



Legislation Text

File #: 200865., **Version:** 1

Request for Proposal Staff Ranking City of Gainesville, FL-Affordable Housing Property Donation Pilot Program (B)

This item involves a request for the City Commission to approve staff's ranking and recommendation for a proposal associated with the City of Gainesville, FL-Affordable Housing Property Donation Pilot Program.

On November 16, 2020, the City's Procurement Division issued a Request for Proposal (RFP) with the intent to select a nonprofit affordable housing developer to receive a donation of twelve (12) City owned lots and develop those lots with affordable owner-occupied homes for income eligible households.

Generally, the lots are located in the Duval Heights Area of Northeast Gainesville, along NE 9th Avenue, near NE 16th Terrace and NE 17th Street. The RFP requires the nonprofit organization to sell the homes and move the households in, within two (2) years of receiving the lots.

Only one (1) organization, Alachua Habitat for Humanity, Inc. (AHFH), submitted a response to the City by the RFP required date of January 14, 2021. The Procurement Division reviewed the proposal and determined that it was consistent with the City's procurement procedures. Then a staff evaluation team consisting of representatives from the Housing and Community Development (HCD) Division, the Office of Equity and Inclusion, the Public Works Department, and the Department of Sustainable Development reviewed, evaluated, and discussed the proposal. Based on that evaluation, the evaluation team determined that the proposal meets the City's needs and requirements as described in the RFP; and that the proposer has the experience and resources to implement the proposal. The evaluation team recommends that the City begin negotiations with AHFH to donate the subject properties to AHFH for the development and sale of affordable housing to income eligible households.

As part of this project, the City will install a new road. Currently, NE 9th Avenue, between NE 16th Terrace and NE 17th Drive is not built, although the City does own the right-of-way. That segment of road is needed to provide convenient access to at least five (5) of the subject properties. In support of this project, the City has budgeted \$240,000 in Gainesville Community Reinvestment Agency Department (GCRAD) funds to construct enough of that portion of NE 9th Avenue to provide the needed access. Due to the addition of new impervious surface associated with the new road, the City will be required to construct a new stormwater management facility to prevent flooding. Originally, the City hoped to purchase a vacant privately owned lot located nearby. However, the City and the property owner were not able to reach an agreement. Therefore, the City will move the location of the stormwater management facility to one or two of the lots originally planned to be donated to the developer. As a result, the number of donated lots will be reduced based on the property needed for the stormwater facility (attached for reference is a map of the lots that may be impacted by the relocation of the stormwater facility). Public Works staff will coordinate the development of the road construction project with the development of the new homes.

In addition to donating the lots and constructing the road for no cost to AHFH, the City is reserving funding that will be structured as a developer/home buyer subsidy to ensure that the lots will be affordable to income

eligible first-time home buyers.

Strategic Connection:

This item is connected to Goal 3: A Great Place to Live and Experience in the City's Strategic Plan and is a high priority item.

Funds have been reserved from the GCRA budget in the amount of \$240,000 to construct a portion of NE 9th Avenue. Additionally, funds have been identified from the proposed ConnectFree budget in the amount of \$228,000 and from the SHIP budget in the amount of \$47,000 to make available homebuyer and developer subsidies.

The City Commission: 1) approve staff finding that the proposal meets the City's needs and requirements as described in the Request for Proposals; and that the proposer has the experience and resources to implement the proposal; 2) authorize the City Manager or designee to negotiate a contract with Alachua Habitat for Humanity for the development and sale of affordable housing to income eligible households, subject to approval from the City Attorney as to form and legality; and 3) authorize the City Manager or designee to execute the contract and any related documents, subject to approval from the City Attorney as to form and legality.