

To: Contra Costa County Housing Authority Board of Commissioners
 From: Joseph Villarreal, Housing Authority
 Date: March 9, 2021



Contra
Costa
County

Subject: AWARD CONTRACT TO OVERLAND, PACIFIC & CUTLER, INC. (OPC) FOR RESIDENTIAL REAL ESTATE SERVICES, RFP-20120-165A, Martinez Area.

RECOMMENDATIONS

DETERMINE that the proposal submitted by OPC is the Best Value to the Authority for Residential Real Estate Services; and

AWARD contract to OPC, Inc., the Best Value proposer, for Residential Real Estate Services at the rates and prices set forth in OPC's December's 17, 2020 Proposal in a total amount (commissions and fees) not to exceed Six Hundred Thousand Dollars (\$ 600,000); and

ORDER that, after OPC has signed the contract in a form acceptable to County Counsel and returned it, together with performance and payment bond, insurance certificates, and any other required documentation, and the Executive Director, or his designee, has reviewed and found them to be sufficient, the Executive Director, or his designee, is authorized to execute the contract for this Board.

BACKGROUND

In April of 2021, HACCC issued a Request for Proposals (RFP) inviting realtors to submit Proposals for representing the agency in Residential Real Estate transactions related to the

Action of Board On: **03/09/2021** ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF COMMISSIONERS

AYE: John Gioia,
Commissioner

Candace Andersen,
Commissioner

Diane Burgis,
Commissioner

Karen Mitchoff,
Commissioner

Federal D. Glover,
Commissioner

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 9, 2021

Joseph Villarreal, Executive Director

By: June McHuen, Deputy

Contact: 925-957-8028

cc:

disposition of properties from the former Las Deltas public housing development in North Richmond. At that time, four proposals were submitted and HACCC reviewed and scored the proposals to select the most responsive and cost-effective

BACKGROUND (CONT'D)

realtor. However, the original RFP did not make it clear that some of the units would be sold at below-market rates and some community groups pointed out that they were not made aware of the posting and that community-based realtors did not have an opportunity to respond to the RFP. HACCC chose not to award a contract and, instead, re-posted the RFP.

On November 18, 2020, HACCC issued a new RFP inviting all realtors to submit proposals to represent the agency in the sale of the scattered-site units at Las Deltas. All proposals were reviewed for compliance with the RFP requirements and forwarded for ranking and scoring by a panel of HACCC management staff.

HACCC received four Proposals from the following firms for Residential Real Estate Services:

Proposer	Standard Transaction Fee	Fees for Add'l Services	Minimum Fee Per Transaction	Hourly Consultant Fee
Overland, Pacific & Cutler, Inc.	\$7,500 .5% commission for unrepresented buyers 3% Commission when buyer represented – Split 50/50 with buyer's agent	130/Hr	\$7,500	\$130/ Hr
Keller William Realty	\$35,000	\$100	\$550	\$250
Cotton Realty	\$25,000	\$0	\$300	\$50
Genesis Real Estate - Compass	2% Listing Broker and 2.5% for Selling Broker	\$0	\$10,000	\$0

An Evaluation Committee comprised of three HACCC management staff members reviewed and scored the four Proposals based on "Best Value" to HACCC using the criteria noted in the RFP. The ranking outcome was as follows:

OPC - ranked first (274 total points, 91 average points), unanimous top-ranked firm
Keller Williams - ranked second (221 total points, 74 average points)
Cotton - ranked third (202 total points, 67 average points)
Genesis - ranked fourth (127 total points, 42 average points)

OPC was significantly more experienced at residential real estate transactions involving public entities like housing authorities than Keller Williams, Cotton, and Genesis and was a significant factor in the selection

process since the sales will involve restrictive covenants, delayed closings, and HUD approvals.

Based on the proposal evaluation and ranking, HACCC staff recommends that the Board determine that OPC has submitted the Proposal that provides Best Value to HACCC and that the Board award a contract to OPC for Residential Real Estates Services in a total amount (commissions and fees) not to exceed \$600,000 for all 42 buildings needed to be sold. OPC is the highest-scored, most-qualified applicant for residential real estate representation and will best fulfill our needs to provide Residential Real Estate transactions related to the disposition of properties from the former Las Deltas public housing development in North Richmond.

While we continue to assess exactly what our needs may be, it is clear that we will need the services of a residential real estate broker to handle any actions we take. OPC is a leader in their field and an excellent choice to represent HACCC for our property related needs

FISCAL IMPACT

All fees and commissions for the real estate services provided by OPC will come from proceeds of the sale of the Residential Real Estate transactions related to disposition of properties from the former Las Deltas public housing development in North Richmond. Any further costs will be paid from HACCC's annual Capital Fund. The contract stipulates that all fees are to be in an amount not to exceed \$600,000 for all transactions.

CONSEQUENCE OF NEGATIVE ACTION

If the Board does not award a contract to OPC to represent HACCC for the agency's residential real estate needs for the Las Deltas properties, HACCC will not be able to properly process the sale of the scattered sites at Las Deltas and would likely have to re-post an RFP to find a qualified agent in order to facilitate all the sales.