



City of San Antonio

Agenda Memorandum

File Number:
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Agenda Item Number: 8

Agenda Date: March 29, 2023

In Control: Audit and Accountability Committee

DEPARTMENT: Neighborhood and Housing Services

DEPARTMENT HEAD: Veronica Garcia, Director

COUNCIL DISTRICTS IMPACTED: Citywide

SUBJECT:

Post-Solicitation High Profile Briefing for Bond Residential Rehab Construction Contractors RFQ

SUMMARY:

The Neighborhood and Housing Services Department (NHSD) will present a post-solicitation briefing on the Construction Contractors for Rehabilitation of Various Residential Properties funded by the voter approved 2022 – 2027 Housing Bond Program. The Housing Bond designated \$45 million for homeownership rehabilitation and preservation.

BACKGROUND INFORMATION:

The Neighborhood and Housing Services Department (NHSD) released a similar solicitation in September 2021 to develop a list of qualified contractors for affordable housing rehabilitation projects. The Request for Qualifications (RFQ) resulted in identification of fifteen (15) contractors

approved by Council on March 24, 2022. Not all of the contractors approved in March 2022 have participated in NHSD home rehab projects for various reasons. The increase in affordable housing production goals expected through the 2022 – 2027 Bond Program warrants a need to identify additional contractors to assist with home rehab projects.

NHSD released the solicitation seeking contractors that demonstrate the capability and proven experience to perform general construction and housing rehabilitation services for third-party beneficiaries (qualified homeowners) of the City’s Home Rehabilitation projects. Selected respondents will be placed on a list of qualified contractors for upcoming home rehab projects.

The proposed term of the contract is a maximum of five (5) years. Contractors shall be selected for placement on the pre-approved list for an initial term of one (1) year. After such initial one (1) year period, the City shall have the sole option to renew (keep the contractor on the pre-approved list) under the same terms and conditions for four (4) additional, one (1) year extensions. The RFQ has a total contract value of \$45 million over the 5-year term.

Projects may include single-family home major rehabilitation or reconstruction, minor rehabilitation repairs, and/or roof shingle replacements. Respondents may demonstrate capacity for multiple types of rehabilitation or reconstruction. Respondents are not required to qualify for every type of rehabilitation. The City estimates the number of rehabilitation projects to be completed over the 2022 – 2027 Bond and additional capacity to support NHSD affordable housing projects over the contract period to be:

	Bond Program	General Fund*
Major Rehab	256	up to 100
Minor Rehab	320	Up to 250
	576	350
Total	926	

*Actual number contingent on Council action

The selected contractors will perform rehabilitation or reconstruction work as determined in the Scope of Work (SOW) developed by the City or the City’s on-call inspector and the contract for services between the Respondent and the homeowner. Rehabilitation scopes of work will vary from roof replacement (up to \$19,000), minor repair/rehabilitation (up to \$25,000), major or substantial rehabilitation (up to \$130,000) and reconstruction (up to \$145,000). These amounts may be adjusted by the City at any time based upon the City’s budget and priorities.

The City will enter into funding agreements with third-party beneficiaries, namely qualified homeowners receiving Housing Bond funds from NHSD’s housing programs, to fund City-approved home rehab work that meets applicable federal, state and local requirements. Third-party beneficiaries (homeowners) will contract directly with a qualified contractor from NHSD’s approved list developed from this solicitation to perform the SOW as approved by the City.

ISSUE:

For briefing purposes only.

FISCAL IMPACT:

For briefing purposes only.

ALTERNATIVES:

For briefing purposes only.

RECOMMENDATION:

Staff recommends approval to proceed with 9 contracts for City Council consideration to create a list of qualified contractors to utilize for residential rehabilitation projects in the estimated total value of up to \$45,000,000 for a term of one year, with an additional 4, 1-year options to renew.