



City of Arts & Innovation

Housing Authority

Memorandum

**TO: HONORABLE MAYOR AND HOUSING
AUTHORITY MEMBERS**

DATE: JUNE 19, 2018

FROM: OFFICE OF HOMELESS SOLUTIONS

WARD: 2

**SUBJECT: AWARD BID NO. 7546 FOR AN AGREEMENT FOR CONSTRUCTION FOR THE
DEMOLITION OF STRUCTURE AND SITE CLEARANCE AT 1725 SEVENTH
STREET WITH DANNY PRECISION CONTRACTING, INC. OF ANAHEIM,
CALIFORNIA – IN THE AMOUNT OF \$61,930**

ISSUE:

Award Bid No. 7546 for an Agreement for Construction for the Demolition of Structure and Site Clearance at 1725 Seventh Street with Danny Precision Contracting, Inc. in the amount of \$61,930.

RECOMMENDATION:

That the Housing Authority:

1. Award Bid No. 7546 for an Agreement for Construction for the Demolition of Structure and Site Clearance at 1725 Seventh Street with Danny Precision Contracting, Inc. in the amount of \$61,930
2. Authorize the Executive Director, or designee, to execute the Agreement for Construction with Danny Precision Contracting, Inc., including making minor and non-substantive changes.

BACKGROUND:

The Housing Authority of the City of Riverside (Housing Authority) adopted the Chicago-Linden Strategic Plan that sets forth focused strategies for revitalization of the Chicago-Linden area including the enhancement of access to resources, pedestrian connectivity, restoration of neighborhood safety and identification of redevelopment or new development opportunities that would increase the supply and diversity of safe, quality housing options available to residents at affordable rental rates. The Plan's vision, objectives and action plan were developed based on the concerns and ideas of community residents, property owners and other stakeholders.

The Housing Authority began implementing Phase I of the Plan by releasing a Request for Proposals (RFP) for the development of a new residential community; an anchor for the neighborhood; housing options for large families; and access to resources that will improve the quality of life for all residents of the Chicago-Linden area.

A second RFP was subsequently released seeking added value development of a mixed-use community incorporating the principals of the Chicago-Linden Strategic Plan, the Eastside HEAL Zone and Grow RIVERSIDE initiatives, incorporating a neighborhood serving market emphasizing sustainable and affordable healthy food options and an inviting exterior patio gathering space. Services requested included a produce exchange; produce garden(s), incubation space; healthy cooking demonstrations or classes; edible landscaping; and a minimum of 16 affordable residential units at 1705, 1725 and the easterly portion of 1733 Seventh Street, on an approximately one-acre site.

Innovative Housing Opportunities (IHO), based in Irvine, and Wakeland Housing Development Corporation (Wakeland) in partnership with Riverside Housing Development Corporation (RHDC) both responded to the Housing Authority's RFP. Both submittals were deemed responsive and were interviewed by Community & Economic Development Department staff. The interview panel recommended proceeding with the proposal submitted by the partnership between Wakeland and RHDC since it met all the requirements identified in the RFP and included a mixed-use development that incorporated the principals of the Chicago-Linden Strategic Plan, the Eastside HEAL Zone, and Grow RIVERSIDE initiatives.

Wakeland assembled a development team that includes Riverside Housing Development Corporation (RHDC), a Riverside based non-profit affordable housing developer with extensive experience in the Chicago-Linden area. Their proposal envisioned two distinct and unique communities. The first development envisioned under the Exclusive Negotiating Agreement and the second proposed development is in response to the second RFP.

The Wakeland Housing and Development Corporation, a non-profit developer based in San Diego, was awarded an Exclusive Negotiating Agreement by City Council on August 25, 2015 for the development of 1747, 1753 and 1761 Seventh Street, as a result of that recruitment.

On July 26, 2016, the Housing Authority Board approved a First Amendment to the Exclusive Negotiating Agreement with Wakeland Housing and Development Corporation to include a new mixed-use residential community at 1705, 1725 and the easterly portion of 1733 Seventh Street. This amendment allowed Wakeland to hold community meetings with residents and community stakeholders to further refine the characteristics of the proposed community, complete necessary due diligence, and assemble a complete financial picture including identifying other funding sources. After Wakeland conducted community meetings and identified additional funding resources, staff returned and obtained authorization from the Housing Authority Board on February 8, 2018 to enter into a Disposition and Development Loan Agreement for the sale of the Housing Authority-owned properties located at 1705, 1725 and 1733 Seventh Street and for the development of the properties owned by the Housing Authority, Wakeland and Riverside Housing Development Corporation (Site) as identified in the aerial below.



DISCUSSION:

Before selling the Housing Authority-owned properties to the Wakeland, the Housing Authority needs to demolish a vacant 10-unit apartment complex located at 1725 7th Street. January 30, 2018, the City released a bid to clear the property located at 1725 7th Street. The City received five bids ranging from \$59,900 – \$119,096. The lowest bid was not considered by Purchasing since the responder did not include all the required documentations in their bid submittal.

At this time, staff is requesting to award Bid No. 7546 to the lowest responsive bidder, Danny Ryan Precision Contracting, Inc. for \$61,930 and execute an Agreement for Construction to facilitate the clearing of 1725 7th Street.

The Purchasing Manager and The Community & Economic Development Directors concur with the recommendations in the report.

FISCAL IMPACT:

The Housing Authority has \$61,930 in the 1725 7th Street Project Improvement Account No. 9990400-440446 to award Bid No. 7546 and complete the project.

Prepared by:	Emilio Ramirez, Office of Homeless Solutions Director
Certified as to availability of funds:	Adam Raymond, Chief Financial Officer/City Treasurer
Approved by:	Alexander T. Nguyen, Assistant City Manager
Approved as to form:	Gary G. Geuss, City Attorney

Attachments:

1. Bid Recommendation
2. Agreement for Construction