2934 REPUBLIC NATIONAL BANK TOWER DALLAS, TEXAS 75201 RIVERSIDE 2-6217-18 AREA CODE 214

May 5, 1967

Mr. M. B. Satterfield Executive Director Atlanta Housing Authority 324 Hurt Building Atlanta, Georgia

> Re: University Center, Urban Redevelopment Area, Parcel 73, Project Ga. R-11, Bid Proposal

Dear Mr. Satterfield:

I represent Mr. R. C. Cunningham II of Oklahoma City, Oklahoma who submitted a bid to the Atlanta Housing Authority in conformity with the invitation for bid provided in connection with Parcel 73, Project Georgia R-11, styled University Center, Urban Redevelopment Area. The bids were opened on April 12, 1967, at which time Mr. Cunningham was present, together with a number of his associates, and at that time no comment was made with respect to the propriety of the bid insofar as it conformed, or did not confirm, technically, to the invitation. In this connection may I respectfully point out that paragraph 1 of the attachment to the letter dated March 31, 1967 from Mr. John T. Hopkins, Real Estate Officer, the attachment being a memo from Mr. Lester H. Persells, Director of Redevelopment, providing in part that " .... proposals will be inspected for conformance with the terms of the 'Invitation for Proposals.'" May I further call to your attention the provisions of paragraph 10, on page 3, of the invitation for proposals which indicates, again in part, that "The Agency reserves the right to reject any and all Proposals and to waive any and all irregularities that appear in any Proposal."

Mr. Persells' letter of April 21, 1967 indicated that Mr. Cunningham's proposal was rejected because of "non-conformance with the terms and conditions as set out in the 'Invitation for Proposals', Paragraph 1 which states, 'Three copies of each Proposal shall be Page Two Mr. M. B. Satterfield May 5, 1967

submitted on the form of 'Redeveloper's Proposal' prepared by the Agency and attached hereto.'"

Upon receipt of this letter, we contacted your office and subsequently spoke to Mr. Persells, and I spoke to Mr. Byron Attridge. I was informed by Mr. Attridge, on May 4th that the Authority had considered our request for reconsideration unfavorably. It would then appear necessary that we inspect the reason for the rejection as stated, and attempt to determine whether the indicated nonconformance is of such substantial nature as to preclude consideration of my clients proposal on its merits. The redevelopment proposal referred to is contained in the package of Disposition Documents which relates not only to the proposal stage, but apparently to the entire transaction. Certain ambiguities are apparent in the listing of requirements, starting on page 1, which resulted in the actual form of proposal not being submitted with the remaining documents. The documents actually submitted were: (1) a proposal bid in the amount of \$3,700; (2) a site plan, together with floor plans and elevations; (3) a narrative description of the development; (4) a rendering of the project; (5) the redevelopers statement for public disclosure; and (6) the redevelopers statement of qualifications and financial responsibility.

The redevelopers proposal referred to in the first full paragraph thereof states that the redeveloper "offers to purchase all that tract or parcel of land lying and being in land lot 84 of the l4th District of Fulton County, Georgia, being a part of the University Center, Urban Redevelopment Area and being more particularly described in Exhibit A attached to the form of Agreement for Disposition of Land submitted herewith, and by reference made a part hereof..." Logic would seem to dictate that the wording contained in the redevelopers proposal could be interpreted to mean that such proposal is to be submitted only after the Authority had accepted a particular bid, at which time the proposal would be attached to the agreement for disposition of land and submitted as a package, together with the remaining formal documents to the parties. A Page Three Mr. M. B. Satterfield May 5, 1967

literal interpretation of the language in the redevelopers proposal would seemingly preclude its submission at the time the redeveloper transmitted his bid to the Authority.

May we then examine the remainder of the proposal to ascertain whether, in fact, the redeveloper has complied with the substantive portions of that document; paragraph 1, for example, that a site plan and floor plans, together with type list, elevations, and a narrative description, are to be submitted. This was done.

In the same paragraph 1, the redeveloper must set out the actual cost of the improvements. This item was covered under part B, on page 4, of the redevelopers statement for public disclosure.

Paragraph 2 requires the deposit of a proposal bond in the amount of \$3,700. This was done.

Paragraph 3 requires the submission of the redevelopers statement for public disclosure and the redevelopers statement of qualifications and financial responsibility. These items were submitted with my client's bid.

In conclusion, I submit that my client substantially conformed with all conditions precedent to the submission of his bid, and I further submit that, with respect to the reason for rejection set out in Mr. Persells' letter of April 21, 1967, that there was, and is, a latent ambiguity in the bid documents which could reasonably be interpreted to mean that the actual proposal was not to be submitted with the bid. I further submit for your consideration that all bidding was done on the basis of developing the entire tract of land, the purchase of which was established, not only in the formal bid documents, but also in the brochure involving bids, copy enclosed, and that no where in my client's submission is it noted that his offer related to either a lesser price for the land, or was to be deemed an offer to purchase anything but the full tract of land involved. Page Four Mr. M. B. Satterfield May 5, 1967

In general, may I say that my client is well known in the building of projects insured by the Federal Housing Administration, and has evidenced a desire and ability to provide the type of housing which, as indicated in your brochure, is one of the great needs of Atlanta at this time. I trust you will see fit to favor us with further consideration in this matter, and give us the opportunity to present this case to you on its merits.

Your response to this letter at your earliest convenience would be sincerely appreciated.

Sincerely,

Julius L. Turek

JLT/dh

ENCIDENTS.

cc: Mr. Ivan Allen, Jr. cc: Mr. Malcom D. Jones cc: Mr. Byron Attridge cc: Mr. James Redd cc: Mr. R. C. Cunningham II cc: Mr. John Roper