

# Committee Report

Community Development Committee



**Committee Meeting Date:** August 21, 2023

**For the Metropolitan Council:** September 13, 2023

## Business Item: 2023-188

Property Management Services, Contract 22P160

### Proposed Action

That the Metropolitan Council authorize the Regional Administrator to execute Contract 22P160 with Kingwood Management to provide property management services for the Family Affordable Housing Program in an amount not to exceed \$1,098,328.00.

### Summary of Community Development Committee Discussion/Questions

Assistant Director of the Metropolitan Council Housing & Redevelopment Authority (Metro HRA) Stephanie Paulson presented the staff report to the Committee.

The Committee had a discussion around the cost of the proposal and opportunities to create future interest in the complex housing portfolio.

Motion by Council Member Carter, seconded by Council Member Wulff. Motion carried.



# Business Item

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Property Management Services, Contract 22P160

<b>District(s), Member(s):</b>	All
<b>Policy/Legal Reference:</b>	FM 14-2 - Expenditures for the Procurement of Goods, Services, and Real Estate Policy
<b>Staff Prepared/Presented:</b>	Stephanie Paulson, Assistant Director, (651) 602-1584
<b>Division/Department:</b>	Community Development/Metro HRA

### Proposed Action

That the Metropolitan Council authorize the Regional Administrator to execute Contract 22P160 with Kingwood Management to provide property management services for the Family Affordable Housing Program in an amount not to exceed \$1,098,328.00.

### Background

The Family Affordable Housing Program (FAHP) was established in January 1999, resulting in the Metropolitan Council purchasing 150 housing units between 2001 and 2004. This portfolio grew again in 2021 when the Council authorized the purchase of four additional units through the Edina Affordable Housing Partnership ([Business Item 2021-131](#)). These units are in eleven suburban communities throughout Anoka, Hennepin, and Ramsey Counties. The scattered site single-family, townhome, and twin unit portfolio includes two-, three-, four-, and five-bedroom homes.

The Request for Proposals for property management services for the FAHP portfolio was advertised on May 2, 2023. A pre-proposal meeting was hosted by Council staff that outlined the solicitation requirements, discussed project specifications, and responded to plan holder inquiries. There were five registered plan holders, three suppliers, and two plan rooms; and two plan holders identified as minority, woman, veteran, small, or disadvantaged business enterprises.

The Council received one proposal on June 1, 2023, to be evaluated for the consideration of award and used proposer quality, proposer qualifications, experience, price. Staff completed an adequate competition review that showcased the procurement was adequately competed and solicited and a full, and open competition was achieved with no indication of the specifications being restrictive. The evaluation panel reached consensus that the proposal submitted by Kingwood Management was the most advantageous to the Council and recommends for contract award. This is a one-year contract, with renewal options available through 2028.

### Rationale

The execution of a professional service contract exceeding \$500,000 requires Council approval.

## **Thrive Lens Analysis**

The proposed action supports the Thrive outcomes of equity, livability, prosperity and sustainability by increasing the housing choices available to low-income families across the region. Families that have stable housing in a community of their choice are better able to thrive and flourish. Housing that is well-maintained improves livability and sustains the units for the long-term.

## **Funding**

Funding for the Family Affordable Housing Program (FAHP) is generated from federal Project Based Voucher subsidy payments and rents paid by the FAHP residents. The revenue generated through these sources provides the revenue necessary to pay the unit operating expenses, including the property management services fee.

## **Small Business Inclusion**

The Office of Equity and Equal Opportunity (OEEO) set a Metropolitan Council Underutilized Business (MCUB) goal of seven percent (7%). OEEO determined that the firm being recommended for award has met the MCUB requirements of this contract.

