DEPARTMENT OF VETERANS AFFAIRS



AMENDMENT #1 TO REQUEST FOR PROPOSALS No. VA-101-11-RP-0079

VA SOUTH TEXAS HEALTH CARE SYSTEM

VISN 17

KERRVILLE DIVISION

ASSISTED LIVING AND/OR SENIOR/NON-SENIOR HOUSING

ENHANCED-USE LEASE DEVELOPMENT PROJECT

KERRVILLE, TEXAS

DATE AND TIME PROPOSALS DUE: OCTOBER 6, 2011 at 12:00 NOON EDT

AMENDMENT #1 REQUEST FOR PROPOSALS No. VA-101-11-RP-0079 SOUTH TEXAS VA HEALTH CARE SYSTEM KERRVILLE DIVISION ENHANCED-USE LEASE DEVELOPMENT October 3, 2011

Amended Items:

1. <u>SECTION 2.3.1 – TIMELINE:</u>

Replace: "VA anticipates awarding the EUL Site described in Attachment B and B1 to a selected Offeror by October 31, 2011. Developers will be required to prepare a draft Development Plan (see Section 3 for details) within 21 calendar days of selection and a final draft for VA review and approval within 45 calendar days of selection. Upon the completion of the Development Plan and final approval by VA, and the completion of any other outstanding key milestones required under the EUL Statute

(http://www.va.gov/AssetManagement/docs/EulStatute.pdf), the VA will enter into the EUL with the Offeror. VA anticipates executing an EUL for the site by December 31, 2011."

With: "VA anticipates selecting the preferred developer for the EUL site described in Attachments B and B1 by October 31, 2011. The preferred developer will be required to prepare a draft Development Plan (see Section 3 for details) within 21 calendar days of selection and a final draft for VA review and approval within 45 calendar days of selection. Upon the completion of the Development Plan and final approval by VA, and the completion of any other outstanding key milestones required under the EUL Statute (http://www.va.gov/AssetManagement/docs/EulStatute.pdf), VA will enter into an initial EUL agreement with the Offeror selected as the preferred developer. VA anticipates executing an initial EUL agreement for the site by December 31, 2011. The sample EUL agreement will be posted at the following website: www.va.gov/assetmanagement/burr."

2. ATTACHMENT D – BID TERMS AGREEMENT ITEM 7:

Delete Item 7 in its entirety.

3. ATTACHMENT D – BID TERMS AGREEMENT ITEM 9:

Replace: "The Developer understands that time is of the essence to the VA in accomplishing the milestones set forth on the Agreed Milestone Timetable and in otherwise complying with the Developer's obligations under this Agreement. If the Developer fails in any material respect to meet in a timely manner any milestone contained in the Agreed Milestone Timetable or fails to execute and deliver any of the Transaction Documents as and within the timeframe required by the preceding paragraph or otherwise fails to comply with or breaches any provision of this Agreement, the VA will have the right to declare the Developer in default under this Agreement and, upon any such default, the VA shall have the right to (i) terminate the Developer's rights under this Agreement (and all further discussions with the Developer); (ii) in the VA's sole and absolute discretion, if it so chooses, make an award to another developer; and (iii) draw and retain as liquidated damages the full amount of the Initial Deposit letter of credit. In the event that the VA exercises its right to draw under the Initial Deposit letter of credit, the VA shall be entitled to retain, as its sole and exclusive remedy for the default, the entire Initial Deposit as fixed, agreed and liquidated damages, and not as a penalty, the Developer and the VA having agreed that actual damages that may be incurred by the VA in the event of such a default will be difficult or impossible to measure and that an amount equal to the Initial Deposit is a reasonable estimate of what those damages would be."

With: "The Developer understands that time is of the essence to VA in accomplishing the milestones set forth on the Agreed Milestone Timetable and in otherwise complying with the Developer's obligations under this Agreement. If the Developer fails in any material respect to meet in a timely manner any milestone contained in the Agreed Milestone Timetable or fails to execute and deliver any of the Transaction Documents as and within the timeframe required by the preceding paragraph or otherwise fails to comply with or breaches any provision of this Agreement, VA will have the right to declare the Developer in default under this Agreement and, upon any such default, VA shall have the right to (i) terminate the Developer's rights under this Agreement (and all further discussions with the Developer); and (ii) in VA's sole and absolute discretion, if it so chooses, make an award to another developer."

4. ATTACHMENT D – BID TERMS AGREEMENT ITEM 14 (d) (iv):

Replace: "neither the Developer nor any of its partners, members, or stockholders is a person who poses a security or safety risk as determined by the Secretary of State including, but not limited to, any person who either represents a country, or is a member of or provides political, financial, or military support to a group, that is listed in the most current "Country Reports on Terrorism" report, issued by the Secretary of State in compliance with 22 U.S.C. § 2656f(a), available from the Superintendent of Documents, U.S. Government Printing

Office, Washington D.C. 20402 and also available at http://www.mipt.org/pdf/Country-Reports-Terrorism-2004.pdf;"

With: "neither the Developer nor any of its partners, members, or stockholders is a person who poses a security or safety risk as determined by the Secretary of State including, but not limited to, any person who either represents a country, or is a member of or provides political, financial, or military support to a group, that is listed in the most current "Country Reports on Terrorism" report, issued by the Secretary of State in compliance with 22 U.S.C. § 2656f(a), available from the Superintendent of Documents, U.S. Government Printing Office, Washington D.C. 20402 and also available at:

http://www.state.gov/s/ct/rls/crt/2010/index.htm;"