

PLANNING AND DEVELOPMENT MEMORANDUM
#09-04

February 26, 2009

TO: Honorable Mayor Kathleen M. Novak and City Council Members

FROM: William Simmons, City Manager *WAS*
James Hayes, Director, Planning and Development Department *JH*

SUBJECT: Neighborhood Renewal Initiative (NRI) Program Contract

BACKGROUND INFORMATION

In 2008, staff presented information to the City Council regarding the Neighborhood Initiative. One of the components of the Initiative was to allocate Community Development Block Grant (CDBG) funds for a foreclosed home program to attempt to stabilize some of the City's neighborhoods. Study sessions were held February 21 and April 3, 2008 to outline the framework of the program. On May 22, 2008, the City Council adopted a resolution (CR-82) to designate \$91,000 of 2007 CDBG funds for the program.

On July 17, 2008, the Department of Planning and Development staff presented information on the 2009 CDBG program to City Council in a study session. The information provided included general information on the CDBG program, the City's CDBG activity funding history, a status report of the 2007 and 2008 CDBG projects and recommendations for projects for the 2009. Discussion focused on the staff recommended projects (i.e. Help For Homes Program and the Code Enforcement Program), and on projects several Council members were interested in. The consensus was to continue the Help for Homes Program but Council did not want to fund the Code Enforcement Program again with CDBG monies. Council discussed the possibility of using CDBG monies for the Malley Street/Farmers Highline Canal Trail crosswalk. Staff was directed to check with the Adams County Office of Community Development to determine if this would be an eligible use of CDBG monies. Subsequent to the meeting, staff received approval from the County to use 2009 CDBG monies for a crosswalk project and reported this to the City Council at a study session on August 7, 2008. Mr. Bill Sullivan, Executive Director of the Northglenn Neighborhood Development Corporation (NNDC) was invited to speak at the study session as well. Extensive discussion was held about the organization and the Council generally agreed to designate \$200,000 in CDBG funds for crosswalk improvements in 2009.

On August 28, 2008, the City adopted a resolution to designate \$70,000 in General Fund monies to NNDC, partly in exchange for \$70,000 of CDBG funds from the 2008 program year. The City Council also approved a resolution to designate \$200,000 in Community Development Block Grant (CDBG) Funds for the 2009 program year for crosswalk improvements on Malley Drive/Farmers Highline Canal and 112th Avenue/Larson Drive.

On September 18, 2008, the City Council requested staff accelerate the crosswalk project and to investigate the reallocation of CDBG funds from 2007 and 2008 for the project. The purpose was so the funds would be available at an earlier date. The 2009 funds would be available for the Neighborhood Renewal Initiative in March, 2009. On October 23, 2008, the City Council adopted a resolution (CR-150, attached) to reallocate the 2007, 2008 and 2009 CDBG funds as outlined below.

2007 CDBG Funds

\$100,000 Help for Homes – already spent
\$91,000 Crosswalk Improvements

2008 CDBG Funds

\$108,695 Code Enforcement Program – already spent
\$6,000 Neighborhood Small Grants Program – already spent
\$94,000 Crosswalk Improvements

2009 CDBG Funds

\$50,000 Crosswalk Improvements
\$150,000 Neighborhood Renewal Initiative

The 2007 and 2008 CDBG Funds shall be spent by February 28, 2009, while the 2009 CDBG Funds are not available until March 1, 2009 and must be spent by February 28, 2010.

Throughout 2008, staff presented various drafts of the program and how it would be implemented. Value Builders is a local company, which would partner with the City to implement the program. However, the City Council suggested staff complete a formal Request For Proposals (RFP) and determine if other companies would be able to implement the program.

REQUEST FOR PROPOSALS (RFP)

On October 27, 2008, the City issued an RFP for the Neighborhood Renewal Initiative (NRI) Program. A pre-bid meeting was held on November 18, 2008 and attended by 18 different companies interested in bidding on the program. The formal bid opening was held on December 8, 2008 and six companies submitted their qualifications and understanding of the program. On January 6, 2009, City staff conducted interviews with the top three companies, which were short-listed from the set of six proposals. The interview team consisted of James Hayes, Director of Planning and Development, Debra Gray, Housing and Grant Administrator, Rick Davis, Chief Building Official, and Pat Breitenstein, Zoning Administrator and Acting Executive Director of the Northglenn Urban Renewal Authority (NURA).

PG Construction, Value Builders, and Northglenn Neighborhood Development Corporation (NNDC) were interviewed by the final review team. We evaluated the financial stability of the contractor, their understanding of the program, and experience with other projects. Value Builders scored the highest amongst the bidders and staff is recommending approval of an initial contract with them.

UPDATED INFORMATION

On January 22, 2009, the City Council considered the initial NRI contract with Value Builders. Extensive discussion was held regarding the communications with NNDC and the bid process. Staff was directed to contact NNDC to see if they would be able to implement this program instead of Value Builders. A motion to table the resolution failed by a vote of 5-3. A subsequent motion to deny the resolution as presented, passed by a vote of 7-1.

On February 4, 2009, the City Manager and Director of Planning and Development met with two board members and the Executive Director of NNDC. The discussion focused on the long-term viability of the organization and their ability to implement the NRI program. At that time, NNDC verbally informed the City they would be winding down the organization by April 1, 2009 and would not be able to participate in the program. The Chairman of the Board of Directors sent an e-mail confirming the conversation on February 11, which was forwarded to the City Council.

On February 12, 2009, staff met with Value Builders and their preferred Realtor to evaluate two lender owned homes (foreclosures) in the City of Northglenn. 11308 Fowler Drive was selected as a home with potential for inclusion in the program as the first project. Value Builders prepared a pro forma bid outlining the general financial elements of the transaction. Unfortunately, the home went under contract in advance of the City Council meeting, but the estimate provided is for a real property with real data about the cost of improvements and potential program income.

NRI PROGRAM SCHEDULE AND NEXT STEPS

Under this program, the City may obtain distressed homes using CDBG funds for a 100 percent cash purchase. No private financing or General Fund money will be used to fund this program. A total of \$150,000 has been allocated for the program and may be spent after March 1, 2009. The first step in the process is approving the contractor and the types of services that will be provided to the City. Value Builders has agreed to provide referrals for Realtors, inspectors, title insurance, and home warranty to simplify the management of the project. The following is a brief outline of the next steps in the process and the target dates.

Date	Task
February 26, 2009	Initial contract executed with Value Builders
March, 2009	Realtor (sub-contractor) selected with Buyer's Agency representation Property search commences Retain inspector and title company (sub-contractors) Finalize insurance requirements with Finance Dept.
March 2, 2009	Earliest possible date for contract offer
March, 2009	Draft contract to purchase 1 st home with contingencies a) Inspection

BUDGET/TIME IMPLICATIONS

There are no direct budget implications since CDBG funds are granted to the City from Adams County as pass through funding. The 2009 program year begins March 1, 2009 and ends February 28, 2010.

Another important factor is the recent federal legislation (H.R. 3221) known as the Housing and Economic Recovery Act of 2008. The relevance to the NRI Program is that our program may serve as a model for usage of an additional \$4 billion in CDBG Revitalization Funds, available to local governments. Colorado's share is \$53 million with Adams County receiving a direct allocation of \$4.6 million. City staff has been working closely with Adams County to ensure some of these funds are available to the City of Northglenn.

Specifically, the funds may be used for:

- the discounted purchase and redevelopment of foreclosed homes and abandoned residential properties
- the establishment of land banks for foreclosed homes
- the establishment of financial tools such as "soft" second and shared equity mortgages and loan loss reserves
- the demolition of blighted structures
- the redevelopment of demolished or vacant properties.

This money may be made available in the first quarter of 2009, and it will be critical for the City to have a program with designated eligible uses. The NRI Program appears to meet the initial requirements.

RECOMMENDATION

Staff recommends approval of the resolution authorizing the Mayor to execute the initial contract with Value Builders for the NRI program.

STAFF REFERENCE

If Council members have any comments or questions they may contact James Hayes at jhayes@northglenn.org or at 303-450-8937

ATTACHMENTS

CR-150, adopted October 23, 2008
Neighborhood Renewal Initiative Program Flow Chart
Professional Services Agreement with Value Builders
Neighborhood Renewal Initiative 2008 RFP-38
Estimate from Value Builders for 11308 Fowler Drive

SPONSORED BY: MAYOR NOVAK

COUNCILMAN'S RESOLUTION

RESOLUTION NO.

No. CR-150
Series of 2008

08-147
Series of 2008

A RESOLUTION APPROVING THE REALLOCATION OF A PORTION OF THE CITY OF NORTHGLENN'S 2007, 2008 AND 2009 COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS

WHEREAS, the City receives Community Development Block Grant (CDBG) funds from Adams County pursuant to an Intergovernmental Agreement for undertaking community development and housing assistance activities; and

WHEREAS, City Council has previously designated the 2007, 2008 and 2009 CDBG funds for community development and housing assistance activities but desires to reallocate portions of said funds; and

WHEREAS, City Council has determined that the reallocation of the 2007, 2008, and 2009 CDBG funds will better serve the needs of the community; and

WHEREAS, City Council conducted a public hearing regarding the reallocation of said CDBG funding on October 23, 2008.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF NORTHGLENN, COLORADO, THAT A PORTION THE CITY'S 2007, 2008 and 2009 CDBG FUNDS BE REALLOCATED AS FOLLOWS:

Section 1. \$91,000 of 2007 CDBG funds is reallocated for cross-walk improvements at Malley Drive and Farmers Highline Canal Trail and at 112th and Larson Drive.


Section 2. \$94,000 of 2008 CDBG funds is reallocated for cross-walk improvements at Malley Drive and Farmers Highline Canal Trail and at 112th and Larson Drive.

Section 3. \$150,000 of 2009 CDBG funds is reallocated for the Neighborhood Renewal Initiative.

Dated at Northglenn, Colorado, this 23rd day of October, 2008.

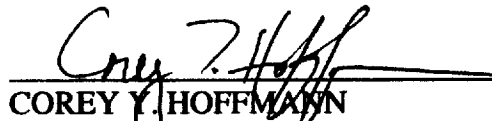

KATHLEEN M. NOVAK
Mayor

ATTEST:



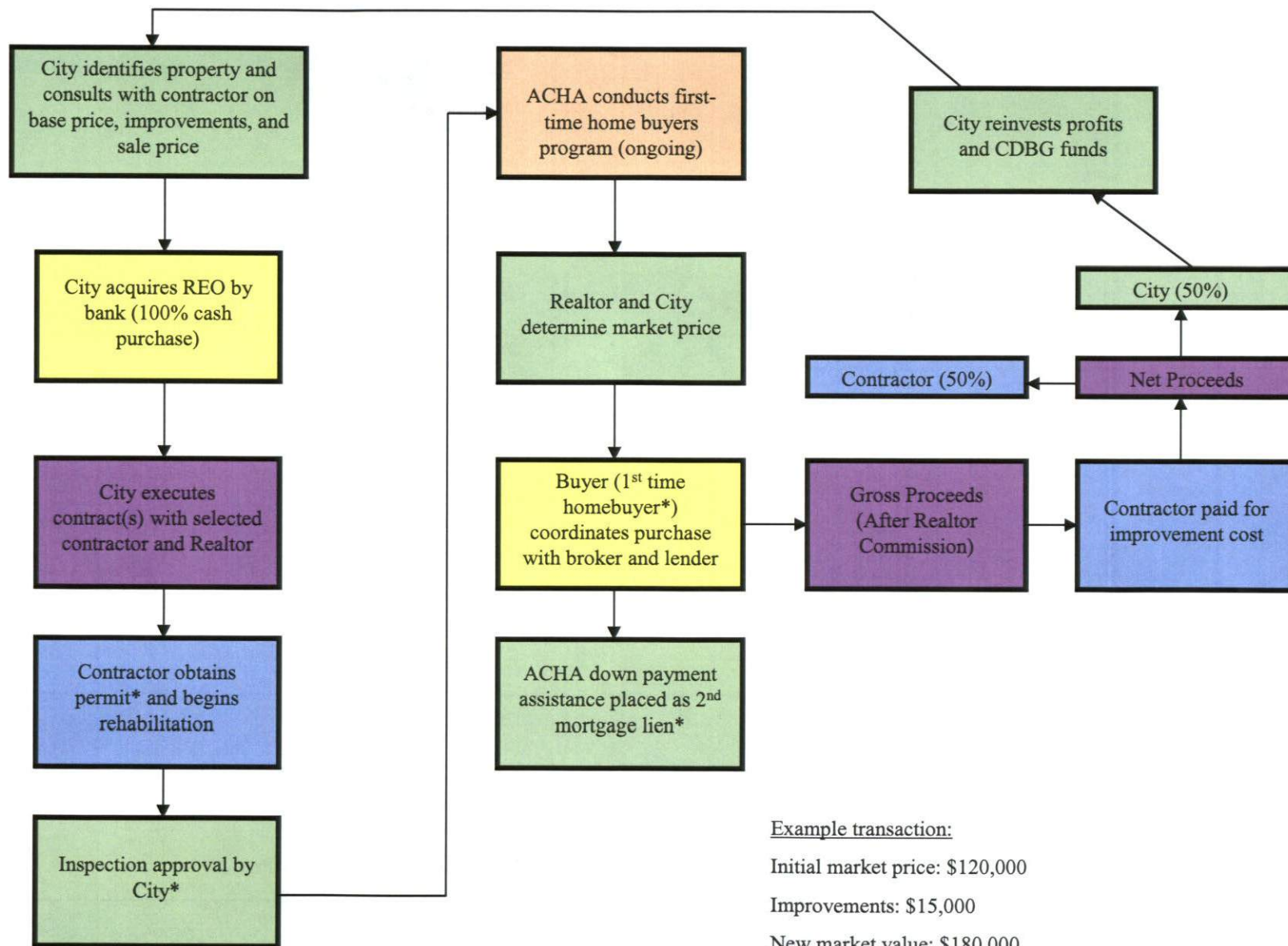
JOHANNA SMALL, CMC
Acting City Clerk

APPROVED AS TO FORM:



COREY Y. HOFFMANN
City Attorney

City of Northglenn Neighborhood Renewal Initiative (NRI)



ACHA = Adams County Housing Authority
 * If necessary

Example transaction:

Initial market price: \$120,000
 Improvements: \$15,000
 New market value: \$180,000
 Net Proceeds: \$45,000

SPONSORED BY: MAYOR NOVAK

COUNCILMAN'S RESOLUTION

RESOLUTION NO.

No. CR-30
Series of 2009

Series of 2009

A RESOLUTION APPROVING THE NEIGHBORHOOD RENEWAL INITIATIVE PROGRAM CONTRACT BETWEEN THE CITY OF NORTHGLENN AND VALUE BUILDERS

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF NORTHGLENN, COLORADO, THAT:

Section 1. The Neighborhood Renewal Initiative Program Contract between the City of Northglenn and Value Builders, for a total program amount not to exceed \$150,000, attached hereto as **Exhibit 1**, is hereby approved and the Mayor is authorized to execute same on behalf of the City.

DATED at Northglenn, Colorado, this ____ day of _____, 2009.

KATHLEEN M. NOVAK
Mayor

ATTEST:

JOHANNA SMALL, CMC
City Clerk

APPROVED AS TO FORM:

COREY Y. HOFFMANN
City Attorney

AGREEMENT

PROJECT NAME: NEIGHBORHOOD RENEWAL INITIATIVE

PROJECT NUMBER: 09-01 **PROJECT MANAGER:** Patrick Breitenstein

THIS AGREEMENT, made this 20th day of January, 2009, by and between the City of Northglenn, hereinafter called "CITY", and Value-builders Franchising, LLC, hereinafter called "CONTRACTOR".

WITNESSETH: That for and in consideration of the payments and agreements hereinafter mentioned:

1. The CONTRACTOR will commence and complete the project named:

"NEIGHBORHOOD RENEWAL INITIATIVE"

2. The CONTRACTOR will furnish all of the materials, supplies, tools, equipment, labor supervision, and other services necessary for the completion of the project described herein.

3. The CONTRACTOR will provide a certificate of insurance naming the CITY as an additional insured for purposes of said project within 10 days after the date of execution of this Agreement.

4. The CONTRACTOR agrees to perform all of the WORK described in the 2008 RFP-38 which includes the rehabilitation, remodeling, and/or updating of a single-family home or homes acquired by the City using Community Development Block Grant funds. Work shall also include rehabilitation work with detailed reporting of all improvement costs.

5. The CONTRACTOR shall also assist the CITY with additional professional services including, but not limited to Real Estate Brokerage, Property Inspection, Title Insurance, Appraisal and Home Warranty.

6. The term "WORK" means and includes all items as set forth in Section 1.3.1 of said 2008 RFP-38.

7. This AGREEMENT shall be binding upon all parties hereto and their respective heirs, executors, administrators, successors, and assigns.

IN WITNESS WHEREOF, the parties hereto have executed, or caused to be executed by their duly authorized officials, this Agreement in TWO copies, each of which shall be deemed an original on the date first above written.

CITY OF NORTHGLENN

By: _____
Name Kathleen M. Novak
Title Mayor

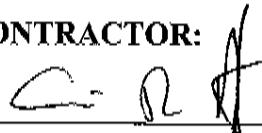
(SEAL)

ATTEST:

Name Johanna Small, CMC
Title City Clerk

APPROVED AS TO FORM:

City Attorney

CONTRACTOR:
By 

Name Chris R Horz
(Please Type or Print)

Title Co-CEO
Address 5000 South Chester st
#225 Centennial, CO 80112

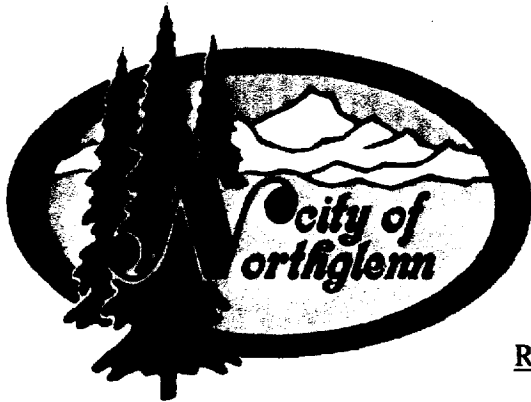
(SEAL)

ATTEST:



Name Amy Rottenberg
(Please Print or Type)

Title Director of Training



**CITY OF NORTHGLENN,
COLORADO**

Bid Number: 2008 RFP-38

Date: October 27, 2008

Request for Proposal

The City of Northglenn, Colorado will accept sealed bids at the office of the City Clerk, P.O. Box 330061, Northglenn, Colorado, 80233-8061, via bid responses done through the Rocky Mountain Purchasing site or e-mail attachment to rfp@northglenn.org, or in person at 11701 Community Center Drive until 2:00 p.m., Monday, December 8, 2008. E-mail through Rocky Mountain Purchasing site is the preferred method of responding to this solicitation.

A pre-bid meeting will be held on Tuesday, November 18, 2008 at 1:30 p.m. at City Hall, City Manager's Conference Room, located at 11701 Community Center Drive, Northglenn, Colorado.

Sealed qualifications/bids shall be marked as follows:

**"NEIGHBORHOOD RENEWAL INITIATIVE
2008 RFP-38"**

The work includes the rehabilitation, remodeling, and/or updating of a single-family home or homes acquired by the City using Community Development Block Grant (CDBG) funds. Work shall include rehabilitation work with detailed reporting of all improvement costs.

Bidding instructions are available at www.govbids.com, then click on the Rocky Mountain E-Purchasing System link or click on the link below:

<http://govbids.com/scripts/col/public/home1.asp>.

Any questions regarding this project should be directed to Debra Gray, Project Manager, at 303-450-8931.

The City of Northglenn reserves the right to reject any and all bids and to accept the bid deemed most advantageous to the best interest of the City.

City of Northglenn, Colorado
s/ Kathy Kvasnicka
Procurement Coordinator

October 27, 2008
Request for Proposals
Neighborhood Renewal Initiative
2008 RFP-38

1.0 INTRODUCTION

1.1 Background

The State of Colorado, Adams County, and the City Northglenn have been experiencing a large number of foreclosures in recent years. Adams County and the City of Northglenn have designated \$150,000 of Community Development Block Grant (CDBG) funds for 2009 to attempt to address vacant and foreclosed homes in the City's neighborhoods. A program has been developed titled the Neighborhood Renewal Initiative (NRI).

Under the NRI, the City would obtain distressed homes and contract with a third party to renovate specific homes and sell them on the open market. Once the homes are completed, the buyer must meet CDBG income eligibility requirements. This should not have a direct effect on the third party contractor, but will limit the extent of the improvements to the home.

City staff has met with the Adams County Housing Authority (ACHA) to review the program and the possibilities of a partnership. In general, ACHA agreed to assist the City with marketing our home(s) to participants in their first-time home buyers program. In 2007, 26 people completed a purchase through the program using County funds, exceeding the goal of 24 first-time home buyers.

It is important to note that the homes included in this program do not need to be in a CDBG geographic area. However, the buyer of the home must conform to CDBG income requirements. Therefore, the City does not desire to improve a home to a market value greater than \$180-200,000 since the new buyer may not meet the income requirements and still be able to qualify for a mortgage.

Goals and Outcomes:

1. Utilize CDBG funds to acquire a distressed property, which is negatively impacting a Northglenn neighborhood.
2. Renovate a home by using a private, for-profit company at no cost to the City.
3. Sell the renovated home to a first-time home buyer and improve the strength of a Northglenn neighborhood.
4. Make a small profit for the City on the transaction to be able to repeat the process with additional homes throughout the City. (Unrestricted program income would be a bonus.)

Additional money may be available to the City through the Housing and Economic Recovery Act of 2008 (HERA) and may be available as early as 4th quarter, 2008. It will be critical for the City to have a program with designated eligible uses.

1.2 Objectives

The City of Northglenn, hereinafter referred to as the "City", is beginning the process to select a Contractor to perform rehabilitation and remodeling services for specific single-family homes in the City. Competitive negotiation as described in this document will be a part of the process used in this Request for Proposal.

Through this Request for Proposal, the City seeks to:

- (a) Determine qualifications of the firms submitting bids;
- (b) Specify the terms and conditions that would govern any resulting contracts and negotiations;
- (c) Select the successful team(s).

This Request for Proposal states the instructions for submitting proposals, and the procedure and criteria by which a successful team will be selected.

1.3 Scope of Work / Next Steps

1.3.1 Scope of Work

- A. The capitalized terms shall have the following meanings pursuant to the execution of the Refurbishment Contract.
 - (a) Gross Proceeds – an amount equal to the excess of the Gross Sales Price.
 - (b) Gross Sales Price – an amount equal to the total gross sales proceeds received from the sale of the property.
 - (c) Net Proceeds – An amount equal to the Gross Proceeds less the Renovation Costs.
 - (d) Real Estate Commissions Adjustment – An amount determined by multiplying a real estate commissions percentage of TBD% by the sum of the Renovation Costs plus the Contractor's share of the Net Proceeds.
 - (e) Refurbishment Contract – Contract executed between City and Contractor for renovation of a specific property.
 - (f) Renovation Cost - amount equal to the sum of all costs and expenses associated with the renovation, including administrative fees and staging

costs, not to exceed an agreed upon total cost with City as permitted in the Contract.

- (g) Reserve Price - A price established by Contractor that is identified as the selling price for the property "as-is". If the Gross Sales Price is equal or less than this price, City shall not owe Contractor for any costs incurred for any reason.
- B. The Contractor will coordinate home selection with the City prior to purchase to measure market risk and potential Net Proceeds after a specific home is renovated.
- C. City shall draft a real estate purchase contract in coordination with the City Attorney, the selected Contractor, and Adams County (CDBG) staff.
- D. City shall draft a Refurbishment Contract (Contract) with the selected Contractor for the specific real estate being purchased.
- E. For each property selected the following Contract provisions shall apply:
 - i. Contractor shall establish total Renovation Costs.
 - ii. Contractor shall obtain all required permits and begin renovation.
 - iii. City shall conduct interim and final inspections of renovation.
 - iv. Contractor shall stage house after completed of renovation and throughout marketing of property.
 - v. Contractor Renovation Costs shall be reimbursed after sale of property.
 - vi. City and Contractor shall split the Net Proceeds.
 - vii. Contractor shall credit City the amount of the Real Estate Commissions Adjustment.
- F. Attached flow chart provides detailed process for Section E.

1.3.2 Next Steps

- A. City shall prepare an RFQ/RFP and subsequent contract with a local Realtor for the sale of the home once the rehabilitation is completed.
- B. City shall prepare a resolution for City Council to 1) Approve the real estate purchase contract; 2) Approve a Professional Services Agreement; 3) Approve the financing scenario to complete the purchase of real estate; and 4) Approve the Listing Agreement with a local Realtor.
- C. City shall complete the acquisition of real estate (closing).
- D. Selected Contractor shall complete the property renovation in accordance with their Contract with the City.

- E. Contracted Realtor shall complete the sale, including the requirement for the buyer to be CDBG income eligible.
- F. City staff shall provide an update and financial report to the Council on the transaction.
- G. City staff shall provide an update to Adams County, accounting for all CDBG and private funds.
- H. Assuming a successful project and transaction, City staff will repeat the process on future single-family homes.

1.4. Deliverables

- A. Statement of qualifications based on the proposed scope of work
- B. Examples of work in the Denver metropolitan area with photos and addresses.
- C. References from previous clients and/or Cities.

1.5 Pre-Bid Meeting

A pre-bid meeting is scheduled on **November 18, 2008, at 1:30 pm**. The meeting will be held at the City of Northglenn City Hall 11701 Community Center Drive, Northglenn, Colorado.

All prospective bidders are encouraged to attend this meeting. For further information, contact Debra Gray, Project Manager at 303-450-8931.

2.0 DEFINITIONS

For the purposes of this RFP, the terms in quotation marks set forth below have the following meanings:

- "Bidder"** means the person, firm, or corporation from whom the solution is being quoted or ordered;
- "City"** means the City of Northglenn.
- "City Council"** means the Council of the City of Northglenn.
- "Contractor"** means the successful Bidder who has been awarded all or part of this RFP and, who enters into a written contract with the City to perform the work under the RFP;
- "Contract Administrator"** means a person duly authorized by the City in writing to represent the City in connection with this Project.
- "Contract"** or **"Contract Documents"** means the Contract entered into by the successful Bidder(s) with the City to perform the work of the RFP;
- "Evaluation Team"** means the City personnel named to evaluate the Proposals received in response to this RFP.

- “Mandatory” and “must” means a requirement that must be met in order for the Proposal to receive consideration;
- “Proposal” means the offer Proponents are required to provide in response to this RFP.
- “RFP” means this Request for Proposals, as same may be amended, supplemented or modified from time to time by the City.
- “Should” or “desirable” means a requirement having a significant degree of importance to the objectives of the RFP;
- “Time and date set for the Final Receipt of Proposals” means 2:00 p.m. Local time on December 8, 2008 (six weeks after opening).
- “Teams(s)” means the private sector firms or consortia that provide Proposals to the City in response to this RFP.

3.0 RFP PROCESS

3.1 Inquiries and Clarification of R.F.P.

All official requests for additional information and/or clarification must be made through the designated Project Manager listed below (fax or email is preferred):

Debra Gray
Housing and Grants Administrator
Phone number: (303) 450-8931
Facsimile number: (303) 450-8708
E-mail: dgray@northglenn.org

Information obtained from a source other than the individual listed above is not official and should not be relied upon. It is intended that all inquiries be processed through the aforementioned individual, ensuring Bidders receive consistent information. The City will endeavour to respond to inquiries within two (2) business days of receipt of an inquiry, although Bidders should be aware that responses to enquiries will only be provided as time permits.

Requests for information and/or clarification **must be submitted prior to 5:00 p.m. November 14, 2008.** Inquiries received after that date and time will not be considered. Addenda shall be issued, as necessary, via e-mail at least 7 days prior to the bid opening.

3.2 Bidder Presentations

Bidder(s) may be asked to present their Proposal to the City RFP response evaluation team. The objective of the presentation is for Bidders to demonstrate to the City that they have the ability to execute the successful completion of the Project. The Bidder's presentation team must include the Project Manager and the key implementation team members.

3.3 Proposal Preparation and Submission Requirements

Proposals must conform to the instructions detailed below. Failure to provide complete information may disqualify the Bidder.

Bidders are strongly urged to email proposals through the Rocky Mountain Purchasing site or at RFP@northglenn.org. Otherwise, bidders are to provide Five (5) printed copies of Proposals, and one copy on CD in PDF format. Proposals sent by facsimile will not be considered. Proposals are to be laid out in the following format:

Section One: Title Page

Provide the title of the Proposal being submitted, the RFP number, submittal date, and the name and logo of the company or companies submitting the Proposal.

Section Two: Cover Letter

Each Bidder is to include with its Proposal a cover letter on the Bidder's letterhead stating the Bidder has read, understands and agrees with all terms and conditions, and acknowledges any addendums as laid out in this RFP. The cover letter and the attached Prospective Contractor's/Consultant's Certificate Regarding Employing or Contracting with an Illegal Alien are to be signed by an authorized representative who has full authority to bind the Bidder to all representations, claims, and statements made in the Proposal. A scanned or original signed copy of the Prospective Contractor's/Consultant's Certificate Regarding Employing or Contracting with an Illegal Alien document must be submitted with the proposal. The cover letter must also certify that the financial details in your Proposal will remain valid until **120 days from date of Proposal submission.**

Section Three: Table of Contents

List all sections, sub-sections and supporting appendices. Page number cross-references are to be included at a detailed level.

Section Four: Letter of Introduction/Executive Summary

This should introduce your company and identify the company name, corporate history, general description of the company, number of employees, number and location of offices and past or current clients. Define any terms that may require explanation, and any features and/or benefits that may distinguish your Proposal. Provide detailed information regarding relationships, partnerships or associations of any kind that have been made regarding this opportunity, for this or any future phases of the project.

In addition, please include a general description and summary of projects your company has performed that are similar in nature to the magnitude and objectives of the scope of work. The general description should include project size, contract amount(s), date completed or percentage completed if currently underway, and a project reference with contact information.

Please also include any anticipated exceptions to the language in the sample Professional Services Agreement as attached.

Section Five: Project Team

Provide the name, address, telephone number, fax number, email address, and mailing address of the primary contact, and, if available, a designated alternate contact person,

in the event of any absence of the primary contact. Provide resumes of all team members including the supporting role each individual will provide during the course of the project(s). Please include all subcontractors that may be part of this proposal and their proposed role.

Section Six: Scope of Work

Provide responses to address all proposed items in Section 1.3, Scope of Work. Describe bidders familiarity in working with federal, state or local government agencies (if any) and any applicable previous projects. Please describe ability of bidder to provide renovation on distressed single-family properties. This should include information on experience to design, plan and complete renovations, and especially ability of bidder to fund the renovations up-front.

The NRI project requires the Contractor to work with City to establish total Renovation Costs, to stage the property with its own furniture and artwork, and to establish a Reserve Price. Describe the ability and understanding of bidder to comply with these requirements.

Section Seven: Form of Proposal

The Bidder must submit all applicable pricing that adheres to Section 4.3, Irrevocability of Proposals, of the RFP. Any items of work within this proposal that limit the quantity, time, materials, or units allocated shall include unit pricing to support additional costs of such items if deemed necessary during the course of this project(s).

3.4 Clarification of Bids

After the RFP Response Date, and within 24 hours of request, Bidders shall provide such additional information as may be requested by the City, in its sole and unfettered discretion, in order to completely and accurately evaluate any Proposal. The type of information may include, without limitation, a request for clarification of information contained in a Proposal or a request for additional information.

3.5 Evaluation of Bids

The City, in selecting the successful Bidder(s) will consider the following criteria:

1. Overall rating of Letter of Introduction/Executive Summary. **(Max. 10 points)**
2. Qualifications of the Project Team. **(Max. 15 points)**
3. Adherence to Statement of Requirements. **(Max. 10 points)**
4. Acceptable work schedule and delivery methodology. **(Max. 20 points)**
5. Overall quality of proposal presented. **(Max. 10 points)**
6. Scope of Work. **(Max. 20 points)**
7. Success of similar projects. **(Max. 15 points)**

The City reserves the right to award the contract in part or whole, to consider the option of selecting one or no Proposals, and to award the contract to Bidder whose Proposal is, in the City's discretion, best suited to the City's needs.

3.6 Scoring System

Each specific requirement that is referenced in the Requirement Section, as well as the overall Proposal will be scored. The quality and clarity of the explanatory comments, at a detailed requirements level, will be a key determinant in assigning specific scores. As such, all Bidders are encouraged to prepare clear, detailed, and meaningful responses.

4.0 TERMS AND CONDITIONS

The supplemental following terms and conditions will apply to this Request for Proposal, each Bidder's Proposal, and to the negotiations, if any, of any said Contract. Submission of a Proposal in response to this RFP indicates the Bidder's acceptance of the terms and conditions contained in this document.

4.1 Final Date and Time for Receipt of Proposals

The Bidder shall email to the Rocky Mountain Purchasing site or RFP@northglenn.org or deliver **Five (5)** copies of the Proposal and one copy on CD in PDF format in a sealed package marked:

"Neighborhood Renewal Initiative - 2008 RFP-38"

By:

Date: ***December 8, 2008***

Time: ***2:00 p.m., local time***

Place: **Office of the City Clerk**

City Hall

11701 Community Center Drive

Northglenn, CO. 80233

4.2 Late Proposals

Any Proposals received after the Final Date and Time for Receipt of Proposals will not be accepted and will be returned to the Bidder, unopened, or discarded without being considered.

4.3 Irrevocability of Proposals

By submission of a clear and detailed written notice, a Bidder may amend or withdraw its Proposal prior to the Closing Date and Time. At and following the Time of Closing, all Proposals will become irrevocable offers to the City and will remain as such until **120 days from date of Proposal submission**. By submission of a Proposal, the Bidder agrees to enter into a Contract. In addition all quoted prices will be firm and valid up to **120 days from date of Proposal submission**.

4.4 Opening of Proposals

The City reserves the right to open Proposals received in response to this RFP, privately and unannounced, after the Closing Date and Time.

4.5 Open Records Act and Protection of Privacy Act

Notwithstanding any language contained in a Proposal to the contrary, all Proposals

submitted to the City become the property of the City. They will be received and held in confidence by the City subject to the disclosure provisions of the Open Records Law. To assist the City if it receives a request for disclosure under the Open Records Law, the Bidder should identify any information or records which it is providing in its Proposal that constitute trade secrets, which are supplied in confidence and that, if released, could significantly harm the Bidder's competitive position. Pricing information cannot be considered a trade secret or confidential information. The City will comply with all confidentiality and privacy obligations for the protection of personal information which are imposed upon a public body under the Open Records Law.

4.6 Extension of Time

No time extensions are being considered at this time; however, should the City extend this bid, all Bidders will be given the same consideration.

4.7 Bidder Expenses

Bidders are solely responsible for their own costs and expenses of participating in this RFP process including, but not limited to, expenses incurred in preparing a proposal, conducting due diligence, third party consulting, participating in performance tests and participating in any discussions, meetings, negotiations, Bidder Briefing(s) and Site Visit(s), if any.

4.8 City Discretion

It is expressly understood and agreed that the City shall not be under any obligation whatsoever to award a Contract to the Bidder or anyone else and may cancel the RFP at any time for whatever reasons the City in its sole, absolute and unfettered discretion considers to be in its best interest.

4.9 Goods and Sales Tax

The City is exempt from Goods and Sales Tax. City will waive all permit fees for the NRI.

4.10 Withdrawal

Any Response to the Request For Proposal may be withdrawn prior to the final date and time set for receipt of Proposals. Withdrawal notification **must** be in written form, and must be received in the Offices of the City Clerk prior to the closing date and time.

4.11 Contract Negotiations

If the City decides to proceed and to negotiate a Contract, the City intends to provide written notification to the Bidder whose Proposal is deemed by the City to be in the best interests of the City and the City will attempt to negotiate a Contract with the selected Bidder(s) on terms and conditions acceptable to the City. The final Contract shall not be limited to the terms and conditions stated in this RFP or in the successful Bidder's proposal, but shall also include terms and conditions later negotiated. If the City and the successful Bidder are unable to execute a contract and the Bidder has been notified that it is the successful Bidder then the City may cease all discussions with the (first) successful Bidder without any further obligation to that Bidder and select another

(second) Bidder as the successful Bidder. If the (second) Bidder is rejected, as per the terms above, then the City, without any further obligation to that Bidder, may select another (third) Bidder as the successful Bidder, and so on, or the City may reject all Proposals and re-bid this project.

4.12 The City's Right to Award

The provisions of Section 3.5 above notwithstanding the City reserves the right to negotiate, accept, or reject any or all Proposals at its sole discretion and to accept any Proposal it considers advantageous at any cost submitted. The lowest cost Proposal will not necessarily be accepted. The City reserves the right to award all of the work to the successful bidder, or the right not to award a Proposal. If the City decides to proceed to award a Contract, the City will provide written notification to the Bidder whose Proposal is deemed by the City to be in the best interest of the City. The City may, in the City's sole discretion and for any reason whatsoever, cancel this RFP in its entirety. Following cancellation of this RFP, the City reserves the right to issue a new RFP, in its sole discretion.

4.13 Award Assumptions

The City will assume that every statement of the Response to the Request for Proposal is true, accurate and complete. Only those sections of this Proposal that completely comply with the requirements, terms and conditions of this RFP may form part of any agreement between the successful Bidder and the City. Any section or sections of the Proposal which do not completely comply with the requirements, terms and conditions of this RFP will only form part of the agreement between the City and the successful Bidder if the City expressly accepts that variation, or variations, in writing. The Contract will be in the form supplied by the City. The City reserves the right to select an alternate Bidder in the event that the Contract is not signed with the successful Bidder within thirty (30) days of the award of the RFP to the successful Bidder. The successful Bidder shall comply with all applicable laws, ordinances, rules, regulations, codes and lawful orders of any public authority.

4.14 Errors and Omissions

In case of inconsistencies, discrepancies, errors, or omissions among the various parts of the Contract, the Contractor will immediately submit such matter to the City for clarification. The City will issue a clarification within a reasonable period of time. Any equipment or service affected by such inconsistencies, discrepancies, errors, or omissions and which are supplied or performed by the Contractor prior to clarification by the City will be supplied or performed at the Contractor's risk.

4.15 Liquidated Damages

The amount prescribed in Section 4.0 Terms and Conditions to be paid to the City or to be deducted from any payments due or to become due the Contractor for each day's delay in completing the whole or any specified portion of the work beyond the time allowed by the Specifications.

Liquidated damages shall be set at \$250.00 per day. This charge shall be in addition to other penalties set forth in the contract.

4.16 UNLAWFUL EMPLOYEES, CONTRACTORS AND SUBCONTRACTORS:

1. Contractor shall not knowingly employ or contract with an illegal alien to perform work under this Contract. Contractor shall not knowingly contract with a subcontractor that (a) knowingly employs or contracts with an illegal alien to perform work under this Contract or (b) fails to certify to the Contractor that the subcontractor will not knowingly employ or contract with an illegal alien to perform work under this Contract. [CRS 8-17.5-102(2)(a)(I) & (II).]

2. VERIFICATION REGARDING ILLEGAL ALIENS: Contractor has verified or attempted to verify through participation in the basic pilot program of the United States Government that Contractor does not employ any illegal aliens or Contractor verifies that Contractor has not been accepted into the basic pilot program prior to entering into this Contract. Contractor further verifies that if Contractor has not been accepted in to the basic pilot program of the United States Government, Contractor will apply to participate in the basic pilot program of the United States Government every three months until Contractor is accepted or this Contract is completed, whichever is earlier. [CRS 8-17.5-102(2)(b)(I).]

3. LIMITATION REGARDING BASIC PILOT PROGRAM: Contractor shall not use basic pilot program procedures to undertake preemployment screening of job applicants while performing this Contract. CRS 8-17.5-102(2)(b)(II).]

4. DUTY TO TERMINATE A SUBCONTRACT; EXCEPTIONS: If Contractor obtains actual knowledge that a subcontractor performing work under this Contract knowingly employs or contracts with an illegal alien, the Contractor shall, unless the subcontractor provides information to establish that the subcontractor has not knowingly employed or contracted with an illegal alien:

(a) notify the subcontractor and the City within three days that the Contractor has actual knowledge that the subcontractor is employing or contracting with an illegal alien; and

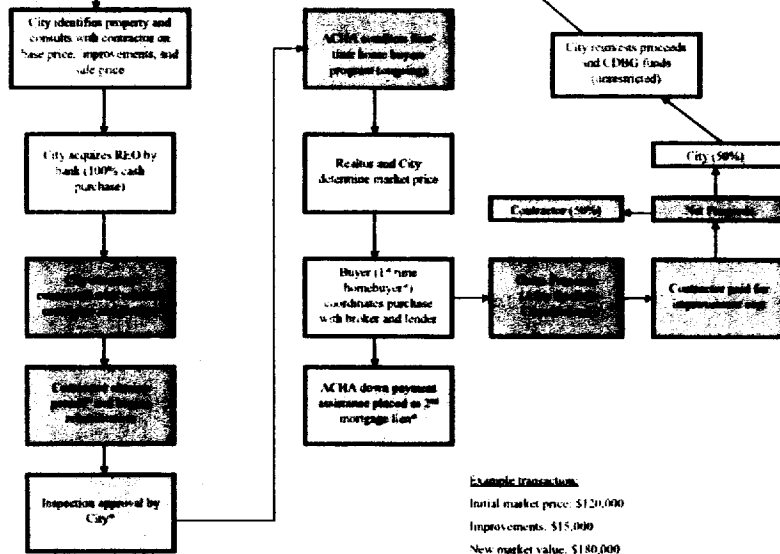
(b) terminate the subcontract with the subcontractor if, within three days of receiving notice that the Contractor has actual knowledge that the subcontractor is employing or contracting with an illegal alien, the subcontractor does not stop employing or contracting with the illegal alien. CRS 8-17.5-102(2)(b)(III)(A) & (B).]

5. DUTY TO COMPLY WITH STATE INVESTIGATION: Contractor shall comply with any reasonable request of the Colorado Department of Labor and Employment made in the course of an investigation pursuant to C.R.S. 8-17.5-102 (5). CRS 8-17.5-102(2)(b)(IV).]

6. SOLE PROPRIETOR A Contractor that operates as a sole proprietor hereby swears or affirms under penalty of perjury that the Contractor (i) is a citizen of the United States or otherwise lawfully present in the United States pursuant to federal law, (ii) shall comply with the provisions of CRS 24-76.5-101 et seq. and (iii) shall produce one of the forms of identification required by CRS 24-75.5-103 prior to the effective date of this Contract. Except where exempted by federal law and except as provided in CRS 24-76.5-103(3), a Contractor that receives federal or state funds under this contract must confirm that any individual natural person eighteen years of age or older is lawfully present in the United States pursuant to CRS 24-76.5-103(4) if such individual applies for public benefits provided under this contract.

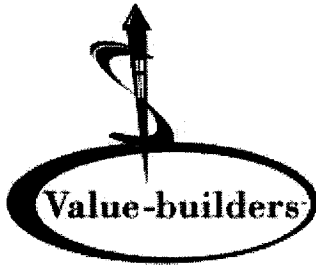
7. DAMAGES FOR BREACH OF CONTRACT: In addition to any other legal or equitable remedy the City may be entitled to for a breach of this Contract, if the City terminates this Contract, in whole or in part, due to Contractor's breach of any paragraph numbered one (1) through five (5) inclusive of Section 4.16, Contractor shall be liable for actual and consequential damages to the City.

City of Northglenn Neighborhood Renewal Initiative (NRI)



ACMA - Adams County Housing Authority
 * If necessary

Example transaction:
 Initial market price: \$120,000
 Improvements: \$15,000
 New market value: \$180,000
 Net Proceeds: \$45,000



Your home is worth more™
6022 Umber Street
Arvada, CO 80403
303-279-9104 or fax 303-496-1043

Independently Owned and Operated

Estimate for Equity IQ program

Thank you for giving Value-builders the opportunity to help you sell your home for more!
Attached please find our no-obligation bid for your property located at 11308 Fowler Drive,
Northglenn, CO 80233.

You may find the following description of terms helpful in evaluating the bid:

-Estimated sales price: This is the price we feel represents a realistic sales price after our renovation and staging are complete.

-Reserve price: This is the price we feel the property could sell for as-is. If it sells for this amount or less, you do not owe Value-builders a dime.

-Renovation description: This is general overview of what we expect to do to the property. Our plans sometimes change once we get started, so we only give an overview. Rest assured, we only do what we believe will get the most for your property.

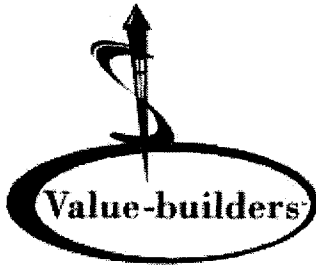
-Total renovation cost: This is the maximum amount you will be required to reimburse us for, even if the remodel costs us more. If we spend less than this amount, you owe us the less.

-Effective Sales Price: THIS IS THE MOST IMPORTANT PART OF THE BID! If the effective sales price is more than you think you can sell for as-is, then the decision should be easy for you to move forward with Value-builders. If you think you can sell the property as-is for close to this amount, you may wish to try that route.

If you have questions about other parts of the bid, feel free to contact me at 303-279-9104, and again, thank you for choosing Value-builders.

Regards,

Eric Stevens



Your home is worth more™
 6022 Umber Street
 Arvada, CO 80403
 303-279-9104 or fax 303-496-1043

Independently Owned and Operated

Estimate for Equity IQ program

Property Address: 11308 Fowler Drive

Effective Sales Price to Owner	Reserve price + increase to seller	\$ 130,500.00
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	<u>Description</u>	<u>Total</u>
Estimated Sales Price	After renovation, staging	\$ 170,000.00
Reserve price		\$ 115,000.00
Gross Increase in Sales Price		\$ 55,000.00

Renovation Description

Carpet and Flooring	Refinish hardwoods	
Paint	Paint interior walls, exterior trim	
Windows	Replace windows	
Kitchen	Remodel kitchen: new cabinets, countertops, appliances, etc.	
Baths	Update baths as needed	
Landscaping, Demo, etc.	Clean up landscaping as needed	
Other	Add tile floors to kitchen and entry, install new doors and hardware, update plumbing and electric to 2009 code requirements, inspect sewer lines.	
Staging	Stage property with furniture and artwork	
Total Renovation Cost		\$ 24,000.00

Net Increase in Sales Price		\$ 31,000.00
Increase to Seller		\$ 15,500.00

Commission credit to Seller	4.0% Commission percent applied to renovation cost + Value-builders percentage of profit	\$ 1,580.00
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Estimated Time to Complete 6 Weeks

Bid valid until: N/A

NOTE: This is a non-binding estimate for evaluation purposes only.
 This estimate is not a contract or an appraisal.