so as to be beneficial to all parties.

A related problem is obtaining a construction loan, calculating how it fits into the payment schedule, especially in combination with purchaser payments, while the purchasers' needs and abilities are unknown. The majority of the companies are orienting themselves to the wealthiest customers. The majority have a major problem in gathering market information, and they don't understand the substance of it. HCS, which submitted a proposal in response to the Prešov RFP, does see future housing development being done only this way, in cooperation with a municipality. They admit to a great lack of knowledge as to how to prepare, calculate and organize the whole process. They completed a similar project, which they considered to be their own learning experience.

3. Comments Pertaining to the RFP Documents Issued by the Municipalities

The majority of the companies did not consider the documents to be good ones. They considered the ambiguities about the sites to be the major problem, especially in Banská Bystrica and Prešov.

The information about the ownership of the land was insufficient in both cases. This was complicated by the ownership of parts of the site by unidentified private citizens, the unclear rights of the Martinak company to one part of the site in Prešov, the private ownership of a small, but significant piece in the center of the site, and insufficient information about infrastructure capacity, the possibility of utility hook-ups, geophysical data, and potential foundation problems in Banská Bystrica, where part of the site appears to have been used for solid waste disposal. These factors would increase the cost of construction. Due to the stated problems, the participants were not able to calculate precisely the cost to start construction and the necessary investment for infrastructure.

Nonetheless, the participants noted the usefulness of the examples and forms used in the RFPs. Some of the conference participants for the first time realized that calculating profit in relationship to the length of the construction period and the question of the timely transfer of land ownership is very problematical. These comments make it clear that the majority of the participants do not have any technical knowledge about the activities of a developer.

4. Comments on the Suitability of the Projects

The following are the comments on the partially completed shell buildings in the villages of Horná Mičiná and Turňa nad Bodvou:

The work in place is not of good quality (especially Horná Mičiná). In both municipalities the plans were prepared for different types of project, so it would be necessary to have new plans prepared in order to finish construction, which would require changing the building permit. This would require a complete structural appraisal, as well as a higher quality of finished construction than was originally planned, (i.e. thermal insulation of the outside walls and the roof), if the units were to be saleable. This would increase the overall price of the finished units, because these changes would require reconstruction of the existing shells. At the same time it is questionable whether, with the new costs, the units could be sold at all if the municipalities demanded compensation for the work in place.

A directly related question is the appraisal of the incomplete work. Municipal officials are not capable of appraising it in such a way that upon completion of construction the property could be sold.

The developers concluded that in these two villages they would not be able to find buyers on their own (a question of lack of knowledge of the local market and methods and needs of marketing). They considered finishing of the projects to be a big unknown, carrying a big risk, because the attractiveness of the sites and the locations of both municipalities would strongly affect the possibility of making sales.

5. Comments Pertaining to the Documents Issued by Banská Bystrica and Prešov

The people interviewed did not consider the documents to be sufficient, especially the maps and detailed information. If developers are expected to seriously respond, they would need more time to check the documents, physically inspect the site, and consult with suppliers and owners of the infrastructure as well as with the owners of adjacent property. Both of these cities should have shown a more serious and responsible approach.

These comments indicate that the municipalities are not aware and knowledgeable about correctly preparing the necessary documents and evaluating the sites under consideration. There is an absence of understanding of the relationship between territorial development planning and cost analysis of a planned development from the points of view of market demand, on one hand, and the need to recover investment costs, on the other.

6. Reasons for Not Participating

Some of the companies gave up on participating after they became familiar with the conditions, for various reasons:

- a. They do different kinds of construction work, i.e. large construction projects (Vahostav and Hydrostav) and special types of construction (Vahostav).
- b. At present they do not consider housing development to be financially interesting (Pozemstav Prešov).

- c. They do business in Germany, and in Slovakia they have only basic shops and administrative offices (Benco).
- d. They did not have the capability to do a complete project, only the design and plans, light construction and interior work (Art Profil)
- e. They are a small company (masons or carpenters) having only around three employees, without a telephone, specializing in subcontracting to larger companies (FKL Ludanice, Lezovic Majcichov, Euroland Prešov, Timko Prešov, Zates Rojec, Zino Trencin)
- f. They had to give up participation in the Prešov project, even though they were interested, because they received a better foreign loan than what they could get in Slovakia (IPK Prešov). Under the current conditions for receiving a loan, they do not consider these types of projects as viable, with the price of an apartment under these conditions equal to the price of a single family home, which means that the apartment would not sell.

7. Information about Housing Development on the Site in Banská Bystrica

The following information, showing preliminary calculations for utilizing the land, was provided by the Mirann company. Part of the site is registered as agricultural land and would have to be purchased. (The participants discovered this on their own. They consider it to be misleading that it was not stated in the RFP.)

Payment to the city	800 Sk/SM (according to resolution)
Agricultural exemption	400 Sk/SM (according to resolution regarding payment to the Agricultural Fund)
Cost of infrastructure	1,000-2,000 Sk/SM (estimate only, not based on substantiated information)
Total	approx. 3,000 Sk/SM

After including costs for road construction, the preliminary construction price of a single family home is 17,000 Sk/SM, which is not saleable in Banská Bystrica. Mirann therefore would consider a project on that site to be possible only if the city would sell the land for a more reasonable price. They consider it necessary for the city to calculate these factors before setting conditions and issuing an RFP. This type of calculation would help the city in selecting a site and would provide precise and complete information for the RFP. Otherwise this type of activity is a waste of time and resources for both sides.

The majority of the interviewed companies did not consider the site in Banská Bystrica as suitable. They do not know if it was selected by the city intentionally or unknowingly; they did not want to comment on this issue. The information pertaining to the current ownership was not complete nor was that about conditions on the site, which predominantly had been used for solid

waste disposal. This was evident from a physical inspection. Foundations therefore would have to be done with a system of pylons which would make construction of single family homes that much more expensive, and they would not sell.

8. Information Pertaining to the Proposed Site in Prešov

Development of the site is complicated by the unresolved legal relationship with the Martinak company. This was noted by all participants from the beginning. Documents prepared by Martinak company were included in the RFP, even though there were other solutions for developing the site. Furthermore, the situation was complicated even more by the private ownership of a small strip of land in the middle of the proposed site. The owner of this strip was attempting to maximize the price of his land. At the same time, the documents were deficient concerning infrastructure. Information such as capacity and hook-ups was missing.

9. Conclusions and Recommendations

The demonstration project pointed out a need for education for:

a. Developers:

Preparation of proposals, including cost analysis, securing of financing, financial modeling, marketing and the legal framework.

b. Municipal employees responsible for construction and development:

i. Assembly and preparation of appropriate information necessary for development of parcels

ii. Preparation of detailed planning information for subsequent tenders, because the current documents for territorial planning do not sufficiently indicate the current needs for development from a market point of view.

iii. Preparation of the necessary documents for a tender, i.e. the necessary level of detail, preciseness, solutions for land ownership issues, infrastructure information, regulatory requirements, and sufficient maps.

Appendix 2

Indirect and Longer-Term Benefits of the Public-Private Partnership Program Demonstrations

Local Public Participants find they learn:

1. How to review their assets
2. What they need to do in way of information, promotion, process to “sell” something
3. Discipline of a high visibility public solicitation process
4. Procedures of advertising, documentation, presentation, evaluation for public biddings in a wide range of uses
5. Considerations and criteria to include in contracts and other negotiations
6. Better understanding of possible “boundaries” of responsibility between the public sector and the new “private” sector, i.e., who should do what
7. More realistic expectations on what is marketable, pricing, and time and effort needed to achieve results; better understanding of preparations needed
8. Factors most likely to produce successful results
9. Awareness of new methodologies, tools, practices, e.g., market analysis, cash flow modeling

Private Developers find they obtain:

1. Actual possibility of obtaining profitable business opportunities from public sector in a fair, non-corrupt open process
2. Awareness and experience with new methodologies, tools, practices, e.g., market analysis, cash flow modeling, development contracts, scheduling, that can be applied to other non-public projects

USAID, U.S. Government, and Donor Community benefits by:

1. Direct, first-hand experience and exposure to the real problems and issues in helping these countries convert to market economies; leading to a more realistic assessment of what is possible and the time frames, level of resources and effort likely to be involved
2. Better understanding of the particular technical issues and their inter-linkages in the housing/urban development sector and an understanding of their implications on general donor/USAID lending, loan guarantee and other assistance programs in the countries
3. Better perspective on what would need to be done to make real progress and maximize leverage in achieving lasting results in the country
4. New insights into the indirect and unexpected side effects of the technical assistance programs and point of departure for new programs and directions in the countries.

Appendix 3

The Public-Private Partnership Process as Applied in Slovakia: Step-by-Step Procedures and Documents

The attached pages outline the steps and basic documents used in the four demonstration municipalities in Slovakia over the past year. The documentation has been refined to represent a generalized point of departure for a process that could be applied by any municipality deciding to offer sites in this manner. Municipalities could readily modify the procedures and documents to reflect specific local conditions and concerns, especially in such areas as development criteria and objectives for the site; standards and requirements for developer qualification; evaluation criteria and point weightings; time schedules both for the various stages of proposal submittal and evaluation; and for the actual completion of the winning proposed project; compensation for the site; municipal participation in infrastructure development and project design; and so forth.

Outline of the Steps Required to Complete the Public-Private Partnership Process

The following outline assumes that the local municipality already understands the purpose and concepts behind the basic process of initiating a public-private partnership for housing development; and that the mayor and council have already identified a staff and department to lead the effort and has provided a mandate to proceed. If these stages have not already occurred, then the individuals reading this document need to plan out their basic strategy to get their local municipality informed and committed, provided, of course, that the process has been examined for relevance to potential development situations in the community.

Step	Description	Time to Complete
1.	Identify, Analyze, and Select Sites for Offering	1-3 months
2.	Identify Potential Developers	(within above time)
3.	Prepare the Request for Proposals	1 month
4.	Issue the RFP; Advertise and Solicit Proposals	2-4 months
5.	Open Proposals, Evaluate and Select Winner	1-2 months
6.	Negotiate and Sign Development Agreement	2-4 months
TOTAL ELAPSED TIME		7-14 months

1. Identify, Analyze, and Select Sites for Offering

The following assumes that the municipal staff have already reached the following conclusions during its initial investigations and research leading up to the decision to pursue an RFP for a P/PP project:

- The municipality, as a matter of policy and priority, wishes to encourage the production of new housing and to return land and/or other underutilized real estate assets to the tax rolls. While it wishes to obtain compensation for its assets so dedicated, the amount and timing of such compensation is a secondary goal to achieving the above objectives.
- The staff in charge have been able to determine (and have collected and documented) reasonable evidence) that a sufficient level of demand for new housing product exists at price levels commensurate with the likely costs of producing new housing in the community. In essence, the staff should complete a rudimentary “housing market analysis” to verify the existence of likely demand. Exhibit #1 outlines some possible guidelines to conducting such a housing market analysis. Any results of such analysis, and the formats and procedures for conducting one, should be made available as part of any information package included with the Request for Proposals to the developers (see Section 3 below).
- If the housing market analysis suggests that the affordable prices are at levels below probable costs, then the municipality needs to identify concrete and specific subsidy programs that would be available to either consumers of new housing or the producers of new housing in the time period covered by the offering.
- The municipal staff has begun to identify and can confirm the existence of contractors and “developers” capable of undertaking the likely projects — such “development” capacity being either in the actual community or from proximate areas. The existence of such capacity is likely to be identified through meetings and direct contact.
- The municipality has already taken the steps necessary to identify an in-house working team to lead the process and is prepared to commit strong and visible mayoral and department head support to the process, and the key people understand the process.

Assuming that the above have already been or are well on the way to completion, the municipality should inventory all potential sites under its direct ownership or control and evaluate their potential for being offered for development in the near future. A “site” could be any one of the following: (i) vacant land, (ii) underutilized land, with structures to be demolished, (iii) existing structures to be upgraded or converted from non-residential to residential use, (iv) partially finished projects, not necessarily only residential in present intention. Generally, it is assumed that such sites (or the major portion of them) are municipally owned or controlled (e.g., through some other type of public administrative body) and could be made available for development on the terms contemplated in the Request for Proposals that would be prepared for the site. The sites could include portions that have other owners (whether private parties or auto-

nomous public bodies) where such owners have agreed, in advance, to put their land into the project for a share of the revenues or participation interest.¹

Sites should be evaluated by the municipality in relationship to the following criteria:

Location

The general location of the site should be evaluated in relation to the type of housing contemplated for it. High density, apartment type construction (3-5 floors) will benefit most from central locations with good pedestrian and public transportation access, proximity to the facilities and shops of the urban core. More peripheral but still accessible locations are more suitable for lower density single family, town house and garden apartment products than for high density uses.

Neighborhood and Surrounding Uses

Ideal sites will have attractive locations near the old city centers, in better and quiet residential neighborhoods, or in attractive country surroundings. In all cases they benefit from distance from noxious neighbors such as industrial uses, railroads or other intense generators of noise, smells and fumes; as well as proximity to attractive visual surroundings with interesting urban appeal or vegetation, and proximity to public amenities.

Infrastructure

Ideal sites will already be served by adequate infrastructure capacity at the edges of the building envelopes (roads, drainage, electricity, gas, water, telephone), with available space for automobile parking.

Ease of Physical Development

Ideal sites will be easy and inexpensive to prepare for the contemplated range of development. This generally means the sites should be relatively flat and well drained, above the flood plain, and have soil conditions suitable for the type of construction contemplated. They should be free of hazardous/toxic materials; un-compacted soils; and slides. Their shape and size should also allow for efficient layout of proposed buildings. Similarly, if there are existing buildings to be completed or converted to residential use, the quality and nature of construction should favor such conversion at minimum cost; and should not involve hazardous materials; or under-capacitated hookups.

¹ It would be important to identify such owners and negotiate an agreement with them as to their participation or compensation in advance of proceeding very far with the project. If such an agreement cannot be obtained, it is probably wise to abandon the particular effort in favor of another site, since intransigence or unreasonable demands by such owners later on will hold the project hostage to further progress anyway. (In some cases it may be possible to design a project without using the portion of the site owned by the disagreeing parties; in which case it might be possible to proceed anyway.)

Ownership Rights

There should be clear legal title and development rights for all land to be included in the development site. Sites where there are actual or potential clouds on title (e.g., restitution claims, options, unclear boundaries, unknown owners, etc.) should have these issues resolved before being considered for offering.

Planning Permission and Zoning

The legal right to use the site as contemplated should be pre-resolved. Thus the site will need to be consistent with any required Territorial Plan and zoning approvals for the range of possible residential uses to be invited in the Request for Proposals. If the site is not in this status the municipality should consider processing it through these stages prior to placing it for offer.

Available Data

Precise data should be available on the exact status of all of the above described matters and prepared for presentation to potential developers in written and graphic forms and exhibits. The municipality may need to complete such type of work or studies prior to a site being ready for offering.

Detailed Plans

Perhaps the most controversial issue is whether the municipality should prepare relatively detailed project plans for a site prior to offering it up for development. The potential benefit of such an approach is that it could (1) give the municipality greater control over what is to be built, (2) lessen the costs and risks to developers in the proposal solicitation stage and cut the length of time needed for them to respond, (3) resolve up-front the planning permission and zoning issues, and (4) be consistent with past practices. The drawbacks are that the (1) plans may not be as market or cost effective as if initiated and done by private entrepreneurs (although there is no implicit reason as to why a properly trained city staff (or their consultants) can't conceive and design a project as responsive to market desires as a private developer could, particularly given the current state of expertise and capacity in Slovakia), (2) the municipality will preclude itself from possibly seeing a greater variety of solutions than it might otherwise have contemplated on its own, and (3) the municipality may be reluctant to spend the effort and funds necessary in the absence of being assured that a project will result.

All sites owned or controlled by the municipality should be evaluated for development potential utilizing the above criteria. They should be ranked with a point score, with perhaps 0 to 10 points being allocated in each of the above categories. (0 if the site is completely lacking in a desirable characteristic in the given matter; 10 if it fully meets it; and some in between score depending on current conditions or how easy it would be to resolve outstanding matters.) The highest overall ranked sites could then be reviewed for further consideration in an offering.

Highly ranked sites should be examined to see whether a low ranking in a particular category should eliminate them. For example, a site highly ranked in all categories except "Ownership" should be eliminated unless the ownership issues can be quickly solved prior to further extensive work. Eventually, by sorting through this process one or more sites can be identified as the best to offer.

Following the ranking, permission should be obtained from the council to authorize the sites for proposals and allow the designated staff to proceed through solicitation of proposals without further council review. Concurrently the council should approve the terms to be included in the RFP (see Section 3 below).

2. Identify Potential Developers

While the above site identification work is proceeding, the municipal staff should also be identifying potential developers and beginning to obtain some feedback from them as to their views of the market, possible sites, and preferred methods of participation.

As a general rule, the majority of the most interested and likely participants will be drawn from companies or individuals located in the subject municipality or its immediately surrounding provinces. A typical development entity will include team members who are either individuals or firms involved in architecture, planning, real estate brokerage, contracting/construction, financing, banking, law, engineering or entrepreneurship, and some of these individuals and/or firms will already be in the municipality or have done or be doing work in it.

Contacts with these types of parties should be sought out, explored and evaluated by the mayor and city staff. Additional leads may be obtained by talking to former state construction and other types of enterprises in the locality; housing and investment departments; autonomous city agencies (e.g., water company, schools, etc.); banks, chambers of commerce; and national or regional trade organizations.

The municipality could advertise or notice locally for Requests for Qualifications or Expressions of Interest by parties who could either be "developers" themselves or team up with developers to undertake projects. The municipality could hold a meeting(s), either separately or as part of a council meeting to invite inquiries and discussion by potentially interested parties.

The mayoral staff should conclude this stage with some comfort level that there exists some degree of local capacity and interest to participate in development.

3. Prepare the Request for Proposals

The approach outlined below assumes that once the staff has completed Steps 1 and 2 above and come up with positive conclusions, it will have obtained authority from the council to offer the specific identified sites and issue Requests for Proposal (RFPs) for these particular sites.

The overall purpose of the RFP document and process is to complete the following:

- identify and qualify those “developers” with both the capacity and the interest to complete the contemplated project(s);
- specify the broad parameters of an acceptable project (use, scope, size, design, timetable, cost or revenue to municipality);
- generate enough information to enable the developers to conceive, and the municipality to evaluate and select, realistic and possible design and economic solutions for the site;
- specify minimum terms and conditions to be included in any development agreement (e.g., site compensation, timetable, performance criteria); and
- assure an accelerated response by making it a competitive offering.

The RFP, to achieve these objectives, needs to contain certain information:

- sufficient factual information about the site and its environs to enable proposers to evaluate the site, to determine their interest in proceeding further, and to generate a project concept within the time period allotted and at reasonable cost and effort;
- a clear statement of municipal objectives with regard to the site and project — both minimally acceptable conditions and desirable conditions (bonus points);
- a clear statement of the criteria, process and timetable for evaluating, comparing and objectively choosing a developer and project;
- clear specification of the steps involved in submitting an entry (including timetable, contact points, information meetings, deposits, forms, exhibits, etc.);
- a clear request for sufficient precise information and conditions to protect municipality’s interests and to require a disciplined and good faith response by potential developers; and
- a clear statement of the municipality’s expectations as to essential terms and conditions (if any) in a Development Agreement between the municipality and the winning party.

Exhibit #2 of this Appendix presents a complete sample RFP. It includes the following items:

- A. Official letter of invitation from the municipality
- B. The Request for Proposals itself containing specifics on:

- Overview/Introduction/Purpose
- Site description
- Development requirements
- Developer's responsibility
- Municipality's responsibility
- Selection criteria
- Submission requirements
- Procedure and schedule

- C. Detailed information on the site, including:

- Regional location map
- Plan of municipality and site location
- Parcel plan and available infrastructure network; including capacities
- List of relevant infrastructure, utility providers, names and phone numbers
- Plans of existing structures (if any)
- Detailed site information:
 - Photographs
 - Topographical maps
 - Soils studies
 - Environmental studies
 - Zoning status and other applicable guidelines, restrictions
- Miscellaneous data; for example
 - Studies of local economy
 - Market studies
 - Household surveys
 - Lists of possible buyers, etc.

- D. Submittal forms, including:

- Developer's Submission and Certification
- Development Budget
- Development Timetable and Project Characteristics
- Development Pro Forma

- E. Illustrative Information: (include only those items desired)

- Market analysis suggestions
- Survey of available financing

Draft Development Agreement (including minimum acceptable conditions and so indicate)
Sample filled out development budget and pro forma

The content of individual sections should be modified to reflect the particular needs of the local municipality and its specific project(s). These are only generic and broad guidelines. However, the elimination of any significant amount of detail from Parts 1 through 4 will have the tendency to decrease the probability of receiving successful bids and/or of being able to work out the agreements and specifics later.

4. Issue the RFP; Advertise and Solicit Proposals

a. Issuing the RFP and Advertising It

Once the sites have been approved for offering by an appropriate resolution of the council and the RFP document is completed, its availability should be publicized by a variety of advertising, direct mail and other publicity and solicitation means. Advertisement in a newspaper of general circulation in the municipality (and/or in such other media as are used to notify the public of normal council meetings and business) would be an absolute minimum requirement.

However, in addition to such minimum notice, the objective is to broadcast the availability of the opportunity as widespread and as consistently over time as is possible and affordable by the municipality. We have found that most, if not all, of the potential proposers will come from the community or nearby cities (with the possible exception of a major project opportunity in Bratislava, where there may be some international interest), so the advertising budget is best spent in trying to tap the more local and regional markets in depth. Methods of effective publicity include (1) sustained local newspaper advertisements, and (2) direct mail to local contractors, architects, real estate people, and other entrepreneurial firms with lists developed from Chambers of Commerce, local organizations, national trade organizations such as PCCAS, ZRK, ZZON, banks, attorneys, and other sources. Additional exposure could perhaps be achieved by the mayor/chief architect or other appropriate official holding a press conference or radio or TV interview.

The notice of availability of the opportunity should specify at a minimum:

- some general information on the opportunity: e.g., site size or number of units and location;
- where and how to obtain the Request for Proposals;
- who to contact for further general information (name and telephone);
- the date and location of the Pre-Proposal conference (see Section 4b below); and
- the date proposals are due.

Proposals should be available at least no later than a week after advertising begins. Proposals should be available free of charge. It may be appropriate to charge for copying of larger maps, plans, and thick study documents, if potential proposers seek these additional materials; but such charges should be kept as reasonable as possible to show good faith and interest by the municipality in receiving the best and largest possible numbers of responses.

Some examples of advertisements and notices are included as Exhibit 3.

It is desirable to mount a sustained campaign over a period of time to promote the site and opportunity. Ideally, there should be some initial publicity and generation of interest when the potential project is first initiated by the municipality — in advance of the actual preparation and issuance of the RFP. Potentially interested firms should be encouraged to stay in contact with the planning office and be updated on progress as the documents are prepared and approved prior to the active solicitation. Once the RFP document is available, a minimum of 45 days and preferably two months should be allowed before proposals are due, and this time period would assume the availability of detailed building plans and earlier publicity on the project. In the event the proposers are being invited to submit their own designs and new plans then the solicitation period should be extended to up to four months from the time the RFP is first to be made available until when the proposal is due.

b. Pre-Proposal Conference

Fairly early in the solicitation period (that is the span of time between the initial availability of the RFP and when the proposal is due) there should be held a “Pre-Proposal Conference” to which all potential proposers are invited to attend. This meeting should be organized to explain to all the potential proposers simultaneously the objectives of the project, the details on the site, the municipality’s development expectations, the criteria and process by which proposals will be evaluated, the submittal process and timetable. It is a forum to answer any questions or concerns that any of the potential proposers have about the potential project.

Such a conference should be held in an adequately sized public hall, and have available all exhibits and materials relating to the proposed project. A typical “Agenda” for such a meeting is reproduced as Exhibit 4. The meeting and project will gain more momentum and credibility if it is introduced by the mayor or other similar top official who has executive decision making authority relative to the substance of the process and project, to indicate strong support for the process. It is desirable as well to have this official chair the entire meeting and introduce the various staff(s) who will remain involved over the life of the project.

If any questions are posed that the staff feels unable to answer at the time, either because of unavailability of the facts without further research or because a policy decision is involved, then a statement should be made to the effect that a response will be generated at a later date and returned to all potential proposers in writing. Exact minutes should be taken of the meeting (or a recording made) and copies of these minutes (or recording) should be made available to both all who attended the meeting and anyone else who either before or after requests a copy of the RFP. This assures that all parties have an opportunity to obtain the same information and answers to critical questions.

c. Interim Actions Prior to Opening of Proposals

During the period before the proposals are due, the municipality must be organized and disciplined in its handling of requests for information and clarification of details and issues

relative to the RFP document. First, the municipality needs to make appropriate arrangements to allow visits to the site. This may be as simple as identifying it on a map if it is an open, safe site readily accessible from the street. More complicated arrangements may be necessary if it is a closed (or occupied) building, or in some way dangerous.

Secondly, there should be one central point of contact with regard to information and questions on the project, and this person should be designated in the RFP. This person should field all questions and requests for information (in terms of either directly answering them or obtaining the information) and should take steps to insure that a consistent response is given by all officials to all potential proposers. For example, city clerks and other administrative personnel, or personnel from other departments should not attempt to answer questions or interpret the meaning of any statements in the RFP documents, but instead should be instructed to refer all questions to the designated contact point.

As questions come in, the municipality may discover it may be necessary to either provide additional detailed information and/or amend some of the terms and conditions in the RFP. As necessary, the municipality should issue, in writing, periodic amendments or addenda (supplements) to the RFP and mail these to all who have up to that point requested and received the RFP, and should include it in response to any future requests for the RFP. Any such addenda should be issued as soon as is practical to give proposers maximum time to adapt their proposals to the new information, if they then deem modifications appropriate.

For this, and other reasons, it is important that a record be kept of all who have requested the RFP. A single administrative contact point is desirable (e.g., city clerk, secretary of chief architect) to hand out the RFPs and log in the name, address, and telephone number of the requesting company (and individual contact point), as well as date. This list then becomes handy for sending out addenda, and following up with solicitations or phone calls to encourage firms to submit or to find out why they are not interested. It can be maintained for future reference for subsequent projects.

Lastly, control should be exercised over the release of unique documents pertaining to the site, for example detailed topographic maps, architectural plans and the like. All material related to the project should be maintained in one location and file, and a log made of to whom and when it is checked out. This needs to be done to minimize the risk that one of the potential proposers will walk off with the sole copy of various documents to the detriment of other potential proposers and the municipality.

A sample letter, sent out to the demonstration cities, detailing these procedures is shown as Exhibit 5.

5. Open Proposals, Evaluate and Select Winner

Exhibit 6 provides substantial detail on the procedures for opening proposals, setting up an evaluation committee, developing the evaluation grid, applying it to the proposals, and selecting a winner. The following paragraphs summarize that information.

a. Opening the Proposals

The sealed envelopes containing the bids should be opened at the time and place specified in the RFP. The proposers should be invited to attend the opening. The purpose of the opening is to determine which proposals are to be considered complete in terms of the submittal requirements, and which shall be disqualified as incomplete.

b. Evaluation Committee, Evaluation Grid, and Evaluation Process

An evaluation committee will have been set up by the time the proposals are due for the purpose of reviewing the proposals and ranking them against the criteria set out in the RFP. The referenced Exhibit 6 sets out in some detail guidelines for the establishment of the committee and the evaluation point grid, and the method of holding meetings and ranking the proposals.

c. Selection of Winner

The end result of the evaluation process is the ranking of proposals against the weighted point system included in the original RFP under the section "Evaluation Criteria". The results of the ranking set forth by the committee after its deliberations will be forwarded to the final ratifying body - usually the council - for final review and approval. As a general rule, the final body should either ratify the choice made by the evaluation committee or reject all proposals.

6. Negotiate and Sign Development Agreement

The final stage in the P/PP process is negotiating the details of the relationship between the municipality and the winning proposer and put these into a legal form. Typically this document is called the Development Agreement. At a minimum, it will specify the essential terms and conditions to apply between the municipality and developer with regard to their respective obligations (using the requirements and expectations spelled out by the municipality in its RFP, and the offer made by the developer in its proposal, as the basis for the agreement) and the mechanisms, protections and methods of recourse available to each in the event of defaults in the performance of their respective obligations.

A representative draft Development Agreement is included as Exhibit 7 and illustrates the major points that should be covered in the document.

The finalization of the Development Agreement will take some time, typically up to two months. The municipality should make provisions in the original RFP, that the negotiations must proceed in good faith and that in the event they do not, the municipality reserves the right to discontinue the negotiations and proceed to negotiate an agreement with another proposer, should it so desire.

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Exhibit 1

Housing Market Analysis

Sample Market Analysis

Efforts should be made to complete as realistic a **market analysis** as possible of the potential demand for units in the proposed housing development. A market analysis, simply put, is a study designed to determine and present estimates of how many people might be willing to pay certain prices for specific types of housing **at the given site**. This information will be of use to the City (in helping it assess a realistic value for its property interest); to the Developer - for determining what to build and the potential feasibility and profitability of his proposed scheme; and to Lenders/Investors - as one measure for evaluating the risk involved in lending on the project.

The objective is to try to be reasonably assured that there are likely to be a reasonable number of people in the **market area** who can both afford and are willing to pay for the size, type, quality and price of housing that is proposed. Their willingness to pay will be governed by the housing's proximity to their places of work, their existing residences and neighborhoods/communities of friends, relatives, schools and associates etc. and also by what other new housing alternatives are in the area, as well as by its attractiveness relative to other uses for their money. This is called measuring **effective demand** at specific price levels. The developer does not want to end up building housing that either no one can afford or that is so overpriced relative to the quality offered (or the alternatives available to potential buyers) that few people choose to rush out and buy. If the effective demand looks excessively thin, the developer is well advised to revise his product and/or lower the price.

Given that an active private housing market is only just now emerging in Slovakia, the preparation of a detailed, rigorous market analysis is unrealistic. A pretension of a statistically accurate presentation of demand may also be misleading due to the lack of available data and the fact that predictable patterns of response to housing offerings in Slovakia are not yet observable due to the small number of available cases.

However, some anecdotal evidence can perhaps be developed to move beyond flying blind. This information can be used to help substantiate or disprove common sense guesses as to likely market response, to help set the development program for the site, and to identify target populations which will need to be reached in the promotion/advertising campaign designed to sell the offered units.

The following are typical steps in a market analysis and some of the questions asked and data sought: ...

1. Identify Market Area and Characteristics:

The area within which most of the expected buyers for housing at the site currently work or are likely to is called the **primary market area**. It is important to know as much as possible about what is going on in this area in the way of employment growth (past and projected), population changes, income levels and growth, household composition and wealth: these variables constitute the generators of **potential demand**.

For general purposes, the boundaries of the **primary market area** would contain all those areas that can be reached within a reasonable commute time from the site: perhaps 30 minutes by principal mode of transportation. Determine this by extending out 30 minutes along the principal roads or bus routes from the site and interconnect the points. Locate within this area the principal **concentrations of employment**.

Try to be as specific as possible in determining where most of the people who will buy the units will come from **within** the primary area and try to learn as much as possible about them and their housing preferences., quantifying this information if possible. Identify these subareas on your map. Why is it reasonable to assume that people within this target area(s) would want to move to a project at your specific location? Is it near their work? Is it near jobs that can pay the sort of salaries likely to be needed to live in this project? Is it a nicer neighborhood? Is the population with higher level salaries growing rapidly in the market area so there is a shortage of housing? Is job availability, particularly of better paying jobs, growing rapidly in the market area.?

2. Proposed Project Characteristics:

Specify the characteristics of the proposed project- type and size of units by number of rooms, baths, and square meters. List amenities planned, if any: parking spaces, decks, gardens, laundry facilities, closets, fireplaces, special materials, security, etc. State the contemplated sales price of the units by total price for each unit type and by square meter.

3. Compare Proposed Project to Other Available Supply:

Given the likely asking price and characteristics of your project's units identified in the section above, what are the **competitive alternatives** (such as owner built housing on their own land) available to the projected buyers coming from the primary market area? Specifically, are there any other projects or alternatives available that would represent a more attractive expenditure of funds (for example, same price, better location or more land; or lower price per square meter); or would these potential buyers be better off just staying where they are - for example, paying low rent and waiting for a better deal to come in the future. Competitive alternatives include new projects being built in the area and competition from vacant units. You should obtain as much information as possible on what is available from field observation, advertisements, and talking to realtors, city officials and other sources.

4. Compare Project to Potential Demand:

Given the proposed characteristics of your project, does your analysis of the **market area** household, employment, and growth characteristics suggest that there are an adequate number of households reasonably close to the site who can both afford the proposed units, want to move, and have no adequate alternatives?

If you have identified competitive alternatives from new or existing stock how does your project compare? Is your housing a lot higher in price? If so, it is best to restructure the proposed offering to bring the price down to competitive levels, (which can still be somewhat higher than the competition if the project has attractive features and amenities.)

What can you do to lower the price? Design smaller, simpler units? Allocate less to the land? Provide basic shell and utility completion - letting buyers finish out the unit.?

While there are no specific answers to what constitutes a market feasible project, you do not want to build something that has to be sold at a price very substantially above what people currently pay in the market for self built or otherwise unsubsidized housing on a per square meter basis. Nor do you want to build product that is so large that even though the per square meter price is competitive the total unit price exceeds the financial capacity of most households. Also it is critical not to build housing units that greatly exceed the size norm for the housing type: for example it is not reasonable to assume that oversized apartments will compete at the same per square meter price as single family dwellings with their own land.

The following two pages present a convenient illustrative format of ways to summarize your market data:

II. Proposed Project:

Unit Type:	Number	Size	Price	Price/Sq. M.
eg 1br, 1 bth 2br, 1bth 3br, 1.5 bth				
Total				

III. Competition in Marke Area:

Project 1: (Name)				
Unit Type:	Number	Size	Price	Price/Sq. M.
eg 1br, 1 bth 2br, 1bth 3br, 1.5 bth				
Total				

Project 2: (Name)				
Unit Type:	Number	Size	Price	Price/Sq. M.
eg 1br, 1 bth 2br, 1bth 3br, 1.5 bth				
Total				

Project 3: (Name)				
Unit Type:	Number	Size	Price	Price/Sq. M.
eg 1br, 1 bth 2br, 1bth 3br, 1.5 bth				
Total				

Project 4: (Name)				
Unit Type:	Number	Size	Price	Price/Sq. M.
eg 1br, 1 bth 2br, 1bth 3br, 1.5 bth				
Total				

II. Proposed Project:

Unit Type:	Number	Size	Price	Price/Sq. M.
eg 1br, 1 bth 2br, 1bth 3br, 1.5 bth				
Total				

III. Competition in Marke Area:

Project 1: (Name)				
Unit Type:	Number	Size	Price	Price/Sq. M.
eg 1br, 1 bth 2br, 1bth 3br, 1.5 bth				
Total				

Project 2: (Name)				
Unit Type:	Number	Size	Price	Price/Sq. M.
eg 1br, 1 bth 2br, 1bth 3br, 1.5 bth				
Total				

Project 3: (Name)				
Unit Type:	Number	Size	Price	Price/Sq. M.
eg 1br, 1 bth 2br, 1bth 3br, 1.5 bth				
Total				

Project 4: (Name)				
Unit Type:	Number	Size	Price	Price/Sq. M.
eg 1br, 1 bth 2br, 1bth 3br, 1.5 bth				
Total				

Exhibit 2
Complete Sample Request for Proposal

Exhibit 2-A
Letter of Invitation - Horná Mičina

February 12, 1996

Re: Request for Proposals to Develop Housing on and Acquire Municipal Land

Ladies and Gentlemen:

Please find enclosed a Request for Proposals (RFP) which has been issued by the Village of Horna Micina for the purpose of inviting contractors, developers, investors and others to prepare and submit proposals for developing housing on and purchasing a site of land presently owned by the Village. The site consists of a partially constructed building that was designed for eight units and parking garages. Proposals must provide for all design, engineering, construction, financing, marketing and sales activities that are required to complete the project.

The Request for Proposals and the process for issuing, receiving and evaluating the proposals have been designed to insure the maximum objectivity and fairness to all participants. To this end, the Village has received technical assistance from a team of American and Slovak specialists funded by the United States Agency for International Development. The team will assist the Village in responding to questions from participants and in evaluating the proposals.

Beginning as of today, the site is available for inspection, and plans, surveys and other materials about the site and the project are available for inspection in the Village offices from 8:30 am until 4:30 pm, Monday through Friday.

A pre-proposal information conference will be held at the Village offices at 1:00 pm on Thursday, March 21, 1996. All potential proposers are encouraged to attend for the purpose of asking questions about the project and the process. All questions and answers will be transcribed and mailed to all who have requested the RFP. Thereafter, until May 1, 1996, questions can be submitted in writing to the Village. A compilation of these questions and their answers also will be mailed to all who have requested the RFP.

No proposal will be accepted unless received at the Village offices before 5:00 pm on Friday, May 24, 1996.

We look forward to your participation in this project.

Yours truly,

Andrej Pilka
Mayor

Exhibit 2-B
Request for Proposal (Prešov-Selchow Site)

Invitation to Submit Proposals to Acquire and Develop a 1.8 hectare Site Located at Sekchov, a suburb of the City of Presov

1. Introduction:

The City of Presov invites proposals from private enterprises (hereafter referred to as the "Proposer") to acquire a 1.8 hectare site, and to design, build and thereafter sell (or rent and manage) improvements upon it at its own cost . The parcel is located in the suburb of Sekchov, ___kms from the center of Presov. The City wishes to have the site developed for housing and compatible commercial uses. The winner of the selected proposal will be invited to negotiate a binding development agreement with the City.

By initiating this project the City hopes to

- i. Create new types of quality housing opportunities for the citizens of Presov
- ii. Encourage participation of the private sector in providing housing for the citizens of Presov and
- iii. To increase the overall quality of the urban environment.

2. Site Description:

The site is a vacant parcel with dimensions of 240 metres by 75 metres , with the long side located along the east edge of Generala Svoboda Blvd. between Viholatcka and Karpatska, with a total surface area of 18,000 square metres. Immediately to the east of the site is the Sekchov housing estate, containing approximately ___ housing units and _____ people. Immediately bordering the site in the south is a 7000 square metre parcel reserved for a supermarket. Please see Exhibits A and B for Location Map and Site Plan. Paved roads border the site on the north, west , and east . Water, sewer , gas and electricity are available to the site at the locations and in the quantities as shown on the Exhibit B Site Plan.

3. Development Requirements:

The following are minimum development requirements that must be met for the site:

- a. Construction shall not be less than 2 floors nor more than a maximum of 4 floors.
- b. A minimum of 75 and a maximum of 150 units of housing.
- c. Residential units must be set back at least _____ meters from the property line along Generala Svoboda Blvd.

- d. At least 20% of the site must be landscaped.
- e. On site residential parking of 1 space per ___ housing unit and 1 parking space per ___ square meters of retail space.
- f. Retail uses are permitted, provided they are of a nature providing goods and services primarily oriented towards the residents of the local Sekchov housing estate. Industrial uses are not permitted. A maximum of 2,000 square meters of general office use would be permitted.

4. Developer's Responsibility:

The winning Proposer shall have the following responsibilities with regard to the project:

- a. To provide curb, sidewalk, driveway, parking, landscaping and all on-site improvements (including utility provision) at its own cost and expense to normal City development standards.
- b. To complete all site investigation, design and engineering work at its own cost and expense.
- c. To complete the construction of the approved improvements at its own cost and expense and within an acceptable time schedule negotiated with the City.
- d. To be solely responsible for the sale and/or rental of the improvements and their subsequent management.
- e. To negotiate a binding development agreement to either purchase or lease the site from the City on the terms set forth in his proposal (or such other terms as shall be mutually agreed to between Developer and City) upon the selection of developer and subsequent negotiation with City. Such contract shall be negotiated and executed within ___ days of selection, or all of Developer's rights shall cease, and the City may then elect to negotiate with another developer for the site.
- f. To deposit 500,000 crowns to the City of Presov as deposit on the purchase of the land.

5 . City's Responsibility:

- a. The City Council shall select the successful proposal upon the completion of the

review process outlined below in Section 8. The subsequent developer agreement to be negotiated between the City and the developer shall be the sole contractual agreement between the City and the Developer.

- b. The City shall be obligated to demonstrate clear title to the property and to either convey title to the site (if a purchase), enter into a ground lease with the developer, or a deferred conveyance pursuant to the terms of a joint venture type agreement.
- c. In terms of cost, City shall be solely responsible for delivery of utility infrastructure to the center of roads at intersections nearest to site. City shall have no other cost responsibilities with relation to the project.
- d. City shall use due diligence and speed in reviewing plans and issuing any necessary approvals and permits.

6. Selection Criteria:

The following factors shall be taken into consideration in reaching a decision as to winner of this Request for Proposal.

- a. The overall quality of the design solution, including building designs, site plan and landscape plan.
- b. The quality of the proposed methods and materials to be used in the proposed construction..
- (Items 6a and 6b shall be evaluated by the City's Architectural Design and Review Committee? Board? and said review shall constitute up to ___ points of the total potentially available to a contestant under this category.
- c. The capacity, experience and financial strength of the development team.
- d. The financial feasibility of the proposed development, documented by development proformas as described in the attached forms.
- e. The credibility of the developer's estimated costs and development schedule.
- f. The degree to which the proposed development conforms to zoning requirements set by the City of Presov.
- g. The amount of the compensation offered to the City in return for the site. The City is open to proposals for payments through the following methods: a. cash at time of acquisition b. payments over time c. ownership of a percentage of the units developed d. cash or time payments from the end purchasers e. any combination

of the above or other credible methods.

7. Submission Requirements:

- a. A narrative description of the proposed project to include overall description of the development concept: uses, number of buildings and floors, number and size of units, parking space, etc.
- b. outline specifications including structural, mechanical, electrical systems, types of materials, exterior finishing, and landscaping.
- c. Names, experience, and demonstrated ability of the development team including the developer, architect, contractor and consultants.
- d. A marketing plan including a proposed price or rental schedule.
- e. The estimated development costs, using the Exhibit C form.
- f. The proposed development timetable, and financial proformas as per Exhibits D and E.
- g. A financing plan identifying all sources of proposed project financing including investors, banks, purchasers of the finished units, etc. including preliminary letters of commitment from proposed investor and financial sources
- h. A design study including:
 - i. Site Plan: Scale = 1:500
 - ii. Typical Floor Plan of housing areas; and. Typical Floor Plan for retail/commercial areas(if any) (1:500)
 - iii. Detailed representative floor plans of housing (in representative building) at scale of 1:200
 - iv. Elevations from Generala Svoboda Blvd and sides, and two cross sections at 1:500
- i. Developer's signed proposal response in form of Exhibit H, accompanied by cashier's check to City of Presov in the amount of 500,000 crowns as refundable processing deposit as specified in paragraph above.

8. Procedure and Schedule:

Developer and project shall be selected and agreement negotiated pursuant to following procedure and schedule:

- a. From date of this announcement until _____, potential developers may visit site, and review site related materials at Room _____, City Office, City of Presov. Any questions regarding the site, the project, and/or the procedure should be directed in writing to Mr. Vladimir Debnar, Chief Architect of the City, at _____. When the City provides an answer to a question it shall provide it in writing to all developers who to date have requested proposals. No questions shall be answered in the 3 weeks prior to final submittal date for proposals (see paragraph 7c) below,
- b. On _____, at 10 AM the City invites all potential Proposers to attend a pre-proposal conference at _____ (Room, address). The purpose of this meeting is to answer any questions or concerns regarding the site and proposal selection process. Any questions City is not able to answer at meeting shall, if capable of being answered, be answered in one or more written documents, to be mailed out to all potential Proposers.
- c. All proposals shall be due in the City Office at _____ (address) on or before 5 PM, _____ (date) along with a cashier's check made out to the City in the amount of 500,000 crowns.
- d. City staff shall review the proposals for 30 days following submission of proposals and prepare a staff report for the City Council. The proposals (and design boards) shall be available for public review at City Hall during this period.
- e. As soon as possible, after the 30 day review period, there shall be a public meeting before the City Council to consider the plans. Each developer having submitted a plan shall be permitted to make a public presentation of his proposal before the Council and to answer questions of the Council. This meeting shall also be advertised to the public who shall also be invited to ask questions of the developers.
- f. Thereafter shall follow an additional 60 day review period, during which citizens may submit written comments to City Council, and during which time City Staff may request in writing of the developers clarification or additional information on submitted proposals.
- g. At the end of said 60 day review period, City staff shall submit their final written analysis and recommendations to City Council. Council shall hold a public hearing, which shall be open to developers and citizens, at which the parties may comment for a limited time (for example a maximum of 3 minutes each) on the projects and at the conclusion of which Council shall vote for a winning proposal.

- h. Within 5 days of selection of the winning proposal, City shall commence contract negotiations with the developer of the winning proposal and shall return the 500,000 crown deposits to the losing entrants.

Development Timetable and Project Characteristics

A. Development Timetable:

(Assume Developer Picked and Development Agreement Signed by _____)

	Phase 1	Phase 2
Submission of Revised Preliminary Plans:	_____	_____
Submission of Working Drawings:	_____	_____
Start of Construction:	_____	_____
Completion of Construction: (Certificate of Completion)	_____	_____

B. Project Characteristics

Site:

Size: _____ metres by _____ metres

Area: _____ square metres

Site Usage:

Building Footprint::	_____ Sq. m	_____ %
Streets:	_____ Sq. m	_____ %
Parking Areas:	_____ Sq. m	_____ %
Landscaping/Green Areas	_____ Sq. m	_____ %
Total	_____ Sq. m	_____ %

Buildings:

Building "A":	_____ Floors	_____ Sq. m
Building "B":	_____ Floors	_____ Sq. m
Building "C":	_____ Floors	_____ Sq. m
Building "D":	_____ Floors	_____ Sq. m
Total		_____ Sq. m

Total Building Usage:

Residential:	_____ Sq. m	_____ %
Retail:	_____ Sq. m	_____ %
Other Uses:	_____ Sq. m	_____ %
Halls, Lobbies, etc:	_____ Sq. m	_____ %
Total	_____ Sq. m	_____ %

Development Timetable and Project Characteristics

Building A:

This Building will be constructed in Phase ____ :

<u>Housing Units:</u>	<u>Size (Sq.m.)</u>	<u>No.</u>	<u>Price</u>	<u>Price (Sq.m.)</u>
Type A: _____	_____	_____	_____	_____
Type B: _____	_____	_____	_____	_____
Type C: _____	_____	_____	_____	_____
Type D: _____	_____	_____	_____	_____
Type E: _____	_____	_____	_____	_____
Type F: _____	_____	_____	_____	_____
Total		_____		

Other Space:

Retail: _____	_____	_____	_____
Other: _____	_____	_____	_____
Other: _____	_____	_____	_____

Parking:

Onsite-Uncovered _____	Garage: _____
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Building B:

This Building will be constructed in Phase ____ :

<u>Housing Units:</u>	<u>Size (Sq.m.)</u>	<u>No.</u>	<u>Price</u>	<u>Price (Sq.m.)</u>
Type A: _____	_____	_____	_____	_____
Type B: _____	_____	_____	_____	_____
Type C: _____	_____	_____	_____	_____
Type D: _____	_____	_____	_____	_____
Type E: _____	_____	_____	_____	_____
Type F: _____	_____	_____	_____	_____
Total		_____		

Other Space:

Retail: _____	_____	_____	_____
Other: _____	_____	_____	_____
Other: _____	_____	_____	_____

Parking:

Onsite-Uncovered _____	Garage: _____
------------------------	---------------

Development Timetable and Project Characteristics

Building C:

This Building will be constructed in Phase _____ :

<u>Housing Units:</u>	<u>Size (Sq.m.)</u>	<u>No.</u>	<u>Price</u>	<u>Price (Sq.m.)</u>
Type A: _____	_____	_____	_____	_____
Type B: _____	_____	_____	_____	_____
Type C: _____	_____	_____	_____	_____
Type D: _____	_____	_____	_____	_____
Type E: _____	_____	_____	_____	_____
Type F: _____	_____	_____	_____	_____
Total		_____		
 <u>Other Space:</u>				
Retail: _____	_____		_____	_____
Other: _____	_____		_____	_____
Other: _____	_____		_____	_____
 <u>Parking:</u>				
Onsite-Uncovered _____		Garage: _____	_____	

Building D:

This Building will be constructed in Phase _____ :

<u>Housing Units:</u>	<u>Size (Sq.m.)</u>	<u>No.</u>	<u>Price</u>	<u>Price (Sq.m.)</u>
Type A: _____	_____	_____	_____	_____
Type B: _____	_____	_____	_____	_____
Type C: _____	_____	_____	_____	_____
Type D: _____	_____	_____	_____	_____
Type E: _____	_____	_____	_____	_____
Type F: _____	_____	_____	_____	_____
Total		_____		
 <u>Other Space:</u>				
Retail: _____	_____		_____	_____
Other: _____	_____		_____	_____
Other: _____	_____		_____	_____
 <u>Parking:</u>				
Onsite-Uncovered _____		Garage: _____	_____	

DEVELOPMENT BUDGET

ITEM:	Total	Pre- Construction	During Construction	Post Completion
<u>Site Development:</u>				
Offsites*				
Grading				
Streets/Sidewalks:				
Landscaping:				
Parking				
Other				
<i>Total - Site</i>				
<u>Building Construction:</u>				
<i>Total - Site</i>				
Escalation to Starting date @ __%				
<i>Total - Site and Construction</i>				
<u>Other Construction Related Costs:</u>				
Architecture and Engineering				
Permits and Fees				
TOTAL CONSTRUCTION BUDGET				
<u>Other Development Costs:</u>				
Marketing:				
Title, Legal, Accounting, Survey				
Taxes during Construction				
Insurance and Bond Fees				
Developer Fees/Expenses				
Finance Fees				
Construction Interest				
Appraisal/Inspection fees				
<i>Total - Other Development Costs</i>				
<i>Total Gross Project Cost</i>				
Misc. Contingencies/Expenses @ __%				
TOTAL DEVELOPMENT BUDGET				

*: Offsite costs includes any costs for water, sewer, electricity, gas extensions to site plus any other costs such as drainage, road improvements paid for by Developer.

DEVELOPMENT COST BUDGET

ITEM	COST	COST PER SQ. METER	
Project Information			
Size of Lot (Square Meters)	0.00		
Total Area of Building (Sq. Meters)	0		
Total Saleable Area of Building	0		
Ground Breaking	: .01/00/00		
Complete construction	01/00/00		
Construction Period (Mos.)	0		
Interest Rate for Construction Loan	0.00%		
SITE ACQUISITION COS			
Base Cost	0	0	
Transfer & Recording Costs	0	0	
Miscellaneous	0	0	
* Total Site Acquisition Costs *	0	0	
SITE CONSTRUCTION COSTS			
Off-Site Infrastructure	0	0	
On-Site Infrastructure	0	0	
Grading	0	0	
Landscaping	0	0	
Paving	0	0	
Contingencies	0	0	
* Total Site Construction Costs *	0	0	
BUILDING CONSTRUCTION COSTS			
Foundations	0	0	
Building Shell	0	0	
Interior Finishing	0	0	
Contingencies	0	0	
* Total Building Construction Costs *	0	0	
DESIGN COSTS			
Architectural	0	0	
Engineering	0	0	
Other Consultants	0	0	
* Total Design Costs *	0	0	
INDIRECT COSTS			
Testing & Inspections	0	0	
Permits and Fees	0	0	
Insurance/Misc	0	0	
Real Estate Taxes	0	0	
Legal Fees	0	0	
Marketing/Advertising	0	0	
Developer's Staff Expenses and Fees	0	0	
Miscellaneous	0	0	
* Total Soft Costs *	0	0	
FINANCING COSTS			
Loan fees, appraisals	0	0	
Interest on Loans	0	0	
* Total Financing Cost	0	0	
TOTAL PROJECT COSTS	0	0	

DEVELOPMENT PRO FORMA												
Option 1: Developer Internal Financing												
A: Land Payment at Beginning												
PROJECT INFORMATION												
Site of Lot (Square Meters)	0.00											
Total Area of Building (Sq. Meters)	0											
Ground Breaking	07/01/98											
Complete construction	06/30/97											
Construction Period (Months)	0											
Interest Rate for Construction Loan	0.00%											
Total Saleable Area of Building (Sq. Meter)	1.00											
Total Number of Units to be Sold	0											
DEVELOPMENT COSTS												
	TOTAL	Per Sq. Mtr	Chk Total	PRE-CON- STRUCTIO	QUARTER 1	QUARTER 2	QUARTER 3	QUARTER 4	QUARTER 5	QUARTER 6		
SITE ACQUISITION COSTS												
Base Cost	0	0	0	0								
Transfer & Recording Costs	0	0	0	0								
Miscellaneous	0	0	0	0								
* Total Site Acquisition Costs *	0	0	0	0	0	0	0	0	0	0	0	
SITE CONSTRUCTION COSTS												
Off-Site Infrastructure	0											
On-Site Infrastructure	0											
Grading	0											
Landscaping	0											
Paving	0											
Contingencies	0	0	0	0								
* Total Site Construction Costs *	0	0	0	0	0	0	0	0	0	0	0	
BUILDING CONSTRUCTION COSTS												
Foundations	0											
Building Shell	0											
Interior Finishing	0											
Contingencies	0											
* Total Building Construction Costs *	0	0	0	0	0	0	0	0	0	0	0	
DESIGN COSTS												
Architectural	0											
Engineering	0											
Other Consultants	0											
* Total Design Costs *	0	0	0	0	0	0	0	0	0	0	0	
INDIRECT COSTS												
Testing & Inspections	0											
Permits and Fees	0											
Insurance/Misc	0											
Real Estate Taxes	0											
Legal Fees	0											
Marketing/Advertising	0											
Developer's Staff Expenses and Fees	0											
Miscellaneous	0											
* Total Indirect Costs *	0	0	0	0	0	0	0	0	0	0	0	
FINANCING COSTS												
Loan Fees	0	0	0	0								
Interest on Loans	0	0	0	0								
* Total Financing Cos	0	0	0	0	0	0	0	0	0	0	0	
TOTAL DEVELOPMENT COSTS	0	0	0	0	0	0	0	0	0	0	0	
SALES REVENUES												
	TOTAL			PRE-CON- STRUCTIO	QUARTER 1	QUARTER 2	QUARTER 3	QUARTER 4	QUARTER 5	QUARTER 6	QUARTER 7	QUARTER 8
Sales Prices												
2 Room Housing Units	0	0										
3 Room Housing Units	0	0		0	0	0	0	0	0	0	0	
4 Room Housing Units	0	0										
Retail Units	0	0										
Office Units	0	0										
Costs of Sales	0	0										
Transfer Taxes	0	0						0	0	0		
Sales Commissions	0	0										
NET SALES REVENUES	0	0	0	0	0	0	0	0	0	0	0	0
CASH FLOW BEFORE FINANCE	0	0		0	0	0	0	0	0	0	0	0
CUMULATIVE CASH FLOW				0	0	0	0	0	0	0	0	0
FINANCING AND DEVELOPER'S EQUITY												
				PRE-CON- STRUCTIO	QUARTER 1	QUARTER 2	QUARTER 3	QUARTER 4	QUARTER 5	QUARTER 6	QUARTER 7	QUARTER 8
Loan Disbursements/Repayments	0	0										
Cumulative Loan Balance	0	0										
Developer's Equity Contributions/Rece	0	0										
Cumulative Equity Balance	0	0		0	0	0	0	0	0	0	0	0
DEVELOPER'S RETURN												
Profit/Loss	0	0										
Return on Equity in Annual Percentage	0	0										
SALES REVENUES												
2 Room Housing Units	TOTAL			PRE-CON- STRUCTIO	QUARTER 1	QUARTER 2	QUARTER 3	QUARTER 4	QUARTER 5	QUARTER 6	QUARTER 7	QUARTER 8
Sales Prices												
Unit 1	0	0										
Unit 2	0	0										
Unit 3	0	0										
Unit 4	0	0										
Unit 5	0	0										
Unit 6	0	0										
Unit 7	0	0										
Unit 8	0	0										
Costs of Sales				0	0	0	0	0	0	0		
Transfer Taxes	0	0										
Sales Commissions	0	0										
NET SALES REVENUES	0	0										
SALES REVENUES												
3 Room Housing Units	TOTAL			PRE-CON- STRUCTIO	QUARTER 1	QUARTER 2	QUARTER 3	QUARTER 4	QUARTER 5	QUARTER 6	QUARTER 7	QUARTER 8
Sales Prices												
Unit 1	0	0										
Unit 2												
Unit 3												
Unit 4												
Unit 5												
Unit 6												
Unit 7												
Unit 8												
Costs of Sales												
Transfer Taxes												
Sales Commissions												
NET SALES REVENUES												

Developer's Submission and Certification

Proposal to Town of Turna nad Budvo to Acquire One or More Sites and to Develop Housing and Related Facilities Thereon

Date: _____

Mayor _____
(Address)

Dear Mayor _____:

On behalf of _____ (name of entity), a (corporation, general partnership, limited partnership, an individual or a consortium consisting of _____, _____, and _____) ((choose appropriate entity)), I, as its _____ (President, Managing Director, general Partners, etc), am pleased to submit this Proposal to Acquire _____ (Site-specify eg Building #1, Parcel "A", etc) and to Develop Housing and Related Facilities Thereon. We are not submitting any other concurrent proposals for the other Parcel(s) offered in your RFP of _____ (date). (Alternative: We are submitting _____ other proposals for the other Parcel(s) offered in your RFP of _____ (date)).

As an integral part of this submittal, please find the following attachments:

1. The Development Proposal:

Our complete Development Proposal for _____ (_____) is attached as Annex A and contains the following parts:

- a. A narrative description of the proposed project including an overall description of the development concept, the uses, number and types of buildings and floors, number and size of units, on-site parking spaces, _____ (etc). The project will be built in _____ phase(s). (If phased, indicate what will be built in each phase).

The housing units are designed to appeal to (describe target households: income, families vs elderly vs young couples, etc; where from) and will be offered for (sale/rent) in a price range of _____. (If applicable,

the retail space will be offered for sale/rent).

- b. Summary table of the "Proposed Development Program" in form of RFP's Exhibit ____.
- c. _____ sets of the Design Study including:
 - i. Site Plan: Scale = 1: _____
 - ii. Typical Floor Plan of housing areas; (*and Typical Floor plan for retail/commercial areas (if any)*) at Scale of 1: _____
 - iii. Detailed representative floor plans of housing (in representative building) at scale of 1: _____
 - iv. Elevations from _____ and _____ (*and _____ cross sections*) at 1: _____
- d. Outline specifications including structural, heating and mechanical, electrical systems, types of materials, exterior finishing and landscaping.

2. The Business Proposal:

Our complete Business Proposal for _____ is attached as Annex B and contains the following parts:

- a. The estimated "Development Budget" for the project in the form of the RFP's Exhibit _____.
- b. The proposed "Development Timetable" in the form of the RFP's Exhibit _____.
- c. The "Development Proforma" in the form of the RFP's Exhibit _____.
- d. A narrative description of the proposed financing plan to accompany Section 2.c's "Development Proforma" identifying each of investors, banks, and purchaser deposits by amount . With respect to the amounts to be raised from investors and banks, we have included copies of preliminary letters of commitment from our specified proposed investor and financial sources.
- e. Our marketing plan identifying who we see comprising our target market, where they are located, how we plan to reach them, and what types of payment /financing plans we plan to offer them. The average prices of our units and projected absorption schedule are as spelled out in the "Development Proforma " (Exhibit _____)

3. Developer Team and Qualifications:

We have also included the following materials (Annex 3) in support of our qualifications to complete this project:

- a. A detailed description of the development team (names, experience, and demonstrated ability) members, including the development entity (name of entity); our architect, contractor and consultants; along with brochures and representative examples of completed projects.
- b. Certification that (name of entity) is in good standing and is duly registered with the (department of _____?) of the Slovak Republic, including copy of the Verification of Registration. A confidential copy of our most recent financial statement is included as Exhibit _____. (If a General partnership or an individual: I (we) certify that the personal confidential financial statements attached as Exhibit ____, are a true representation of my (our) individual financial condition and that I (we) are not presently in default under any of our present financial obligations and that neither I (we) nor entities under my (our) direct control have declared bankruptcy in the past ____ years.)
- c. Bank references including telephone name of bank, contact, address and telephone number; and type of banking relationship.
- d. (Optional) The following other statements and evidence of the Developer's qualifications and financial responsibility are attached as Exhibit ____ and made a part hereof:

4. Deposit:

We have attached a Cashier's Check in the amount of _____ crowns, representing the deposit required under Section ____ of the RFP. We understand that this deposit will be refunded, without interest, if we re not a winning bidder; but that it shall be non-refundable if we are the winning bidder and then withdraw prior to reaching a definitive Development Agreement with the _____, unless good faith negotiations break down.

5. Acknowledgement:

By my signature below, I acknowledge on behalf of _____, that I / (we) have carefully reviewed the RFP and all associated documents, have visited the site, are familiar with the Slovak building code? and the _____ zoning and building conditions, and understand and accept the conditions laid out in the RFP as

to ____ vs. developer responsibilities, and understand and accept the rules of the selection process for the winning bidder.

(Name of Development Entity)

By: ____ (name) ____

Its: ____ (title) ____

Date: ____

Exhibit 2-C
Checklist - Detailed Site Information

Municipality of _____

Request for Proposal
Typical Exhibit Checklist

Exhibit

- A.. Regional Location Map _____
- B.. Site Location Map _____
- C. Parcel Plan and Available Infrastructure _____
- D. Available Engineering/Architectural Studies (?=If you have any)
 - 1. Soils/Geotechnical _____
 - 2. Topographical Map _____
 - 3. Utilities and Other Infrastructure _____
 - 4. Survey _____
 - 5. Zoning Map and/or Development Restrictions _____
 - 6. Architectural Plans of Existing Building Project (not as-builts) _____
- E. Existing Site Conditions- Photographs of Site and Surroundings _____
- F. Proposal Submittal Forms:
 - 1. Development Timetable and Project Characteristics _____
 - 2. Development Budget _____
 - 3. Development Proforma _____
 - 4. Developer's Submission and Certification _____
- G. Illustrative Information:
 - 1. Available Financing Programs _____
 - 2. Market Analysis Suggestions _____
 - 3. Draft Development Agreement _____
 - 4. Sample Filled Out Development Proforma _____

File is Exhibit

8/30/96

Exhibit 2-D
Illustrative Information

Orientation information - Loan conditions (interest rates) -
March 1996 for entrepreneurs

Name of the Bank	Prime rate (min.)	Short term up to 1 yr.	Middle term 1 - 4 yrs.	Long term more than 4 yrs	Guarantees
VUB	12.5	14.0	15.0 - 16.0	up to 10 yrs 16.0 - 17.0	200% movable + immovable real estate - in view of the depreciation, deposit (Slovak currency and foreign up to 120%, bank guarantee etc.
Slovak Savings Bank	12.0	14.0	15.0	16.0	150% pledged deposit, immovable real estate, 3rd party, each project judged
Investment and Development Bank (IRB)	12.0	16.0	16.5	17.0	150% of requested loan, real estate, 3rd party, bank guarantee
Polnobanka (Agricultural Bank)					
Istrobanka		14.0	15.0 - 16.0 plus a risk charge		real estate, 3rd party, bank guarantee + partial coverage, stocks
Ludová Banka					
PKB	12.5			max. 5 yrs 16.75	term deposit, deposit in foreign currency, good real estate, individually judged according to criteria, possible guarantees by the municipality (include. budget)

PKB

Prvá komunálna banka a.s.

Loan application

Name of the Company

Address:

ICD:

IBIC:

Telephone No.:

Fax No.:

Statutory representative:

Date of foundation:

License No. to conduct business:

Date of issuance:

Issued by:

Account No. in PKB a.s.:

since:

Other accounts in other banks:

since:

Predominant activity:

What type of loan:

Production

Investment

Length of the loan:

Amount of loan:

Purpose of the loan:

Requested terms of drawing the loan:

Amount of proposed payments and terms of payments:

Date of application submitted: Signature of authorized person:

Documents needed for Loan Application

Clients presents to a bank a Loan Application in which he will justify the need for loan.

With a Loan Application he will present the following:

1. Extract from Commercial Register, or
2. License to operate the business, or
3. Registration necessary for his/hers activity, in the case if item No. 1 and 2 does not apply
4. Financial statements for the last 3 years provided to the Tax office, or from the beginning of operation of the business in the case of less than 3 years
5. Summary, results and the cash flow not older than 1 month of a common year, covering period from the beginning of fiscal year until the date of submisslon of appllction
6. Overview of claims and obligations based on the time of payment not older than 1 month of a common year. Specification according to the payment schedule up to 30 days, up to 3 months, over 3 months and possible uncollected debts
7. Brief characteristic of activities and business development activities form the beginning of the fiscal year
8. Specification of activitles based on the recommended guideline
9. Proposal as to the security of the loan
 - a) proposed real estate
 - certified appraisal
 - experts appraisal delegated by the bank not older than 2 months
 - extract from the Real Estate Registrar not older than 2 months

- insurance agreement covering the collateral property
- b) proposed real estate
 - technical or another identification proof
 - experts appraisal delegated by the bank not older than 2 months
 - insurance agreement covering the collateral property
- c) proposed claims
 - overview of proposed claims including the time schedule of payments, payments past due will not be taken into consideration
 - agreement with debtors regarding their future payments directly to PKB a.s.
- d) proposed (offered) stocks
 - specification of stocks (ISIN name, number of stocks offered as collateral)
- e) other offered guarantees from specified selection of guarantees and means of securing them i.e. bank guarantee, restricted transferability of funds, binding proclamation by a third party, collateral draft if guarantee is done with the name of the business

Recommended guideline of specification activities

Specification of activities is the main document in which entrepreneur expresses his entrepreneurial goals and specifies marketing approach to secure these goals.

In some cases client may omit some parts recommended by this guideline depending upon the purpose of a loan i.e. in an investment for a development of an investment property, the bank requires different range than in purchase of goods. Because this is recommended for orientation, while preparing specification activities companies may proceed according to their own guideline, but client should respond to questions recommended in the guideline.

In specification activities we recommend to retain the following orientation

1. Brief description of a project - summary
In the introduction briefly express the entrepreneurial intention and overall entrepreneurial philosophy
2. Basic information about the company
 - a) history of the company and its entrepreneurial activities
 - b) legal form of entrepreneurship, characteristic of the company founders
 - c) key personal of the company - management, which will be undertaking this entrepreneurial intention, their qualification, experience in the field, previous entrepreneurial results
3. Current economical situation of the company
 - a) main production or commercial activity of the company

- b) current ranking of the company on the market
 - c) size of the company - average number of employees, average level of investment property, stock, gross revenues
 - d) current technical and technological equipment in regard to effectiveness and level of output
 - e) overall balance of the company - its development for last 3 years
4. Intention of entrepreneurial activity
Specify in details as to what activity you are focusing on.
5. Market analysis, sales, price strategy
- a) current and future customers of the company - specification based on the sales share of the company
 - b) current and future suppliers of the company, what criteria is used in selection of the suppliers - specification based on share of supplying for the company
 - c) solvency and perspective of commercial partners, why is company orienting themselves on these commercial partners,, what proof does client have in regard to the solvency and good commercial reputation
 - d) sales proof by showing agreements. Proving here volume of sales or share in which company has guarantees based on agreements
 - e) reasoning or information on which client is presuming above mentioned development
 - f) price strategy - what price orientation is company counting on in respect to individual groups of customers and the means of realisation of it

6. Competition
 - a) current and future competition
 - b) ways of protection against clients competition
 - c) reasoning or information on which client is presuming above mentioned development

7. Measures taken to support sales
 - a) market analysis - means of conducting them and their number
 - b) product distribution securement
 - c) securement of communication with customer
 - d) advertising
 - e) sales means, organization of sales

8. Alternate solutions
Stating the alternatives the company has under consideration to secure entrepreneurial intention and its concrete impact on reaching the goal

9. Financial securement of the entrepreneurial plan
 - capital needs, return of capital, financial sources
 - a) projected balancing - projected development of investment property, development state of claims and specific level of inventory on the side active capital and at the same time the development of funds, development level of obligations and loans on the passive side
 - b) projected results
 - c) projected cash flow

Data is being shown for each individual year of loan repayment. Financial indicators are intertwined through sales or production with valid agreements. Financial statements may be supplemented with additional characteristics.

All banks require to submit an application, payment schedule, business plan and all necessary information about client (annual balance sheet, tax return etc.)

Note: At the VUB bank there is a possibility to obtain EXIM loan for investment activity. The business plan (project) must be approved also by the National Bank. Possibility of a partial drawing of the loan, necessity to have 30% of your own means + 70% possible loan, interest rate approx. 14.5%. Interest rate differs depending upon the amount of the loan i.e. up to 20 Mil. SK and over 20 Mil. SK in relationship to the quality of the project. Length of the loan: min. 1 year max. 10 years. Payments are quarterly, interest monthly. Guarantees are 200% with real estate, in deposit 120%, in these you may be able to negotiate to use revolving fund form.

SITES AVAILABLE FOR HOUSING

The following towns and cities are offering sites for sale
for development of housing by competitive proposal

<p style="text-align: center;">City of Presov Prime site of .5 h in Centrum for 70-80 units</p> <p>Write or call City Architect, Vladimir Debnar for REQUEST FOR PROPOSAL INFORMATION PACKAGE:</p> <p>City Hall, ul. Hlavna c. 73 , 080 66 Presov Tel: _____ Fax: _____</p> <p>Pre-Proposal Information Conference: 9AM, March 20, 1996 at Town Hall Proposals Due: 5PM, , May 22 1996</p>	<p style="text-align: center;">City of Banska Bystrica 4.5 h site for up to ____ units of single family or townhouse dwellings approx. ____ km from Centrum</p> <p>Write or call _____ for REQUEST FOR PROPOSAL INFORMATION PACKAGE:</p> <p>City Hall, _____ Tel: _____ Fax: _____</p> <p>Pre-Proposal Information Conference: 9AM, March 22, 1996 at Town Hall Proposals Due: 5PM, , May 24, 1996</p>
<p style="text-align: center;">Village of Turna nad Budvo, near Kosice Sites for up to 36 units of housing</p> <p>Write or call _____ for REQUEST FOR PROPOSAL INFORMATION PACKAGE:</p> <p>City Hall, _____ Tel: _____ Fax: _____</p> <p>Pre-Proposal Information Conference: 10AM, March 19, 1996 at Town Hall Proposals Due: 5PM, , May 22 1996</p>	<p style="text-align: center;">Village of Horna Micina, near Banska Bystrica 8 partially completed two story townhouse units</p> <p>Write or call _____ for REQUEST FOR PROPOSAL INFORMATION PACKAGE:</p> <p>City Hall, _____ Tel: _____ Fax: _____</p> <p>Pre-Proposal Information Conference: 1PM, March 21, 1996 at Town Hall Proposals Due: 5PM, , May 24, 1996</p>

Exhibit 3
Sample Advertisements

Exhibit 4

Conference Agenda

AGENDA FOR THE INFORMATION CONFERENCE

I. Introduction

- Welcome
- Introduction of participants
- Overview of the program and its objectives

II. Background on the City and the Site

- Population and development
- Land planning and urban context
- History of the city
- Goals

III. Details on the Site and the Project

- Situation of site and relationship to infrastructure
- Regulatory requirements
- Architectural issues
- Other

Questions on site and infrastructure

IV. Conditions of the Competition

- Steps and procedures
- Discussion of the selection criteria

Questions on the conditions of the competition

V. Filling Out the Forms

- Detailed explanation of the forms

Questions (except regarding the Proforma)

VI. Financing and Form 3 (the Proforma)

- Instructions and Information

Questions about Form 3

VII. Market Analysis

Questions

Exhibit 5

Guidelines for Handling Requests to Receive RFPs and Information

MEMORANDUM

TO: Mayor Ladislav Bartok (Ondrej Pilka, etc.)
FROM: Robert Doubek
DATE: February 2, 1996
SUBJECT: Guidelines for Responding to Requests to Send RFPs and for Allowing Inspection of Documents

One of the primary considerations in the process of competitive proposals is maintaining fairness and objectivity. An essential element of this consideration is ensuring that participants in the process perceive it to be fair and objective. For this reason, answers to all questions should be put in writing and distributed to all participants.

Your RFP is now in final form and its availability soon will be advertised to the public. You and your staff will soon be receiving letters and phone calls to request copies of the RFP. Many of the callers will attempt to get as much information as possible over the telephone. Shortly after you starting sending out the RFP, you will be receiving visitors who wish to examine the site and the existing materials that you have available. Many visitors will also press you for information.

Because of these unavoidable contacts with the participants, it is very important that certain guidelines be followed to insure that the fairness and objectivity of the process is not compromised and that no one receives the impression that the process is anything but fair and objective.

1. Don't talk about the project with participants.

Except for taking names and addresses and giving directions to the site, village officials, staff members and council members should avoid saying anything about the project and the process to participants. They especially should avoid any comments about what the village wants to see proposed, how much money the village hopes to receive for the project, and what the site might be worth.

2. Don't answer any questions about the process or the project.

Refer participants to the RFP for information. Ask them to put their questions in writing and to come to the pre-bidders conference.

3. Don't discuss the project in the presence of participants.

Because your offices are small, the participants probably will have to examine the project materials in rooms where staff members are working.

4. Keep all the materials about the project in a separate box or on a separate table.

You want to insure that all participants have the opportunity to see all of the available materials, so that no one can claim that he did not have the opportunity to see them all.

5. Monitor the participants who are inspecting the files to make sure that no one removes anything.

Do not allow any document to be removed from the room. If anyone requests copies, take an order in writing, along with payment, and mail the copies.

6. Keep a list of the names, addresses and phone numbers of all who have requested proposals or visited the office to review materials.

7. Review these guidelines with all staff and council members.

You may wish to designate one or more staff members to be responsible for this project, to whom all inquiries should be referred.

Tracking Sheet for Handling Responses to Requests for Proposals

#	Date	Letter(L)/ Call (C)	Name and Title	Company and Address	Requested RFP?	Date Mailed
_1						
			Comments:			
_2						
			Comments:			
_3						
			Comments:			
_4						
			Comments:			
_5						
			Comments:			
_6						
			Comments:			
_7						
			Comments:			
_8						
			Comments:			
_9						
			Comments:			
_0						
			Comments:			

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Exhibit 6

Proposed Process for Evaluation and Selection of Developer Proposals

Proposal Opening Meeting

1. Open all proposals at designated time in a formal setting with City Clerk, relevant officials, and the developers present (if they wish) and log them in for completeness. There should be a checklist of what constitutes a complete proposal, e.g., evidence of deposit, completed submittal letter, plans, pro forma, etc. Check off, for each proposal submitted, which items are complete and which, if any, are missing. If an item is completed, however marginally, e.g., pro forma, marketing plan, sketch designs, count it as "Complete."
2. Identify those proposals that are "Complete" and place in one pile, and those that are missing one or more items as "Incomplete" and put in another pile. The City should announce that it reserves, at subsequent evaluation meetings, the right to either automatically reject the Incomplete proposals, or at its option to invite the submitters the opportunity to submit additional material should it conclude there is some merit in the particulars of the Incomplete proposals.
3. Conclude the proposal opening meeting.

Before the Consultant Arrives

4. Immediately fax/send complete copies of all the proposals received, and the City's logs and notes on the openings, to the translator. The City staff should also at this point prepare a summary of each proposal: e.g., who the developer is, summary detail on strength and background, what they are proposing, timetable, marketing and financing plan, perceived gaps in the completeness of the proposal, etc. This will be useful to the consultants and the Evaluation Committee (see Item 8 below).
5. Translator translates relevant parts to English and forwards material to consultant.
6. Establish Evaluation Committee and have them in place, ready to meet, late in the day (or the evening) of the day consultant will be there, but after he has had several hours to meet with staff in the morning. In his morning meeting with the staff, consultant will review the planned evaluation procedure to be followed at the afternoon meeting (see below), do a dry run, and see if there appear to be any clear winners and study the adequacy of their proposals as to information contained and what likely concerns might arise in the negotiations if picked. If these proposals are confusing as to details, or if there are other proposals that look promising but have been deemed Incomplete, consultant and staff will begin to outline additional questions and requests for information for presentation to the Evaluation Committee for consideration in posing them, in writing, to the developers, who would then be given additional time to submit the information before final decision is made.

The Evaluation Committee Meeting

8. At the meeting: 1) state the agenda, 2) review the procedure to be followed, 3) provide overview of the proposals (summary), 4) review and try to evaluate all the proposals in depth against the criteria, 5) reach a conclusion, i.e., ranking and recommendation or specify additional information requested of each developer, and 6) conclude by setting another meeting time or forwarding the recommendations to the final selecting body, e.g., a council.

The Evaluation Procedure

9. Draw up a chart similar to that shown on the next page (the criteria and weighting will be different in each case) and fill this out as the basis for completing the evaluations. The Committee should fill this out as a group, coming up with a collective weighting for each item in open vote, rather than individual members filling out individual charts and then averaging them together. However, a space on the chart allows for individual scores as a point of departure, while using a big blackboard or master chart at the meeting.

Secondly, projects should be evaluated by each criterion relative to each other in that particular criterion rather than relative to an absolute. This means evaluating all of the proposals for one criterion before proceeding to the next criterion, instead of taking one proposal all the way through all the criteria one at a time. For example, if there are four projects and they are being evaluated for "Design" and it's worth 15 points, then, if they were all of "good to average" quality, then they might all get, say, 10 to 12 points. If, on the other hand, one was exceptional and another terrible, the scores for design might be 15 and, say, 3; and so on through the list. Then the Committee moves on to the next evaluation criterion for all four projects, etc.

After all criteria have been evaluated for each project, the result would be summed going down per project for an "Intermediate Score" (see Table). A final adjustment line is allowed for an aggregate overall "nuance" factor that permits up to a maximum 10 percent upward or downward adjustment in the final score based on intangibles that might have been missed going criterion by criterion, rather than considering a proposal in its entirety, for example, special considerations, such as playgrounds, other social contributions, concessions made in the proposal, difficulties in implementation, etc.

Complete proposals go on the left and Incompletes on the right of the Table. Incomplete proposals would have ? entered in the criteria sections to show missing data. The Committee, by cross-comparing on the grid in the criteria categories that are "Complete" (without ? marks) would be able to determine whether there was any merit to be gained by offering Incomplete proposers the opportunity to submit more data, or whether they should just be eliminated.

Consistent with the criteria spelled out in the RFP, there may be a minimum point requirement to be eligible, for example 65 out of 100 points. The Committee can recommend the elimination of proposals that score less than that in the evaluation. The ranking of the remaining proposals (that is, with higher than the minimum points) would be forwarded to the final approval body.

If the Committee cannot reach a conclusion at its first meeting, it should hold a second meeting in short order, unless it has requested, in writing, additional information from the proposers, in which case sufficient time should be allowed for a response.

The Committee may decide to invite the proposers to make oral presentations. If the Committee so decides, it is advised to hold a preliminary meeting without the proposers present and establish a preliminary evaluation, ranking, and list of questions it wishes answered by the proposers . This will give the Committee time and preparation to ask the questions at the second meeting when the proposers would be presumed present for oral presentations.

Point Scoring Grid for Proposal Evaluation and Selection

Criteria	Max. Score	Proposal 1: ("Developer or Project name")			Proposal 2: ("Developer or Project name")			Proposal 3: ("Developer or Project name")		
		Comments or Needed Info:	My Score	Group Score	Comments or Needed Info:	My Score	Group Score	Comments or Needed Info:	My Score	Group Score
1 Design Solution										
2 Quality of Proposed Construction:										
3 Capacity, financial strength										
4 Financial feasibility										
5 Credibility of costs and schedule										
6 Conformity to zoning, town plan										
7 Compensation for site										
Intermediate Score										
Adjustment Factors:										
Positive:										
Negative:										
Net Adjustment										
FINAL SCORE										
RANK:										

Exhibit 7
Draft Development Agreement

Disposition and Development Agreement

Essential terms and Conditions

1. Preamble and Parties to the Agreement:

Whereas:

- a. The City of _____ in the region of _____ (hereafter "City") is the present owner of a parcel of land, (and two partially completed buildings located thereon) (collectively the "Parcel"), as shown in attached Exhibit A and isand;
- b. _____, a (individual, company, limited or general partnership, other? -specify) (hereafter the "Developer") wishes to acquire the described Parcel and to design, finance, complete and sell to others upon completion (or retain for its own use or rental to others -as applicable) the site improvements and structures described in and made part of this Agreement and;
- c. City wishes to convey the Parcel, subject to the terms and conditions outlined below, to Developer for the purpose of benefiting the public interest by obtaining completion of the Developer's proposed improvements thereon, (hereafter the "Project"), the occupancy and use of the completed structures, and the upgrading of the local and more general environment by completion of the Project, and
- d. Developer wishes to acquire the Parcel, and complete the Project on the terms and conditions contained herein,

NOW, THEREFORE, THE PARTIES AGREE AS FOLLOWS:

1. Conveyance:

The City agrees to convey to the Developer , on the terms and conditions hereafter stated, and for the compensation hereafter specified (the "Purchase Price") all of its right, title and interest in the Parcel. Conveyance shall be evidenced by the City's execution of a property deed (hereafter "Property Deed") in the form of Exhibit ____, said deed to be delivered to Developer at the time of the Closing, as such term is hereafter defined.

2. The Closing and Closing Date:

The Property Deed shall be transferred to the Developer in return for the concurrent delivery to the City by the Developer of the Purchase Price and other documentation (as specified below). The transfer to the Developer of the Property Deed in return for

the delivery of the Purchase Price and the other documentation shall be known as the Closing. The Closing shall occur on or before _____, 1996 (the Closing Date). The Closing Date may be adjusted pursuant to the events spelled out in this Agreement, or by the mutual written agreement of the parties.

3. Consideration:

The Developer's consideration for the Parcel shall be the total of the Purchase Price and his completion of the Development Requirements spelled out in this Agreement. The total Purchase Price shall be _____ Million Crowns, payable as follows:

- a. _____ Million Crowns in the form of cash, concurrently with the execution of this Agreement and receipt of which is hereby acknowledged. Said payment shall be non-refundable unless the City fails to deliver the Property Deed by defaulting on its obligations specified in this Agreement; and
- b. _____ Million Crowns at the Closing, payable as follows:
 - i. _____ Million Crowns in cash, and
 - ii. the balance of _____ Million Crowns in the form of the Promissory Note attached as Exhibit _____ hereto, secured by a Reconveyance Agreement in the form of Exhibit _____.

(Note: This section will need to be modified extensively in each case to reflect the particular terms proposed by the winning Developer and negotiated with the City).

4. Development Requirements:

- a. The Developer agrees to construct and complete on the Parcel the buildings described in his proposal of _____ (date) consisting of _____ housing units (approximately _____ square meters of housing space) and _____ square meters of retail space (etc) and in the form and specifics more precisely described in Exhibit _____ attached hereto and made a part hereof (being the Proposal); along with all necessary parking, landscaping, sidewalks, lighting, grading and other on site infrastructure necessary to service the buildings; and such offsite infrastructure as may be necessary to connect to existing City services for water, electricity, gas, telephone, sewer and the like. All such construction together shall be known as the Improvements.
- b. Developer shall construct and complete all of the Improvements at his own cost and expense.

- c. All of the Improvements shall be constructed and completed to City standards, and Developer shall be solely responsible for the reconstruction or repair, at his own cost and expense, of any portion of the Improvements not built to City standards.

5. Deadlines:

- a. Developer has submitted to City, concurrent with the execution of this document, evidence that it has executed a contract with architectural and engineering firms for a full set of Final Construction Drawings, and that it has available adequate funds to pay said architects and engineers to complete said Final Construction Drawings.
- b. Developer shall submit Final Construction Drawings and Plans to the City on or before _____ (date).
- c. Developer shall commence Construction on or before _____ (date).
- d. Developer shall complete Shell Construction on or before _____ (date).
- e. Developer shall have the Improvements ready for Final Inspection on or before _____ (date).
- f. Developer shall have completed all work (included repairs, and modifications) necessary to obtain a Certificate of Occupancy by _____ (date).
- g. Developer shall have commenced Occupancy of the Improvements by _____ (date)

6. Other Conditions to be Met by Developer:

- a. Developer agrees to maintain the site in a neat and safe condition at all times during construction and shall be solely responsible (either directly, through a management company, or a condominium association) for the ongoing maintenance of all of the Improvements once completed and once occupied. The sole exception shall be for those portions of the Improvements (if any) dedicated to the City upon completion of the Project.
- b. (Insert - if applies): At the time of issuance of the Certificate of Occupancy, Developer shall dedicate to the City, free of charge, such land right-of-way and infrastructure improvements as Developer and City shall agree upon as part of Final Plan approval and it shall be the City's responsibility thereafter to maintain them. Developer shall also dedicate, free of charge, such utility easements as Developer and City shall agree upon as part of Final Plan approval, and it shall be the City's responsibility to maintain the utilities therein, but not the land comprising

the easement, the maintenance of which shall remain the obligation of the Developer. The City shall however be responsible for restoring the easement to its prior condition upon undertaking any disturbance of it. The Developer may not construct any structures on any right-of-way or easements proposed for dedication. The rights-of-way, easements, and utilities comprising the subject matter of this paragraph shall be specifically designated on the Final Plans and the conveyance thereof shall be by standard legal documentation to be executed between the City and Developer as a condition of Final Plan approval.

- c. The Developer shall assume all responsibility for the sale and/or rental to third parties of any of the Improvements constructed to third parties, and the management of all owner and/or tenant relations therewith and shall indemnify and protect the City against any law suits or causes of action brought by any such third parties with relation to the terms of purchase or rental thereof, the condition of the Improvements upon completion, or the maintenance of thereafter (excluding any Improvements specifically dedicated to and accepted by the City). **(Insurance requirements, if any should be added here).**
- d. The Developer has provided a detailed timetable outlining its schedule for completion of the project concurrent with executing this Agreement, (attached as Exhibit ___) and shall hereafter provide monthly progress reports, showing actual progress vs. projected progress, revised completion dates, identification of problems, and steps it is taking to resolve problems .
- e. The Developer may at no time assign or transfer its rights under this Agreement to other companies, financial institutions, parties or individuals without the express written consent of the City. Rights to individual units or spaces may be assigned or transferred to third party users following filing of a condominium map and obtaining a Certificate of Occupancy.
- f. The Developer may not subordinate the City's security interest (if applicable) in the Parcel to third party financial sources except with the express written approval of the City or on the terms , if any, specified in Paragraph 3 above under Consideration.
- g. The Developer accepts the Parcel in its "As-Is" condition. The City makes no representation as to the present conditions of the site (and any buildings or structures on it) or its suitability for any specific use or purpose.

7. Obligations of the City:

- a. The City represents and warrants that is has clear title to the Parcel, or that such can be obtained by the Closing Date. In the event City does not have clear title by the Closing Date, it may at its option and in writing delay the Closing for a total of

iv.. Developer's failure to make payments of the Purchase Price as they become due pursuant to the schedule set forth in Paragraph 3 above.

v.. Developer's failure to meet any of the other terms and conditions of this Agreement.

b. Occurrence of Event of Default:

An Event of Default shall be deemed to have occurred when Developer fails, within ____ days of receipt of written notice from City, to commence a cure of a Default and fails to cure such Default within ____ days of receipt of the notice from City, unless City and Developer have agreed in writing to a longer time and specific program of cure, within ____ days of Developer first receiving notice from City. Notwithstanding the above, all monetary defaults must be cured within ____ days of written notice from the City.

c. Options on Occurrence of an Event of Default:

If an Event of Default occurs and fails to be cured by Developer as specified in the paragraph above, the City may at its option elect to either:

1. Repurchase the Parcel for the sum of 1 Crown plus any sums expended by the Developer solely for the design and construction of Improvements thereon (specifically excluding any sums paid out for land; legal, general administrative, organizational, financing and promotional fees; and other general costs and expenses); thereby terminating all of Developer's further rights and interest in the Parcel or the Improvements thereon, or

2. Continue with the Developer by renegotiating the terms and conditions of this Development Agreement.

In the event City elects Option 1 it shall promptly notify Developer and Developer shall promptly be obligated to reconvey its interest in the Parcel to the City.

BY THEIR SIGNATURES BELOW THE PARTIES, THIS ____ DAY OF _____, _____ AGREE TO THE ABOVE TERMS AND CONDITIONS :

For the City of _____:

For _____, the "Developer"

(Name)
Its Mayor

(Name)
Its _____

Table of Contents

Exhibits to Appendix 3

Slovak Version

Exhibit 1: Housing Market Analysis

Exhibit 2: Complete Sample Request for Proposal

- A. Letter of Invitation - Horná Mičiná
- B. Request for Proposal (Horná Mičiná and 2 pages from Prešov)
(includes 4 forms to fill out — see English version)
- C. Checklist - Detailed Site Information
(Not available in Slovak - actual samples of some Exhibits included)
- D. Illustrative Information
 - Market Analysis - see Exhibit 1 above
 - Survey of Available Financing
 - Draft Development Agreement (see Exhibit 7 below)
 - Sample Filled Out Pro Formas

Exhibit 3: Sample Advertisements

Exhibit 4: Agenda of a Pre-Proposal Conference

Exhibit 5: Guidelines for Handling Requests to Receive RFPs and Information

Exhibit 6: Proposed Process for Evaluation and Selection of Developer's Proposals
(Not available in Slovak)

Exhibit 7: Draft Development Agreement

Exhibit 1

Housing Market Analysis

V navrhovanej bytovej výstavbe by malo byť vynaložené úsilie, vykonať čo najrealistickejšiu *analýzu trhu*, týkajúcu sa potencionálneho dopytu bytových jednotiek. Jendoducho povedané, trhová analýza je štúdium, ktoré je zamerané na určenie a súčasný odhad počtu ľudí, ktorí budú ochotní zaplatiť určité ceny za špecifické typy bývania *na danom pozemku*. Táto informácia bude užitočná mestu / obci (nápomocná pri určení realisteckej hodnoty ich záujmu na pozemku), ďalej developerovi / staviteľovi - rozhodnúť sa čo postaviť a potencionálnu životaschopnosť a ziskovosť jeho návrhu, ďalej bankovým inštitúciám / investorom - ako merítko na hodnotenie rizika spojeného s úverom na projekt.

Cieľom je si byť istý, že budú mať istotu v počte ľudí v *trhovej oblasti*, ktorú si môžu dovoliť a tak isto sú i ochotní zaplatiť za veľkosť, typ, kvalitu a cenu za navrhnuté bývanie. Ochota platenia bude riadená blízkosťou bývania k ich robote, ich existujúcemu bývaniu a susedom / okruhu priateľov, príbuzných, školy a kolegov atď., a tak isto ďalším možnostiam nového bývania v oblasti a tiež atraktívnosti, v porovnaní s iným využitím ich peňazí. Toto sa nazýva miera *efektívneho dopytu* v špecifickej cenovej hladine. Developer nechce skončiť s výstavbou, ktorú si nikto nebude môcť dovoliť, alebo ktorá je relatívne k ponúkanej kvalite vysoká (alebo možné alternatívy potencionálnym kupcom), že iba málo ľudí sa rozhodne to rýchlo kupovať. Keď ten efektívny dopyt vyzerá veľmi blede, doporučuje sa developerovi, aby zrevidoval jeho "výrobok" a / alebo znížil cenu.

Ďerúc do úvahy, že aktívny, súkromný bytový trh sa na Slovensku teraz iba rozbieha, príprava detailnej trhovej analýzy je nerealistická. Teoretická, štatisticky nepresná prezentácia dopytu môže zaviesť v dôsledku chýbajúcich skutočných údajov a tej skutočnosti, že predpovedajúce príklady zodpovedania na bytové ponuky na Slovensku nie sú viditeľné v dôsledku máleho množstva nachádzajúcich sa prípadov.

Avšak, môže byť vyvinutá nejaká kuriózna evidencia dostať sa za rovinu "lietania na slepo". Takáto informácia môže byť použitá a dokázať, alebo vyvrátiť ľudské odhady na pravdepodobné odpovede týkajúce sa trhu, pomôcť určiť rozvojový program pozemku a identifikovať ciele obyvatelstvo, ktoré bude potrebné na podpornú a reklamnú kampaň zameranú na predaj ponúknutých jednotiek.

V nasledujúcich bodoch sú zahrnuté typické kroky v trhovej analýze a niektoré otázky, ktoré sa treba opýtať a hľadať o nich údaje.

1. *Identifikuj trhovú oblasť a charakteristiky:*

Oblasť v ktorej väčšina očakávaných kupujúcich zákazníkov bytov súčasne pracuje, alebo kde by chceli pracovať sa nazýva *primárna trhová oblasť*. Je dôležité čo najviac vedieť o tom, čo sa deje v tejto oblasti ohľadne rastu zamestnanosti (minulej a predpokladanej), zmeny v počte obyvateľstva, výšky zárobkov a ich rast, zloženie rodiny a ich solventnosť. Tieto veličiny určujú vznik *potencionálneho dopytu*.

Ak bude možné, snažte sa byť čo najšpecifickejší a zistiť *odkiaľ* väčšina ľudí, ktorí budú kupovať bytové jednotky príde (ich primárnu oblasť) a dozvedieť sa čo najviac o nich a čomu dávajú prednosť, jedným slovom čo najviac informácií o ich bytových potrebách. Identifikujte tieto podoblasti na vašich mapách.

1. Prečo sa dá povedať s určitou dávkou pravdepodobnosti, že ľudia z týchto terčových oblastí by sa chceli sťahovať do projektu vo vami vybratej oblasti?
2. Je to blízko k ich práci?
3. Je to blízko roboty kde sú také platy, ktoré sú potrebné na to, aby mohli bývať v tomto projekte?
4. Je toto okolie krajšie? Je v trhovej oblasti prudký nárast obyvateľstva s vyššími príjmami a s tým spôsobený nedostatok bytov?
5. Je prudko rastúca možnosť zamestnania sa, obzvlášť na lepšie platených miestach v trhovej oblasti?

2. *Navrhnuté charakteristiky projektu:*

Špecifikujte charakteristiky navrhnutého projektu - typ a veľkosť jednotky podľa počtu izieb, kúpeľní a štvorcových metrov. Urobte zoznam plánovaného vybavenia (až sa nejaké plánuje): parkovacie miesta, ochrana, záhradky, práčovne, zabudované šatníky, kozuby, špeciálne použité materiály, atď. Uvedte uvažovanú cenu podľa každej bytovej jednotky a podľa počtu štvorcových metrov.

3. *Porovnajte navrhovaný projekt s inými možnosťami:*

Podľa vyššie uvedených údajov vo vašom projekte ako sú cena a charakteristiky, zistite, aké sú porovnávajúce alternatívy pre budúcich uchádzačov, ktorí prichádzajú z primárnej oblasti (napr. postavenie vlastného domu na ich vlastnom pozemku)? Špecificky povedané, nachádzajú sa iné projekty, alebo alternatívy, ktoré by predstavovali atraktívnejšie investovanie peňazí (napr. tá istá cena, ale lepšie miesto, alebo väčší pozemok, alebo nižšia cena za štvorcový meter), alebo boli by potenciálni kupci na tom lepšie, keby zostali kde sú - napríklad, budú platiť nižšie nájomné a počkajú na lepšiu

ponuku v budúcnosti. Konkurenčné alternatívy zahŕňajú nové projekty stavané v oblasti a konkurencia z neobývaných jednotiek. Mali by ste získať čo najviac dostupných informácií ako je možné z pozorovania čo sa deje v "teréne", inzerátov a rozprávať s realitnými kancelárkami, predstaviteľmi mesta a iných zdrojov.

4. *Porovnajete projekt s potencionálnymi požiadavkami:*

Berúc do úvahy navrhnuté charakteristiky vášho projektu, naznačujú vaše analýzy trhovej oblasti obyvateľstvo, zamestnanie a charakteristiku rastu, či máte adekvátny počet rodín, ktoré sú pomerne blízko k budúcemu projektu, ktorí si môžu dovoliť kúpiť navrhované byty, ktorí sa chcú sťahovať a nemajú adekvátne alternatívy?

Keď ste identifikovali porovnateľné alternatívy s novými, alebo existujúcimi "zásobami", ako by ste s nimi porovnali váš projekt? Je vaša výstavba omnoho drahšia? Keď je to tak, najlepšie bude urobiť reštruktúru navrhutej ponuky a znížiť cenu do konkurenčnej polohy, (čo samo o sebe môže byť ešte stále vyššie ako konkurencia, až navrhovaný projekt má atraktívne črty a vybavenia).

Čo môžete urobiť, aby ste znížili cenu? Navrhnúť menšie, jednoduchšie jednotky? Prideliť na výstavbu menší pozemok? Urobiť hrubú stavbu a pripojenia a nechať budúcemu majiteľovi dokončenie jednotky?

I keď neexistujú špecifické odpovede týkajúce sa otázky z čoho pozostáva trhove životaschopný projekt, nechcete niečo stavať, čo musí byť predané za cenu podstatne vyššiu, ako súčasne ľudia platia na "trhu" za dom postavený svojpomocne, alebo iým spôsobom postavené byty bez podpory iných, mysliac cenu vypočítanú na základe plochy (m^2). Tak isto nechcete postaviť niečo čo je tak veľké, že i keď cena za meter štvorcový je po konkurenčnej stránke prijateľná, celková cena bytovej jednotky presahuje finančné schopnosti väčšiny rodín. Tak isto je kritické nepostaviť bytovú jednotku, ktorá presahuje veľkostnú normu toho ktorého typu bytu: napríklad, nemôžeme zdôvodniť domnienku, že byty, ktoré sú veľkosťou nadmerné budú súperiť s rodinnými domami, ktoré majú svoj pozemok, majúc na mysli cenu za štvorcový meter.

Nasledujúce dve strany predstavujú vhodný, ilustračný formát spôsobov ako sa dajú údaje zhrnúť:

Formulár ____ : Analýza trhu

Strana 1

Primárna trhová oblasť
(Zakresli na mape)

	1990	1995	Zmena	2000	Zmena
Základné údaje					
Ľudnatosť					
Počet rodín					
Zamestnanie					
Počet rodín (podľa príjmu)					
"sociálne slabšie"					
"stredné"					
"vysoké"					
Celkom					

Dopyt:

Odhad počtu rodín, ktoré si pravdepodobne budú môcť kúpiť jednotku:

--	--	--	--	--

Byty k dispozícii:

Bytové jednotky (až je možné, podľa typu)

--	--	--	--	--

Prázdne byty (až je možné, podľa typu a ceny)

--	--	--	--	--

Nové byty postavené v dobe (až je možné, podľa typu a ceny)

	1990	1991	1992	1993	1994
Panelákové byty					
Predajné byty na trhu					
Svojpomocne postavené radovky					
Svojpomocne postavené rodinné domy					
Celkom					

Formulár ____ : Analýza trhu

Strana 2

II. Navrhovaný projekt:

Typ bytu	Množstvo	Velkosť	Cena	Cena/m ²
1 spálňa, 1 kúpeľňa				
2 spálne, 1 kúpeľňa				
3 spálne, 1,5 kúpeľne				
Celkom				

III. Konkurencia v trhovej oblasti:

Projekt č. 1: (Meno)

Typ bytu	Množstvo	Velkosť	Cena	Cena/m ²
1 spálňa, 1 kúpeľňa				
2 spálne, 1 kúpeľňa				
3 spálne, 1,5 kúpeľne				
Celkom				

Projekt č. 2: (Meno)

Typ bytu	Množstvo	Velkosť	Cena	Cena/m ²
1 spálňa, 1 kúpeľňa				
2 spálne, 1 kúpeľňa				
3 spálne, 1,5 kúpeľne				
Celkom				

Projekt č. 3: (Meno)

Typ bytu	Množstvo	Velkosť	Cena	Cena/m ²
1 spálňa, 1 kúpeľňa				
2 spálne, 1 kúpeľňa				
3 spálne, 1,5 kúpeľne				
Celkom				

Projekt č. 4: (Meno)

Typ bytu	Množstvo	Velkosť	Cena	Cena/m ²
1 spálňa, 1 kúpeľňa				
2 spálne, 1 kúpeľňa				
3 spálne, 1,5 kúpeľne				
Celkom				

Exhibit 2
Complete Sample Request for Proposal

Exhibit 2-A
Letter of Invitation - Horná Mičina

Sprievodný list.

Vec: Žiadosť o návrh pre výstavbu bytov na mestských pozemkoch

Vážené dámy a páni:

V prílohe Vám zasielame žiadosť o návrh (ŽON), ktorý bol vydaný obcou Horná Mičina za účelom výzvy pre dodávateľov, staviteľov, investorov a iných, na prípravu a podanie návrhu na bytovú výstavbu na pozemku a jeho kúpu, ktorý je súčasne vo vlastníctve obce. Pozemok pozostáva z čiastočne vybudovanej stavby, ktorá bola plánovaná pre osem bytových jednotiek a garáží. Návrhy musia zahrňovať všetky dizajny, postup stavby, výstavbu, financovanie, marketing a činnosti spojené s predajom, ktoré su požadované na ukončenie projektu.

Žiadosť o návrh a proces na vydanie, obdržanie a hodnotenie návrhov bol zvolený tak, aby zaistil maximálnu objektivitu pre všetkých zúčastnených. Obec doteraz dostala technickú pomoc od amerického a slovenského tímu, ktorá je platená Agentúrou Spojených štátov amerických pre medzinárodný rozvoj. Tento tím bude pomáhať obci pri odpovediach uchádzačov a pri hodnotení návrhov.

Začínajúc dnešným dňom, pozemok je pripravený na inšpekciu, výkresy a ostatné materiály spojené s týmto projektom sú k dispozícii k nahliadnutiu na obecnom úrade od 8:30 do 16:30, pondelok až piatok.

Pred podaním návrhov sa uskutoční informačná konferencia na obecnom úrade o 13:00 hod., vo štvrtok 21.marca 1996. Doporučuje sa účasť všetkým potencionálnym uchádzačom na to, aby sa mohli opýtať otázky, týkajúce sa projektu a celého procesu. Všetky otázky a odpovede budú zaznamenané a odoslané poštou všetkým, ktorí požiadali o žiadosť o návrh. Nasledovne až do 1. mája 1996, ďalšie otázky môžu byť podané písomne na obec. Súhrn týchto otázok a odpovedí na ne bude zaslaný poštou všetkým, ktorí sa uchádzali o žiadosť o návrh.

Žiadne návrhy nebudú prijaté obcou po 17:00 hod., 24. mája 1996.

Očakávame účasť na tomto projekte.

S úctou

Ondrej Pinka
starosta obce

Exhibit 2-B

Request for Proposal (Horná Mičiná and 2 Pages from Prešov)

Výzva na podanie návrhov na možnosť získania pozemku a rozostavaného bytového domu v obci Horná Mičiná

1. Úvod:

Obec Horná Mičiná vyzýva súkromných podnikateľov na podanie návrhov (ďalej navrhovateľov) na získanie pozemku o rozlohe 2.028 m² rozostavanej stavby cca 8 bytových jednotiek a to na návrh (design), dostavbu a nasledný predaj alebo prenájom. Vlastné náklady spojené s realizáciou celého procesu bude hradíť nositeľ víťazného návrhu. Pozemok sa nachádza v centre obce Horná Mičiná 8 km od centra Banskej Bystrice a 9 km od centra kúpeľného mesta Sliač (Viď prílohu "A" - Mapa okolia). Obec si praje, aby objekt na príslušnom pozemku bol využitý na byty a primerané priestory na obchodné využitie. Víťaz vybraného návrhu bude pozvaný na dojednanie záväznej zmluvy o predmete súťaže s obcou.

Inicializáciou tohto projektu obec chce

- i) vytvoriť nový typ kvalitných bytových príležitostí pre občanov
- ii) povzbudiť spoluúčasť súkromného sektoru na dodávku bytov pre občanov
- iii) zvýšiť celkovú kvalitu prostredia obce.

2. Popis pozemku a rozostavanej stavby

Pozemok o rozlohe 2.028 m² sa nachádza v centre obce pri štátnej ceste Zvolenská Slatina - Lučenec. Na pozemku je rozostavaný viacbytový dom o zastavanej ploche cca 590 m². Viď prílohu "B" - Širšie vzťahy, prílohy (2) "C" - plán parcely a nachádzajúca sa infraštruktúra, prílohy (5) "D" - pôvodný plán stavby. V projekte rozostavaného objektu sa predpokladala výstavba 8 bytových jednotiek so 6 garážami a kotolňou na pevné palivo. V súčasnej etape je zabezpečená možnosť vykurovania elektrickou. Objekt bol projektovaný ako dvojposchodový s podkroviem, pre nedostatok financií bolo dokončené 1 poschodie hrubej stavby so základným zastrešením a provizórnou krytinou (Viď prílohu "E" - fotografie existujúcej stavby). Na severnej strane pozemku bola navrhovaná žumpa o 270 m³. V súčasnosti je jej umiestnenie obmedzené umiestnením trafostanice. Napojenie vody je možné z verejného vodovodu, vedeného v hlavnej komunikácii. Prívod elektrickej energie je na stavbe v hlavnom rozvadzači, prípojka je dimenzovaná na vykurovanie. V obci sa nenachádza kanalizácia. Povinnosťou navrhovateľa je doriešiť otázku odpadu pre vlastný objekt a cca 36 rodinných domov na ploche v pôvodnom pláne vymedzenom pre žumpu, pre ktorú dá obec k dispozícii pozemok. Plyn sa v obci nenachádza. Napojenosť na cestné dokumentácie je zabezpečená. Rozloha pozemku umožňuje kvalitné riešenie obytnej zelene, ale nie záhradkárске plochy. Budúci užívatelia bytov môžu realizovať bezplatný nájom pôdy na záhradkárске účely v katastri obce.

3. Požiadavky rozvoja

Minimálne rozvojové požiadavky, ktoré musia byť dodržané na pozemku sú:

- a) stavba nebude mať menej ako dve podlažia a takisto nie viac ako štyri (vrátane podkrovia)

- b) min 4 a max 16 bytových jednotiek
- c) dostavba smerom ku komunikácii nie je možná
- d) min 20% pozemku musí byť zazelenené
- e) 1 parkovacie miesto k dispozícii pre každý byt vrátane garáže na pozemku - a 1 parkovacie miesto pre prípadné obchodné priestory
- f) obchodné využitie povolené s tým, že bude vykonávať hygienicky nezávadnú činnosť
Priemyselné využitie nie je povolené.

4. Zodpovednosť navrhovateľa:

Víťaz súťaže bude mať v súvislosti s týmto projektom zodpovednosť za nasledovné veci:

- a) dobudovať obrubníky, chodníky, prístupové cesty k parkovisku a garážam, výsadbu zelene a všetky vylepšenia na pozemku (vrátane infraštruktúry) na jeho vlastné náklady, aby spĺňali obecný štandard,
- b) ukončiť všetky pozemkové majtkoprávne záležitosti, návrh a inžinierske práce na vlastné náklady
- c) ukončiť výstavbu schválených vylepšení na vlastné náklady a v prijateľnom časovom harmonograme dohodnutom s obcou.
- d) realizovať predaj a/alebo prenájom bytov a ich nasledovné obhospodarovanie
- e) dojednať záväznú predmetnú zmluvu na predaj pozemku od obce podľa podmienok v jeho návrhu (alebo takých dohôd, ktoré budú vzájomne dohodnuté medzi navrhovateľom a obcou) **viď Formulár "G-1" - Prevod vlastníctva a stavebné podmienky**. Takáto zmluva bude dojednaná a podpísaná do 30 dní od ukončenia výberu alebo ukončenia všetkých práv navrhovateľa pri jednaní v dobrom úmysle, v prípade porušenia záloha prepadá a obec si môže na jednanie zvoliť iného navrhovateľa, s ktorým bude o pozemku jednať.
- f) pri podávaní návrhov zložiť zálohu vo výške 100 tisíc Sk obci Horná Mičina na kúpu nehnuteľnosti. Záloha bude vrátená všetkým okrem víťaza.
- g) navrhovateľ bude sám zodpovedný za akúkoľvek úpravu, alebo demoláciu existujúcich stavieb, alebo ich častí. Obec prehlasuje, že sa nevyjadruje a nezodpovedá za nasledovné veci: stav, statická stabilita, alebo adekvátnosť existujúcich, z časti dokončených stavieb a tak isto nezodpovedá za to, či existujúca stavba zodpovedá projektom podľa ktorých sa stavby mali realizovať.

5. Povinnosti obce:

- a) obecné zastupiteľstvo vyberie návrh úspešného navrhovateľa po ukončení vyhodnocovacieho procesu nižšie uvedeného v časti "6" a "8". Nasledovná dojednaná zmluva medzi obcou a víťazným navrhovateľom bude výhradná kontraktná zmluva.
- b) obec má povinnosť preukázať jednoznačnosť vlastníctva k pozemku, prepísať pozemok (ak sa jedná o kúpu) alebo odložiť odovzdania vlastníctva na základe dohody o vytorení spoločného podniku alebo iných dohodnutých podmienok.
- c) obec nenesie žiadne ďalšie finančné zodpovednosti týkajúce sa prípadnej zmeny projektu a prestavby rozostavaného objektu.
- d) obec bude nápomocná pri riešení kanalizácie,
- e) obec urobí všetko a urýchli vybavovanie zmeny plánov a potrebných schválení a povolení.

6. Výberové kritériá

- | | | |
|----|--|----------|
| a) | celková architektonická kvalita návrhu | 15 bodov |
| b) | kvalita navrhutej metódy a materiálov,
ktoré budú použité pri výstavbe | 5 bodov |
| c) | kompetentnosť, skúsenosť a finančná solventnosť
realizačného tímu..... | 20 bodov |
| d) | Finančná reálnosť navrhnutého riešenia
dokumentovaná doloženými ukazovateľmi
ako je uvedené v priloženej žiadosti | 10 bodov |
| e) | dôveryhodnosť navrhovateľových odhadnutých nákladov | 25 bodov |
| f) | časový plán prípravy a realizácie výstavby | 10 bodov |
| g) | miera schopnosti navrhnutého riešenia byť
v súlade s požiadavkami stanovenými obcou v bode 3..... | 10 bodov |
| h) | výška kompenzácie ponuknutá mestu za
pozemok a rozostavaný objekt. Obec je otvorená
k návrhom týkajúcim sa platby s nasledovnými metódami: | |
| | a) úhrada v hotovosti, | |
| | b) platba v určitom časovom termíne | |
| | c) iné možnosti realizovateľné dôveryhodnými metódami | 5 bodov |

7. Obsah a podmienky ponuky

Každý navrhovateľ je povinný predložiť v požadovanom termíne ponuku v troch vyhotoveniach so spätnou adresou v zapečatenej obálke s nadpisom "Otvárať pri výberovom konaní".

Obsah ponuky bude nasledovný:

- a) základný popis riešenia (počet podlaží, využitie, počet bytových jednotiek, atď.) vrátane výkresovej časti
 - situačný plán v merítku 1:500
 - pôdorysné plány všetkých podlaží v merítku 1:200
 - pohľady - východ, juh, sever a priečny rez v merítku 1:200
- b) súhrn špecifikácií vrátane konštrukčnej a mechanickej časti, elektro systémov, druhov materiálov fasádneho povrchu a úpravy zelene
- c) referencie realizačného tímu, tzv. navrhovateľa, architekta, staviteľa a konzultantov (meno, skúsenosti a preukázaná schopnosť)
- d) marketingový plán vrátane navrhnutej ceny a časového rozvrhu komplexnej prípravy a realizácie
- e) odhadnuté celkové náklady použijúc **Formulár "F-1"** - Rozpočtové náklady na rozvoj
- f) navrhnutý časový harmonogram a projektové charakteristiky ďalšieho postupu na predaj bytových jednotiek, použijúc **Formulár "F-2"**
- g) finančný plán s uvedením všetkých zdrojov navrhnutého plánu financovania (investorov, bánk, budúcich majiteľov jednotiek a pod.) Pridajte **Formulár "F-3" - Rozvojová pro forma**
- h) kópiu o bankovom prevode vo výške 100 tis. Sk na účet obce Horná Mičiná ako návratnú zálohu
- i) navrhovateľ predloží vyplnené **Formuláre "F-4"**, spolu s prílohami k tomu patriacimi
- j) návrh spôsobu úhrady ponúknutej ceny vrátane kompenzácie ponúknutej obci za prevod práv k pozemku a rozostavaných stavieb bude zaplatený a časový rozvrh platieb

8. Postup a časové termíny

Navrhovateľ a plán bude vybraný a zmluva sa dojedná podľa nasledovného postupu a časových termínov:

- a) od dátumu tohto oznámenia do 24. mája 1996, potencionálny navrhovateľ môže vykonať obhliadku pozemku a budov a naštudovať materiály, ktoré sa týkajú pozemku na obecnom úrade v Hornej Mičinej. Akékoľvek písomné otázky týkajúce sa

pozemku, objektov, projektu, alebo postupov budú adresované p. Ondrejovi Pinkovi, starostovi obce.

Obec odpovie na všetky otázky písomne všetkým navrhovateľom, ktorí sa prihlásili a dostali výzvu na podanie návrhov.

Žiadne otázky nebudú zodpovedané 3 týždne pred konečným dátumom odovzdania návrhov.

- b) na deň 21. marca 1996 o 13.00 hod. obec Horná Mičina pozýva všetkých potencionálnych navrhovateľov, aby sa zúčastnili prednávrhového stretnutia v Hornej Mičinej na obecnom úrade.
Cieľom tohto stretnutia bude zodpovedanie akýchkoľvek otázok týkajúcich sa nehnuteľnosti a výberového procesu. Otázky a odpovede budú zaslané aj písomnou formou všetkým účastníkom výberového konania aj nezúčastnených na stretnutí.
- c) všetky návrhy musia byť na OÚ Horná Mičina do 17.00 hod. dňa 24. 5. 1996 spolu s dokladom o prevode zálohovej čiastky vo výške 100 tis. Sk na účet obce.
- d) komisionálne otvorenie obálok bude o 14.00 hod. za účelom kontroly splnenia podmienok pre ďalšie hodnotenie.
- e) Návrhy budú verejnosti k nahliadnutiu počas 15 dní na obecnom úrade v Hornej Mičinej.
- f) čo najskôr bude možné po tomto termíne bude verejná schôdza. Každému navrhovateľovi, ktorý odovzdal návrh, bude povolené uskutočniť verejnú prezentáciu pred komisiou a odpovedať na otázky. Toto zasadnutie bude oznámené aj verejnosti, ktorá bude pozvaná, aby mala možnosť položiť otázky navrhovateľom.
- g) výberová komisia vyhodnotí do 30 dní návrhy, stanoví poradie a nasledovne predloží doporučovací návrh na uznesenie pre obecné zastupiteľstvo.
Komisia si vyhradzuje právo neprijať návrhy, ktoré nespĺňajú podmienky. V krajnom prípade neprijme žiadny návrh.
- h) obecné zastupiteľstvo schváli návrh komisie, alebo odmietne celé výberové konanie.
- i) za predpokladu, že obecné zastupiteľstvo schváli návrh výberovej komisie, obec začne do 5 pracovných dní jednanie s prvým navrhovateľom v poradí a vráti zálohu všetkým ostatným navrhovateľom. Obidve strany budú rokovať v dobrom úmysle uzavrieť zmluvu v čo najkratšom časovom termíne.
V prípade, ak sa zmluva neuzavrie do 30 dní, obec si vyhradzuje právo ukončiť rokovanie s víťazom a možnosť začať jednať s ďalším v poradí.

V Hornej Mičinej dňa 4. 3. 1996.

Ondrej Pinka
starosta obce

Formulár "F-1"

Rozpočtové náklady na rozvoj

<i>Projektové informácie</i>		
veľkosť pozemku (m ²)		
celková plocha budovy (m ²)		
celková predajná plocha budovy		
výkop základov (dátum)		
stavba ukončená (dátum)		
doba stavby (počet mesiacov)		
úroková sadzba na pôžičku		
	<i>VEC</i>	<i>NÁKLADY</i>
		<i>NÁKLADY NA (m²)</i>
<i>Náklady na kúpu objektu</i>		
základné náklady		
prepisové náklady		
rôzne		
Celkové náklady na kúpu objektu		
<i>Náklady na výstavbu (okolie budovy)</i>		
mimoúzemné inžin. siete		
inžinierske siete na pozemku		
povrchová úprava pozemku		
úprava zelene		
asfaltovanie		
ďalšie		
Celkové náklady na výstavbu (okolie)		
<i>Náklady na stavbu</i>		
základy		
hrubá stavba		
ukončenie interieru		
iné		
Celkové náklady na stavbu		
<i> Dizajnové náklady</i>		
architekt		
konštruktér		
ďalší konzultanti		
Celkové náklady na dizajn		
<i>Nepriame náklady</i>		
testovanie a inšpekcia		
povolenia a poplatky		
poistka - rôzne		
daň z nehnuteľnosti		
právnické poplatky		
marketing/reklama		
náklady na developerových zamestnancov a poplatky		
rôzne		
Celkové náklady (nepriame)		
<i>Finančné náklady</i>		
poplatky za úver, súdnoznalecký posndok		
úroky za pôžičku		
Celkové finančné náklady		
<i>Celkové projekčné náklady</i>		

FORMULÁR "F-2"

Navrhovaný harmonogram realizácie stavby a základné údaje:

A. Navrhovaný harmonogram realizácie stavby:

(v prípade členenia stavby na etapy, uviesť osobitne pre každú etapu)

<i>Jednotlivé kroky realizácie stavby</i>	<i>Časové etapy</i>
Dokumentácia pre územné konanie	
Dokumentácia pre stavebné konanie	
Začiatok stavby	
Úkončenie stavby - kofundačné rozhodnutie	

B. Základné údaje:

Celková plocha pozemku:	_____ m ²	
Plocha zastavaná budovami	_____ m ²	_____ %
Plocha komunikácií	_____ m ²	_____ %
Plocha parkovísk	_____ m ²	_____ %
Plocha zelene	_____ m ²	_____ %
Celkom:	_____ m ²	_____ %
Budovy:		
Budova "A":	_____ Poschodia	_____ m ²
Budova "B":	_____ Poschodia	_____ m ²
Budova "C":	_____ Poschodia	_____ m ²
Budova "D":	_____ Poschodia	_____ m ²
Celkom:	_____	_____ m ²
Celková užívateľná plocha:		
Bytová:	_____ m ²	_____ %
Obchody:	_____ m ²	_____ %
Iné použitie:	_____ m ²	_____ %
Chodby, vstupné haly, atď.:	_____ m ²	_____ %
Celkom:	_____ m ²	_____ %

FORMULÁR "F-2"

Rozvojový harmonogram a projektové charakteristiky

Budova A: Táto budova bude postavená vo fáze č. _____

Bytová jednotka	Veľkosť (m ²)	Počet	Cena	Cena za (m ²)
Typ A				
Typ B				
Typ C				
Typ D				
Typ E				
Typ F				
Celkom				

Ďalšie priestory:	Veľkosť (m ²)	Cena	Cena za (m ²)
Obchodné			
Iné			
Iné			

Parkovanie:

Na pozemku - otvorené _____ Garáže: _____

Budova B: Táto budova bude postavená vo fáze č. _____

Bytová jednotka	Veľkosť (m ²)	Počet	Cena	Cena za (m ²)
Typ A				
Typ B				
Typ C				
Typ D				
Typ E				
Typ F				
Celkom				

Ďalšie priestory:	Veľkosť (m ²)	Cena	Cena za (m ²)
Obchodné			
Iné			
Iné			

Parkovanie:

Na pozemku - otvorené _____ Garáže: _____

FORMULÁR "F-2"

Rozvojový harmonogram a projektové charakteristiky

Budova C: Táto budova bude postavená vo fáze č. _____

Bytová jednotka	Veľkosť (m ²)	Počet	Cena	Cena za (m ²)
Typ A				
Typ B				
Typ C				
Typ D				
Typ E				
Typ F				
Celkom				

Ďalšie priestory:	Veľkosť (m ²)	Cena	Cena za (m ²)
Obchodné			
Iné			
Iné			

Parkovanie:

Na pozemku - otvorené _____ Garáže: _____

Budova D: Táto budova bude postavená vo fáze č. _____

Bytová jednotka	Veľkosť (m ²)	Počet	Cena	Cena za (m ²)
Typ A				
Typ B				
Typ C				
Typ D				
Typ E				
Typ F				
Celkom				

Ďalšie priestory:	Veľkosť (m ²)	Cena	Cena za (m ²)
Obchodné			
Iné			
Iné			

Parkovanie:

Na pozemku - otvorené _____ Garáže: _____

Formulár "F-3" Tab. č. 1 STAVEBNÁ PRO FORMA

PROJEKTOVÉ INFORMÁCIE	1	2	3	4	5	6
veľkosť pozemku (m ²)						
celková zastavaná plocha (m ²)						
výkop základov						
ukončenie stavby (dátum)						
dĺžka stavania (mesiac)						
úroková sadzba na pôžičku						
celková predajná plocha budovy (m ²)						
celkové počty bytových jednotiek na predaj						
ROZVOJOVÉ NÁKLADY						
NÁKLADY SPOJENÉ S KÚPOU POZEMKU						
základné náklady						
náklady s prepisom						
rózne						
Celkové náklady s kúpou pozemku						
NÁKLADY SO STAVEBNÝM POZEMKOM						
verejná inžinierska sieť						
domové inžinierske siete						
splnňovanie						
úprava okolia zeleňou						
vyhotovenie komunikácií						
zvláštny prípad						
Celkové náklady so stavebným pozemkom						
NÁKLADY SPOJENÉ SO STAVBOU BUDOVY						
základy						
hrubá stavba						
vnútorné dokončovacie práce						
zvláštny prípad						
Celkové náklady spojené so stavbou						
NÁKLADY SPOJENÉ S DIZAJNOM						
architekti						
konštruktéri						
inž. konzultanti						
Celkové náklady s dizajnom						
CELKOM						
PREDKONŠTRUKČNÉ						
ŠTVŔŤROK						

Formulár "F-3" Tab. č. 2

STAVEBNÁ PRO FORMA

PRÍJMY Z PREDAJA	CELKOM	PREDKONŠTRUKČNĚ	ŠTVRTROK								
			1	2	3	4	5	6	7	8	
2 izbové bytové jednotky											
Predajná cena											
Jednotka 1											
Jednotka 2											
Jednotka 3											
Jednotka 4											
Jednotka 5											
Jednotka 6											
Jednotka 7											
Jednotka 8											
Náklady s predajom											
prepísne dane											
poplatky za predaj											
ČISTÉ PRÍJMY Z PREDAJA											
PRÍJMY Z PREDAJA	CELKOM	PREDKONŠTRUKČNĚ	ŠTVRTROK								
3 izbové bytové jednotky			1	2	3	4	5	6	7	8	
Predajná cena											
Jednotka 1											
Jednotka 2											
Jednotka 3											
Jednotka 4											
Jednotka 5											
Jednotka 6											
Jednotka 7											
Jednotka 8											
Náklady s predajom											
prepísne dane											
poplatky za predaj											
ČISTÉ PRÍJMY Z PREDAJA											

Formulár "F-3" Tab. č. 3

STAVEBNÁ PRO FORMA

		STAVEBNÁ PRO FORMA								
		CELKOM	PREDKONŠTRUKČNÉ			ŠTVRŤROK				
			1	2	3	4	5	6	7	8
NEPRIAME NÁKLADY										
	skúšky a inšpekcia									
	povolenia a poplatky									
	poistenie - rozličné									
	dane z nehnuteľnosti									
	právne poplatky									
	marketing a reklama									
	developerovi zamestnanci - mzdy a poplatky									
	rôzne									
	Celkové nepriame náklady									
FINANČNÉ NÁKLADY										
	poplatky za úver									
	úroky									
	Celkové finančné náklady									
CELKOVÉ ROZVOJOVÉ NÁKLADY										
PRÍJMY Z PREDAJA		CELKOM	PREDKONŠTRUKČNÉ			ŠTVRŤROK				
	Predajné ceny		1	2	3	4	5	6	7	8
	2 izbová bytová jednotka									
	3 izbová bytová jednotka									
	4 izbová bytová jednotka									
	obchodné priestory									
	kancelárie									
	Náklady s predajom									
	prepísané dane									
	poplatky za predaj									
	ČISTÉ PRÍJMY Z PREDAJA									
POHYB HOTOVOSTI PRED FINANCOVANÍM										
FINANCOVANIE A DEVELOPEROVÉ IMANIE		CELKOM	PREDKONŠTRUKČNÉ			ŠTVRŤROK				
	Výplata úveru a splátky		1	2	3	4	5	6	7	8
	Súhrnný zvyšok									
	Developerov príspevok imania - účty									
	Rastúci zvyšok imania									
DEVELOPEROVA NÁVRATNOSŤ										
	Zisk - strata									
	Ročná návratnosť na imanie v percentách									

Formulár "F-4"

Predloženie od developera a certifikovaný návrh pre obec Horná Mičina, pre získanie jedného, alebo dvoch pozemkov na výstavbu bytov a k tomu príslušné zariadenia

Dátum: _____

Starosta _____
(adresa)

Milý pán starosta: _____

V mene _____ (meno firmy), (spoločnosti, partnerstvo, s.r.o., jednotlivec, alebo združenie pozostávajúce z _____ a _____ (vyber čo sa hodí), ja, ako jej _____ (prezident, generálny riaditeľ, partner, atď.), podávam tento návrh na získanie _____ (uveďte presne pozemok, napr. budova č.1, parcela "A", atď..) a na výstavbu bytov a k tomu príslušného zariadenia. Nepodávame s týmto iný súbežný návrh na tú druhú parcelu (y) ponúknutú(é) vo Vašej ŽON-ke z _____(dátum). (Alternatíva: Podávame _____ (číslo) ďalšie návrhy na tú ďalšiu parcelu (y) ponúknuté vo Vašej ŽON-ke z _____ (dátum).

Ako nedeliteľné súčasťou tohto podania sú nasledovné prílohy:

1. Rozvojový návrh:

Náš celkový rozvojový návrh pre _____ je pripojený ako príloha A a obsahuje nasledovné časti:

- a. Postupný popis navrhovaného projektu, včetně celkového opisu vývojového konceptu, množstva a typov budov a podlaží, počet a veľkosť bytových jednotiek, parkovanie, atď. Projekt bude stavaný v _____ fáze (ch). (Až stavaný vo fázach, popíš čo bude postavené v jednotlivých fázach).

Bytové jednotky sú navrhnuté aby boli príťažlivé (popíš cieľové skupiny: príjem, rodiny v porovnaní so starším obyvateľstvom v porovnaní s mladými manželmi, atď.; odkiaľ) a budú ponúknuté na (predaj alebo prenájom) v cenovom rozsahu _____. (Až sa hodí, obchodné priestory budú ponúknuté na predaj alebo prenájom).

- b. _____ sada (y) návrhového štúdia zahrňujú:

i. Situačný plán: Mierka = 1 : _____

ii. Typický pôdorys bytovej jednotky; a (typický pôdorys pre obchodné priestory (keď vhodné)): Mierka = 1 : _____

iii. Detailné pôdorysy bytov (v typickej budove): Mierka = 1 : _____

iv. Pohľady z _____ a _____ (a _____ rez) v 1 : _____

- c. Popis špecifikácií, včetně štruktúrálnej, kúrenia a mechaniky, električky, druhov materiálu, vonkajšieho povrchu a úpravu zelene.

2. Biznisový návrh:

Náš kompletný biznisový návrh pre _____ je pripojený v prílohe B a obsahuje nasledovné časti:

- a. Rozpočet na rozvoj na celý projekt vo forme ŽON-kového formuláru _____.
- b. Časový rozvrh a charakteristiky projektu vo forme ŽON-kového formuláru _____.
- c. "Rozvojové proforma" vo forme ŽON-kového formuláru _____, spolu s popisom navrhnutého finančného plánu s vymenovaním každého investora, banky a záloh vybraných od kupujúceho. Ohľadne financií obdržaných od investorov a bánk, pripájame kópie "Dokument o predbežnom súhlase" od našich investorov a finančných zdrojov.
- d. Plán marketingu s určitým zameraním na jednotlivcov, kde sa nachádzajú, ako sa s nimi spojíme, akým spôsobom platby alebo financovania sa to uskutoční a aké plány môžeme mi ponúknuť. Priemerná cena bytových jednotiek a plánovaný rozvrh "absorbovania"? je napísaný vo formulári _____, "rozvojová proforma".

3. Developerov tím a kvalifikácie:

Tak isto sme zahrnuli nasledovné podporujúce materiály (Príloha C) týkajúce sa našej kvalifikácií na ukončenie projektu:

- a. Detailný popis členov rozvojového tímu (mená, skúsenosť a preukázaná schopnosť), včetně rozvojového subjektu (meno subjektu); nášho architekta, dodávateľov a konzultantov; spolu s brožúrami a vzorkami projektov ktoré vykonali.
- b. Certifikát že _____ (meno subjektu) je v dobrom postavení a je registrovaný pri _____ (organizácia) Slovenskej republiky, včetně overenej kópie o registrácii. Dôverne daná posledná finančná zpráva je ako príloha _____. (Keď všeobecné partnerstvo, alebo jednotlivec: (my) potvrdzujeme, že táto dôverná finančná zpráva, priložená ako príloha _____, je pravdivým obrazom o mojej (našej) finančnej situácii a JA (my) nie sme v tejto dobe v likvidácii tak isto ani JA (my), alebo subjekty pod mojou (našou) priamou kontrolou sme neprehlásili bankrot za posledných _____ (rokov).
- c. Bankové referencie, včetně telefónnych čísiel a mien bánk, kontaktov, adresy a vzťahy.
- d. (Až sa hodí) Nasledovné ďalšie prehlásenia a dôkaz developerovej kvalifikácie a finančnej zodpovednosti sú priložené v prílohe _____ a sú tohto súčasťou:

4. Záloha:

Prikladáme bankový šek v hodnote _____ slovenských korún, ktorý predstavuje zálohu vyžadujúcu pod bodom _____ tejto ŽON-ky. Berieme na vedomie, že táto záloha bude vrátená, bez platenia úrokov, v prípade, že nebudeme víťazmi tejto súťaže; ale nebude návratná, keď sa staneme víťazmi a my sa vzdáme účasti predtým ako sa dosiahne definitívna "rozvojová zmluva" s _____, s výnimkou, keby sa nedosiahla dohoda vedená v dobrom úmysle.

5. Potvrdenie:

S mojím podpisom potvrdzujem, že v mene _____ (meno subjektu), ja (my) sme pozorne prečítali túto ŽON-ku a dokumenty s ňou spojené, fyzicky si prehliadli situáciu a sme oboznámení so Slovenskými stavebnými kódmi? a podmienkami. Rozumieme a prijímame podmienky uvedené v tejto ŽON-ke, týkajúcich sa príslušných zodpovedností vzťahujúcich sa na developera a na obec a rozumieme a prijímame pravidlá výberového konania na určenie víťazného developera.

_____ (meno rozvojového subjektu)

Meno: _____

Funkcia: _____

Dátum: _____

Výzva na podanie návrhov na možnosť získania pozemku
pre výstavbu bytov v meste Prešov, lokalita Jarková ulica

1. ÚVOD

Mesto Prešov vyzýva súkromných investorov na podanie návrhov na získanie pozemku o rozlohe cca 5700 m² pre realizáciu výstavby bytov. Predmetom návrhu je architektonický návrh a podnikateľský plán na realizáciu bytov. Vlastné náklady spojené s realizáciou celého procesu bude hradiť nositeľ víťazného návrhu. Cieľom výzvy je realizácia nového typu kvalitných bytov pre občanov mesta, povzbudenie súkromných investorov na výstavbu bytov a zvýšenie celkovej kvality obytného prostredia.

2. POPIS POZEMKU

Terén vymedzeného územia je rovinatý, vytvorený veľkoplošnou asanáciou.

- Pozemok o rozlohe 5700 m² je situovaný v centrálnej mestskej zóne a je vymedzený:
 - zo severu Ulicou kapitána Jaroša,
 - zo západu hranicou mestskej tržnice,
 - z juhu Švermovou ulicou,
 - z východu hranicou pozemku pre výstavbu bytových domov firmou Martinák.
- Geodetické pomery pozemku (podľa sondážnych vrtov):
 - v hornej vrstve: navážky v hrúbke od 1,5 do 4,2 m pod terénom,
 - pod navážkami: náplaveniny rieky Torysy (piesčité hlíny),
 - vrstvy veľmi hrubých štrkov (priemer valúnov 5 - 10 cm),
 - podlažie: ílovce, pieskovce v hĺbke 5,5 m pod terénom,
 - maximálna ustálená hladina spodnej vody: - 220 cm pod terénom.
- Pozemky vo vymedzenom území sú vo vlastníctve mesta s výnimkou č. parc. 152 + 155, ktorá je t.č. v súkromnom vlastníctve.

- Pozemok je sprístupnený z Ulice kapitána Jaroša. V prístupových komunikáciach sú uložené inžinierske siete, na ktoré je možné vymedzený pozemok napojiť.

Predmetom prevodu, ktorý bude upresnený v zmluve je kompletný pozemok.

3. URBANISTICKÉ PODMIENKY ROZVOJA

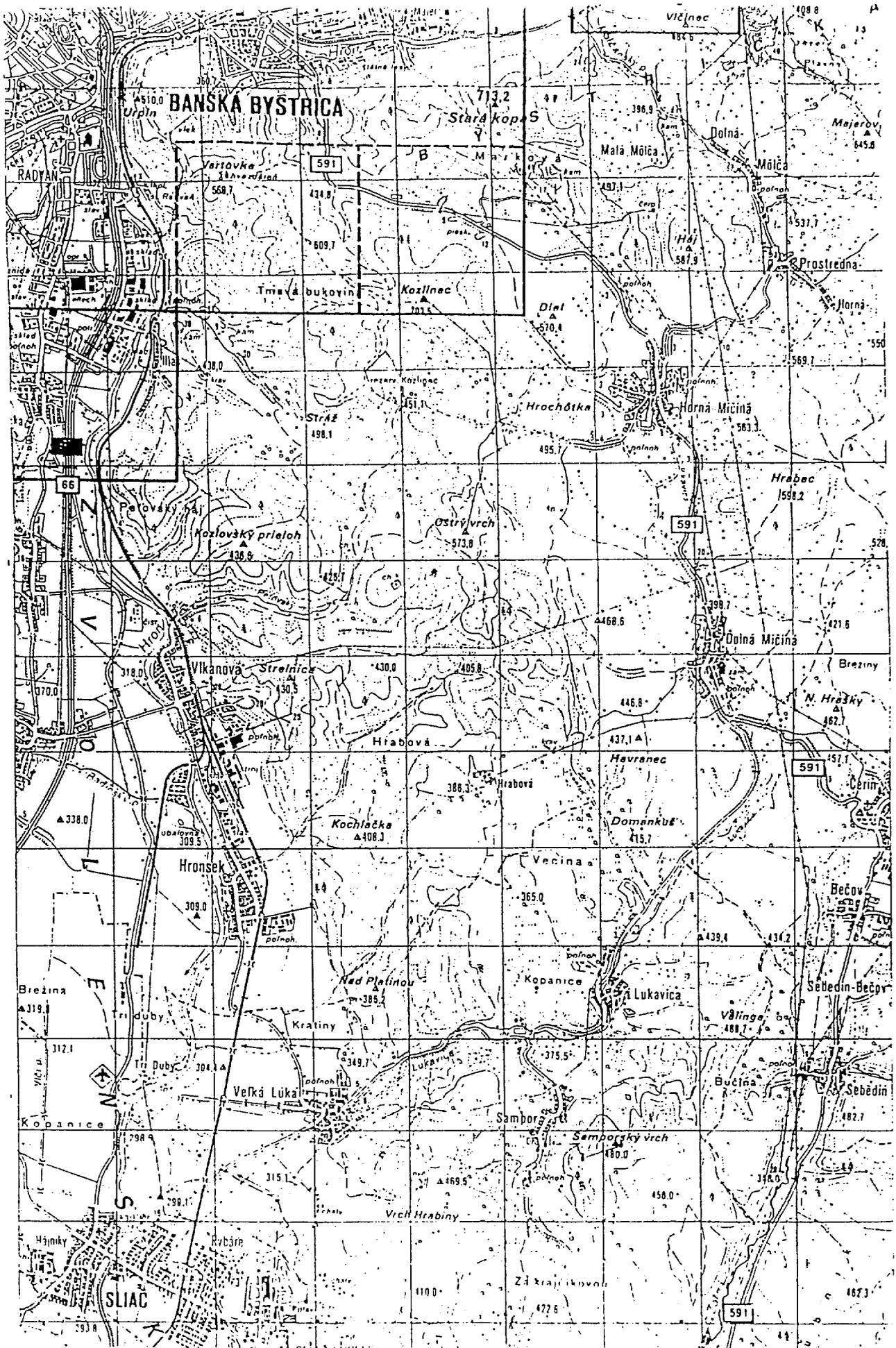
Minimálne rozvojové požiadavky, ktoré musia byť dodržané na pozemku sú:

- a) stavba bude mať 3 nadzemné podlažia (+ podkrovia),
- b) min. 70 a max 80 bytových jednotiek,
- c) pre trvalé bývajúcich uvažovať so stupňom motorizácie v pomere 1:3,5 a 2 parkovacie miesta na každých 100 m² prevádzkových plôch obchodných jednotiek, parkoviská pre majiteľov bytov situovať do podzemia,
- d) prvé nadzemné podlažie orientované do Ul. kpt. Jaroša bude využité na podnikateľské aktivity v oblasti služieb,
- e) riešenie funkčného využitia parcely č. 152 + 155 je určené urbanistickou koncepciou riešeného územia,
- f) zabezpečenie bezbariérového prístupu podľa vyhl. č. 153/85 Zb. v znení neskorších noviel,
- g) min. 40 % pozemku musí byť zazelenené.

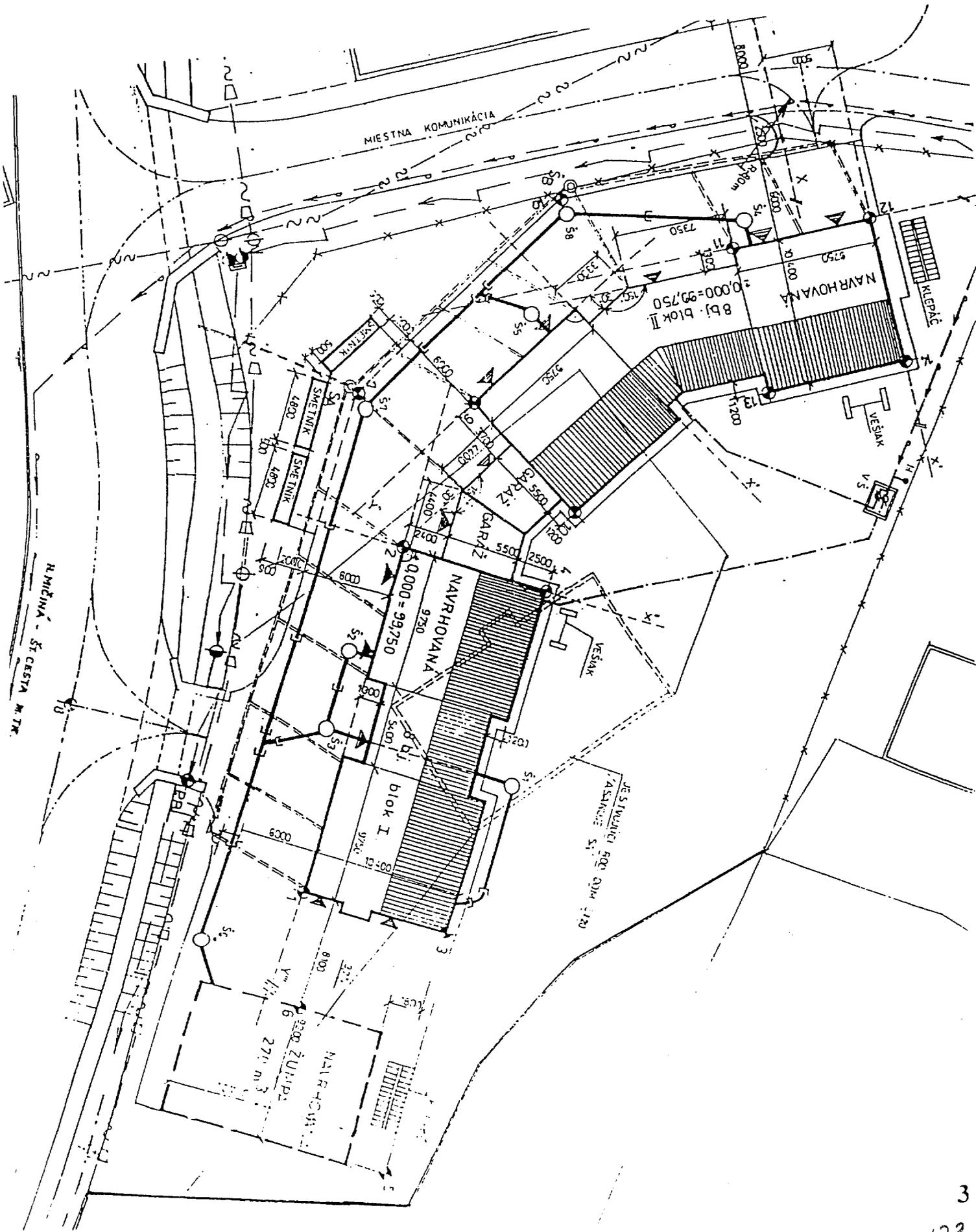
4. OBSAH PONUKY

Každý navrhovateľ je povinný predložiť v požadovanom termíne ponuku a zložiť na účet mesta vo VÚB Prešov, č. 423-572/0200 zálohu na kúpu nehnuteľnosti vo výške 100 tisíc Sk. Záloha bude vrátená všetkým navrhovateľom okrem víťazného návrhu. Ponuka bude predložená v troch vyhotoveniach so spätnou adresou v zapečatenej obálke s nadpisom "Otvárať pri výberovom konaní".

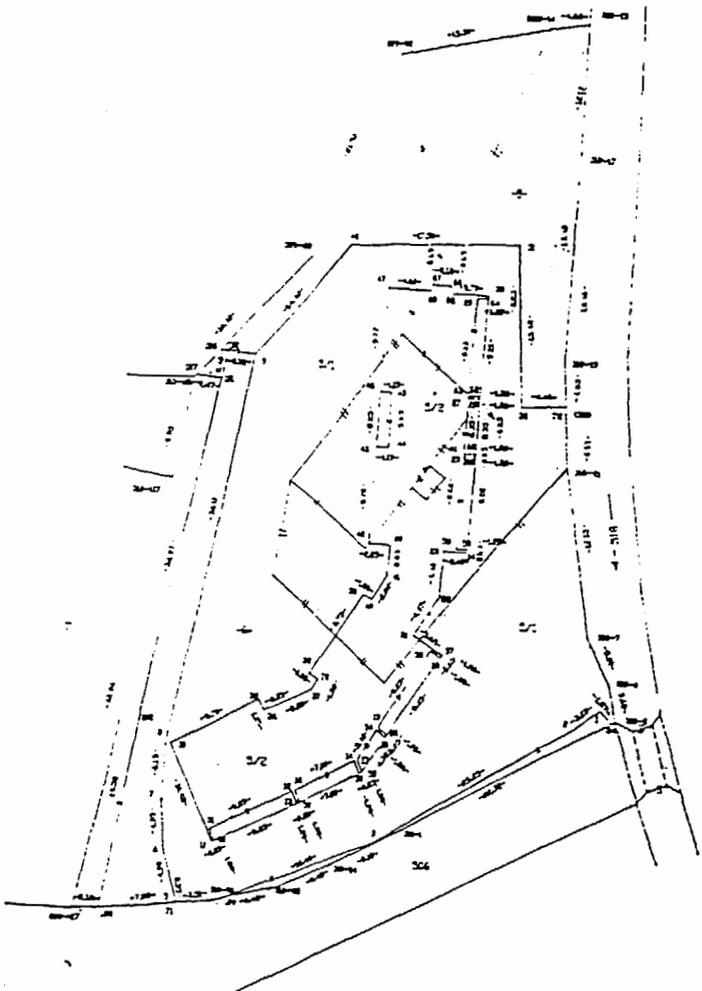
Exhibit 2-C
Checklist - Detailed Site Information



MAPA OKOLIA



Stav 1: 1:500
Stav 2: 1:500

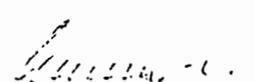


VÝKAZ VÝMER

		Doterajší stav				Zmeny				Nový stav					
PK vlastky	Číslo parcely		Výmera		Druh pozemku	Číslo parcely	Číslo parcely	m ²	od parcely číslo	m ²	Číslo parcely	Výmera		Druh pozemku	Vlastník užívateľ (adresa)
	LV	PK	EN	ha								m ²	ha		
LV	155	5		945	zast.						5 1	1438	zast.	Doterajší	
LV	175	6		1943	zast.						5 2	590		Doterajší	
		STGLU:		2665							6	850		Doterajší	
												2665			

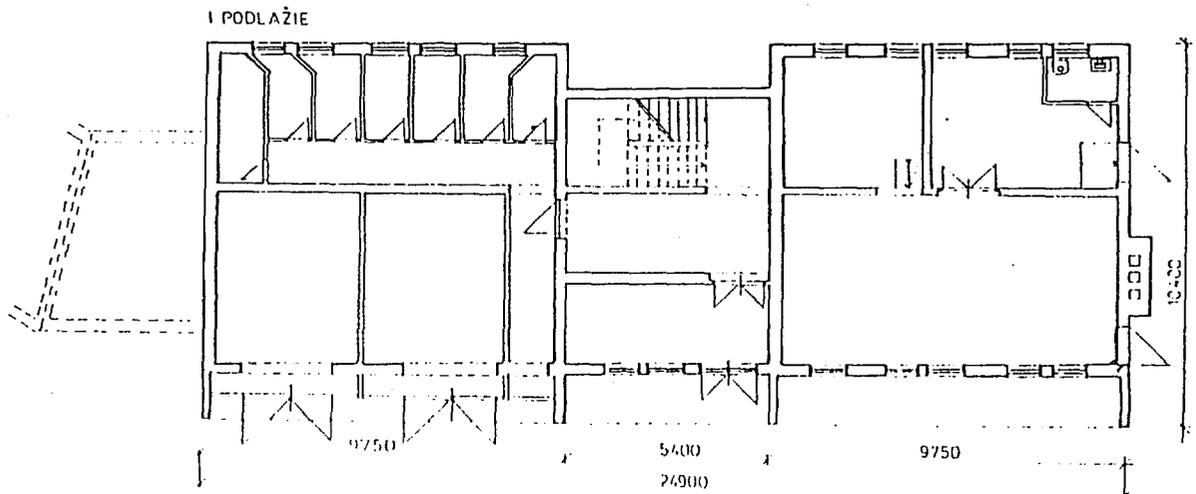
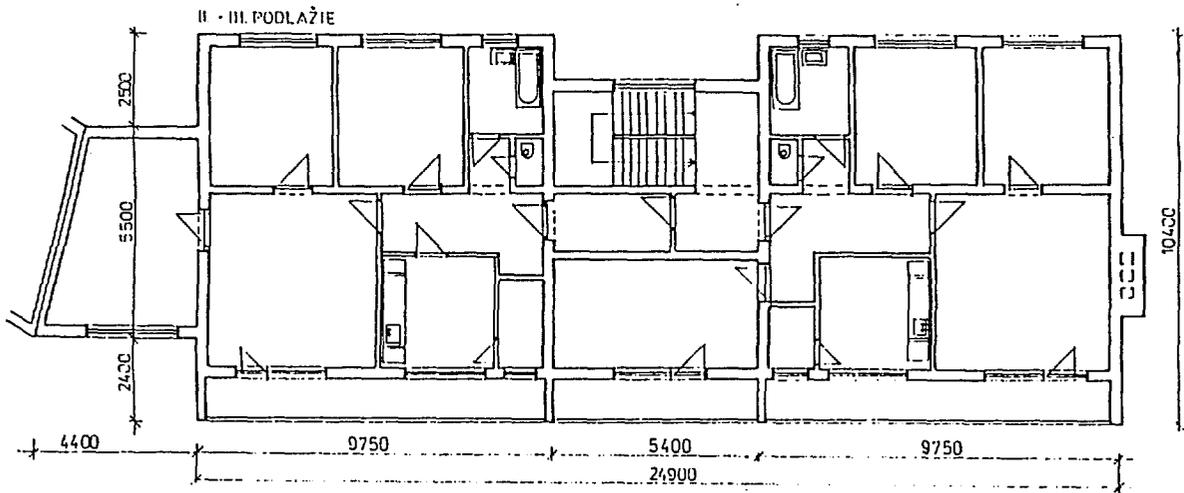
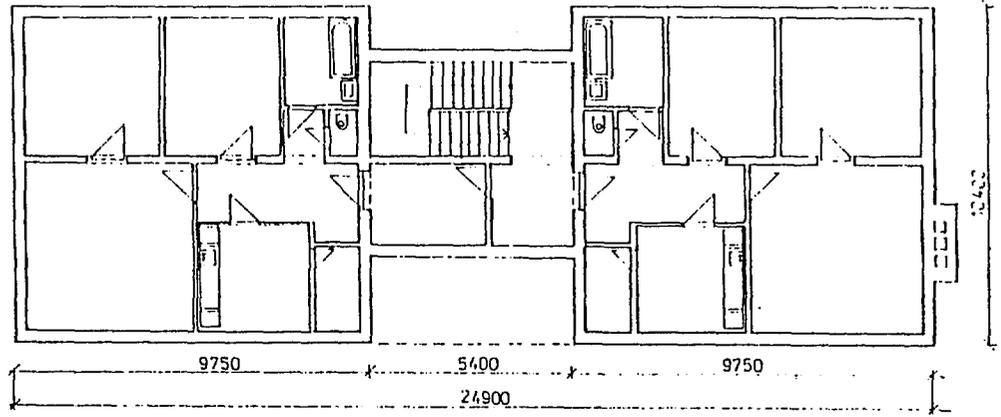
katastra

Geometrický plán je podkladom na právne úkony, keď údaje nehnuteľností doterajšieho stavu výkazu výmer sú zhodné s údajmi platných výpisov z evidencie nehnuteľností

Názov organizácie Jozef Žabka súkromný geodet Chabenecká 9 974 01 BAN. BYSTRICA		Okras B. Bystrica	Obec Hor. Mičiná	Kat. územie HOR. MIČINÁ
		Číslo zákazky 244-03-339-93	Mapový list č. 5-6/2; 5-6/4	Záznam podrobného merania (meračský náčrt) č. 111
GEOMETRICKÝ PLÁN oddelenie parcel č. 1, 5/2, 6				
Zameral	Vyhotovil	Potvrdil	Ovéri uzemný organ geodézne a kartografie	
Dňa: 25.10.93	Dňa: 1.11.93	Dňa: 22.11.93	Mening, Červený	Dňa: 11.11.93 Číslo: 111
Jozef Žabka		Náležiteľami a právnoúťou zodpovedá predpisom		Ovorené podľa § 8 zákona č. 46/1971 Zb.
Nové hranice boli v prúde označené múrom, žol. rúrkami				
Zmienené údaje sú určené na účelovú dokumentáciu				

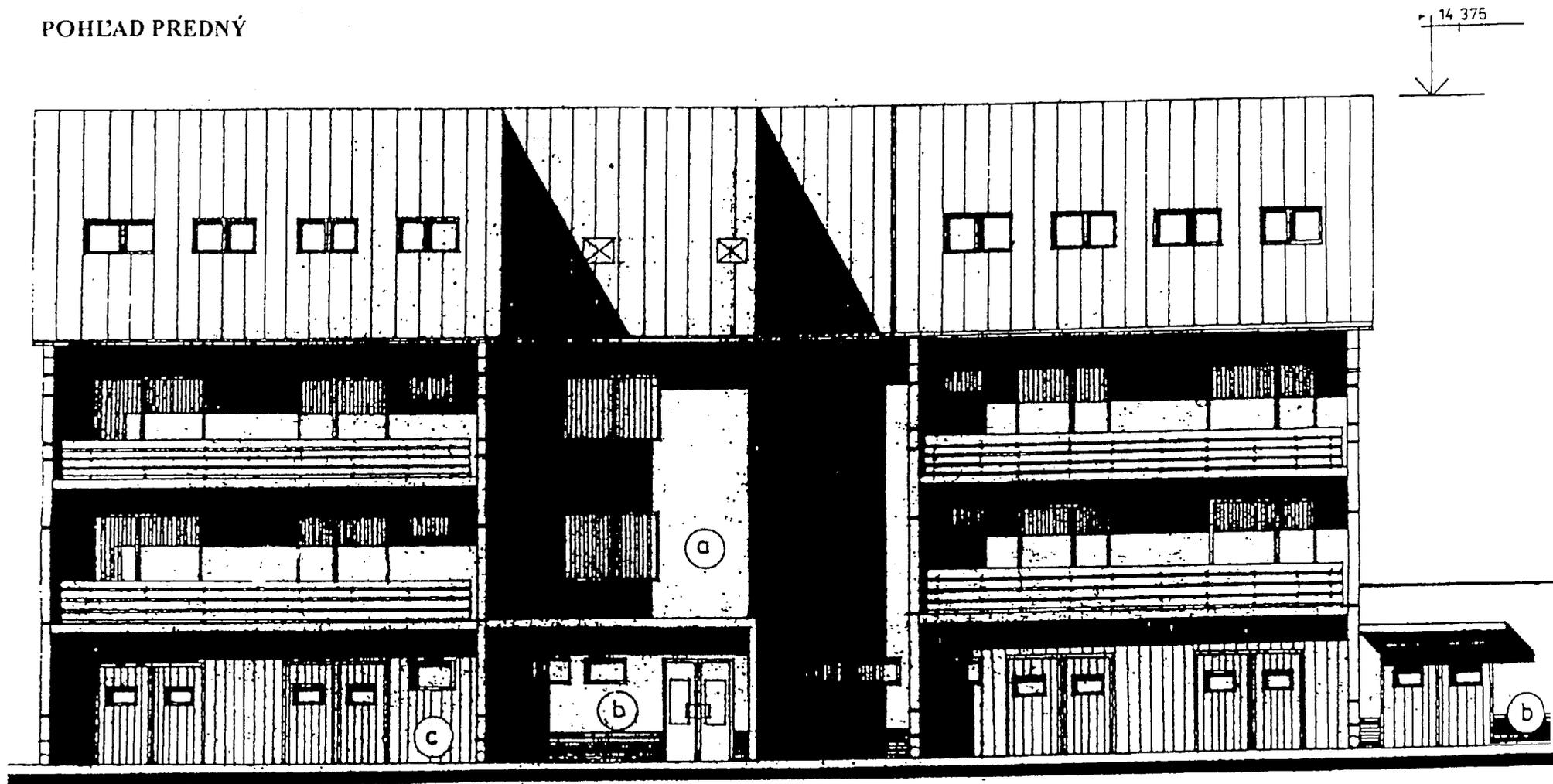
PRÍLOHA "D"

8 b. j. BLOK I
PÓDORYSY:



PRÍLOHA "D"

POHLED PREDNÝ

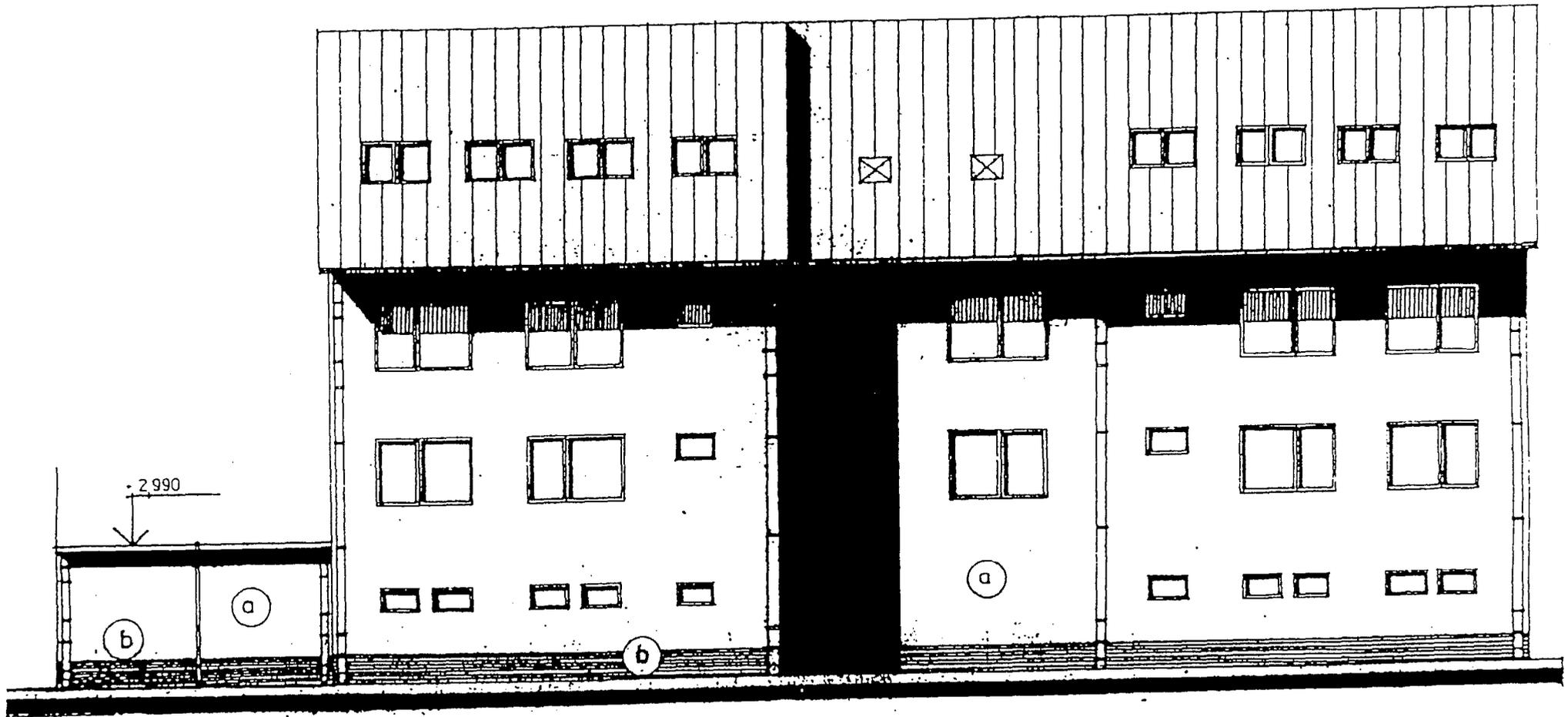


8 b. j. BLOK I

126

PRÍLOHA "D"

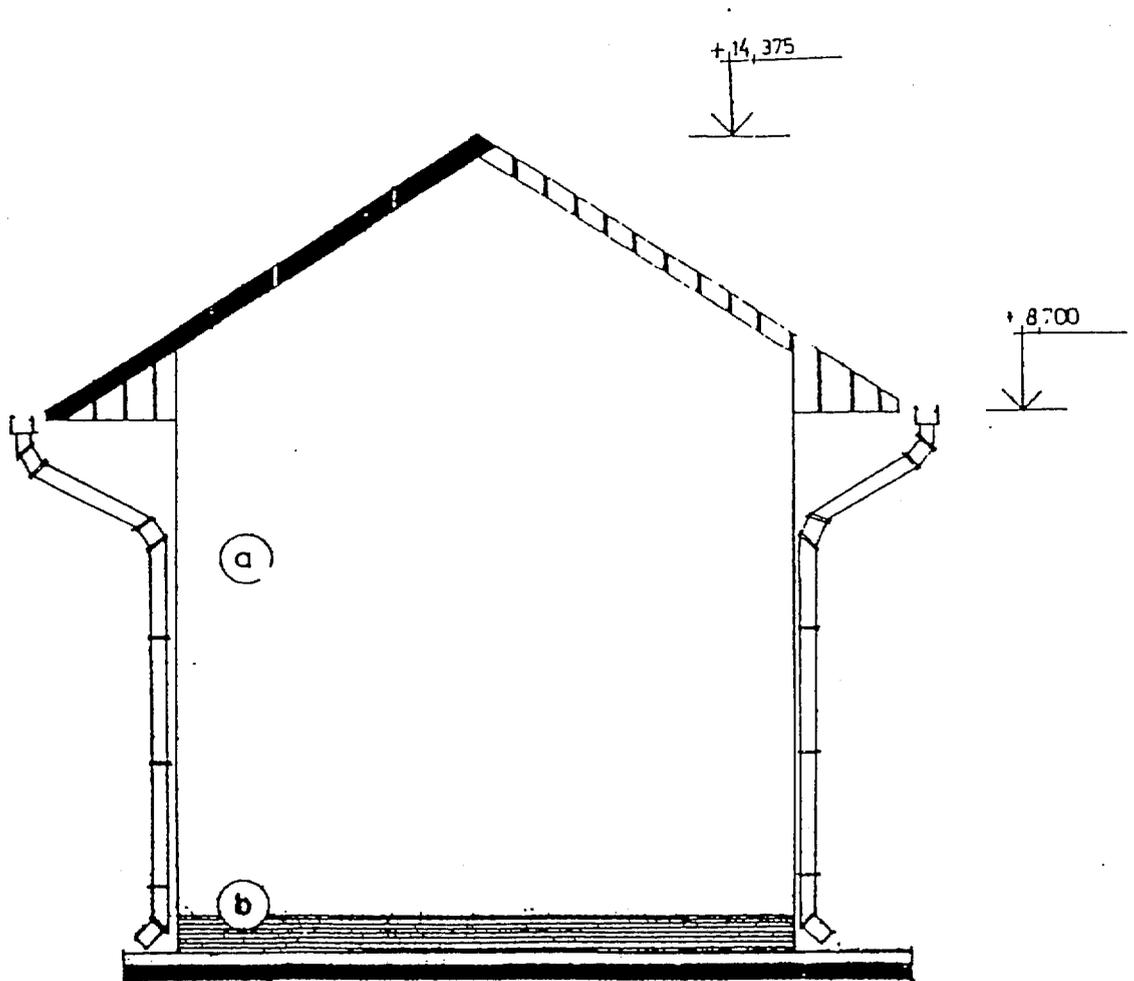
POHLED ZADNÝ



8 b. j. BLOK 1

PRÍLOHA "D"

POHLAD BOČNÝ



8 b. j. BLOK 1

POHĽAD
JUHOVÝCHODNÝ



POHĽAD
SEVEROVÝCH.



POHĽAD
JUHOVÝCHODNÝ

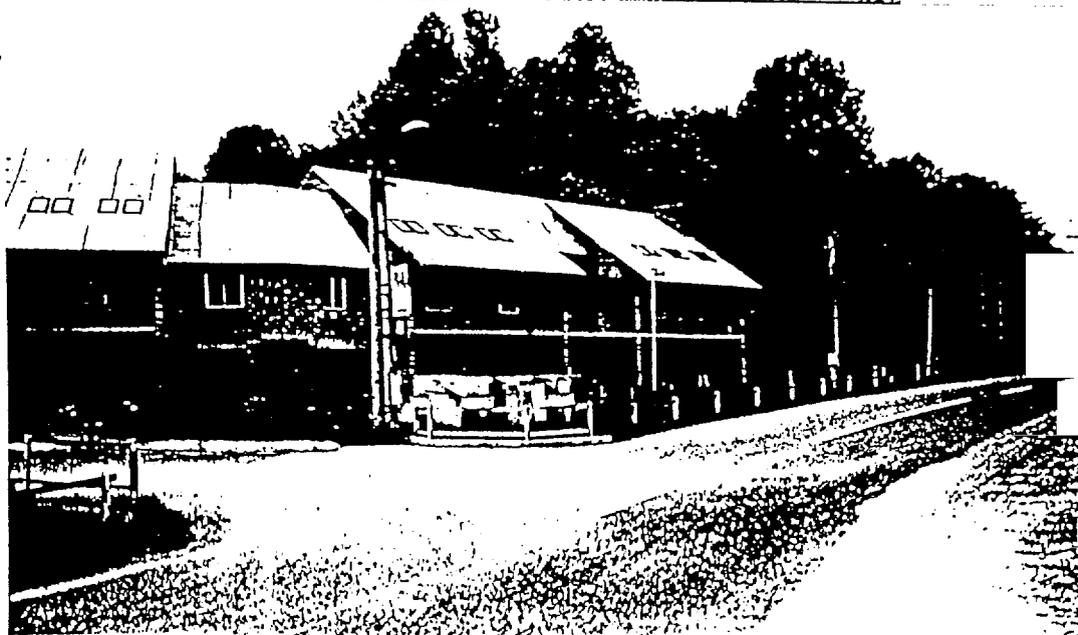


Exhibit 2-D
Illustrative Information

Orientačné informácie o úverových podmienkach (úrokových sadzbách) - marec 1996 pre podnikateľské subjekty

BANKA	Prime rate (min)	Krátkodobé (do 1 roka)	Strednodobé (1 až 4 roky)	Dlhodobé (viac ako 4 r.)	Zábezpeka (výška, druh)
VÚB	12,5	14	15 - 16	do 10 rokov 16 - 17	200% ručenie u hnutel'. + nehnuteľ. majetku - vzhľadom k odpisom, vklad (naša aj cudzia mena do 120%), záručná banka, mestská forma záruky; možnosť čerpania jednorázovo al. postupne, možnosť predčasného splatenia úveru
Slov. sporiteľňa	12	14	15	16	150% vinkul. vklad, nehnuteľ. majetok,, 3.osoba, posúdenie každého projektu
IRB (zmeny v štádiu priprav platnosť od bud.týž.)	12	16	16,5	17	150% požad. úveru, vklad, nehnuteľnosť, 3.osoba, záruč.banká
Poľnobanka					
Istrobanka		14	15-16+ rizik.marža		nehnutel'nosť, 3. osoba, finanč. al. bonitné pohľadávky, záručná banka + čiast. krytie, bonit. cenné papiere
Ľudová banka					
PKB	12,5			max 5rokov 16,75	termin. vklad, vklad v inej mene, dobrá nehnuteľnosť - posudzovanie individ. podľa kritérií možná garancia mesta (aj rozpočtom)

U všetkých bánk je nutné predložiť žiadosť + splátkový plán, podnikateľský plán a všetky potrebné informácie o klientovi (ročné uzávierky, daňové priznania a pod.

Pozn.: VÚB je možnosť čerpania EXIM úveru na investičné akcie. Podnikateľský plán (projekt) musí odsúhlasiť aj Národná banka. Možnosť postupného čerpania úveru, nutnosť 30% vlastných prostriedkov + 70% možný úver, úroková sadzba cca 14,5%. Sadzba sa líši od výšky úveru a to do 20 mil Sk a nad 20 mil Sk vo vzťahu na kvalitu projektu. Možnosť dĺžky úveru : min 1 rok max 10 rokov. Splátky štvrťročne, úroky mesačne. Ručenie 200% u majetku, u vkladu 120; u týchto prostriedkov je možné dohodnúť ich použitie formou revolvingového fondu.

Žiadosť o poskytnutie úveru

Obchodné meno žiadateľa:

Adresa:

IČO:

DRČ:

Telefón:

Fax:

Štatutárny zástupca:

Dátum vzniku:

Oprávnenie na podnikanie č:

Vydané dňa:

Oprávnenie vydal:

č.ú. vedeného v PKB a.s.:

od:

Ostatné účty v iných bankách:

od:

Prevažne vykonávaná činnosť:

Druh požadovaného úveru:

prevádzkový

investičný

Doba úveru:

Výška požadovaného úveru:

Účel úveru:

Požadovaný termín čerpania úveru:

Výška navrhovaných splátok a termínov splácania:

Dátum podania: Podpis oprávnenej osoby:

Podklady klienta k žiadosti o úver

Klient predkladá banke žiadosť o úver, v ktorej zdôvodní svoje požiadavky na úver.

K žiadosti o úver predloží:

1. Výpis s obchodného registra alebo
2. Živnostenské oprávnenie alebo
3. Registráciu potrebnú na činnosť, ak sa na klienta nevzťahuje povinnosť podľa bodov 1. a 2.
4. Kópie dokladov o hospodárení odovzdaných daňovému úradu za posledné 3 roky, resp. od začiatku podnikania klienta, ak klient podniká v kratšom období.
5. Súvahu, výsledovku a výkaz toku finančnej hotovosti nie staršie ako 1 mesiac bežného roka, týkajúce sa obdobia od začiatku finančného roka do dňa podania žiadosti.
6. Prehľad o pohľadávkach a záväzkoch v štruktúre podľa lehoty splatnosti nie starší ako 1 mesiac bežného roka. Špecifikáciu podľa termínov splatnosti do 30 dní, do 3 mesiacov, nad 3 mesiace a prípadne nedobytnosti.
7. Stručnú charakteristiku činnosti a vývoja podnikateľských aktivít od začiatku finančného roka.
8. Špecifikáciu činnosti podľa odporúčanej osnovy.
9. Návrh na zaistenie úveru
 - a) navrhované nehnuteľnosti
 - znalecký posudok
 - posudok od znalca určeného bankou nie starší ako 2 mesiace
 - výpis z katastra nehnuteľností nie starší ako 2 mesiace
 - poisťná zmluva na objekt záruky
 - b) navrhované hnutel'nosti
 - technický alebo iný identifikačný preukaz
 - posudok od znalca určeného bankou nie starší ako 2 mesiace
 - poisťná zmluva na objekt záruky
 - c) navrhované pohľadávky
 - prehľad ponúkaných pohľadávok vrátane lehoty splatnosti, do úvahy sa neberú pohľadávky po lehote splatnosti
 - dohoda s dlžníkmi o zaplatení pohľadávky v prospech PKB, a.s.
 - d) navrhované cenné papiere
 - špecifikácia cenných papierov (ISIN názov, počet navrhovaný do zástavy)
 - e) iné ponúkané záruky zo špecifikáciou druhu záruky a spôsobu zabezpečenia napr. vystavená banková záruka, vinkulácia finančných prostriedkov, záväzné prehlásenie o ručení tretej osoby, zmenka pri ručení obchodným menom.

Odporúčaná osnova špecifikácie činnosti

Špecifikácia činnosti je hlavným dokumentom, v ktorom podnikateľ vyjadruje svoje podnikateľské ciele a konkretizuje marketingové opatrenia na zabezpečenie týchto cieľov.

V opodstatnených prípadoch klient môže vynechať niektoré časti doporučené touto osnovou v nadväznosti na účel použitia úveru - pri investícii na rozvoj investičného majetku banka požaduje iný rozsah ako pri nákupe zásob. Pretože ide o doporučenú orientáciu, môžu firmy postupovať pri príprave špecifikácie činnosti podľa vlastnej osnovy, ale klient by mal zodpovedať otázky, vyplývajúce z doporučenej osnovy.

Doporučujeme, aby v špecifikácii činnosti bola zachovaná nasledovná orientácia:

1. **Stručný opis projektu - zhrnutie**
V úvode stručne vyjadri podnikateľský zámer a celkovú filozofiu podnikania
2. **Základné informácie o firme**
 - a) genéza vývoja podniku a jeho podnikateľských aktivít
 - b) právna forma podnikania, charakteristika zakladateľov firmy
 - c) kľúčové osobnosti firmy - management, ktorý bude podnikateľský zámer realizovať, jeho kvalifikácia, skúsenosti v odbore, predchádzajúce podnikateľské výsledky
3. **Súčasná ekonomická situácia firmy**
 - a) hlavná výrobná alebo obchodná náplň firmy
 - b) súčasné postavenie firmy na trhu
 - c) veľkosť firmy - priemerný počet zamestnancov, priemerný stav investičného majetku, zásob, obratu zisku
 - d) súčasné technické a technologické vybavenie, z hľadiska výkonnosti a účinnosti
 - e) majetková bilancia firmy - jej vývoj za posledné 3 roky
4. **Vecné zameranie podnikateľskej činnosti**
Bližšie sa uvedie na akú oblasť sa činnosť orientuje.
5. **Analýza trhu, odbytu, cenová stratégia**
 - a) súčasní a budúci zákazníci firmy - špecifikácia podľa podielu na odbyte firmy
 - b) súčasní a budúci dodávatelia firmy, podľa akých kritérií si klient vyberá firmy dodávateľov - špecifikácia podľa podielu na dodávkach pre firmu
 - c) solventnosť a perspektívnosť obchodných partnerov, prečo sa firma orientuje na týchto obchodných partnerov, ako sa klient presvedčil o ich solídnosti a dobrej obchodnej povesti
 - d) podloženie odbytu, resp. dodávok zmluvami. Preukazuje sa, v akom objeme, resp. podiele má firma zabezpečnú produkciu zmluvami
 - e) zdôvodnenie, na základe akých informácií klient predpokladá uvádzaný vývoj
 - f) cenová stratégia- s akou cenovou orientáciou firma počíta voči jednotlivým skupinám zákazníkov a spôsoby jej realizácie
6. **Konkurencia**
 - a) súčasná a budúca konkurencia
 - b) ako klient vykonáva prieskum konkurencie
 - c) opatrenia klienta proti konkurencii
 - d) zdôvodnenie, na základe akých informácií klient predpokladá uvádzaný vývoj
7. **Opatrenia na podporu predaja**
 - a) prieskum trhu - spôsoby vykonávania a ich početnosť
 - b) zabezpečenie distribúcie produktov
 - c) zabezpečenie komunikácie so zákazníkom
 - d) zabezpečenie propagácie
 - e) spôsob predaja, organizácia odbytu
8. **Alternatívne riešenia**
Uvádza sa, s akými alternatívami firma uvažuje pre zabezpečenie podnikateľského zámeru a ich konkrétny dopad do plánu
9. **Finančné zabezpečenie podnikateľského plánu**
- kapitálová potreba, návratnosť kapitálu, finančné zdroje
 - a) projektovaná bilancia - projektovaný vývoj investičného majetku, vývoj stavu pohľadávok, vývoj a špecifikácia stavu zásob na strane aktiv a zároveň vývoj základného imania a fondov, vývoj stavu záväzkov a úverov na strane pasív.
 - b) projektovaná výsledovka
 - c) projektovaný tok finančnej hotovostiÚdaje sa uvádzajú za jednotlivé roky splácania úveru. Finančné ukazovatele musia byť previazané plánom odbytu, resp. výroby, s potvrdenými zmluvami. Finančné výkazy sa môžu doplniť ďalšími doplňujúcimi charakteristikami.

Sample Filled Out Pro Formas

Formular "F-3" STAVEBNÁ PRO FORMA			VARIANTA 1: DEVELOPEROVÉ VLASTNÉ FINANCOVANIE A. PLATBA ZA POZEMOK NA ZAČIATKU								
Option 1: Developer Internal Financing A: Land Payment at Commencement											
PROJEKTOVÉ INFORMÁCIE											
Veľkosť pozemku	800,00										
Celková zastavaná plocha	800										
Výkop základov	07/01/96										
Ukončenie stavby (datum)	06/30/97										
Dĺžka stavania (mesiace)	12										
Úroková sadzba na pôžičku	0,00%										
Celková predajná plocha budovy (m ²)	600,00										
Celkový počet bytových jednotiek na predaj	8										
ROZVOJOVÉ NÁKLADY											
		CELKOM	PREDKON-ŠTRUKČNÉ	ŠTVRTROK 1	ŠTVRTROK 2	ŠTVRTROK 3	ŠTVRTROK 4	ŠTVRTROK 5	ŠTVRTROK 6	ŠTVRTROK 7	ŠTVRTROK 8
NÁKLADY SPOJENÉ S KÚPOU POZEMKU											
základné náklady	600,000	1,000	600,000								
náklady s prepisom	30,000	50	30,000								
rôzne	10,000	17	10,000								
Celkové náklady s kúpou pozemku	640,000	1,067	640,000	0	0	0	0	0	0		
NÁKLADY SO STAVEBNÝM POZEMKOM											
verejné inžinierske siete	0	0									
domové inžinierske siete	0	0									
splanovacie	40,000	67	40,000								
úprava okolia zelenou	40,000	67				40,000					
vyhotovenie komunikácií	80,000	133				80,000					
zvláštne prípady	0	0									
Celkové náklady so stavebným pozemkom	160,000	267	40,000	0	0	0	120,000	0	0		
NÁKLADY SPOJENÉ SO STÁVBŔOU BUDOVY											
základy	0	0									
hrubá stavba	3,300,000	5,500	1,100,000	1,100,000	1,100,000						
vnútorné dokončovacie práce	600,000	1,000				600,000					
zvláštne prípady	0	0									
Celkové náklady spojené so stavbou	3,900,000	6,500	0	1,100,000	1,100,000	1,100,000	600,000	0	0		
NÁKLADY SPOJENÉ S DIZAJNOM											
architekti	50,000	83	50,000								
konštruktéri	20,000	33	20,000								
iní konzultanti	0	0									
Celkové náklady s dizajnom	70,000	117	70,000	0	0	0	0	0	0		
NEPRIAME NÁKLADY											
skúšky a inšpekcia	0	0	0								
povolenia a poplatky	10,000	17	10,000								
postavenie - rozhodné	10,000	17	10,000								
dane z nehnuteľnosti	10,000	17				10,000					
právné poplatky	50,000	83	10,000	10,000	10,000	10,000	10,000				
marketing a reklama	100,000	167	20,000	20,000	20,000	20,000	10,000	10,000			
developerovi zmesťnanci - mzdy a poplatky	150,000	250	30,000	30,000	30,000	30,000	30,000				
rôzne	0	0	0								
Celkové nepriame náklady	330,000	550	80,000	60,000	60,000	70,000	50,000	10,000	0		
FINANČNÉ NÁKLADY											
poplatky za úver úver	0	0									
úroky	0	0									
Celkové finančné náklady	0	0	0	0	0	0	0	0	0		
CELKOVÉ ROZVOJOVÉ NÁKLADY	5,100,000	8,500	830,000	1,160,000	1,160,000	1,170,000	770,000	10,000	0		
PRIJMY Z PREDAJA											
		CELKOM	PREDKON-ŠTRUKČNÉ	ŠTVRTROK 1	ŠTVRTROK 2	ŠTVRTROK 3	ŠTVRTROK 4	ŠTVRTROK 5	ŠTVRTROK 6	ŠTVRTROK 7	ŠTVRTROK 8
Predajné ceny											
2 izbová bytová jednotka	0	0									
3 izbová bytová jednotka	6,000,000	10,000						3,000,000	3,000,000		
4 izbová bytová jednotka	0	0									
obchodné priestory	0	0									
kancelárie	0	0									
Náklad s predajom	0	0									
prepisné dane	300,000	500						150,000	150,000		
poplatky za predaj	0	0									
ČISTÉ PRIJMY Z PREDAJA	5,700,000	9,500	0	0	0	0	0	2,850,000	2,850,000		
POHYB HOTOVOSTI PRED FINANCOVANÍM			(830,000)	(1,160,000)	(1,160,000)	(1,170,000)	(770,000)	2,840,000	2,850,000		
KUMULATÍVNY POHYB HOTOVOSTI			1830,000	(1,990,000)	(3,150,000)	(4,320,000)	(5,090,000)	(2,250,000)	600,000		
FINANCOVANIE A DEVELOPEROVÉ IMANIE											
			PRE-CON-STRUCIJA	QUARTER 1	QUARTER 2	QUARTER 3	QUARTER 4	QUARTER 5	QUARTER 6	QUARTER 7	QUARTER 8
Výplata úveru a splátky	0	0	0								
Súhrnný zvyšok	0	0									
Developerov príspevok imania - účty			(830,000)	(1,160,000)	(1,160,000)	(1,170,000)	(770,000)	2,840,000	2,850,000		
Rastúci zvyšok imania			(830,000)	(1,990,000)	(3,150,000)	(4,320,000)	(5,090,000)	(2,250,000)	600,000		
Discontná sadzba (6%)			98,52%	97,09%	95,69%	94,34%	93,02%	91,74%	89,29%		
Príspevok imania po disconta	(4,874,048)		(817,734)	(1,126,214)	(1,110,048)	(1,103,774)	(716,279)				
DEVELOPEROVA NÁVRATNOSŤ											
Zisk - strata	600,000	1,000							600,000		
Ročná návratnosť na imanie (percentách)	7,99%										
PRIJMY Z PREDAJA											
		CELKOM	PREDKON-ŠTRUKČNÉ	ŠTVRTROK 1	ŠTVRTROK 2	ŠTVRTROK 3	ŠTVRTROK 4	ŠTVRTROK 5	ŠTVRTROK 6	ŠTVRTROK 7	ŠTVRTROK 8
2 izbové bytové jednotky											
Predajná cena											
Jednotka 1	750,000	1,250						750,000			
Jednotka 2	750,000	1,250						750,000			

Formular "F-3" STAVEBNÁ PRO FORMA

Option 1: Developer Internal Financing
B: Land Payment at Completion

VARIANT Č. 1: DEVELOPEROVE VLASTNÉ FINANCOVANIE

B: PLATBA ZA POZEMOK PO UKONČENÍ

PROJEKTOVÉ INFORMÁCIE

Velkosť pozemku	800,00	
Celková zastavaná plocha	800	
Výkop základov	07/01/96	
Ukončenie stavby (datum)	06/30/97	
Dĺžka stavania (mesiače)	12	
Úroková sadzba na požičku	0,00%	
Celková predajná plocha budovy (m ²)	600,00	
Celkové počty bytových jednotiek na predaj	8	

ROZVOJOVÉ NÁKLADY

CELKOM

PREDKON-ŠTVRTROK ŠTVRTROK ŠTVRTROK ŠTVRTROK ŠTVRTROK ŠTVRTROK ŠTVRTROK ŠTVRTROK
ŠTRUKČNÉ 1 2 3 4 5 6 7 8

NÁKLADY SPOJENÉ S KÚPOU POZEMKU

základné náklady	600,000	1,000
náklady s predpisom	30,000	50
rozne	10,000	17
Celkové náklady s kúpou pozemku	640,000	1,067

	0	0	0	0	640,000	0		
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NÁKLADY SO STAVEBNÝM POZEMKOM

verejné inžinierske siete	0	0
domové inžinierske siete	0	0
splanňovanie	40,000	67
uprava okolia zelenou	40,000	67
vyhotovenie komunikácií	80,000	133
zvláštne prípady	0	0
Celkové náklady so stavebným pozemkom	160,000	267

	40,000	0	0	0	120,000	0	0	
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NÁKLADY SPOJENÉ SO STAVBOU BUDOVY

základy	0	0
hrubá stavba	3,300,000	5,500
vnútorné dokončovacie práce	600,000	1,000
zvláštne prípady	0	0
Celkové náklady spojené so stavbou	3,900,000	6,500

	0	1,100,000	1,100,000	1,100,000	600,000	0	0	
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NÁKLADY SPOJENÉ S DIZAJNOM

architekti	50,000	83
konštruktéri	20,000	33
iní konzultanti	0	0
Celkové náklady s dizajnom	70,000	117

	50,000	0	0	0	0	0	0	
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NĚPRIÁME NÁKLADY

skusky a inspekcia	0	0
povolenia a poplatky	10,000	17
poistenia - rozlične	10,000	17
dane z nehnuteľnosti	10,000	17
právne poplatky	50,000	83
marketing a reklama	100,000	167
developerovi zmlstnanci - mzdy a poplatky	150,000	250
rozne	0	0
Celkové nepriame náklady	330,000	550

	10,000	10,000	10,000	10,000	10,000	10,000	0	
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FINANČNÉ NÁKLADY

poplatky z úveru	0	0
úroky	0	0
Celkové finančné náklady	0	0

	0	0	0	0	0	0	0	
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CELKOVÉ ROZVOJOVÉ NÁKLADY

CELKOM

	5,100,000	8,500
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	190,000	1,160,000	1,160,000	1,170,000	770,000	650,000	0	
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PRÍJMY Z PREDAJA

CELKOM

Predajné ceny		
2 izbova bytova jednotka	0	0
3 izbova bytova jednotka	6,000,000	10,000
4 izbova bytova jednotka	0	0
Obchodné priestory	0	0
kancelarie	0	0
Náklad s predajom	0	0
prepisné dane	300,000	500
poplatky za predaj	0	0

	0	0	0	0	0	2,850,000	2,850,000	
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ČISTÉ PRÍJMY Z PREDAJA

CELKOM

	5,700,000	9,500
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	0	0	0	0	0	2,850,000	2,850,000	
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PŇHYB HOTOVŇSTI PRED FINANCOVANÍM

	(190,000)	(1,160,000)	(1,160,000)	(1,170,000)	(770,000)	2,200,000	2,850,000	
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KUMULATÍVNY PŇHYB HOTOVŇSTI

	(190,000)	(1,350,000)	(2,510,000)	(3,680,000)	(4,450,000)	(2,250,000)	600,000	
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FINANCOVANIE A DEVELOPEROVE IMANIE

PRE-CON- QUARTER QUARTER QUARTER QUARTER QUARTER QUARTER QUARTER QUARTER
STRUCTIO 1 2 3 4 5 6 7 8

Výplata úveru a splatky		
Súhnný zvyšok		
Developerov príspevok imania - účty	(190,000)	(1,160,000)
Rastúci zvyšok imania	(190,000)	(1,350,000)
Discontná sadzba (6%)	98.52%	97.09%
Príspevok imania po disconta	(4,243,506)	

	(190,000)	(1,160,000)	(1,160,000)	(1,170,000)	(770,000)	2,200,000	2,850,000	
	(190,000)	(1,350,000)	(2,510,000)	(3,680,000)	(4,450,000)	(2,250,000)	600,000	
	(187,192)	(1,126,214)	(1,110,048)	(1,103,774)	(716,279)			

DEVELOPEROVA NÁVRATNŇST

Zisk - strata	600,000	1,000
Ročná návratnosť na imanie, percentách	9.15%	

						600,000		
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PRÍJMY Z PREDAJA

CELKOM

2 izbove bytove jednotky		
Predajná cena		
Jednotka 1	750000	1,250

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Formular "F-3" STAVEBNA PRO FORMA

Option 2: 80 per cent Construction Loan
B: 18% interest

VARIANT č. 2: STAVEBNÝ ÚVER - 80%
B: 18% ÚROKY

PROJEKTOVÉ INFORMÁCIE

Veľkosť pozemku	800,00
Celková zastavaná plocha	800
Výkop základov	07/01/96
Ukončenie stavby (datum)	06/30/97
Dĺžka stavania (mesiace)	12
Úroková sadzba na pôžičku	18,00%
Celková predajná plocha budovy (m2)	600,00
Celkový počet bytových jednotiek na predaj	8

ROZVOJOVÉ NAKLADY

CELKOM

II NÁKLADY SPOJENÉ S KÚPOU POZEMKU

základné náklady	600,000	1,000
náklady s prepisom	30,000	50
rozné	10,000	17
Celkové náklady s kúpou pozemku	640,000	1,067

NÁKLADY SO STAVEBNÝM POZEMKOM

verejnú inžiniersku sieť	0	0
domovú inžiniersku sieť	0	0
splanírovanie	40,000	67
úprava okolia zeleňou	40,000	67
vyhotovenie komunikácií	80,000	133
zvláštne prípady	0	0
Celkové náklady so stavebným pozemkom	160,000	267

NÁKLADY SPOJENÉ SO STAVBOU BUDOVY

základy	0	0
hrubá stavba	3,300,000	5,500
vnútorné dokončovacie práce	600,000	1,000
zvláštne prípady	0	0
Celkové náklady spojené so stavbou	3,900,000	6,500

NÁKLADY SPOJENÉ S DIZAJNOM

architekti	50,000	83
konštruktéri	20,000	33
iní konzultanti	0	0
Celkové náklady s dizajnom	70,000	117

NEPRIAME NAKLADY

skúšky a inspekcia	0	0
povolenia a poplatky	10,000	17
poistenia - ročné	10,000	17
dane z nehnuteľnosti	10,000	17
právne poplatky	50,000	83
marketing a reklama	100,000	167
developerovi zmluvníci - mzdy a poplatky	150,000	250
rozné	0	0
Celkové nepriame náklady	330,000	550

FINANČNÉ NAKLADY

poplatky za úver	82,000	137
úroky	613,030	1,022
Celkové finančné náklady	695,030	1,158

CELKOVÉ ROZVOJOVÉ NAKLADY

CELKOM

	5,795,030	9,658
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PRÍJMY Z PREDAJA

CELKOM

Predajné ceny		
2 izbová bytová jednotka	0	0
3 izbová bytová jednotka	6,000,000	10,000
4 izbová bytová jednotka	0	0
obchodné priestory	0	0
kancelária	0	0
Náklad s predajom	0	0
prepisné dane	300,000	500
poplatky za predaj	0	0
ČISTÉ PRÍJMY Z PREDAJA	5,700,000	9,500

POHYB HOTOVOSTI PRED FINANCOVANÍM

	(190,000)	(1,242,000)	(1,215,890)	(1,280,605)	(938,232)	2,015,500	2,756,198		
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KUMULATÍVNY POHYB HOTOVOSTI

	(190,000)	(1,432,000)	(2,647,890)	(3,928,495)	(4,866,727)	(2,851,227)	(95,030)		
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FINANCOVANIE A DEVELOPEROVÉ IMANIE

PRE-CON-STRUCATIO	QUARTER 1	QUARTER 2	QUARTER 3	QUARTER 4	QUARTER 5	QUARTER 6	QUARTER 7	QUARTER 8
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Výplata úveru a splátky	0	(1,242,000)	(1,215,890)	(1,280,605)	(361,505)	2,015,500	2,084,500		
Súhrnný zvyšok	0	(1,242,000)	(2,457,890)	(3,738,495)	(4,100,000)	(2,084,500)	0	0	
Developerov príspevok imania - uctv	(190,000)							671,698	
Rastúci zvyšok imania	(190,000)	(190,000)	(190,000)	(190,000)	(766,727)	(766,727)	0	0	
Discontná sadzba (6%)	98.52%	97.09%	95.69%	94.34%	93.02%	91.74%	89.29%		
Príspevok imania po discontu	(723,683)		0	0	(536,491)	0		0	

DEVELOPEROVA NÁVRATNOSŤ

Zisk - strata	(95,030)	(158)					(95,030)		
Ročná návratnosť na imanie percentách	0.00%								

PRÍJMY Z PREDAJA

CELKOM

PREDKON-STRUCATIO	ŠTVRTROK 1	ŠTVRTROK 2	ŠTVRTROK 3	ŠTVRTROK 4	ŠTVRTROK 5	ŠTVRTROK 6	ŠTVRTROK 7	ŠTVRTROK 8
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Formular "F-3" STAVEBNA PRO FORMA

Option 3: Pre sales

1,140,000

VARIANT 2.3: PREDOM PREDANÉ

B: Less Substantial Presale with Sk 1,140,000 Construction Loan

B: NEUVRÄZNE PREDOM PREDANÉ
SO STAVEBNÝM ÚVEROM 1.84% I.L.

PROJEKTOVÉ INFORMÁCIE

Veľkosť pozemku	800.00
Celková zastavaná plocha	800
Výkop základov	07/01/96
Ukončenie stavby (dátum)	06/30/97
Dĺžka stavania (mesiace)	12
Úroková sadzba na požičku	18.00%
Celková predajná plocha budovy (m2)	600.00
Celkové počty bytových jednotiek na predaj	8

ROZVOJOVÉ NÁKLADY

CELKOM

PREDKON-ŠTVRTROK ŠTVRTROK ŠTVRTROK ŠTVRTROK ŠTVRTROK ŠTVRTROK ŠTVRTROK ŠTVRTROK ŠTVRTROK ŠTVRTROK
ŠTRUKČNÉ 1 2 3 4 5 6 7 8

NÁKLADY SPOJENÉ S KÚPOU POZEMKU

základné náklady	600,000	1,000
náklady s prepisom	30,000	50
rozsne	10,000	17
Celkové náklady s kúpou pozemku	640,000	1,067

NÁKLADY SO STAVEBNÝM POZEMKOM

verejné inžinierske siete	0	0
domové inžinierske siete	0	0
spláňovníe	40,000	67
úprava okolia zelenou	40,000	67
vyhotovenie komunikácií	80,000	133
zvláštne prípady	0	0
Celkové náklady so stavebným pozemkom	160,000	267

NÁKLADY SPOJENÉ SO STAVBOU BUDOVY

základy	0	0
hrubá stavba	3,300,000	5,500
vnútorné dokončovacie práce	600,000	1,000
zvláštne prípady	0	0
Celkové náklady spojené so stavbou	3,900,000	6,500

NÁKLADY SPOJENÉ S DIZAJNOM

architekti	50,000	83
konštruktéri	20,000	33
iní konzultanti	0	0
Celkové náklady s dizajnom	70,000	117

NEPRIAME NÁKLADY

skúšky a inšpekcia	0	0
povolenia a poplatky	10,000	17
poistenia - rozličné	10,000	17
dane z nehnuteľnosti	10,000	17
právne poplatky	50,000	83
marketing a reklama	100,000	167
developeroví zmesťnanci - rozdy a poplatky	150,000	250
rozsne	0	0
Celkové nepriame náklady	330,000	550

FINANČNÉ NÁKLADY

poplatky za úver	30,000	50
uroky	280,801	468
Celkové finančné náklady	310,801	518

CELKOVÉ ROZVOJOVÉ NÁKLADY

	5,410,801	9,018
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PRÍJMY Z PREDAJA

CELKOM

Predajné ceny		
2 izbová bytová jednotka	0	0
3 izbová bytová jednotka	5,200,000	9,500
4 izbová bytová jednotka	0	0
obchodné priestory	0	0
kancelarie	0	0
Náklad s predajom	0	0
prepisne dane	300,000	500
poplatky za predaj	0	0

ČISTÉ PRÍJMY Z PREDAJA

	5,700,000	9,000
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POHYB HOTOVOSTI PRED FINANCOVANÍM

(190,000) (740,000) (1,193,300) 93,002 947,187 59,810 1,012,501 300,000

KUMULATIVNÝ POHYB HOTOVOSTI

(190,000) (930,000) (2,123,300) (2,030,299) (1,083,112) (1,023,302) (10,801)

FINANCOVANIE A DEVELOPEROVÉ IMÁNIE

PRE-CON- QUARTER QUARTER QUARTER QUARTER QUARTER QUARTER QUARTER QUARTER QUARTER
STRUCTIO 1 2 3 4 5 6 7 8

Výplata úveru a splátky		
Suňenný zvyšok	(740,000)	(1,193,300)
Developerov príspevok imania - uctv	(190,000)	(1,933,300)
Rastúci zvyšok imania	(190,000)	(190,000)
Discontna sadzba (6%)	98.52%	97.09%
Príspevok imania po discont	(187,192)	(187,192)

(740,000) (1,193,300) 93,002 947,187 59,810 833,302 0 0
(1,933,300) (1,840,299) (893,112) (833,302) 179,199 300,000
(190,000) (190,000) (190,000) (190,000) (190,000) (190,000) (10,801) 289,199
98.52% 97.09% 95.69% 94.34% 93.02% 91.74% 89.29%
(187,192) 0 0 0 0 0 0

DEVELOPEROVA NÁVRATNOSŤ

Zisk - strata	289,199	482
Ročná návratnosť na imanie /percentach	68.29%	

0 450,000 0 1,350,000 1,800,000 750,000 1,050,000 300,000
(190,000) (930,000) (2,123,300) (2,030,299) (1,083,112) (1,023,302) (10,801)

PRÍJMY Z PREDAJA

Formular "F-3" STAVEBNÁ PRO FORMA

Option 3: Pre sales

VARIANT Č.3: PREDOM PREDANE

PROJEKTOVÉ INFORMÁCIE		B-2: Less substantial presale with Sk 1,000,000 Construction Loan		B-2: NEVÝRAZNE PREDOM PREDANÉ S 1 MIL. SK STAVEBNÝ ÚVE									
ROZVOJOVÉ NÁKLADY		CELKOM		PREDKOM - ŠTRUKČNÉ	ŠTVĚTŘOK 1	ŠTVĚTŘOK 2	ŠTVĚTŘOK 3	ŠTVĚTŘOK 4	ŠTVĚTŘOK 5	ŠTVĚTŘOK 6	ŠTVĚTŘOK 7	ŠTVĚTŘOK 8	
Veľkosť pozemku	800,00												
Celková zastavaná plocha	800												
Výkop základov	07/01/96												
Ukončenie stavby (dátum)	06/30/97												
Dĺžka stavania (mesiace)	12												
Úroková sadzba na požičku	18,00%												
Celková predajná plocha budovy (m2)	800,00												
Celkové počet bytových jednotiek na predaj	8												
NÁKLADY SPOJENÉ S KÚPOU POZEMKU													
základné naklady	600,000	1,000							600,000				
naklady s prepisom	30,000	50							30,000				
rôzne	10,000	17							10,000				
Celkové naklady s kúpou pozemku	640,000	1,067		0	0	0	0	0	640,000	0			
NÁKLADY SO STAVEBNÝM POZEMKOM													
verejne inžinierske siete	0	0											
domové inžinierske siete	0	0											
splanirovanie	40,000	67	40,000										
úprava okolia zelenou	40,000	67						40,000					
vyhotovenie komunikácií	80,000	133						80,000					
zvláštne prípady	0	0											
Celkové naklady so stavebným pozemkom	160,000	267	40,000	0	0	0	0	120,000	0	0			
NÁKLADY SPOJENÉ SO STAVBOU BUDOVY													
základy	0	0											
hrubá stavba	3,300,000	5,500		1,100,000	1,100,000	1,100,000							
vnútorné dokončovacie práce	600,000	1,000						600,000					
zvláštne prípady	0	0											
Celkové naklady spojené so stavbou	3,900,000	6,500	0	1,100,000	1,100,000	1,100,000	600,000	0	0				
NÁKLADY SPOJENÉ S DIZAJNOM													
architekti	50,000	83	50,000										
konštruktéri	20,000	33	20,000										
iní konzultanti	0	0											
Celkové naklady s dizajnom	70,000	117	70,000	0	0	0	0	0	0	0			
NEPRIAME NÁKLADY													
skúšky a inspekcia	0	0	0										
povolenia a poplatky	10,000	17	10,000										
poistenia - rozhlásenie	10,000	17	10,000										
dane z nehnuteľnosti	10,000	17	0				10,000						
právne poplatky	50,000	83	10,000	10,000	10,000	10,000	10,000	10,000					
marketing a reklama	100,000	167	20,000	20,000	20,000	20,000	20,000	10,000					
developerovi zmlstnanci - razdy a poplatky	150,000	250	30,000	30,000	30,000	30,000	30,000	30,000					
rôzne	0	0	0										
Celkové nepriame naklady	350,000	550	80,000	60,000	60,000	70,000	50,000	10,000	0				
FINANČNÉ NÁKLADY													
poplatky za úver	20,000	33		20,000									
úroky	116,775	195			32,850	45,000	38,925						
Celkové finančné náklady	136,775	228		20,000	32,850	45,000	38,925	0	0				
CELKOVÉ ROZVOJOVÉ NÁKLADY		5,236,775	8,728	190,000	1,180,000	1,192,850	1,215,000	808,925	650,000	0			
PRIJMY Z PREDAJA													
Predajné ceny													
2 izbová bytová jednotka	0	0											
3 izbová bytová jednotka	6,000,000	10,000	0	450,000	0	1,350,000	1,800,000	900,000	1,200,000	300,000			
4 izbová bytová jednotka	0	0											
obchodné priestory	0	0											
kancelárie	0	0											
Náklad s predajom	0	0											
prepisné dane	300,000	500						150,000	150,000				
poplatky za predaj	0	0											
ČISTÉ PRIJMY Z PREDAJA	5,700,000	9,500	0	450,000	0	1,350,000	1,800,000	750,000	1,050,000	300,000			
POHYB HOTOVOSTI PRED FINANCOVANIM				(190,000)	(730,000)	(1,192,850)	135,000	991,075	100,000	1,050,000	300,000		
KUMULATIVNÝ POHYB HOTOVOSTI				(190,000)	(920,000)	(2,112,850)	(1,977,850)	(986,775)	(886,775)	163,225			
FINANCOVANIE A DEVELOPEROVÉ IMANIE													
PRE-CON-STRUCTIO													
Výplata úveru a splátky	0	(730,000)	(270,000)	135,000	991,075								
Súhlnny zvyšok	0	(730,000)	(1,000,000)	(865,000)	0	0	0	0	0	0			
Developerov príspevok imania - účty	(190,000)		(922,850)										
Rastúci zvyšok imania	(190,000)	(190,000)	(1,112,850)	(1,112,850)	(986,775)	(886,775)	163,225	463,225					
Discontna sadzba (6%)	98.52%	97.09%	95.69%	94.34%	93.02%	91.74%	89.29%						
Príspevok imania po discont	(1,070,302)		(187,192)	0	(883,110)	0	0	0	0	0			
DEVELOPEROVA NAVRATNOST													
Zisk - strata	463,225	772									463,225		
Ročná návratnosť na imanie percentách	22.55%												
PRIJMY Z PREDAJA													

VII

VII

11/12/96

Formular "F-3" STAVEBNA' PRO FORMA

Option 3: Pre sales

VARIANT 2.3: PREDOM PREDANIE

B-3: Less substantial presale with Sk 1,800,000 Construction Loan and Land Payment at Commencement

B-3: MENŠÍ VÝRAZUŤ PRED-PREDAJ
S O STAVEBNÝM ÚVEROM 1,8 MIL. SK.
A PLATBOU ZA POZEMOK NA ZAČI.

PROJEKTOVÉ INFORMÁCIE			PREKON-ŠTVRTROK								
			ŠTRUKČNÉ	1	2	3	4	5	6	7	8
Veľkosť pozemku	800,00										
Celková zastavaná plocha	800										
Výkop základov	07/01/96										
Ukončenie stavby (datum)	06/30/97										
Dĺžka stavania (mesiac)	12										
Uroková sadzba na pozicku	18,00%										
Celková predajná plocha budovy (m2)	600,00										
Celkové počet bytových jednotiek na predaj	8										
ROZVOJOVÉ NAKLADY			CELKOM								
NAKLADY SPOJENÉ S KÚPOU POZEMKU											
základné náklady	600,000	1,000	600,000								
náklady s prepisom	30,000	50	30,000								
rôzne	10,000	17	10,000								
Celkové náklady s kúpou pozemku	640,000	1,067	640,000	0	0	0	0	0	0	0	
NAKLADY SO STAVEBNÝM POZEMKOM											
verejne inžinierske siete	0	0									
domové inžinierske siete	0	0									
splánovníe	40,000	67	40,000								
úprava okolia zeleňou	40,000	67					40,000				
vyhotovenie komunikácií	80,000	133					80,000				
zvláštne prípady	0	0									
Celkové náklady so stavebným pozemkom	160,000	267	40,000	0	0	0	120,000	0	0		
NAKLADY SPOJENÉ SO STAVBOU BUDOVY											
základy	0	0									
hrubá stavba	3,300,000	5,500		1,100,000	1,100,000	1,100,000					
vnútorné dokončovacie práce	600,000	1,000					600,000				
zvláštne prípady	0	0									
Celkové náklady spojene so stavbou	3,900,000	6,500	0	1,100,000	1,100,000	1,100,000	600,000	0	0		
NAKLADY SPOJENÉ S DIZAJNOM											
architekti	50,000	83	50,000								
konštruktéri	20,000	33	20,000								
inf konzultanti	0	0									
Celkové náklady s dizajnom	70,000	117	70,000	0	0	0	0	0	0		
NĚPRIAMÉ NAKLADY											
skúšky a inspekcia	0	0									
povolenia a poplatky	10,000	17	10,000								
poistenia- rozičné	10,000	17	10,000								
dane z nehnuteľnosti	10,000	17				10,000					
právne poplatky	50,000	83	10,000	10,000	10,000	10,000	10,000				
marketing a reklama	100,000	167	20,000	20,000	20,000	20,000	10,000	10,000			
developerovi zmlstnanci - mzdy a poplatky	150,000	250	30,000	30,000	30,000	30,000	30,000				
rôzne	0	0									
Celkové nepriame náklady	330,000	550	80,000	60,000	60,000	70,000	50,000	10,000	0		
FINANČNÉ NAKLADY											
poplatky za úver	36,000	60	36,000								
uroky	226,608	378			33,570	81,000	76,545	33,640	1,853		
Celkové finančné náklady	262,608	438	0	36,000	33,570	81,000	76,545	33,640	1,853		
CELKOVÉ ROZVOJOVÉ NAKLADY											
	5,362,608	8,938	830,000	1,196,000	1,193,570	1,251,000	846,545	43,640	1,853		
PRIJMY Z PREDAJA			PREKON-ŠTVRTROK								
Predajné ceny			ŠTRUKČNÉ	1	2	3	4	5	6	7	8
2 izbova bytova jednotka	0	0									
3 izbova bytova jednotka	6,000,000	10,000	450,000			1,350,000	1,800,000	900,000	1,200,000	300,000	
4 izbova bytova jednotka	0	0									
obchodné priestory	0	0									
kancelarie	0	0									
Náklad s predajom	0	0									
prespisne dane	300,000	500						150,000	150,000		
poplatky za predaj	0	0									
ČISTÉ PRIJMY Z PREDAJA	5,700,000	9,500	0	450,000	0	1,350,000	1,800,000	750,000	1,050,000	300,000	
POHYB HOTOVOSTI PRED FINANCOVANIM											
			(830,000)	(746,000)	(1,193,570)	99,000	953,455	706,360	1,048,147	300,000	
KUMULATIVNÝ POHYB HOTOVOSTI											
			(830,000)	(1,576,000)	(2,769,570)	(2,670,570)	(1,717,115)	(1,010,755)	37,392		
FINANCOVANIE A DEVELOPEROVE IMANIE			PRE-CON-STRUCATIO								
Výplata úveru a splátky				1	2	3	4	5	6	7	8
Súhmný zvyšok				(746,000)	(1,054,000)	99,000	953,455	706,360	41,185	0	0
Developerov príspevok imania - účty			(830,000)	(746,000)	(1,800,000)	(1,701,000)	(747,545)	(41,185)	0	0	
Rastúci zvyšok imania			(830,000)		(139,570)				1,006,962	300,000	
Discontina sadzba (6%)			(830,000)	(830,000)	(969,570)	1969,570)	(969,570)	(969,570)	37,392	337,392	
Príspevok imania po discont	(951,294)		(817,734)	0	(133,560)	0	0	0	0	0	
DEVELOPEROVA NAVRATNOST											
Zisk - strata	337,392	562									337,392
Ročná návratnosť na imanie/percentach	18,76%										
PRIJMY Z PREDAJA											
2 izbove bytove jednotky		CELKOM	PREKON-ŠTRUKČNÉ	1	2	3	4	5	6	7	8
Predajná cena											

IV

II

Exhibit 3
Sample Advertisements

<p style="text-align: center;">MESTO BANSKÁ BYSTRICA ponúka pozemok o rozlohe cca 4,5 ha na výstavbu bytov a ďalšej vybavenosti</p> <p>Súťažné podmienky na podanie ponukových návrhov si záujemcovia môžu vyzdvihnúť alebo objednať na adrese:</p> <p style="text-align: center;">Ing. Klemaničová, Investorský útvar mesta ČSA 26, 975 39 Banská Bystrica denne od 13.00 - 14.30 hod. tel. 088 - 433 65</p> <p>Informačná konferencia pred podaním návrhov sa bude konať 22.3.1996 o 9:00 hod. na MÚ v Banskej Bystrici v zasadačke č. 250</p> <p>Termín odovzdania ponúk je do 24. mája 1996 do 17.00 hod.</p>	<p style="text-align: center;">MESTO PREŠOV ponúka v centre mesta pozemok na Jarkovej ulici o rozlohe 0,5 ha na výstavbu 70 - 80 bytov</p> <p>Súťažné podmienky na vypracovanie návrhov si záujemcovia môžu vyzdvihnúť alebo objednať na adrese:</p> <p style="text-align: center;">Mestský úrad v Prešove Hlavná 73, 080 66 Prešov Ing. arch. Vladimír Debnár námestník prednostu pre územný rozvoj a hlavný architekt mesta tel.: 091 - 733 543</p> <p>Informačná konferencia pred podaním návrhov sa bude konať 20.3.1996 o 9.00 hod. na MÚ.</p> <p>Termín odovzdania návrhov je do 22. mája 1996 do 17.00 hod.</p>
<p style="text-align: center;">OBEC HORNÁ MIČINÁ, okres Banská Bystrica ponúka v centrálnej časti obce pozemok o rozlohe 2.028 m² vrátane rozostavaných stavieb (cca 8 bytových jednotiek) na dokončenie, odpredaj alebo prenájom</p> <p>Súťažné podmienky na vypracovanie návrhov si záujemcovia môžu vyzdvihnúť alebo objednať na adrese:</p> <p style="text-align: center;">Obecný úrad v Hornej Mičinej PSČ 974 01 okres Banská Bystrica Ondrej Pinka, starosta obce tel.: 088 - 929 23</p> <p>Informačná konferencia pred podaním návrhov sa bude konať dňa 21. marca 1996 o 13.00 hod. na Obecnom úrade v H. Mičinej.</p> <p>Termín na podanie návrhov je do 24. mája 1996 do 17.00 hod.</p>	<p style="text-align: center;">OBEC TURŇA NAD BODVOU okres Košice -vidiek, ponúka v centre obce pozemok o rozlohe 4000 m² vrátane dvoch rozostavaných objektov na dokončenie a následný predaj alebo prenájom</p> <p>Súťažné podmienky na podanie návrhov si môžu záujemcovia vyzdvihnúť alebo objednať na adrese:</p> <p style="text-align: center;">Obecný úrad Turňa nad Bodvou, PSČ 044 02 Ing. Ladislav Bartók, Starosta obce tel.: 0943 - 662101</p> <p>Informačná konferencia pred podaním návrhov sa bude konať dňa 19. marca 1996 o 10.00 hod. na Obecnom úrade v Turni nad Bodvou..</p> <p>Termín odovzdania návrhov je do 22. mája 1996 do 17.00 hod.</p>

Exhibit 4

Agenda of a Pre-Proposal Conference

PROGRAM ROKOVANIA INFORMAČNEJ KONFERENCIE:

I. ÚVOD

- uvítanie
- predstavenie účastníkov
- oboznámenie s programom

II. Stručná oboznámenie so situáciou obce, vzťah k pozemku

- populácia, vývoj
- územné plánovanie
- história obce
- ciele

III. Detaily o pozemku, projekte

- situácia pozemku + infraštruktúra
- regulačné podmienky
- architektúra
- iné

Otázky k pozemku a infraštruktúre

IV. Súťažné podmienky

- postupnosť krokov, program
- diskusia o výberových kritériách

Otázky k podmienkam súťaže

V. Vyplňovanie formulárov

- detailné vysvetlenie formulárov

Otázky (mimo proformy)

VI. Financovanie a formulár 3 (proforma)

- inštruktáž a informácie

Otázky k formuláru č. 3

VII. Analýza trhu

Otázky

Exhibit 5

Guidelines for Handling Requests to Receive RFPs and Information

MEMORANDUM

Pre: Ing. arch. Marián Šovčík, CSc.
Od: Robert Doubek
Dátum: 26. február 1996
Vec: Rada pri odpovedaní otázok týkajúcich sa žiadosti o návrh a na nahliadnutie k dokumentom.

Jedna z primárnych vecí na zamyslenie v procese súťažných návrhov je udržať spravodlivosť a objektivitu. Základným elementom tejto úvahy je zaistiť, aby účastníci videli tento proces ako spravodlivý a objektívny. Z tohoto dôvodu všetky otázky budú písomne a dané všetkým účastníkom.

Vaša žiadosť o návrh je teraz v konečnej podobe a jej obdržanie je inzerované na verejnosti. Vy a Vaši zamestnanci dostávate a dostanete listy a telefonáty, požadujúce kópie žiadosti o návrh. Krátko po tom ako pošlete žiadosti o návrh, budú sa hlásiť návštevníci, ktorí si budú priať preskúmať pozemok a k tomu existujúce materiály, ktoré máte k dispozícii.

V dôsledku tohoto nevyhnutného kontaktu s účastníkmi je veľmi dôležité, aby ste dodržiavali určité pravidlá na uistenie, že spravodlivosť a objektivita procesu je dodržaná a nikto nebude mať dojem, že proces je iný ako spravodlivý a objektívny.

1. Nehovorte s účastníkmi o projekte.

Mimo napísania si adresy a mena, popisu ako sa dostať k pozemku, predstavený mesta, zamestnanci a poslanci zastupiteľstva by sa mali vyhnúť akýmkoľvek debatám o projekte a procese s uchádzačmi. Zvlášť by sa mali vyhnúť akýmkoľvek komentárom o tom, čo mesto chce aby bolo navrhnuté, koľko peňazí dúfa mesto obdržať z projektu a koľko je pozemok hodný.

2. Neodpovedajte na žiadne otázky týkajúce sa procesu alebo projektu.

K získaniu informácií odporučte účastníkov na samotnú žiadosť o návrh. Povedzte im, aby dali svoje otázky písomne a aby prišli na informačnú konferenciu.

3. Nediskutujte o projekte za prítomnosti účastníkov.

V dôsledku toho, že Vaše miestnosti sú malé, účastníci si budú musieť prezrieť projektové materiály v miestnostiach, kde zamestnanci pracujú.

4. Držte všetky projektové materiály v osobitnej krabici, alebo na oddelenom stole.

Chcete si byť istý, že všetci zúčastnení majú príležitosť vidieť všetky materiály, aby nikto nemohol povedať, že nemali možnosť vidieť všetko.

5. Dohliadajte na účastníkov ktorí si prezerajú materiály, aby ste si boli istý, že nikto nič neberie so sebou.

Jeden zo zamestnancov by mal byť prítomný, keď sa materiály prehliadajú. Nedovoľte odstránenie akéhokoľvek dokumentu z miestnosti. Až by niekto chcel kópie, vyžiadajte si písomnú objednávku spolu so zaplacením a pošlite mu ju poštou.

6. Evidencia uchádzačov

Veďte si zoznam s menami, adresami a telefónnymi číslami všetkých ktorí sa uchádzajú o žiadosti o návrh, alebo ktorí Vás osobne navštívia za účelom prehladnutia materiálov.

7. Informujte všetkých pracovníkov a členov mestského zastupiteľstva o týchto bodoch, aby sme sa vyhli úniku informácií na verejnosť ktoré nemusia byť pravdivé.

Exhibit 6
Proposed Process for Evaluation and Selection of Developer's Proposals
(Not available in Slovak)

Exhibit 7

Draft Development Agreement

Formulár "G-1"

Prevod vlastníctva a stavebná zmluva Podstatné termíny a podmienky

(Poznámka prekladateľa: Slovo developer znamená človek, ktorý sa podújme na výstavbu objektov na "zelenej lúke", alebo objektov čiastočne rozostavaných. Dohliada na celý projekt, od prvého momentu až do konca).

Úvodná časť a zmluvné stránky:

Vzhľadom k tomu, že:

- a. Mesto _____ v okrese _____ (ďalej len mesto) je súčasný majiteľ parcely pozemku, (a dvoch čiastočne ukončených budov nachádzajúcich sa na ňom) (parcele) ako vidieť na priloženom tlačive A a;
- b. _____, (jednotlivec, firma, s.r.o. a.p.) (ďalej len vývojový projektant - Developer), si praje(ú) získať túto popísanú parcelu a vypracovať návrh, financovať, ukončiť a predať iným po ukončení (alebo si to podržať na vlastné použitie, alebo prenájom pre iných - čo bude aplikovateľné) vylepšenia pozemku a objektov tu opísaných, ktoré sú súčasťou tejto zmluvy a;
- c. Mesto si želá previesť túto parcelu podľa termínov a podmienok nižšie uvedených, na vývojového projektanta - developera, za účelom zvýhodnenia verejného záujmu s tým, že vývojový projektant - developer ukončí navrhnuté vylepšenia na tejto parcele, (ďalej len Plán), obývanie a použitie ukončených objektov a vylepšenie miestneho a všeobecného životného prostredia s ukončením plánu a;
- d. Vývojový projektant si želá získať túto parcelu a uskutočniť celý plán podľa termínov a podmienok tu uvedených,

TAK TEDA, ZMLUVNÉ STRÁNKY SA DOHODLI NASLEDOVNE:

1. Prevedenie:

Mesto súhlasí previesť na developera, podľa termínov a podmienok nižšie uvedených a za kompenzáciu špecifikovanú nižšie (nákupnú cenu), všetky práva, vlastnícke právo a záujmy, ktoré má na tejto parcele. Prevedenie bude uskutočnené tým, že mesto vydá pozemkovú listinu, (ďalej len pozemkovú listinu) formou tlačiva _____, menovaná pozemková listina bude doručená developerovi pri konečnom podpísaní, podľa podmienok, ktoré budú ďalej definované.

2. Záverečná fáza a dátum:

Vlastnícka listina bude prevedená na developera súčasne s tým, ako developer dodá mestu nákupnú cenu a ostatné príslušné dokumenty (ako budú určené nižšie). Tento prevod vlastníckej listiny na developera s doručením nákupnej ceny mestu od developera s

patričnými dokumentami bude považovaný ako záverečná fáza predaja nehnuteľnosti. Táto záverečná fáza sa uskutoční na alebo pred _____, 1996 (deň uzávierky). Tento deň môže byť upravený podľa okolností, ktoré budú špecificky napísané v tejto zmluve, alebo podľa písomnej vzájomnej dohode zmluvných strán.

3. Záonné protiplnenia:

Developerove záonné protiplnenie za parcelu bude celková nákupná cena za parcelu a jej celkové vylepšenie podľa požiadaviek uložených developerovi, ktoré sú opísané v paragrafe číslo 4 v tejto zmluve a tak isto pri splnení termínov a podmienok tejto zmluvy. Celková nákupná cena bude _____ milion slovenských korún, platená nasledovne;

- a. _____ milion slovenských korún v hotovosti pri podpise tejto zmluvy a obdržaní potvrdenia o zaplatení tejto sumy. Uvedená suma v hotovosti je nenávratná, avšak môže byť návratná iba vtedy, keď mesto nedodá vlastnícku listinu, a ďalej vtedy, ak mesto nedodrží svoje zmluvné povinnosti špecifikované v tejto zmluve, a;
- b. _____ milion slovenských korún pri záverečnom dni, platená nasledovne:
 - i. _____ milion slovenských korún v hotovosti a
 - ii. zvyšných _____ milion slovenských korún formou dlžného úpisu, ktorý je pripojený k tejto zmluve ako príloha __, obdržaný prevodovou zmluvou vo forme prílohy _____.

4. Požiadavky na developera:

- a. Developer súhlasí vystavať a ukončiť na uvedenej parcele budovy, ktoré sú opísané v jeho návrhu zo dňa _____ (dátum), ktoré pozostávajú z _____ bytových jednotiek (cca _____ m² bytových priestorov) a _____ m² komerčných priestorov (atď.) a to formou a špecifikami ktoré sú presne napísané na tlačive _____, ktoré je tu priložené a je súčasťou tejto zmluvy (myslíme ich návrh), včetně miest na parkovanie, zelenú úpravu, chodníky, osvetlenie, povrchovú úpravu okolia a ostatné s výstavbou spojené inžinierske siete na celej ploche výstavby potrebné na prevádzku vystavaných objektov a tak isto inžinierske siete mimo celej zastavanej plochy, ktoré sú nevyhnutné pre napojenie do existujúcej inžinierskej siete mesta a to voda, električka, plyn, telefón, kanalizácia a podobne. Celá táto výstavba spolu bude známa pod výrazom "vylepšenia".
- b. Developer bude stavať a ukončí všetky "vylepšenia" na jeho vlastné náklady a výdavky.
- c. Všetky "vylepšenia" budú postavené a ukončené podľa štandardu mesta a developer je jedinou zodpovednou stránkou za rekonštrukciu a opravy na jeho vlastné náklady a výdavky ktoré vzniknú tým, že "vylepšenia" neboli stavané podľa štandardu mesta.

5. Posledný termín (uzávierka?)

- a. Developer podal mestu súčasne s týmto dokumentom dôkaz, že má platnú zmluvu s architekúrnou a projekčnou firmou na celý projektový plán a tak isto má zabezpečené dostatočné financie na zaplatenie uvedených architektov a projektantov na ukončenie uvedených projekčných plánov.
- b. Developer dodá mestu konečné stavebné plány a projekt na, alebo pred _____ (dátum).
- c. Developer začne výstavbu na, alebo pred _____ (dátum).
- d. Developer ukončí hrubú výstavbu na, alebo pred _____ (dátum).
- e. Developer bude mať všetky "vylepšenia" pripravené na kolaudáciu na, alebo pred _____ (dátum).
- f. Developer bude mať ukončenú celú prácu (všetne opráv a modifikácií) nevyhnutných na obdržanie bytového dekrétu na, alebo pred _____ (dátum).
- g. Developer začne s nasťahovaním do bytových priestorov, ktoré "vylepšil" _____ (dátum).

6. Ostatné podmienky ktoré budú splnené developerom:

- a. Developer súhlasí, že bude udržiavať celé stavenisko v poriadku a bude dodržiavať bezpečnostné predpisy a bude jedinou zodpovednou stránkou (buď priamo cez manažmentskú firmu, alebo cez bytovú asociáciu) za údržbu všetkých "vylepšení" po ukončení celej výstavby a po nasťahovaní sa užívateľov bytov. Jedinou výnimkou budú tie časti "vylepšení" (až sa toto bude na niečo vzťahovať), ktoré po ukončení tohto projektu budú odovzdané mestu.
- b. (Vlož tento paragraf - až je to aplikovateľné): V čase vydania bytového dekrétu, developer oddá bezodplatne mestu prístupové práva a vylepšenia inžinierskych sietí na akých sa developer dohodne s mestom ako súčasť konečných plánov a ďalej to bude zodpovednosťou mesta ich udržiavať. Developer tak isto bezodplatne oddá mestu právo na prístup k miestam, kde sa nachádzajú inžinierske siete, ak sa na tom dohodnú, ako súčasť konečného projektu a ďalej bude zodpovednosťou mesta tieto siete udržiavať, ale nie pozemok, ktorý tieto siete pokrýva, tie ďalej zostávajú povinnosťou developera. Avšak mesto bude zodpovedné ich dať do pôvodného stavu v prípade že by tieto pozemky pri prácach narušilo. Developer nemôže postaviť žiadne objekty na miesta určené pre inžinierske siete. Vyhradené miesta a prístup k nim a napojenia inžinierskych sietí budú špecificky uvedené v konečných plánoch a ich prevod sa uskutoční štandardnou právnickou dokumentáciou, ktorá sa odohrá medzi mestom a developerom a bude ako podmienkou schválenia konečného plánu.
- c. Developer preberá všetku zodpovednosť za predaj, a/alebo prenájom tretej stránke akékoľvek postavené "vylepšenia" a manažment všetkých majiteľských a / alebo nájomných vzťahov z toho vzniknutých a zabezpečí a ochráni mesto proti

akýmkoľvek trestným stíhaniam alebo postihom prineseným tou treťou stránkou vyplývajúcou z termínov predaja, alebo prenájmu, ďalej stavu "vylepšení" po dokončení, alebo ich údržby (s výnimkou akýchkoľvek "vylepšení" špecificky daných a prijatých mestom). (Až je vhodné uviesť nejakú poisťku, malo by to byť uvedené tu).

- d. Developer dodal detailný časový harmonogram týkajúci sa ukočenia plánu súčasne s popisom tejto zmluvy (priložené ako príloha _____), a bude odteraz podávať mesačne správu o pokroku výstavby, ukazujúc skutočný pokrok v porovnaní s plánovaným pokrokom, revidovanými dátumami ukončenia, indentifikáciou problémov a krokov podniknutých na ich nápravu.
- e. Developer nemôže v žiadnom prípade určiť, alebo previesť jeho práva vyplývajúce z tejto zmluvy na inú firmu, finančnú spoločnosť, alebo právnickú osobu, alebo jednotlivcov bez priameho písomného schválenia mesta. Právo na jednotlivé bytové jednotky, alebo priestor môže byť daný, alebo prevedený na tretiu stránku užívateľa len po vyplnení mapy bytovej asociácie a obdržaní bytového dekrétu .
- f. Developer nemôže podriaďiť záujmy, ktoré má mesto na tejto parcele (ak sa to vzťahuje) tretej stránke finančných zdrojov, iba s priamym písomným súhlasom mesta alebo za podmienok, ak sú nejaké, špecificky vyššie uvedené v paragrafe 3 pod názvom Zákonné protiplnenia.
- g. Developer prijíma parcelu za takých podmienok v akých sa nachádza. Mesto nepopisuje situáciu v akej sa súčasne nachádza parcela vyhradená k tomuto účelu, (a objektov alebo budov na nej), alebo ich vhodnosť na akékoľvek špecifické použitie alebo cieľ.

7. Povinnosti mesta:

- a. Mesto predkladá a zaručuje, že je jediným vlastníkom parcely, alebo že môže obdržať dôkaz o tejto skutočnosti pred konečným dátumom. V prípade, že mesto nemôže preukázať vlastnícke právo do konečného dátumu, môže si písomne stanoviť oddialenie tohoto dátumu na celkovú dĺžku až do _____ dní (predlžujúc developerove termíny o tú istú dĺžku dní) a všetky ostatné vzájomné povinnosti developera a mesta ostanú nezmenené.
- b. V prípade, že na konci _____ dňa predĺženia (f), mesto nemôže preukázať vlastnícke právo na spomínanú parcelu, potom developer a mesto môžu po vzájomnej písomnej dohode predĺžiť uzávierku do takého dňa a za takých termínov a podmienok ako sa písomne dohodli. Avšak v prípade vzájomnej nedohody buď mesto, alebo developer môžu po voľnom uvážení zrušiť túto zmluvu a mesto bude povinné zaplatiť developerovi všetky výdavky za parcelu (stíhateľné platbou pod paragrafom 3) pre architektov, projekčné práce a právne úkony, ktoré boli zaplatené na tento projekt do dňa odstúpenia od zmluvy.
- c. Od dňa uzavretia zmluvy, mesto udeľuje developerovi plný prístup na parcelu za účelom zistenia, merania a prieskumu a ďalších činností spojených s predvýstavbou.

- d. Mesto tu súhlasí, že vynaloží všetku moc, rýchlosť a úsilie pri prehodnocovaní a spracovaní rôznych projektov developera a jeho dokumentov, ktoré podá v súvislosti s projektom a písomne odpovie na všetky žiadosti, týkajúce sa informácií a/alebo schválenia behom _____ dní od podania týchto požiadaviek a podá žiadané informácie, alebo schválenia, alebo určenia, aké ďalšie kroky musia byť uskutočnené a časový odhad činností potrebných na splnenie požiadavky.
- e. Mesto súhlasí vzdania sa všetkých poplatkov týkajúcich sa buď spracovania, povolenia a/alebo poplatkov ktoré sa za normálnych okolností učitujú za proejkty podobného rázu.
- f. Mesto sľubuje, že vynaloží ich najväčšie úsilie pri pomoci a urýchlení developerovho úsilia na obdržanie potrebných informácií a schválení od vlády, alebo iných agentúr ako napr. dodavateľov energie.

8. Udalosti ktoré vzniknú pri nedodržaní záväzku a ich nápravy

a. Ako udalosť nedodržania záväzku budú považované nasledovné udalosti:

- i. Developerove nedodržanie časového harmonogramu ako je určené v horeuvedenom paragrafe 5.
- ii. Developerova odchýlka vo výstavbe "vylepšení" od tej ako je špecifikovaná v návrhu (tlačivo _____), s výnimkou písomne schválenou mestom.
- iii. Developerovým zlyhaním budovania "velepšení" podľa štandardov určených mestom.
- iv. Developerovým zlyhaním v splátkach nákupnej ceny podľa dátumu ich splatnosti, určenej v platobnom kalendári horeuvedenom v paragrafe 3.
- v. Developerove zlyhanie pri dodržiavaní akýchkoľvek ďalších termínov a podmienokzahrnutých v tejto zmluve.

b. Udalosti za ktorých sa vyskytne nedodržanie záväzku:

Za prípad nedodržania záväzku bude považovaná udalosť, keď developer počas _____ dní od obdržania písomného upovedomenia doručeného mestom, nezačne s nápravou nedostatku a ten nenapraví behom _____ dní. Výnimkou bude situácia, keď mesto a developer sa písomne dohodli na dlhšej dobe a špecifickom programe na nápravu, behom _____ dní od doby, keď developer obdrží upovedomenie od mesta. Mimo horeuvedeného, všetky finančné nedodržania musia byť vysporiadané behom _____ dní od doby doručenia písomného upovedomenia zaslaného mestom.

c. V prípade nedodržania záväzku je nasledovný výber:

V prípade nedodržania si záväzku a neuskutočnenia nápravy developerom tak, ako je špecifikované v horeuvedenom paragrafe, mesto si môže zvoliť podľa vlastného výberu :

1. Odkúpiť parcelu za cenu 1 Slovenskej koruny plus celková suma, ktorá bola vynaložená developerom iba na návrh a výstavbu "vylepšení" (špecificky vynímajúc akúkoľvek sumu zaplatenú za pozemok, právnicke úkony, všeobecné administratívne poplatky, organizačné poplatky a poplatky za financovanie a reklamu a ďalšie všeobecné náklady a výdavky) a s tým ukončiac všetky ďalšie developerove práva a záujmy na parcele, alebo "vylepšeniach" na nej, alebo
2. Pokračovať v práci s developerom s tým, že sa znova prejednávajú termíny a podmienky tejto zmluvy.

V prípade že sa mesto rozhodne na voľbe opisanej v bode 1, mesto okamžite dá na vedomie developerovi túto skutočnosť a developer okamžite bude povinný odovzdať jeho práva a záujmy v tejto parcele mestu.

S ich vlastnoručnými podpismi ktoré sa nachádzajú nižšie, stránky súhlasia s horeuvedenými termínami a podmienkami. Podpísané _____ (dátum)

(za mesto)

(za developera)

(meno primátora)

(meno developera)

Appendix 4

Proposed Technical Assistance to Banská Bystrica on the Prianska Teresa Project

Background

During consultant's meeting with the City of Banská Bystrica on Friday, May 31, 1996, Ing. arch. Marian Sovcik, Director, Department of Land Developments and Streets, and Ing. Erika Klemanicova, Deputy Director, City Investment Agency, brought up the subject of possible USAID technical assistance in using the RFP process on a major 42-hectare (100-acre) project that the City plans to put out for initial development later this year. The City Council has approved a resolution to begin planning now for its development and for the solicitation of possible private sector interest, and the City has already put out requests for qualifications to developers to obtain preliminary expressions of interest. (The resolution is attached as Attachment 7A.) The City also would like to use some of its allocation of 6 percent infrastructure financing and housing development monies from a state government program on this project. It has just commenced to study alternative ways of developing the site, including parceling it up among multiple developers.

The staff expressed a need for review and possible guidance on their business and financial planning approaches, and the integration of some of the RFP, selection, and contract negotiation procedures they have learned through our just-completed program with this new project. In addition, they expressed particular interest in application of pro forma analysis and modeling techniques to the overall project and the studying of alternatives.

Ms. Klemanicova has commenced development of a "business plan" for the project based on some training she received in Poland this spring at a conference sponsored by USAID and apparently aimed at teaching small business enterprise techniques. The training materials, however, do not appear highly appropriate for translation to a large-scale, multi-phase, multi-use, multi-sector infrastructure/real estate development effort. Nonetheless, she indicated she planned to try to complete a "business plan" and have it reviewed by the instructors of the conference later this summer.

Consultant suggested that USAID technical assistance, if available, would be appropriate, particularly at the early stages in such a project, particularly before the City got too far into it and then discovered that the "solutions" proposed were financially unrealistic or wasteful. (The proposed site is a good one for some development, but consultants' observations were that the City's initial concept involved putting excessive density and too much infrastructure at the location, rendering it too costly on a unit basis, not consistent with general objectives to grow in the Banská-Zvolen corridor, and probably unmarketable without major cash subsidies.)

An early exercise in financial modeling and costing, plus possible entity structuring and process alternatives, could be a highly useful demonstration for a number of reasons.

- The City is interested in learning financial modeling techniques as they relate to real estate, housing, and infrastructure development.

- They are highly motivated to try to develop this site; it is high visibility.
- They appear open to exploring a variety of ways to include private sector involvement in it.
- There are indications that various financial institutions are interested in becoming involved either indirectly through state funding programs or directly through lending to the City.
- The City of Banská has one of the more organized and professional government staffs we have observed.
- The City is well located geographically, politically, and market-wise (it appears to be growing due to the central government effort to move banking and financial services to it) for a major demonstration effort.
- This project could represent a more appropriate model of future public-private sector cooperation on land and housing development in Slovakia than the demonstration project we are just competing, for the reasons outlined in the next section.

Principal Shortfalls of Existing Development System

Our experience with the demonstration program in Slovakia to date suggests the following principal pitfalls to its large-scale use:

- *Few vacant city-owned sites*

There appear to be very few available publicly owned sites ready for development. Consultants examined a fair number of medium to large cities and found very few vacant sites owned by the municipalities that could be used for housing development. This appears to a large extent to be a byproduct of the old centralized land planning system and strict agricultural lands preservation policies. Cities by and large have very limited supplies of vacant land "zoned" for residential use in advance of planned construction by the centralized public entities because, in short, so much of the previous construction was high-rise, concrete-panel construction at 150-200 persons per hectare and the location of the next housing estate predetermined that very few hectares would need to be identified to accommodate the next 3-5 years of need. Consequently, very few vacant sites exist inside designated "urbanization" boundaries.

Until national planning and zoning policies are changed to allow a substantial and quick expansion of potential "urbanization" zones, the availability of sites for near-term development will remain a problem.

- *Infrastructure provision is a problem*

Present circumstances make the financing and provision of basic infrastructure to both City-owned and private sites difficult. Private sites typically are either in multiple ownership (if within the "urbanization" boundaries) making for difficult land assembly and finance sharing issues, or, if outside the "urbanization" line, are difficult to get rezoned to urban use. Cities in general lack the financial resources to provide infrastructure at present to lands they may own — current exceptions appear to be some prohibitively expensive bank-sponsored infrastructure type "bonds" (which nevertheless require the full faith and credit of the City and specific collateral and carry 18-20 percent interest rates) and the new 6 percent funding program for which Banská has qualified.

Moreover, because of the lack of sites, as noted above, there are very limited opportunities in which to apply infrastructure financing with a short-term turnaround (which would be necessary given the high interest rates charged). Larger-scale efforts would involve major rezoning strategies unless 6 percent money were available and this would probably only apply in a case of publicly owned sites.

3 Construction Financing Is a Problem

The lack of an institutionalized construction financing system in Slovakia is extensively cited by all participants in the development process and in the literature. Until this problem is resolved, limited multi-family type developments can be expected, without state and/or municipal support of interim financing mechanisms.

4 The Market-Driven Development Process Is Inadequately Understood

Both the "public" and "private" sector participants in the development arena in Slovakia have little understanding of how a market-driven real estate development process is supposed to work. Despite the privatization of construction enterprises, the owners and operators have scant, if any, training, in the typical responsibilities or *modus operandi* of a "private, market-driven developer." In short, they do not understand how to evaluate real estate markets, how to determine what product should be built or how much to charge for it, how to gather the needed information, how to develop a financing plan or obtain financing (even if it were available, which by and large it is not), how to resolve all development issues, how to coordinate all the players involved in the development process, or how to market product. Typically, they have no understanding that management and resolution of all these factors is their sole responsibility, or, if they do, they have no understanding, perspective, or training in how to do it. Similar, the "public" sector side currently has no clear understanding of where their responsibilities end or how they might be able to cooperate with but not command the private sector.

A more collaborative approach will be needed between the existing defined "public" and "private" sectors in the real estate development industry in Slovakia in the next five years or longer before a more traditional public-private distinction is possible. In short, the public sector may have to play a somewhat greater role in planning and underwriting housing development efforts than would be expected in a truly developed market economy.

Proposed Concept for Banská Bystrica

The Prianska Terasa site could be used to demonstrate a public-private joint venture approach that could perhaps serve as a transition model to more market-based housing development in Slovakia.

Under this concept, the City, by virtue of its ownership of the land, and the provision of a portion of the infrastructure financing (and possibly some of the interim construction financing) would essentially play the role of "land developer" and would assume the corresponding risks. It could be responsible for determining the "market" (i.e., what types of land should be prepared) for finished sites at the locale, their price, and the phasing of development. It could choose to sell the completed sites to individual private developers, form joint ventures with

selected companies, and/or build and sell for its own account. This model is not too dissimilar from that of the traditional "for profit" American new town developer, such as Reston, Columbia, or the Irvine Company (despite the significantly smaller size of the site).

The City's staff would be provided with outside technical assistance to help it determine appropriate "product," financing and marketing approaches, identification of development partners, and the like.

This appears to be what the City may actually be requesting, without being able to express it in terms of existing Western market models.

Advantage of Concept

If successful, this model might have widespread application in Slovakia over the next 5-10 years. It would provide a transition approach in which cities could substantially expand their urbanization boundaries while maintaining some correlation to past national traditions to preserve agricultural land and to master plan urban development. The key would be designation of expansion areas and a willingness by the municipality to extend infrastructure in areas where the property owners have agreed to cooperate in a overall development and financing plan.

By starting with a site under single ownership, Banská could demonstrate how the process might work and what the benefits might be. It could also start the development of a national "stable" of housing developers operating at the "intermediate" level, and who could, in five or so years, go on to do their own land assemblages and larger projects. It could also demonstrate to the central government and other locales the advantages (and necessity) of rapidly expanding the country's local urbanization boundaries, while demonstrating the types of approaches and mechanisms that can prevent runaway sprawl.

Next Steps

The next step is to further query the City regarding their request for assistance on the Prianska Terasa project and to develop a working approach that would meet the City's objectives yet provide the needed overall demonstration and educational values that USAID seeks.

Banská Bystrica Letter

The following draft letter represents an approach to explore the idea further with Banská Bystrica.

(Date)

Mr. _____
Mayor
City of Banská Bystrica
Cs. Armady 26
974 00 Banská Bystrica

Re: USAID Housing Development Demonstration Project, and Request for Possible Technical Assistance on the Prianska Terasa Project

Dear Mayor _____:

The purpose of this letter is to summarize the current status of the USAID Housing Development Demonstration Project, both in your City and the three other locales participating in the nationwide project. Secondly, it responds to your staff's initial expression of interest in receiving possible technical assistance in preparing the Prianska Teresa site for development.

I. USAID Housing Development Demonstration Project

Overall, the directly tangible results were somewhat disappointing. Despite extensive advertising in two national newspapers and a targeted mailing to over 5,000 enterprises in the building, architectural, engineering, real estate, and related fields, the four Pre-Proposal Conferences in mid-March attracted only 16 potential developers. The process resulted in two actual development proposals, one each in the cities of Prešov and Banská Bystrica, neither of which was judged to be adequately responsive to the circumstances involved.

Subsequent discussions with the potential bidders have preliminarily indicated that the main drawbacks to their potential participation included:

- specific lack of enthusiasm about the quality and condition of the **specific** sites offered;
- lack of adequate information, certainty, and guidance on the specifics of the sites (e.g., land ownership; geophysical conditions; availability, location and capacity of adjacent infrastructure);
- lack of information and guidance on the market for housing and appropriate pricing;
- inability to obtain financing or figure out how to obtain it;
- serious skepticism that potential profits were worth the risk or effort involved; and
- confusion and unfamiliarity regarding the process.

After a careful review of the program steps and results, the consulting team has concluded that an early rebid of **these particular sites**, even with added advertising and publicity, would not

produce substantially different results. Consequently, new approaches and/or different sites would be needed.

USAID is presently evaluating the program results to date in the context of the larger issues that impede housing development in the whole country, e.g., lack of financing, lack of good sites, lack of entrepreneurial capacity in "development" firms, lack of familiarity by both public and private sectors with market and financial analysis, etc. A new program of technical assistance, training and education, specific problem-solving, and/or financial leveraging at the local and/or national levels may emerge from this evaluation over the next year.

With regard to your **specific** site recently offered for proposals, we suggest that you close out the existing demonstration effort by sending the attached letters (as appropriate) to the parties that either indicated possible interest in the site and/or actually submitted a proposal bid. Following such close-out in the short term, you may wish to attempt to internally resolve some of the issues with respect to your site that the process and participants identified (see above list) and then to offer it again later either by a similar competitive bidding approach or on a more narrowly defined negotiated basis with firms that have prequalified themselves by meeting basic criteria.

We believe that all four of the participating cities and villages found the Housing Development Demonstration Program to be useful, for the following reasons.

- It provided a good assessment of what to realistically expect of your site in its present condition.
- It provided a useful methodology and approach that could be used with respect to more desirable sites, assets, or franchises (for example, existing buildings; rights to lease market-places; bids on maintenance contracts; etc).
- It provided an approach to prequalify companies and to establish performance criteria and thresholds to be included in any negotiated development agreements.
- It provided guidelines and checklists of issues that must be resolved and the information that needs to be obtained if you plan to develop housing in a market economy.

We thank you for your interest and participation in the program. As our evaluation becomes more complete, we will send you the results. Also, you will be informed of such additional USAID programs as may come out of this evaluation with regard to housing development, and which you may find of interest in the future. Of course, the wind-up of the existing housing demonstration program with regard to your specific site in no way affects such other USAID-assisted programs as may be currently ongoing in your community.

II. Technical Assistance on the Prianska Teresa Site

On May 31, 1996, Ing. arch. Marian Sovcik and Ing. Klemanicova met with Peter Bass, our Municipal Development Consultant, to discuss the City's interest in obtaining further USAID-supported technical assistance in the preparation of the Prianska Teresa site for housing development. We understand that the City Council has passed a resolution instructing staff to

start the planning and preparation process to enable offering this site for private development participation by early next year.

Your staff specifically indicated an interest in technical assistance in the areas of financial analysis and modeling techniques (including pro forma analysis of development and financing alternatives) and assistance in specifying reviewing different business plan alternatives as to how to prepare the site for private developer participation (for example, single developer vs. several developers of subsections; competitive bidding process similar to that just completed, or a two-stage process with Request for Qualifications, followed by exclusive right to negotiate on separate sites, etc). We also understand that you wish to analyze and model how you might be able to leverage or combine some potential state funding sources with other bank financing to finance the infrastructure and possibly the construction of some of the housing units.

We believe that USAID would be interested in further examining the possibility of working with you on this project. Our interest is in helping you find a solution that perhaps creates a unique public-private joint venture that bridges the current wide gap between past central planning and development techniques and private development approaches that can operate in a society with more developed market-based financing, design, production, and distribution institutions than currently exist in the Slovak Republic. We see a range of technical assistance we could offer in the areas of financial analysis, economic and market analysis, structuring of appropriate development organizations and their roles, process development, and document/agreement structuring similar to that in the prior effort.

If you deem such assistance of interest and utility, please inform George Williams of USAID Slovakia (Panska 33, 811 02 Bratislava). He would then make arrangements for Mr. Bass and him to meet with you, at your convenience in Banská Bystrica to develop the best approach.

We also invite, at any time, your thoughts and observations regarding the Housing Development Demonstration Program that was just completed.

Yours truly,

Robert W. Doubek
Real Estate Development Specialist

cc: Ing. arch. Marian Sovcik, Director, Department of Land Developments and Streets
Ing. Erika Klemanicova, Deputy Director, City Investment Agency