Legislation Text

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TO: **CRA Board of Commissioners**
FROM: **Ivan Cabrera, AICP, Redevelopment Manager**
THROUGH: **Renée A. Jadusingh, Executive Director**
DATE: **September 28, 2021**

AWARD OF REQUEST FOR PROPOSALS CRA NO. 2021-05 PROPERTY MANAGEMENT SERVICES FOR CRA-OWNED RESIDENTIAL PROPERTIES

Recommended Action:

1. Award the Request for Proposals for Property Management Services to the Delray Beach Community Land Trust and the Delray Housing Group, Inc. and authorize the CRA Legal Advisor to prepare agreements for the services being provided; and

2. Authorize the CRA Board Chair to execute the agreements, and any related documents, in a form acceptable to the CRA Legal Advisor.

Background:

On July 19, 2021, the CRA issued a Request for Proposals for Property Management Services for CRA-Owned Residential Properties (RFP) seeking qualified non-profit entities located within the City of Delray Beach (City) specializing in leasing and management of affordable residential rental properties, including single-family homes, multi-family homes, and apartments, to provide property management services for CRA-owned affordable residential rental properties.

The objective of the RFP was to enter into an agreement with one or more qualified non-profit entities located within the City that would fully manage, operate, and maintain the following CRA-owned residential properties as affordable rentals:

1. **47 SW 8th Avenue**: a three (3) bedroom, two (2) bathroom, single-family residence purchased by the CRA in April 2019.

2. **121 SW 10th Avenue**: a duplex purchased by the CRA in January 2019. Each of the two (2) units contains three (3) bedrooms and (1) bathroom, a laundry room, and off-street parking. Interior and exterior renovations for both units were completed in January 2020.

3. **Palm Manor Apartments (31- 45 SW 9th Avenue)**: which consists of two (2) 10-unit buildings (31 - 39 SW 9th Avenue) with each unit containing two (2) bedrooms and one bath, with associated parking and laundry facilities; and one (1) 5-unit building (45 SW 9th Avenue) with each unit containing two (2) bedrooms and one (1) bath apartment, with associated laundry and parking facilities.

4. **LaFrance Apartments (140 NW 4th Avenue):** a senior housing complex with minimum rental qualifications for residents, which include: a minimum age requirement of 60 years of age, and an income requirement not to exceed 80% of the Palm Beach County Adjusted Median Income, except for the on-site resident manager. The complex consists of eight (8) studio units and six (6) one (1) bedroom units with parking, laundry facilities, and a requirement of an on-site resident manager, who shall be experienced in general building maintenance and repairs.

5. **Carolyn Quince Apartments (133 NW 5th Avenue)**: which consists of nine (9) one (1) bedroom apartments with associated parking and laundry facilities.

The rent amounts and guidelines for each of the properties will be more particularly described in the agreement(s) between the non-profit entity(ies) and the CRA.

On August 19, 2021, the CRA received two (2) Proposals in response to the RFP:

1. Delray Beach Community Land Trust (CLT)
2. Delray Housing Group, Inc. (DHG)

The RFP stated that the non-profit entities could submit a Proposal to provide property management services for one or more of the properties. The CLT submitted a Proposal for the management of 47 SW 8th Avenue, 121 SW 10th Avenue, and the Palm Manor Apartments. The DHG submitted a Proposal for the management of the LaFrance Apartments and the Carolyn Quince Apartments.

CRA staff reviewed each of the Proposals for compliance with the RFP requirements and found that both Proposals were responsive. As such, both Proposals were provided to the Evaluation Committee for review. On September 17, 2021, the Evaluation Committee held a public meeting and scored the Proposals based on the Evaluation Criteria outlined within the RFP (See Exhibit B for Evaluation Committee Results.)

As stated in the RFP, the term of the agreement(s) between the CRA and the awarded non-profit entity(ies) will be for an initial five (5) year period and may be renewed for up to one (1) additional five (5) period thereafter, subject to the mutual agreement of both parties.

Based on the Evaluation Committee's Results, CRA Staff recommends the CRA Board award the RFP to the Delray Beach Community Land Trust for the management of 47 SW 8th Avenue, 121 SW 10th Avenue, and the Palm Manor Apartments, subject to the negotiation of an acceptable agreement; and to award the RFP to the Delray Beach Housing Group, Inc., for the management of the LaFrance Apartments and the Carolyn Quince Apartments, subject to the negotiation of an acceptable agreement. Additionally, CRA Staff recommends that the CRA Board authorize the CRA Board Chair to execute the negotiated agreements, and any related documents in a form that is acceptable to the CRA Legal Advisor.

Attachments: Exhibit A - RFP for Property Management Services for CRA-Owned Residential Properties and Proposals Submitted; Exhibit B - Evaluation Committee Results

CRA Attorney Review:

The CRA Legal Advisor will draft the agreements per the terms set forth by the CRA Board.

Finance Review:

N/A

Funding Source/Financial Impact:

N/A