



REQUEST FOR PROPOSALS
PROPERTY MANAGEMENT SERVICES
THE KENTUCKY CAREER CENTER
1324 MADISON AVENUE
COVINGTON, KY 41011

ISSUED BY:

City of Covington
Department of Development
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I. INTRODUCTION AND PURPOSE

The purpose of this Request for Proposal (“RFP”) is to solicit and select a professional Property Management Company capable of providing comprehensive property management services for the the Kentucky Career Center (“Project”) located at 1324 Madison Avenue in Covington, Kentucky.

The City of Covington (“City”) is requesting proposals from qualified companies who have significant experience in the property management of professional Class A office buildings. The City will select companies to participate in interviews, reference checks, and presentations to the Selection Committee. Selection criteria will include Class A office building management experience, references, and respondent’s ability to provide comprehensive management services through its corporate infrastructure.

The Kentucky Career Center is a 28,583 square foot facility that provides comprehensive support to businesses and job seekers through integrated workforce development, training, and transportation services provided by the Commonwealth of Kentucky, the Northern Kentucky Area Development District, and its local partners. The building was formerly an automobile dealership and is being adaptively reused and renovated to the specifications of the two tenants, the Commonwealth of Kentucky and the Northern Kentucky Area Development District. The building will be completed by May 2014 and tenants will take occupancy by June 2014.

II. PROJECT DESCRIPTION

The Kentucky Career Center is located on the 1.71-acre former Robke Chevrolet site at 1324-1414 Madison Avenue (“Site”). The Site also contains a .21-acre parcel at 1310 Wood Street that will be used for additional parking.

The building contains 28,583 square feet of finished office space on one level plus approximately 4,500 square feet below grade, which will remain unfinished at this time. The Site also contains surface parking for 103 cars.

The Kentucky Career Center has two primary tenants:

1. The Commonwealth of Kentucky (“Commonwealth”) – Leases 8,356 (56%) of usable square footage
2. Northern Kentucky Area Development District (“NKADD”) – Leases 5,766 (38%) of usable square footage and subleases a portion of that space to the following local partner organizations: Transit Authority of Northern Kentucky, Brighton Center, and Goodwill.

There are no demising walls separating the two tenants due to the fact that the Commonwealth put significant effort into the space plan for the facility with the goal of the Project becoming a State-wide model for a “functional approach” to providing educational and employment services to its clients. A functional approach is an innovative concept that groups personnel by the types of functions they perform rather than by strict department or agency divisions.

The two primary leases are gross leases with the exception of the utility expenses which are passed through to each tenant based on their pro rata share of leased usable space.

Currently, 930 square feet (6%) of usable space is unleased and is available for the future

expansion needs of either the Commonwealth or NKADD.

There is 13,531 square feet of common areas, which is allocated among the Commonwealth, NKADD, and the City for according to their pro rate share of usable space as indicated above.

The building will contain simply finished yet professional space for its 66 employees and facilities that can accommodate visits by the area's large employers to conduct information sessions and interviews.

Please see attached floor plan.

III. SCOPE OF SERVICES

The responsibilities of the Property Management Company will be defined and detailed in a Services Agreement negotiated between the City of Covington and the selected Property Management Company. An overview of the anticipated responsibilities of the Property Management Company is described below and includes, but is not limited to:

- Maintenance and Repair of Property - The Property Management company will be responsible for maintaining the building, appurtenances, common areas, and grounds of the property in good condition including the following:
 - Interior maintenance services such as: lamp/bulb replacement, exterminator services, window cleaning, mechanical systems maintenance and repair, electrical systems maintenance and repair, building control systems maintenance and repair, fire sprinkler maintenance testing and repair, daily operation of any building equipment, implementation of preventative maintenance procedures
 - Exterior building maintenance and repair such as: walls, doors, locks, roof, windows, exterminator services
 - Grounds maintenance and repair such as: Snow removal Landscape maintenance, care and replacement of parking lot (sweeping, striping, maintenance and repair), concrete walks and curbs, site lighting replacement and repair, signage, fencing, trash-pick-up and cleanup
- Disbursements for expenses of property
- Tenant lease compliance, service requests, and complaints
- Collection of rents and operating expense pass-throughs
- Preparation and monitoring of annual CAM budget
- Establishing/monitoring a reserve for major repairs
- Establishment of standard operating procedures
- Trash removal/recycling coordination
- Records and accounting management such as: equipment history and maintenance/repair records, preventive and predictive maintenance records, building drawings/specifications and maintenance information files, expense records and reports
- Coordination with the City of Covington for any building or equipment replacements, expansions, remodels, or upgrades
- CAM billings (including utility bill calculations)
- Preparation of standard financial reports for the Property including: balance sheet, balance sheet reconciliation, cash flow and cash flow forecasts, profit and loss statement prepared in accordance with GAAP standards, accounts receivable reports, fixed asset schedule

(depreciation/amortization)

IV. PROFESSIONAL QUALIFICATIONS

At a minimum, the Property Management Company will be expected to have the capacity, qualifications, and certifications to provide the services set forth in the above Scope of Services. The Property Management Company must also have the qualifications and experience to provide those services in a time and cost effective manner. The City will only consider companies who:

1. Are in good standing with the City as that term is defined in defined in the Covington Code of Ordinances O-11-06.
2. Are not involved in adverse claims against the City, delinquent in their financial obligations to the City, or debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from participation in any HUD funded programs.
3. Can demonstrate a successful track record in providing property management services for quality professional office product
4. Can demonstrate an understanding of the City's procurement code and willingness to work with City staff to ensure that all subcontracted work is quoted/bid correctly

V. RESPONSIVENESS OF PROPOSALS

1. Responsiveness - The City shall only consider those Proposals that conform to the material requirements of the City's Request and that are submitted in the Proposal Format set forth below. A Proposal will be considered as conforming and responsive if it provides information concerning the respondent's qualifications and substantially addresses and promises to meet a majority of the requirements contained in this Request or any future reasonable requests made over the course of the selection process. The City may waive any non-conformance that is immaterial and does not prejudice other Respondents.
2. Non-responsiveness – The City will reject any responses that propose offering Services that materially deviate from the request or that due to any deviation from the RFP, prejudice other Respondents whose responses substantially conform to the Request.
3. Respondent Responsibility - The responsibility of Respondents shall be determined on the evaluation of the actual Respondent, separate and distinct from the Proposal that is submitted.

VI. RFP SUBMISSION REQUIREMENTS

Each Property Management Company responding to this RFP is required to provide Proposal Information as described in this section. In order to facilitate review and evaluation by the City and its Selection Committee, all respondents are requested to structure their responses in conformance with the format presented below.

Format - Each respondent's Proposal should be prepared according to the following format:

1. All Proposals shall be delivered in a sealed envelope that is clearly labeled "**Kentucky Career Center – Property Management Services**".
2. Proposals shall be submitted on standard 8.5 x 11 inch paper with font size no smaller than twelve (12) point. Brevity is encouraged.
3. Required content – All Proposals must include the following:
 - a. Letter of Interest – provide a letter of Interest that includes a statement that the Respondent is

- available to provide the Services requested in this RFP and any subsequent RFPs as modified by any Addenda issued after the publication of this RFP.
- b. Accreditation - provide information regarding any accreditation you have received for providing property management services such as Accredited Management Organization designation award by The Institute of Real Estate Management
 - c. Experience and Qualifications
 - Describe your experience in the management of similar office buildings and facilities and state the number of persons you currently employ in such operations.
 - Submit a list of five similar office buildings you have managed. Provide the duration of operation for each location.
 - Submit names, addresses and telephone numbers for landlords or contract administrators for all of the operations listed above for references.
 - Submit the names, locations, and date of all management contracts that have been terminated within the last five years, for any reason, prior to the expiration of their term.
 - d. Insurance Information – Provide the names and contact information for insurance companies and agents you work with and all types of insurance you carry along with additional insured.
 - e. Management and Personnel Structure
 - Describe the staffing you propose for the management of the building. Will the executive person who directs and supervises the activities be a CPM (Certified Property Manager) and is he/she bonded?
 - Provide resumes and references for your proposed staff.
 - Describe how you will respond to the needs of the building tenants. Explain how complaints are addressed.
 - Describe how you prepare specifications for all contracted work, obtain competitive bids, and supervise contracted work. Include examples of specifications and contracts used. Disclose any companies you own or use exclusively, such as landscaping or maintenance firms.
 - Describe your procedures to ensure compliance with all federal state, county, and local governmental administrative regulations, ordinance, and fire, health and safety codes.
 - f. Sample Contract – As an exhibit, provide the Management Agreement you would propose to use for this property.
 - g. Management Fee – Provide a fee proposal based on a yearly term. Specify in detail what is included in the Management Fee (i.e., salaries and benefits of personnel assigned to this property, office supplies, office overhead, vehicles and fuel, postage and shipping, insurance) as well items that may be charged separately or in addition to the Management Fee if any.
4. One (1) original, ten (10) copies and one (1) digital copy shall be submitted by the Submission Deadline at the following address:
- Jeanne Schroer
 President/CEO
 Catalytic Development Funding Corp. of Northern Kentucky
 50 East RiverCenter Blvd., Suite 429
 Covington, KY 41011

General Responses Guidelines and Disclaimers

1. The City reserves the right to reject any and/or all submissions in its sole discretion.
2. By submitting a Proposal, Respondents waive any and all claims for costs or damages arising from a rejection of a Proposal and releases the City from any liability in connection with such

claims, whether such claims arise in tort, contract, or otherwise.

3. Respondents may withdraw Proposals by providing written notice of their intention to withdraw at any time.
4. Respondents shall bear any and all costs that they incur in connection with submitting a Proposal.

Public Information Notice - All responses will become the property of the City and will not be returned. All proposals submitted to the City will be kept in confidence with the Selection Committee and shall be used by the Committee for the sole purposes of evaluating the proposal for a possible award. The City will have the right to make copies for its internal review process and to provide copies to its staff, legal, technical and financial advisors and representatives. Professionals should take care not to provide any confidential information, trade secrets or other intellectual property, that they do not want city staff to receive.

All information submitted for review may be subject to the Kentucky Open Records Act and may be made available upon request by the public. Respondents should identify any confidential, proprietary information or trade secrets and provide justification why such material should not be disclosed.

Submission Deadline - Respondents must provide a proposal no later than **4:00pm, March 28, 2014** Proposals received after this deadline will not be considered.

VII. SELECTION PROCESS

The Catalytic Development Funding Corp. of Northern Kentucky (“the Catalytic Fund”) will coordinate the Property Management company selection process. The City is the final decision maker regarding this selection and it **reserves the right to reject any or all responses or to terminate the negotiations at any time**. A Selection Committee will review and evaluate responses to this RFP. The Selection Committee shall be comprised of:

1. The Assistant City Manager
2. One Staff Member from the Legal Department
3. One Staff member from the Finance Department
4. The Catalytic Fund President/CEO
5. Other members as appropriate

The selection of a Master Developer will involve the following steps:

Phase One - RFQ Submission

- Respondents submit a letter of interest and other requested information as outlined above by March 28, 2014.
- Selection Committee will review the submittals and will invite one or more of the Respondents to participate in an interview.

Phase Two - Additional Information

Some selected Respondents may be asked to provide additional information, participate in an additional interview, and/or make a presentation to the Selection Committee. The Selection Committee may also choose to make site visits, where appropriate.

Phase Three – Property Management Services Agreement

The Selection Committee will recommend a Property Management company who will be required to negotiate a term sheet (“Term Sheet”) with the City for a Property Management Services Agreement. The Term Sheet will stipulate Property Manager and City responsibilities, etc., Property Manager Scope of Work, and Property Management Fees. If negotiations for a Property Management Services Agreement Term Sheet are not successful, the City retains the right to negotiate with and designate another Property Manager from among those that previously submitted qualifications, or invite interest from other qualified companies not previously considered.

Phase Four – Commission Approval of Authorization Enter Into to Property Management Services Agreement

City Staff will present the Term Sheet with the selected Property Management Company to the City of Covington Board of Commissioners for a vote authorizing the City to enter into a Property Management Service Agreement with the selected Property Management Company.

MBE/WBE Selection Preferences

In accordance with the guidelines of the Housing and Urban Development Act, the City shall give preference to Professionals who: (a) meet the requirements of this RFQ; and (b) who provide a statement of compliance and/or certification of/with relevant Minority Business Enterprises and Women's' Business Enterprises (MBE/WBE) regulations, and Section 3 of the Housing and Urban Development Act of 1968 (Section 3), as amended by the Section 915 of the Housing and Community Development Act of 1992.

Timeline of Schedule, Negotiation and Awards

Event	Estimated Completion Date
Submissions Due	Friday March 28, 2014; 4:00 PM
Department Review	March 31 – April 4, 2014
Notification of Interview Schedule	April 7, 2014
Interviews	April 9 – April 16, 2014
Selection	April 22, 2014
Commission Action	April 29, 2014
Execute Property Management Services Agreement	April 30, 2014

VIII. CONTACTS / FURTHER INFORMATION

The point of contact for responses regarding this proposal shall be:

Jeanne Schroer
President/CEO
The Catalytic Development Funding Corp. of Northern Kentucky
50 East RiverCenter Boulevard, Suite 429
Covington, KY 41011
859-757-0519
jschroer@cdfcnky.org

Submissions shall be delivered to:

Jeanne Schroer

President/CEO

The Catalytic Development Funding Corp. of Northern Kentucky

50 East RiverCenter Boulevard, Suite 429

Covington, KY 41011

by 4:00p.m. on 3/28/2014. Late entries will not be accepted.

