

# CITY OF PALM DESERT STAFF REPORT

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MEETING DATE: February 27, 2025

PREPARED BY: Celina Cabrera, Senior Management Analyst  
Veronica Chavez, Finance Director

SUBJECT: AUTHORIZE CITY MANAGER/EXECUTIVE DIRECTOR TO AWARD  
AGREEMENTS TO MULTIPLE CONSULTANTS FOR HOUSING  
PROGRAM ADMINISTRATIVE SERVICES

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## **RECOMMENDATION:**

1. Authorize City Manager/Executive Director to review and award task order agreements to multiple qualified consultants for Affordable Housing Administrative Services in an initial amount not to exceed \$50,000 in aggregate for the remainder of FY 2024-25, and \$100,000 in aggregate annually thereafter, pursuant to the terms of the agreements.
2. Authorize the City Attorney to make any necessary non-monetary changes to the agreements.
3. Authorize the City Manager/Executive Director to execute the agreements and any other documents necessary to effectuate this action, and to review and approve up to three (3) additional one-year terms per vendor agreement.

## **BACKGROUND/ANALYSIS:**

The Housing Division is currently managing a very active Housing Program with a lean team and limited resources. Housing staff are responsible for the City's various affordable housing programs, rent review, and the Palm Desert Housing Authority (Authority). The Authority owns and operates fifteen communities delivering rental opportunities by subsidizing 1,100+ affordable rental units. The time required to complete critical tasks and meet compliance obligations, leaves little capacity for necessary program analysis and related administrative functions. These critical tasks include everything from monitoring various affordability covenants, rent review requirements, and private development compliance with recorded Affordable Housing Agreements to annual reporting requirements. The growing demand and need for affordable housing, combined with the City's commitment to maintaining high service standards, make it essential to engage multiple consultants at this time.

To enhance service delivery and efficiency, a Request for Proposal (RFP) was issued for Affordable Housing Administrative Services on December 19, 2024, via OpenGov, resulting in three submissions received on January 16, 2025. An internal selection team comprising representatives from the Finance Department, City Managers Department, and Housing Division reviewed the proposals and concluded that based on the qualifications, experience, and key personnel of the three firms, that the City would benefit most by selecting all three consultants, as each firm brings a depth of knowledge and area of expertise.

City of Palm Desert  
Award Housing Program Administrative Services Agreements

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<b>Firm</b>	<b>Example Areas of Expertise</b>
Harris & Associates, Inc.	Experience with reviewing rent rolls. Establish and implement guidelines and procedures for programs. Prepare annual reports and Housing Elements. Prepare grant applications.
Keyser Marston Associates, Inc.	Analysis of the economic and financial feasibility of affordable housing development.
RSG Solutions, Inc.	Develop and evaluate housing strategies and plans. Assess and leverage gap financing sources. Develop solicitation, evaluate and select for affordable housing development. Create documents such as Housing Agreements and Restrictive Covenants.

If approved, the contracts will be structured under a task order format, allowing the City to solicit task proposals from the selected consultants, evaluate costs, and assign work to the firm best suited for each specific housing program service. The use of multiple award contracts allows staff to ensure the effective use of resources by taking advantage of the competitive forces of the commercial marketplace which may result in lower prices, better quality, reduced time from requirements identification to award, and improved contractor performance in satisfying requirements, while maintaining fiscal oversight to ensure total expenditure does not exceed \$100,000 per fiscal year.

**Legal Review:**

This report has been reviewed by the City Attorney’s Office.

**FINANCIAL IMPACT:**

Funds are available for this purpose in the Affordable Housing Professional Services account number 8704195-4309000 in the amount of \$50,000 for the remainder of FY 2024-25 and \$100,000 will be budgeted for FY 2025-26. There is no additional impact to the General Fund with this action.

**ATTACHMENTS:**

1. Draft Harris & Associates, Inc. Agreement
2. Draft Keyser Marston Associates, Inc. Agreement
3. Draft RSG, Inc. Agreement