



REQUEST FOR PROPOSAL

THIS IS NOT AN ORDER

CITY OF TYLER
Purchasing Department
304 North Border
Tyler, Texas 75702

February 23, 2022
DATE MAILED

Bid / Proposal Number: 22-019
(Number must appear on ALL correspondence)

Closing Time: 2:00 pm

Telephone: (903) 531-1232

Closing Date: March 8, 2022

Addressed To:

Please quote as per instructions indicated below for the articles described. Proposal must be submitted on City of Tyler forms to be considered. All items or services called for must be in strict accordance with all of the requirements and specifications attached hereto or furnished upon request.

INSTRUCTIONS:

1. Keep duplicate copy of proposal for your files.
2. Federal Excise Taxes are exempted, also Federal Transportation Tax, State Tax, and City Sales Tax.
3. Return this form at once if unable to quote.
4. Specify Trade name or brand in space.

Sherry Pettit, Purchasing Manager

Sealed proposals to furnish the following will be received in the Purchasing Office @ 304 North Border, Tyler, Texas 75702, Attn: Sherry Pettit until 2:00 pm on March 8, 2022 and opened by City Staff in the City Council Chambers @ 212 North Bonner, City Hall, 2nd Floor @ 2:00 pm on March 8, 2022.

Furnish All Necessary Materials, Equipment, Superintendence, and Labor for the Marketing and Sale of up to 11 New Single-Family Dwellings located in the Hidden Palace Subdivision @ W Queen and N Palace

PROPOSAL IDENTIFICATION:

Proposal number, closing time, date, and item requested must appear on outside of envelope in lower left hand corner.

DATA SHEETS:

All responders must complete each specification data sheet in spaces provided on each item that is bid as well as all information requested on the price data sheet. Said price, data and specifications sheet is hereby made a part of this proposal.

DELIVERY:

Delivery must be stated in your proposal on the data sheet as the number of calendar days from date of order.

The City of Tyler reserves the right to reject any and/or all proposals and to waive any and/or all formalities and to award purchase total amount, partial amount or individual item basis.

In submitting the above, the vendor agrees that acceptance by the City of Tyler within a reasonable period constitutes a binding agreement.

In submitting the above request and attached proposal to the City of Tyler, I hereby certify that we have not participated in nor been a party to any collusion, price fixing or any other agreements with any company, firm, or person concerning the pricing of the enclosed proposal.

INVOICING TERMS

COMPANY NAME

DATE

AUTHORIZED REPRESENTATIVE (print)

SIGNATURE

See other side for TERMS AND CONDITIONS

* All Proposals Must Be Signed

TERMS AND CONDITIONS

Proposals are requested for furnishing the items described herein in accordance with the terms set forth. **ALL PROPOSALS MUST BE F.O.B. DESTINATION** and include the cost of boxing and cartage to the delivery point as stated on this form.

In the case of default, the City of Tyler, Texas reserves the right to hold the original bidder or contractor liable for any and all resultant increased costs.

Samples, if requested by the City of Tyler, must be furnished at the bidder's expense, and if not destroyed in testing or retained as a standard, will be returned on the same terms, if requested by the bidder.

Proposals may be withdrawn on written or telegraphic request received from bidders prior to the time set for opening. Negligence on the part of the responder in preparing the proposal confers no right for the withdrawal of the proposal after the hour fixed for the opening.

Any oral statement by any representative of the City, modifying or changing any conditions of this contract, is an expression of opinion only and confers no right upon the seller.

All discounts, if applicable, shall be shown in discount amount space provided on data sheets - **EXCEPT IN TERMS FOR PROMPT PAYMENT.**

For proper identification; proposal number, closing time, date, and item requested must appear on outside of envelope in lower left hand corner.

If delay in delivery as specified on the purchase order is foreseen, supplier shall give written notice to Purchasing Office immediately. The City has the right to extend the delivery date if reasons appear valid. Supplier must keep the City advised at all times of the status of order. Default in promised delivery (without accepted reasons) or failure to meet specifications, authorizes the City of Tyler to purchase material elsewhere and charge full increase in cost and handling to the defaulting supplier and could also be reason for cancellation of the Purchase Order (at no expense to the City if the City of Tyler deems it necessary).

Any proposal submitted on a public works project shall comply with the additional requirements and conditions attached hereto as well as the terms and conditions stated herein.

Certificate of Interested Parties:

In accordance with Texas Government Code Sec. 2252.908, for certain contracts entered into on or after January 1, 2016, the successful bidder must submit a ***Certificate of Interested Parties*** (Form 1295) at the time the signed contract is submitted to the **CITY**. The law applies (with a few exceptions) only to a City contract between a business entity and a governmental entity or state agency that either (1) requires an action or vote by the City Council before the contract may be signed or (2) has a value of at least \$1 million.

The ***Certificate of Interested Parties*** (Form 1295) must be filed electronically with the Texas Ethics Commission using the online filing application located at https://www.ethics.state.tx.us/whatsnew/elf_info_form1295.htm.

If you need additional information about the Certificate of Interested Parties Form 1295 Procedure, contact Purchasing at (903) 531-1232.

1. Overview

The City of Tyler is using a competitive Request for Proposal process to identify one realtor for the listing, showing and contract review of up to eleven (11) new affordable single-family homes in 2022.

Construction of the first seven (7) houses is estimated to be completed on March 31, 2022.

The funding source for this is federal funds through the HOME Investment Partnership Program (HOME). All bidders will be required to comply with regulations applicable to the use of HOME funds. These regulations are set out in Sections 4 and 5 of this Request for Proposal.

Proposals are due by March 8, 2022.

All questions regarding this Request for Proposals should be directed to Madeline Teel.

Madeline Teel
900 W Gentry
(903) 531-1303
mteel@tylertexas.com

2. Evaluation

The City of Tyler will select the most highly qualified proposal(s), based upon the following quantitative measures:

Experience in single family housing sales (45 points)

Marketing strategy (20 points)

Cost of sales (30 points)

Experience working with federal funds (5 points)

3. Proposal

The winning bidder will list, show and review the contracts and/or execute the sales of **up to** eleven (11) newly constructed homes. The homes will be constructed in phases. Phase I will see the construction and sale of seven (7) homes. Thereafter, the houses will be constructed as the Phase I houses sell. Under this Request for Proposal, there is no guarantee to sell the houses outside of the Phase I homes.

3.1.Cover Sheets

All proposals must include a completed and signed cover sheet (page 1 of this Request for Proposal)

3.2.Background Information

Complete the following information:

Name of company:

Year founded:

Founder:

Current owner(s):

Number of years selling single family homes:

Total number of single family homes sold since 2017:

Total number of single family homes sold in the North End of Tyler since 2017:

Total number of affordable (occupied by a household earning less than 80% of the area median income) single family homes sold since 2017:

Number of Better Business Bureau (BBB) complaints since 2015:

Date of each BBB complaint since 2015:

Number of lawsuits filed against you related to the sale of single family homes since 2015:

Average time of sale from the time the house is first listed as for sale since 2017:

Number of homes sold that were built with HOME funds since 2017 (note that not having experience with HOME funds does not disqualify a bidder):

Number of homes sold that were built with any federal funds since 2017 (note that not having experience with federal funds does not disqualify a bidder):

Client reference number one, with contact information:

Client reference number two, with contact information:

Client reference number three, with contact information:

3.3.Pricing

The City of Tyler is interested in purchasing services as a flat fee but is willing to consider a broader collection of services as a percentage. In your bid, please outline what services you will include as a flat fee. If a percentage of sale is requested, please outline what enhancements and additional services will be provided to the City beyond what would be included in the flat fee.

Indicate your price:

- A) Services included as a flat fee
- B) Services included as a percentage

3.4 Services

Describe the services you intend to provide under this Request for Proposal for the sale of the homes.

1. Generate client leads to buy property.
2. Counsel clients on market conditions, prices, and mortgages.
3. Create lists for real estate sale properties, with information location, features, square footage, etc.
4. Show properties to potential buyers.
5. Present purchase offers to sellers.
6. Facilitate between buyers and sellers.
7. Review purchase contracts to ensure terms are met.
8. Promote properties with ads, listings, and open houses.
9. Prepare loyalty contracts, purchase agreements, deeds, and other documents for each real estate transaction.

3.5 Marketing Plan

Describe how you intend to market the houses for sale.

Provide any market data or studies showing that selling the house within nine (9) months of construction completion is reasonable and obtainable. Indicate whether you believe selling the homes within nine (9) months of construction completion is reasonable under current market conditions.

The City of Tyler hopes that the homes will be sold (i.e., closing has occurred) within six (6) months of construction of completion. If the homes are not sold within six (6) months of construction completion, the City will take actions to ensure the sale of the homes within nine (9) months of construction completion, including, but not limited to, reviewing what actions you have taken, assisting with additional marketing campaigns and hiring additional real estate brokers.

HOME regulations require that houses must be sold within nine (9) months of construction completion or be converted to rental property. The City wants to prevent the houses from being converted to rental property.

A requirement of federal regulation is to affirmatively market homes constructed with federal funds. Affirmative marketing includes not discriminating against potential homebuyers due to the person's race, color, national origin, religion, sex, familial status, disability, or age. Additionally, affirmative marketing includes actively marketing to potential homebuyers who would not necessarily apply for housing without special outreach. Describe how you will meet the requirements of affirmative marketing.

Please provide incentive structure options for completed sales of the homes through your marketing efforts within three (3) months of construction completion. Please include any additional incentive ideas that you may have regarding the selling of the homes.

3.6 Section 3 Compliance

Explain how you will meet federal Section 3 requirements by seeking to provide job training, employment and contracting opportunities for low- or very-low income residents in connection with your involvement in this project.

3.7 Attachments

In addition to the above, all proposals must contain the following attachments

- Any certifications (e.g., WBE, MBE, or VBE) your company possesses, or a statement

- that none are possessed.
- Proof of General Liability, Risk, and Worker's Compensation insurance coverage
- Provide a list of names of all sales team members and license numbers of all individuals who will be responsible for the sale of the houses. Also, indicate which person will be the primary point of contact.

3.8 Bonds and Subcontractors

All contractors must have an approved vendor's application on file. Additionally, all contractors must not be debarred from accepting federal contracts. Debarred contractors can be found at <https://www.sam.gov/SAM>

4. Buyer Requirements as Outlined by the HOME Investment Partnership Program

The HOME Program was created in 1990 with four objectives: (1) provide decent affordable housing to lower-income households; (2) expand the capacity of nonprofit housing providers; (3) strengthen the ability of state and local governments to provide housing; and, (4) leverage private-sector participation.

More information on the HOME Program can be found at <https://www.hudexchange.info/programs/home/> or <https://www.hudexchange.info/resource/2368/building-home-a-home-program-primer/>

Developments funded in part with federal funds are subject to but not limited to applicable local, state, and federal laws and regulations. You should understand that any or all of these will become part of any contract with the City of Tyler

- Equal Opportunity and Fair Housing
- Affirmative Marketing
- Environmental Review
- Accessibility under the A.D.A and Section 504
- Section 3
- Contract Work Hours and Safety Standards Act
- Copeland (Anti-Kickback) Act

5. Eligible Homebuyers

All homebuyers must meet the following criteria and agree to the following terms.

5.1 Principal Residence (24 CFR 92.254)

All homebuyers must agree to reside in the home as their primary residence for 15 years. If the property is sold or the home is no longer the homebuyer's primary residence, the property will be subject to resale restrictions. See Section 5.4 for more details on the resale requirements.

Homebuyers must annually re-certify with the City of Tyler that they are occupying the house as their principal residence.

5.2 Income Limits

Under the HOME Program, all homebuyers must be below 80% of the area median income based on household size. Effective July 1, 2021 the below chart shows the applicable limits, which are subject to

change based on guidance from HUD.

Household Size	1	2	3	4	5	6	7	8
80% of the Area Median Income	\$39,350	\$44,950	\$50,550	\$56,150	\$60,650	\$65,150	\$69,650	\$74,150

The estimated monthly PITI (principal, interest, taxes, and insurance) for the homebuyer's mortgage should be between 20% and 35% of the household's gross income.

5.3 Maintenance and Inspection

Homebuyers must agree to maintain the property in accordance with the City Code for 15 years.

Homebuyers must agree to allow the City of Tyler to conduct an annual Housing Quality Standards (HQS) inspection for 15 years.

Homebuyers must agree to correct any deficiencies discovered during the annual HQS inspection.

5.4 Resale Provisions

If a home is sold during the first fifteen (15) years after the initial sale or the purchaser no longer occupies the home as their principal residence, the home must be sold to a low-income family (defined as a family at or below 80% of the area median income based on household size), at a price that is affordable to a reasonable range of low income households which allows the original purchaser to receive a fair return on the original purchaser's investment.

A price is affordable to a reasonable range of low income households if the price does not result in the estimated PITI (principal, insurance, taxes, interest) exceeding 35% of potential homebuyers earning between 70% and 80% of the area median income.

A fair return to the original purchaser is defined as the original purchaser's initial investment in the property plus any documented capital improvements adjusted by the percentage change in the quarterly FRED House Price Index for Tyler (<https://fred.stlouisfed.org/series/ATNHPIUS46340Q>).

The resale provisions described in this section will be enforced through a deed restriction, restrictive covenant running with the land, or other appropriate legal mechanisms.

5.5 Other Requirements

Prior to purchasing the house, homebuyers must take a homebuyer counseling course by a HUD certified homebuyer counselor.

Additionally, the homebuyers in the neighborhood will adhere to all deed restrictions as outlined below:

1. Front yard fence
 - a. Height (36 inches or less)
 - b. Fencing type (picket, no chain link) – No chicken wire or other materials, wrought iron acceptable
2. Back yard fence
 - a. Height (72 inches)
 - b. Fencing type (wood privacy, no chain link) - No chicken wire or other materials, wrought iron acceptable
3. Use of common area –
 - a. No livestock - No pet storage, no loose animals,
 - b. No basketball goals (portable or in-ground) or permanent recreational fixture, i.e., swings, bounce houses / inflatables),
 - c. No unapproved benches or patio furniture,
 - d. No yard signage (temporary or permanent),
 - e. No portable storage buildings/houses (temporary or permanent),
 - f. Any construction that disturbs the ground,
 - g. Property owners with deeded (or non-deeded) greenspace cannot restrict any access to any greenspace areas,
 - h. No landscaping in greenspace, grass only (no pavers, potted plants, etc.),
 - i. No unapproved yard decorations (unless approved and accepted by all)
4. Parking –
 - a. No parking in greenspace (vehicle, cycles, trikes, golf carts, etc.)
 - b. No parking on unimproved surfaces (non-originally constructed surfaces, cemented areas).

The above restrictions/limitations are intended to preserve the residential character of the Hidden Palace subdivision; maintain high property value; and ensure there is an existence of aesthetic uniformity of common areas connecting neighboring properties. Each property owner would assume responsibility for the maintenance of the greenspace, deed restrictions should automatically renew every ten (10) years and should pass on to new owners in the event the property is sold and/or transferred (connection to the land cannot be removed by future owners).