



THE CITY OF KEY WEST

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EXECUTIVE SUMMARY

To: The City Commission for the City of Key West

From: James K. Scholl, City Manager

George B. Wallace, Assistant City Attorney

Date: October 24, 2018

RE: Consulting Agreement for Response to anticipated CDBG-DR RFA-2019-101 ,(or subsequent RFA's which may be released and authorized by City), with Affordable Housing Consulting, LLC

Action statement:

Authorize the City of Key West to enter into the proposed "Response to Request for Application Services" Agreement with Affordable Housing Consulting, LLC , (AHC), pursuant to Sec 2-797 (4)(b) code of ordinances.

Background

Following the impact of Hurricane Irma on September 10, 2017 Congress appropriated \$7.4 billion for disaster recovery through the CDBG-DR program nationwide of which Florida is to receive approximately \$616 Million.

The Department of Economic Opportunity (DEO) has released overviews and conducted workshops relating to the allocation of a specific set -aside of \$20 Million for Monroe County for Workforce Affordable Rental New Construction Housing. These funds will

be awarded on a competitive basis in response to a Request for Application (RFA) the release of which is anticipated prior to year- end 2018 or shortly thereafter. Due to the exceptional circumstances created by the time constraints normally applicable to the RFA process the City Manager has determined that it is in the best interest of the City due to exempt this services contract from the competitive bidding process in order to place the City of Key West in a position to submit a timely Response to the anticipated RFA once released.

The funds would then be combined with other financing options to be utilized for the construction of the planned 104 unit affordable housing project on College Road.

AHC has been highly recommended to the City to perform these services. The proposed service provider has negotiated a reduced fee for the benefit of the City of Key West.

Financial impact: The Agreement provides for a payment of \$25,000.00 to AHC upon submission of the Response to the RFA.

An additional \$10,000.00 is payable should the City receive the award.

An additional \$25,000.00 will be due upon the closing of the award. (AHC agreed to reduce this amount from \$45,000.00)

Funding will come from Fund 104- Affordable Housing. Approving budget transfer of \$60,000.00 from 1045401-5548100-Transfer to Key West Housing Authority for College Road Affordable Housing Project to account 1045404-5543100 Professional Services

The Staff anticipates applying for the maximum project amount of \$8,000,000.00.

Recommendation:

To approve the “Response to Request For Application Services” Agreement as submitted and authorize the City Manager to execute the same upon the advice and consent of the City Attorney.
