

City of Blue Earth  
Housing and Redevelopment Authority

Request for Proposal  
Property Management Services for City of Blue Earth HRA  
Rental Properties

Issue Date: November 23, 2020  
Due Date: December 21, 2020, 5:00 pm

## **REQUEST FOR PROPOSALS**

Notice is hereby given that proposals will be received by the City of Blue Earth, Minnesota for: Property Management Services for City of Blue Earth HRA Rental Properties with City Administrator, 125 W. 6<sup>th</sup> Street, Blue Earth MN 56013. Proposals received later than 5:00 p.m. December 21, 2020 will not be considered. A copy of this Request for Proposal (RFP) may be obtained from City's web site at [www.becity.org](http://www.becity.org). The City of Blue Earth reserves the right to reject any and all proposals, and to waive irregularities and informalities in the submittal and evaluation process. This RFP does not obligate the City to pay any costs incurred by respondents in the preparation and submission of a proposal. Furthermore, the RFP does not obligate the City to accept or contract for any expressed or implied services. A Service Provider response that indicates that any of the requested information in this RFP will only be provided if and when the Service Provider is selected as the apparently successful Service Provider is not acceptable, and, at the City's sole discretion, may disqualify the proposal from consideration. The City of Blue Earth assures that no person shall, on the grounds of race, color, national origin, or sex be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity. The City of Blue Earth further assures that every effort will be made to ensure non-discrimination in all of its programs and activities, whether those programs are federally funded or not. In addition to nondiscrimination compliance requirements, the Service Provider(s) ultimately awarded a contract shall comply with federal, state and local laws, statutes and ordinances relative to the execution of the work. This requirement includes, but is not limited to, protection of public and employee safety and health; environmental protection; waste reduction and recycling; the protection of natural resources; permits; fees; taxes; and similar subjects.

Dated this 23<sup>rd</sup> day of November 2020.

Mary Kennedy  
City Administrator  
507-526-7336

## **Background**

The City of Blue Earth is located 49 miles south of Mankato, MN 41 miles west of Albert Lea, MN and 24 miles east of Fairmont, MN right at the intersection of MN State Hwy 169 and Interstate 90. The City has a population of 3,133 and is the county seat of Faribault County.

## **Scope of Work**

The City of Blue Earth is seeking proposals from qualified, professional property management firms to provide property management services for the City of Blue Earth HRA's rental properties which currently include two duplexes and one fourplex, totaling 8 units.

## **Project Description**

The purpose of this RFP is to solicit proposals from vendors to act as the exclusive leasing broker and agent for properties set forth in this document (Attachment A), with the responsibilities and upon the terms and conditions set forth herein. The ideal vendor(s) will have experience marketing, leasing, and maintaining single multi-unit properties.

## **Response Requirements**

- Qualifications and Experience – summarize your firm's qualifications, experience, and special expertise in providing the type of services identified in the project description, include resumes of key personnel.
- Project Approach – provide a brief overview of your property management philosophy, methods, and practices and how they would meet the needs identified in the requested services section. Describe how communication and reporting would occur between your firm, the tenants, and the City.
- Pricing Methodology – provide base property management fees expressed as a fixed monthly fee for property management services. Any additional fees (above the fixed fee) should be itemized as a separate line item and priced as a cost reimbursement plus administrative markup with the markup clearly identified.
- References – include a list of references (including contact names, telephone numbers and email addresses) of at least two (2) recent or current properties managed by your firm within the last four years of the same size and nature. The City reserves the right to contact references without prior notification.
- Proposals must be made in the official name of the firm or individual under which the business is conducted (showing official business address) and **MUST BE SIGNED** by a person duly authorized to legally bind the person, partnership, company or corporation submitting the proposal. A corporation must indicate place and date of incorporation.
- A statement indicating the number of calendar days the proposal shall be valid.

## **Requested Services**

Currently the City of Blue Earth owns rental properties that include: 2 duplexes and 1 fourplex which is subject to change. We are seeking a property management firm to rent, lease and manage these properties. The services we are requesting include:

- Providing tenants with 24-hour emergency telephone contact numbers for emergency repairs
- Yearly inspection of properties, including management plans and recommendation for maintenance needed
- Advertise properties for lease, screen and select tenants using the following tools:
  - Credit application, personal and business reference checks, and personal interviews
- Prepare and execute lease agreements using only lease forms approved by the City of Blue Earth
- Conduct a minimum of one exterior and interior inspections per year of the properties, providing a written report of major deficiencies with photos to the City of Blue Earth
- Determine and verify insurance requirements for tenants when appropriate
- Re-key locks for new tenants when appropriate
- Change electrical, gas, garbage, sewer & water billing as required between property occupancies
- Collect a deposit from every tenant, additional deposits required for properties allowing animals
- Collect rent and late charges as needed
- Inspect the properties, in the company of the renter, prior to move in and complete a detailed inspection report that shall be provided to the City of Blue Earth
- Conduct a final inspection when the property is vacated, with a move out inspection report
- Provide a monthly report/statement for each individual property clearly indicating the income received, income withheld for services, what those services are, vacancies, turnover schedule and budget for unit/property turn over. The City reserves the right to request further information from the chosen property management professional.

## **Length of Contract**

The length of the contract is expected to be a two-year term with a City option to extend for one additional year.

## **Official Contact**

Upon release of this RFP, all vendor communications concerning the overall RFP should be directed to the City Administrator. Any oral communications will be considered unofficial and non-binding on the City. Vendors should rely only on written statements.

Mary Kennedy  
City Administrator  
125 W. 5<sup>th</sup> Street, Blue Earth, MN 56013  
PO Box 38  
[mkennedy@becity.org](mailto:mkennedy@becity.org)  
507-526-7336

### **Instructions**

Proposals must be received by no later than 5:00 pm on December 21, 2020. We prefer that proposals be submitted by email to [mkennedy@becity.org](mailto:mkennedy@becity.org).

As an alternate to email, proposals can be mailed or delivered to: Mary Kennedy, City Administrator, 125 W. 5<sup>th</sup> Street, PO Box 38, Blue Earth, MN 56013. If submitting a paper proposal, the original plus two (2) copies of all proposals in printed form must be submitted in a sealed envelope or box with the following words clearly marked on the outside of the envelope Property Management Services RFP. The supplier's name and address must be clearly indicated on the envelope.

### **Required Information**

The proposal must include the following:

1. Cover Letter
2. Proposal Summary
3. Acceptance of Terms and conditions
4. General Vendor Information
5. Customer Reference
6. Fee Schedule

### **Pricing**

Pricing must be complete. Pricing information supplied with the response must be valid for at least 180 days. All one-time and recurring costs must be fully provided. Provide estimates of total hours and hourly rates associated to each requested services associated with this RFP

### **Acceptance of Terms and Conditions**

Use this form to indicate exceptions your firm takes to any terms and conditions listed in this RFP, including the City's standard Professional Services Agreement. Proposals which take exception to the specifications, terms or conditions of this RFP or offer substitutions shall explicitly state the exception(s), reason(s) therefore, and language substitute(s) (if any) in this section of the proposal response. Failure to take exception(s) shall mean the proposer accepts the conditions, terms and specifications of the RFP. If your firm takes no exception to the specifications, terms, and conditions of this RFP please indicate so.

By: \_\_\_\_\_  
\_\_\_\_\_

Title Date

For: \_\_\_\_\_

**General Information**

1. Name of parent company
2. Length of time in business
3. Length of time in business of providing proposed services
4. Gross revenue for the prior fiscal year (in US dollars)
5. Percentage of gross revenue generated by proposed services
6. Total number of clients
7. Total number of clients in the proposed service area
8. Number of public sector clients
9. Number of full-time personnel
10. Where is your headquarters located, do you have any field offices, if so where
11. Which office would service this account?
12. Please provide a list of references that can verify the financial standing of your company.

**RFP Timeline**

November 23	Release RFP
December 21	Proposals Due
January 11	Applicant Selected
January 12	Notify Selected Applicant
Mid - Late January	Anticipated Start

## **DRAFT PROFESSIONAL SERVICES AGREEMENT**

The City of Blue Earth, Minnesota, a municipal corporation (“City”) and \_\_\_\_\_, whose address is \_\_\_\_\_ (“Consultant”), agree and contract as follows:

### **I. SERVICES BY CONSULTANT**

- A. The Consultant agrees to perform the services described in Attachment \_\_\_\_ to this Agreement, which attachment is incorporated herein by reference.
- B. All services and duties shall be conducted and performed diligently, completely and in accordance with professional standards of conduct and performance.

### **II. COMPENSATION**

- A. The total compensation to be paid to Consultant for these services shall not exceed \$ \_\_\_\_\_, as detailed in Attachment \_\_\_\_\_.
- B. Payment to Consultant by the City in accordance with the payment ceiling specified above shall be the total compensation for all work performed under this Agreement and supporting documents hereto as well as all subcontractors’ fees and expenses, supervision, labor, supplies, materials, equipment or the use thereof, reimbursable expenses, and other necessary incidentals.
- C. The Consultant shall be paid monthly on the basis of invoices submitted. Invoicing will be on the basis of percentage complete or on the basis of time, whichever is applicable in accordance with the terms of this Agreement.
- D. The City shall have the right to withhold payment to Consultant for any work not completed in a satisfactory manner until such time as Consultant modifies such work to the satisfaction of the City.
- E. Unless otherwise specified in this Agreement, any payment shall be considered timely if a warrant is mailed or is available within 45 days of the date of actual receipt by the City of an invoice conforming in all respects to the terms of this Agreement.

### **III. TERMINATION OF AGREEMENT**

The City may terminate this Agreement at any time, with or without cause, by giving ten (10) days’ notice to the Consultant in writing. The Consultant may terminate this Agreement at any time, with or without cause, by giving sixty (60) days’ notice to the City in writing. In the event of termination, all finished or unfinished reports, or other material prepared by the Consultant pursuant to this Agreement, shall be provided to the City. In the event the City terminates prior to completion without cause, consultant

may complete such analyses and records as may be necessary to place its files in order. Consultant shall be entitled to receive just and equitable compensation for any satisfactory work completed on the project prior to the date of termination, not to exceed the payment ceiling set forth above.

#### **IV. OWNERSHIP OF WORK PRODUCT**

- A. Ownership of the originals of any reports, data, studies, surveys, charts, maps, drawings, specifications, figures, photographs, memoranda, and any other documents which are developed, compiled or produced as a result of this Agreement, whether or not completed, shall be vested in the City. Any reuse of these materials by the City for projects or purposes other than those which fall within the scope of this contract or the project to which it relates, without written concurrence by the Consultant will be at the sole risk of the City.
- B. The City acknowledges the Consultant's plans and specifications as instruments of professional service. Nevertheless, the plans and specifications prepared under this Agreement shall become the property of the City upon completion of the work. The City agrees to hold harmless and indemnify consultant against all claims made against Consultant for damage or injury, including defense costs, arising out of any reuse of such plans and specifications by any third party without the written authorization of the Consultant.
- C. Methodology, materials, software, logic, and systems developed under this contract are the property of the Consultant and the City, and may be used as either the consultant or the City sees fit, including the right to revise or publish the same without limitation.

#### **V. GENERAL ADMINISTRATION AND MANAGEMENT**

The \_\_\_\_\_ for the City of Blue Earth shall review and approve the Consultant's invoices to the City under this Agreement, shall have primary responsibility for overseeing and approving services to be performed by the Consultant, and shall coordinate all communications with the Consultant from the City.

#### **VI. COMPLETION DATE**

The estimated completion date for the Consultant's performance of the services specified in Section I is \_\_\_\_\_. Consultant will diligently proceed with the work contracted for, but consultant shall not be held responsible for delays occasioned by factors beyond its control which could not reasonably have been foreseen at the time of the execution of this Agreement. If such a delay arises, Consultant shall forthwith notify the City.



## **VII. SUCCESSORS AND ASSIGNS**

The Consultant shall not assign, transfer, convey, pledge, or otherwise dispose of this Agreement or any part of this Agreement without prior written consent of the City.

## **VIII. NONDISCRIMINATION**

Consultant shall, in employment made possible or resulting from this Agreement, ensure that there shall be no unlawful discrimination against any employee or applicant for employment.

## **IX. HOLD HARMLESS/INDEMNIFICATION**

Consultant shall defend, indemnify and hold the City, its officers, officials, employees and volunteers harmless from any and all claims, injuries, damages, losses or suits including attorney fees, arising out of or resulting from its negligence or breach of any of its obligations in performance of this Agreement. In the event of liability for damages arising out of bodily injury to persons or damages to property caused by or resulting from the concurrent negligence of the Consultant and the City, its officers, officials, employees, and volunteers, the Consultant's liability hereunder shall be only to the extent of the Consultant's negligence.

## **X. LIABILITY INSURANCE COVERAGE**

The Consultant shall procure and maintain for the duration of the Agreement, insurance against claims for injuries to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Consultant, its agents, representatives, or employees. A failure to obtain and maintain such insurance or to file required certificates and endorsements shall be a material breach of this Agreement. Consultant's maintenance of insurance as required by the agreement shall not be construed to limit the liability of the Consultant to the coverage provided by such insurance, or otherwise limit the City's recourse to any remedy available at law or in equity.

## **XI. COMPLIANCE WITH LAWS/BUSINESS LICENSE**

The Consultant shall comply with all applicable State, Federal, and City laws, ordinances, regulations, and codes.

## **XII. FUTURE SUPPORT**

The City makes no commitment and assumes no obligations for the support of Consultant activities except as set forth in this Agreement.

**XIII. INDEPENDENT CONTRACTOR**

Consultant is and shall be at all times during the term of this Agreement an independent contractor and not an employee of the City. Consultant agrees that he or she is solely responsible for the payment of taxes applicable to the services performed under this Agreement and agrees to comply with all federal, state, and local laws regarding the reporting of taxes, maintenance of insurance and records, and all other requirements and obligations imposed on him or her as a result of his or her status as an independent contractor. Consultant is responsible for providing the office space and clerical support necessary for the performance of services under this Agreement. The City shall not be responsible for withholding or otherwise deducting federal income tax or social security or for contributing to the state industrial insurance of unemployment compensation programs or otherwise assuming the duties of an employer with respect to the Consultant or any employee of Consultant.

**XIV. EXTENT OF AGREEMENT/MODIFICATION**

This Agreement, together with all attachments and addenda, represents the final and completely integrated Agreement between the parties regarding its subject matter and supersedes all prior negotiations, representations, or agreements, either written or oral. This Agreement may be amended only by written instrument properly signed by both parties.

**XV. ADDITIONAL WORK**

The City may desire to have the Consultant perform work or render services in connection with the project other than provided for by the express intent of this contract. Any such work or services shall be considered as additional work, supplemental to this contract. Such work may include, but shall not be limited to, \_\_\_\_\_ . Additional work shall not proceed unless so authorized in writing by the City.

Authorized additional work will be compensated for in accordance with a written supplemental contract between the Consultant and the City.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the dates written below:

CONSULTANT

CITY OF BLUE EARTH

BY: \_\_\_\_\_

BY: \_\_\_\_\_

DATE: \_\_\_\_\_

DATE: \_\_\_\_\_