

Appendix B

ROH Section 38-3.4 and 38-4.1

§ 38-3.4 Bidding not required—Housing or human services providers.

(a) The city may lease or rent real property or improvements thereon, or both, without recourse to public bidding to providers of housing or human services. For the purposes of this section, the following definitions apply unless the context clearly indicates or requires a different meaning.

Human Services. Includes child care, health services, and social services.

Providers. Operators or managers of housing units for designated need groups, or operators or managers of other facilities wherein human services are provided to designated need groups.

Social Services. Those services required by persons with social problems or physical or mental disabilities. Persons requiring health or social services are also termed persons with special needs.

(b) When such lease or rental to providers of housing or human services is contemplated, the director shall cause to be published a notice stating:

- (1) The service objectives to be achieved, including the type or types of housing or human services to be provided and any limits on client fees charged;
- (2) The minimum qualifications that providers of housing or human services must meet;
- (3) The criteria to be used to rank and select proposals; and
- (4) The proposal form, applicable deadlines, and other information necessary for interested persons to submit proposals.

The notice shall be published in a daily newspaper of general circulation at least once a week for two successive weeks, and the last notice shall be published at least 14 days before the deadline for submission of proposals.

(c) The appropriate city agency shall examine all proposals properly submitted from interested persons, evaluate them according to the stated criteria, and determine the best three proposals thereby. The city agency may negotiate with persons submitting the best three proposals in making a final selection of a proposal.

(d) Following selection of a proposal, the city agency shall file a written report with the city clerk containing the public notice published to request proposals, a listing of the top three proposals, and identifying the proposal selected, including the results of any negotiations with the selected proposer.

(e) Upon receipt of the report, the city clerk shall post the report for public inspection in City Hall where other public notices and meeting agendas of the council are posted. The report shall be a public record.

(f) Following selection of the proposal, the city agency shall submit a lease or rental agreement therefor to the council for approval by resolution. The lease agreement shall contain any conditions and requirements applicable to the housing or human service to be provided, including client fees to be charged.

(g) The lease rent may be negotiated. If the lease rent is for a nominal amount, the city agency shall certify that:

- (1) A public hearing was held on the project, including the lease terms;
- (2) There is a compelling public need for the housing or human services to be provided;

(3) A suitable and reasonably priced private facility is not available;

(4) The developer has demonstrated financial need; and

(5) The lease complies with the restrictions specified in § 38-4.2.

(h) Notwithstanding subsections (b) through (g), in cases of impending foreclosure affecting a nonprofit housing or human services provider, the council, by resolution, may authorize the director to assign a lease to a new nonprofit housing or human services provider without a request for proposals.

(1990 Code, Ch. 28, Art. 3, § 28-3.5) (Added by Ord. 92-95; Am. Ord. 04-33)

§ 38-4.1 Duration.

The term of any contract to lease or rent property of the city shall not exceed five years; provided that the council, by resolution, may authorize the leasing or renting of property for a longer period when deemed necessary in the public interest and:

- (1) When the lessee or tenant is required by the terms of the proposed contract to expend the sum of \$25,000 or more for capital assets, or to provide for the renovation or maintenance of any capital asset, or the lessee's or tenant's expenditure is equal to or in excess of the sum of \$25,000, as determined by the council. The term "capital asset" as used herein shall include not only the construction of improvements, but the installation of furniture and fixtures, the cost of which would be depreciable over the period of the concession or lease in excess of five years;
- (2) When the property is devoted to the training and education of handicapped or blind persons and by the terms of the proposed contract, the lessee or tenant is required to construct on such property any improvement, the estimated cost of which, including cost of labor and materials, is equal to, or in excess of, the sum of \$10,000, as determined by the council;
- (3) When the real property is leased or rented for the use of the State or federal government or any agency thereof or the board of water supply;
- (4) When the city enters into a development contract with a person for the development of the property and the construction of housing units of all kinds and types as permitted in the area where the property is situated, or any other type of structural development which may be beneficial to the city; or
- (5) When the real property is leased to a housing or human services provider in accordance with § 38-3.4 and the city agency proposing the lease certifies that the longer term is necessary to secure noncity financing or to enable the transfer of the real property to a different housing or human services provider.

(Sec. 30-4.1, R.O. 1978 (1983 Ed.)) (1990 Code, Ch. 28, Art. 4, § 28-4.1) (Am. Ords. 90-14, 02-55, 04-33)