

HOUSING AUTHORITY OF THE COUNTY OF SAN BERNARDINO  
PROCUREMENT AND CONTRACTS DEPARTMENT  
715 E. BRIER DRIVE, SAN BERNARDINO, CA 92408  
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<http://ww2.hacsb.com/business>

**ADDENDUM #1 FOR RFP PC#1098 – PROPERTY MANAGEMENT SERVICES**

**PLEASE NOTE:** The following addendum to this Request for Proposal is hereby incorporated into the bid process.

**Questions and Answers:** The following questions and answers were asked. Please review the responses and include them in your proposals.

1. Page 4 of 36 F. – combination of quality, price and various elements...provide HACSB the greatest or best value for its money. Isn't the price set at 3.5% - 5% of gross collected rents?
  - Revised to read, "As established in this solicitation, HACSB realizes that criteria other than price are important and will award contract(s) based on the proposal that best meets the needs of HACSB. An optimal combination of various qualitative elements of required services will provide HACSB the best value for its money."
2. How many projects have Section 8 Project Based contracts that require yearly OCAF rent increase requests?
  - None of the Section 8 Project Based contracts in this portfolio require yearly OCAF rent increases.
3. What is the average current vacancy rate of all projects?
  - Portfolio has a trailing 12 month average vacancy rate of 4%
4. P. 18, 3f. – Management fee your firm will charge... Isn't the price set at 3.5% - 5% of gross collected rents? What information are you requesting in 3f. of page 18?
  - Revised to read, "Indicate all services that the management fee will cover. Indicate what services and personnel, if any, will be charged as direct expense to the property."
5. P 19, Right to Negotiate Final Fees - Isn't the price set at 3.5% - 5% of gross collected rents?
  - Vendor has the right to bid any fee they deem suitable.
6. P 22 VIII. d. Isn't the price set at 3.5% - 5% of gross collected rents?
  - Revised to read, "Clearly specify if any additional expenses in addition to the set Management Fee will be charged to the HACSB in connection with this proposal."
7. What is the current combined annual revenue of the properties?
  - FY2018 combined annual revenue for the properties was approximately \$12,400,000.00
8. Is there a page limit to the RFP submission?
  - No, there is not a page limit to this RFP submission.
9. Who currently manages these properties?
  - Currently Beacon Property Management is under contract.

10. Will the winning property management company be able to use its own management agreement contract?
  - HACSB will use its own Management Agreement.
11. Can we see the management agreement from HACSB if we are not allowed to use our own management agreement?
  - Yes, there is a template available upon request.
12. Prior management agreements from the HACSB have provided that the management Company is liable for most of the liability related to the operation of the property. Can this language be changed to having the management company be strictly liable for only gross negligence?
  - At this time, HACSB is not amenable to changing any language in its Management Agreement.
13. The management fee calculations appears to be complex per the RFP. Is there a possibility to just have a fixed management fee substantially above the minimum 3.5% fee stated in the RFP and is typical for this type of portfolio?
  - In order to stay consistent with other active property management agreements HACSB will maintain the management fee calculation as it is stated in this RFP.
14. Item 18 on page 11 request monthly reports with precise details and services provided on the buildings. Is this a separate report or can it be part of a package of reports including with the monthly financial statements?
  - It can be part of a package of reports included with the monthly financial statements.
15. Up to how many firms will be awarded this contract and what would be the geographic splits of the properties?
  - HACSB will award one firm the contract to manage all of the properties listed in Exhibit I.
16. Since HACSB is a government entity, when would pre-vailing wages contracts be required, if any, when entering into contract with other vendors?
  - Prevailing wage requirements may apply to certain projects depending on the source of funds used for the project. HACSB will work with the Management Agent to determine the wage requirements if needed.
17. For providing the property insurance coverage are loss runs available for the properties?
  - Yes, they are available upon request.