

**CITY OF TEMPE
REQUEST FOR COUNCIL ACTION**

**Council Meeting Date: 02/26/2015
Agenda Item: 5C2**

ACTION: Adopt a resolution authorizing the City Manager, or designee, to negotiate exclusively with Gorman & Company, Inc. for an agreement for the development of market rate and high quality affordable housing on a three-lot City-owned parcel located at 1001 E. 8th Street in Tempe. (Resolution No. R2015.17)

FISCAL IMPACT: Financial details will be determined through negotiation of the terms of the Development and Disposition Agreement and subject to City Council approval.

RECOMMENDATION: Adopt Resolution No. R2015.17.

BACKGROUND INFORMATION: (RFP #15-086) The City issued a Request for Qualifications (RFQ) for the development of market rate and high quality affordable housing to be offered to low income veterans and their families on a three-lot parcel owned by the City located at 1001 E. 8th Street. At least 51% of the rental housing units must be rented to low income persons with preference given to veterans and their families.

Evaluation Process

Four responses were received. The responses were evaluated by a committee comprised of representatives from, Community Development, Human Services, and Procurement. The responses were evaluated using the following criteria:

| Criteria | Weight |
|---|--------|
| Experience in or development strategy for the type of housing development proposed | 20 |
| Maximization of resources | 20 |
| Organizational capacity | 10 |
| Tenant selection plan that offers a preference to veterans and their families | 20 |
| Supportive services to be offered onsite to residents that will provide stability and support for veterans to successfully transition back into civilian life | 20 |
| Project design | 20 |
| Financial strategy | 10 |

Results of the scoring are as follows:

| Offering Firm | Score |
|-----------------------------------|-------|
| Gorman & Company, Inc. | 1,080 |
| Cloudbreak Phoenix LLC | 950 |
| Cardinal Capital Management, Inc. | 780 |
| The Englewood Group | 660 |

The evaluation committee recommends that Gorman & Company, Inc. be selected to negotiate the terms of a Development and Disposition Agreement. Gorman & Company, Inc. is partnering with Save the Family Foundation to offer a mixed-income, service-enriched and transit-oriented housing development for veteran women and families. Their goal is to develop a 50-unit mixed-income rental community with 5 market rate live/work units facing 8th Street. The live/work units serve to activate the streetscape and integrate the surrounding community into the development both physically and socially. The proposed community will have a park area, playground, rooftop amenity deck, multi-purpose community room, computer lab, fitness facility, leasing office, and case management offices.

ATTACHMENTS: Resolution and Statement of Qualifications

STAFF CONTACT(S): David Nakagawara, Community Development Director, (480) 350-8023

Department Director: Renie Broderick, Internal Services Director

Legal review by: David Park, Assistant City Attorney

Prepared by: Lisa Goodman, CPPO, Procurement Officer