



City of Raleigh

Request for Proposals: 274-HCD-FY26-17

Title: Extended Stay Hotel Management

Proposal Due Date and Time: July 9, 2026, 5pm

ADDENDUM NO. 1

Issue Date: June 23, 2026

Issuing Department: Housing and Community Development
Direct all inquiries concerning this RFP to:

Lauren North
Redevelopment Projects Administrator
redvelopment@raleighnc.gov

Issue Date: June 23, 2026

To: All Proposers

This Addendum, containing the following additions, clarifications, and/or changes, is issued prior to receipt of proposal packages and does hereby become part of the original RFP documents and supersedes the original RFP documents in case of conflict.

Receipt of this addendum must be acknowledged by signing in the area indicated below. Please make the follow additions, clarifications, and/or changes to the RFP as listed below and **sign and return this addendum with your proposal package.**

Item 1: Clarification, Corrections, Modifications

- *The Proposal Due date and Time has been amended to: July 9, 2026 at 5pm*
- 2.1.5 Section 5: Team Firm, Experience and Certifications – *now includes the following additional requirement*
 - The Proposer shall provide a copy of its firm license and a copy of the NC Real Estate Broker's license of its Broker-in-Charge.
- 2.1.6 Section 6: Cost – *now includes the following clarification*
 - In the Salaries section of the budget, include only the salaries of staff who are fully dedicated to hotel operations. The cost of additional support staff such as Human Resources, legal, advisory leadership, etc., should be included in the monthly management fee.
- 4.2 Staffing Plan – *now includes the following modification*
 - The Property has existing **front desk**, housekeeping and maintenance staff. The City's preference is to maintain the existing staff and add property management staff through this agreement. Proposers must submit a staffing plan that adequately describes how the property will be managed and staffed. Please include how you plan to incorporate existing staff into your plan. For context, the current staffing includes:
 - One front desk staff (day shift)
 - Two hotel **attendants (live on property - one day shift, one night shift)**
 - Two maintenance staff

- One housekeeping staff
- Provide the resume of the proposed Property Manager. If the Property Manager has not been identified, please provide a job description and anticipated hiring timeline for the position.
- 4.3 Maintenance Plan – *now includes additional information under Routine Maintenance*
 - Routine maintenance plan: description of routine building and ground maintenance. Please include a proposed maintenance schedule and estimate annual costs for each routine service as well as the procedures for responding to routine maintenance requests. The list below is not meant to be exhaustive but represents at a minimum what is required:
 - Pest control and bed bug removal
 - HVAC filter changes
 - Gutter cleaning
 - Power washing
 - Cleaning of outdoor areas.
 - General grounds and building maintenance
 - Seasonal landscaping
 - Snow/ice removal
 - Repairs associated with room turn

While the property is slated for full renovation under Phase 3, there are some rooms currently offline that need minor repairs. Also, when tenants move out, there may be minor repairs required to get rooms back into rentable condition. Recommend methodology for determining at what threshold minor repairs are justified to bring rooms back into service prior to the Phase 3 renovation schedule.

Item 2: Questions and Answers

The following questions have been received for RFP 274-HCD-FY26-17. Answers are provided below for each question.

1. Are applicants required to be a not-for-profit entity?
 - a. No, applicants are not required to be a not-for-profit entity.
2. Is the expectation that current staff will be retained?
 - a. That is up to the proposer, but the City prefers for the selected proposer to retain existing staff and add a property manager.
3. Will the salaries for supportive staff be covered in the management fee or is it separate?

- a. Salaries for supportive services staff or other fees associated with these services should be included in the overall operational budget of the hotel. See RFP section 4.4.
4. What are the hourly rates of the current employees?
 - a. All current staff have a rate of \$17/hr.
5. Can you clarify how the front desk should be staffed?
 - a. We invite proposers to submit recommendations for the operation and staffing of the front desk, including any proposed changes to hours of service.
 - b. Current service hours for front desk are: 9am to 4pm
 - c. A night attendant is available onsite from 5pm to 1am
6. What is the software currently being used at the hotel and are we required to maintain the existing software?
 - a. The hotel currently uses Gearco; however, proposers are not required to continue using this platform. The City is seeking an upgrade that is better suited to support hotel operations.
7. What is the current demographic of the hotel?
 - a. The property operates as a hotel and does not collect income data or demographic information from residents. The hotel operates as low-barrier housing and serves individuals with a wide range of backgrounds and needs.
8. Does security need to be included in the proposal?
 - a. No, the City is handling security directly.
9. How are we expected to enforce non-payment of rent?
 - a. Proposers are expected to follow North Carolina law with regards to overnight hotel guests and long-term guests (over 90 days) who have tenancy rights. Please ensure that the policies and procedures in your operations plan take this distinction into account. Following selection of the operator, final policies and procedures must be approved by the City prior to implementation.
10. Will you be providing the current expenses that are currently incurred?
 - a. Total average expenses for 2025 were \$81,396 per month. On months where operating expenses exceeded revenue, the difference was funded through the City's Dedicated Affordable Housing Fund. These numbers are provided for demonstration purposes only and it is expected that the selected operator will work to tighten cost controls where practical.
11. Can you elaborate on the amount of resources and roles included in the staffing plan?
 - a. See revised section 4.2 above.
12. Is there a current budget in place?
 - a. Yes. Proposers are expected to draft their own budget for the Cost section of this proposal. The awarded operator will be responsible for creating an operating

budget.

13. Who will be responsible for completing the renovations of the out-of-service units? And will any future capital expenditures come from the City?
 - a. Units requiring minor repairs will be the responsibility of the selected proposer to complete using operating funds. The definition of “minor” repair including dollar threshold will be established in the contract between the selected proposer and the City. The City also welcomes proposers to suggest a threshold for consideration. See updated Section 4.3 above.
14. When will the current renovations be complete?
 - a. The 12 units currently under renovation are expected to be completed by the end of July.
15. Will you be able to provide history and year-over-year growth, with profit and loss statements?
 - a. No, past financial statements will not be made available to proposers. Given the anticipated changes in operations and management, past performance is not an indicator of future financial performance.
16. Does the facility operate similarly to an apartment complex? For example, would individuals who are interested in long-term housing have the opportunity to lease a unit and remain as long-term residents?
 - a. The property operates as an extended stay hotel and is subject to the local and state laws pertaining to overnight lodging, including payment of hotel tax for residents who stay less than 90 days. For residents who stay more than 90 days, residents have tenancy rights under NC law. We are looking for an operator who can manage both scenarios.
17. Does the City have other similar properties to this?
 - a. The City operates an affordable rental portfolio, but the Studios at 2800 is the only property of its kind in the portfolio.
18. Is there a common area that would be available to provide supportive services?
 - a. Currently no, but there may be one available in the future. There is a common area on the second floor above the office/lobby area. This area is currently being used for storage but is part of the future Phase 3 renovation.
19. Is there a current vendor that the City uses for elevator maintenance?
 - a. The City will provide the selected operator with a list of vendors that are currently used by the Property.
20. Please provide a breakdown of the room types.
 - a. All 119 rooms contain space for a single queen bed.

21. Will the operating account's current balance be shared with the awarded operator? Will the City provide a startup float to cover expenses during the transition period prior to the first full month of rent collection?
 - a. Yes, the current balance will be shared with awarded operator. It will not be shared as part of the RFP process.
22. What is the anticipated timeline for disbursement of the monthly management fee from the operating account following invoice submission? Will the standard NET 30 payment term apply?
 - a. The monthly management fee is reflected in the Profit and Loss statement and paid out of rent collection. For any invoices submitted to the City, the standard NET 30 payment term will apply.
23. Are the existing property staff (front desk, maintenance, and housekeeping) currently employed by the outgoing operator or directly by the city? Are there any existing employment agreements, benefit obligations, or other contractual considerations the incoming operator should be aware of?
 - a. All staff are employed by the current hotel operator, with full-time employees receiving health insurance and other industry-standard benefits.
24. Is there an anticipated overlap or formal transition period with the current operator, and if so, what is the expected duration?
 - a. If the City decides to switch operators, we will ensure there is an adequate transition period. The length of that transition has not been determined.
25. Does the City have a preferred or required property management software platform, or are we free to select a preferred system that meets the reporting requirements outlined in Section 4.5?
 - a. See answer to question 6.
26. Must the supportive services provider identified in the proposal be pre-approved by the City, or may the incoming operator establish that partnership post-award?
 - a. The City's preference is for proposers to identify supportive service providers they intend to partner with as part of their proposal. This will be part of how the City evaluates proposals. However, we recognize that supportive service plans may need to be refined post-selection as the new operator responds to resident needs.
27. The RFP notes that rooms are currently rented at \$200/week or \$800/month, a rate set by the City. Is the incoming operator authorized to recommend rate adjustments as part of the annual reporting process?
 - a. Yes, the incoming operator is expected to make recommendations regarding future rent adjustments.
28. Will the City provide the incoming operator with historical financial statements or operating reports from the current operator to assist in transition planning?

- a. See answer to question 15.
29. Would the City of Raleigh consider selling this property? If so, what would the asking price for this property be?
- a. The City is seeking a new hotel operator through this RFP. The city is not contemplating the sale of the property through this RFP.
30. Historical Operating Expenses
- a. Monthly utility costs (electricity, water, sewer, gas, internet, etc.)
 - b. Cable television expenses, if applicable
 - c. Building insurance costs
 - d. Any other recurring facility operating expenses
 - See answer to question 10.
31. Staffing and Payroll Information
- a. Current staffing structure for the facility
 - See updated Staffing Section 4.2 above.
 - b. Salary or wage ranges for existing personnel, if available
 - See answer to question 4
 - c. Any staffing costs currently paid directly by the City
 - None- all staffing costs are part of the operating budget.
32. City Subsidies and Financial Support
- a. Which utilities, building expenses, insurance costs, or other operating costs are currently subsidized or paid by the City?
 - The only operating cost currently paid by the City directly is security.
 - b. Whether the City intends to continue paying any utilities or facility-related expenses under the future management contract.
 - City will continue paying cost for security.
 - c. Clarification regarding responsibility for Raleigh Water and other utility accounts.
 - Utilities are part of the operating budget and responsibility of the selected operator.
33. Property Management Compensation
- a. Will the property management fee be funded solely from collected rental revenue? Does the City provide any subsidy or management fee support separate from tenant rent collections?
 - Respondents must include their proposed monthly management fee in their proposal cost form and integrate it into the operating budget. See also answer to question 10.
 - b. Are there any occupancy-based incentives or other revenue support mechanisms anticipated under the contract?
 - This is being taken into consideration and will be part of contract negotiations.
34. Community Partnerships

- a. Is the City open to the selected contractor partnering with nonprofit organizations, foundations, faith-based organizations, or community organizations that can secure grants and additional resources to support residents and enhance services at the facility?
 - Yes. If you propose partnering, please include a letter of support from the agencies that would be providing services in your proposal.
 - b. If so, are there any guidelines or restrictions governing such partnerships?
 - Prior to implementing supportive services, the City will review and approve the supportive services plan. Regardless of provider, all supportive services must be voluntary.
35. Current profit & loss broken down by month.
- a. The City will not provide that information as part of the RFP process.
36. List of current employees, their pay, and their hours.
- a. See answer to question 4 and the Staff Plan modification in Item 1.
37. What is the City's long-term vision for this pilot project?
- a. Low-barrier housing.
38. Is the City seeking a hospitality operator, a social-services provider, or an integrated model that combines both disciplines?
- a. Integrated model. See answer to question 34.
39. What are the primary success metrics the City expects from the selected management company?
- a. Sustainable operations, low vacancy rates, voluntary supportive services available.
40. What would the City consider a successful outcome after the first year of operations?
- a. New operator has established and is enforcing consistent policies and procedures to ensure resident satisfaction, property and financial stability.
41. What are the top three priorities expected within the first 90 days of operation?
- a. Onboard property manager
 - b. Develop full policies and procedures and train all staff.
 - c. Implement new software/rent collection system.
42. What annual operating budget has been allocated for this project?
- a. The selected operator will be responsible for creating a new operating budget.
43. Is there an operating reserve fund established for unexpected expenses?
- a. Not currently. The City has a capital improvement budget that is available for unexpected expenses. The selected operator is expected to provide recommendations to the City regarding the creation of a future operating reserve

fund.

44. What was the award amount for the previous management contract, if applicable?
 - a. The City will not be providing this information at this time.
45. Is historical financial performance available for review?
 - a. No.
46. How are capital expenditures approved and funded?
 - a. Currently, capital expenses in excess of \$10,000 must receive three quotes and be approved by the City prior to the operator executing a contract. These expenses are typically paid by the City if sufficient funds are not available in the operating account.
47. What reimbursement process will be utilized for approved expenses?
 - a. See answer to question 22.
48. Will the City reimburse management for vacancies resulting from City placement delays?
 - a. No.
49. Will residents occupy units under a traditional lease agreement, occupancy agreement, or hotel lodging agreement?
 - a. The property will continue to be operated as an extended stay hotel. The selected proposer will draft an appropriate agreement which will be reviewed and approved by the City prior to implementation.
50. Will operations fall under landlord-tenant law or hospitality lodging regulations?
 - a. See answer to question 16.
51. What will be the process for handling resident violations, non-payment, or behavioral concerns? What is the anticipated eviction or removal process?
 - a. These processes must be proposed as a part of the Operations Plan. See RFP section 4.1.
52. Will the City provide legal support for resident removal actions when necessary?
 - a. No. Selected operator must be able to provide legal support.
53. What authority will the management company have regarding resident selection decisions?
 - a. The awarded operator will draft policies regarding resident selection, within the context of a low-barrier housing resource, which will be reviewed and approved by the City prior to implementation.
54. What authority will the management company have regarding resident retention decisions?

- a. The awarded operator will draft policies regarding resident retention which will be reviewed and approved by the City prior to implementation.
55. Which operational decisions will require prior City approval?
- a. Final terms of the contract between the City and the selected operator will be negotiated during the contracting process, however it is expected that the City will review and approve all policies and procedures prior to implementation. The City will also review and authorize initiation of eviction proceedings as well as any capital expense over \$10,000. Beyond that it is the City's expectation that the operator will make all operational decisions within the agreed-upon policies and procedures and within the agreed-upon operating budget.
56. Does the City anticipate compensation based on a per-unit/per-resident model, fixed monthly management fee, hourly service rate, or another reimbursement structure?
- a. Currently the contract is a fixed monthly management fee, however the City welcomes proposers to propose other types of fee structures.
57. What funding source has been allocated for supportive services and what annual budget has been established?
- a. Supportive services must be included in the operational budget. Proposers must propose costs in accordance with RFP Section 4.4.
58. Does the City expect the selected management company to directly provide supportive services or coordinate services through third-party providers?
- a. See answer to question 34 & 38.
59. Is the City open to alternative service-delivery models proposed by respondents?
- a. Yes.
60. Would the City consider a hybrid operational structure in which hospitality operations and supportive services are managed separately?
- a. Yes.
61. Will the City allow respondents to propose enhanced wraparound-service models beyond the minimum requirements?
- a. Yes.
62. What renovations are currently planned?
- a. See RFP Section 1.2 for a description of planned Phase 3 renovations. See updated section 4.3 above related to room turn and minor repairs.
63. What is the anticipated renovation schedule?
- a. We do not have a schedule at this time.
64. What role will ownership retain during renovation activities?

- a. The City is responsible for overseeing all Phase 3 renovation activities.
65. What authority will the management company have during renovation planning and execution?
- a. The awarded proposer will be required to perform a limited coordination role, including notifying residents of planned electric or water shutoffs, addressing tenants' interference with construction if incidents occur, and relocating residents ahead of planned renovations to their rooms.
66. How many rooms are anticipated to be out of service during renovation phases?
- a. 12 rooms will be offline at a time during Phase 3.
67. What monthly reporting requirements will be expected?
- a. This must be proposed as a part of the Financial Management Plan Section 4.5.
68. What quarterly reporting requirements will be expected?
- a. This must be proposed as a part of the Financial Management Plan Section 4.5.
69. What evaluation criteria carry the highest weight in the selection process?
- a. See RFP section 3.1 Proposal Evaluation.
70. What differentiates the City's ideal management partner from a traditional hotel operator?
- a. An ideal partner would have experience in the unique challenges of extended stay hotel management as well as experience or partnership with organizations providing supportive services.
71. What are the City's greatest concerns or challenges that it hopes the selected management company will solve?
- a. Establishing and enforcing consistent policies and procedures to ensure resident satisfaction, property and financial stability.

Lauren North
Redevelopment Projects Administrator

SIGN BELOW AND RETURN THIS ADDENDUM WITH YOUR PROPOSAL.

Proposer Name & Company: _____ **Date:** _____

Signature: _____ **Title:** _____

Housing and Community Development

REQUEST FOR PROPOSALS (RFP)
#274-HCD-FY26-17

Studios at 2800 Extended Stay Hotel Management

June 3, 2026



Pre-Proposal Conference Format

Opportunity Overview – City of Raleigh team

Q&A* – Attendees

- All questions submitted during the Conference and via email will receive public written responses from staff by June 17 at the latest.
- Additional written questions can be submitted until **June 10**.

City Representatives

Pat Dawson

Redevelopment Supervisor

Lauren North

Redevelopment Projects Administrator

*Contact for questions + submittals

Redevelopment@raleighnc.gov

Opportunity Overview

The intention of this RFP is to identify a property management partner who can effectively manage an extended stay hotel as low-barrier affordable housing.

The ideal property management partner has a strong track record of managing extended stay hotels and providing excellent customer service.

**Studios at 2800
Brentwood Road
in Northeast Raleigh.**

2800 Brentwood Rd,
Raleigh, NC 27604

Property History

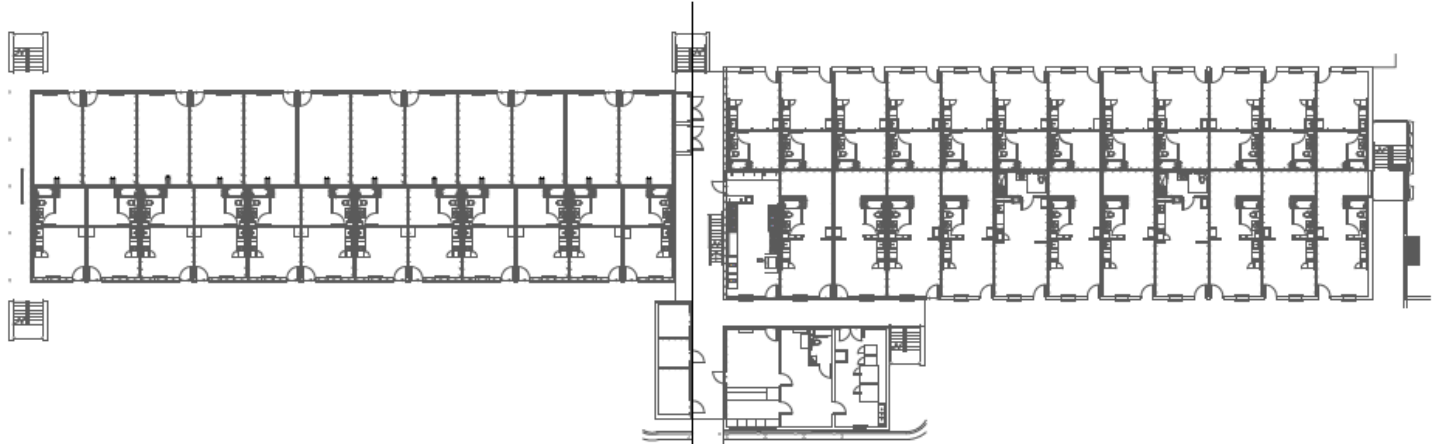
- Hotel was built in 1987 with 119 rooms
- City purchased the property in 2021
- 12 rooms with renovations nearly completed
- 25 additional rooms offline pending renovation
- All other rooms are occupied, mostly with long term guests
- Most rooms have kitchenettes
- Housekeeping services provided weekly
- Current rent is \$200/week or \$800/month



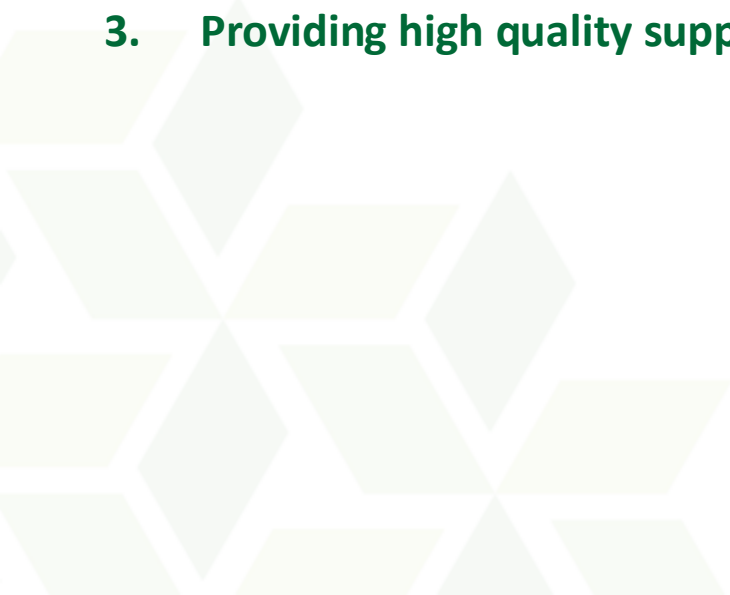
Floorplan

Property includes:

- 119 rooms; 3-story south wing, 2 story north wing
- Outdoor area (pending renovation)
- Guest laundry
- Office/Lobby
- Parking



City Priorities

1. **Maintain the site as low-barrier affordable housing**
 2. **Improve operations**
 3. **Providing high quality supportive services**
- 

RFP Process

- The RFP responses will be evaluated and ranked by a City review committee against the criteria set forth in the RFP.
- There will be a round of interviews for select candidates.
- The review team will use the scoring criteria and other considerations to recommend a proposal to City Council, who will make the final selection of the development proposal. The scoring criteria are intended as a guide, and the City is not obligated to recommend or select the highest-scoring proposal.
- After approval by City Council, the selected proposer and the City will enter into negotiations on the final terms of the agreement.

RFP Schedule

RFP Process Step	Due Date	Time
RFP Advertisement Date	5/22/2026	-
Optional Pre-Proposal Conference	6/3/2024	2:00 PM
Optional Site Visit/Tour	6/4/2026	2:00 PM
Deadline for Written Questions	6/10/2024	5:00 PM
City Responses to Questions (posted as RFP Addendum on the eVP website and City of Raleigh website)	6/17/2024	5:00 PM
Proposals Due via Email	7/2/2026	5:00 PM
Interviews of Select Candidates	7/13-7/17/2026	-
City Staff Identify Recommendation for Council (tentative)	7/24/2026	-

Written Questions & Answers

Please send any additional questions via email. All questions submitted via email or shared during the Pre-Proposal Conference will be answered in the posted RFP Addendum online on the stated date.

Email to:

Lauren North

Redevelopment Projects Administrator

reddevelopment@raleighnc.gov

RFP Submittal Requirements

Written Submission

1. Cover Letter
 2. Corporate Background and Experience
 3. Financial Information
 4. Project Understanding
 5. Team Firm, Experience and Certifications
 6. Cost & Budget (Separate file)
- + Attachments

Cover Letter

Include an executive summary that clearly and concisely outlines the proposed approach for managing this property and the capability of the proposed team, including any partners.

The Cover Letter should be signed by an authorized representative who has the authority to enter into a contract with the City on behalf of the firm.

Corporate Background and Experience

- Background information on the firm and detailed information regarding the firm's experience with similar projects
- 3 References (questionnaire in Appendix). References send directly to reddevelopment@raleighnc.gov
- List of all similar contracts from the last 3 years
 - Total amount invoiced
 - Length of the project
 - Staff (identify who is also proposed to work on this project)

Financial Information

- Audited/reviewed financial statements prepared by an independent CPA

OR

- Compiled financial statements prepared by an independent CPA

OR

- Certified, signed statement from a licensed CPA who regularly works with the firm

Understanding/Approach

Include a written description of the proposer's approach to managing this property based on the scope of services in Section 4.

1. Operations Plan
 - SOPs for resident conduct, notices, and eviction
2. Staffing Plan
 - Incorporate existing staff (City preference)
 - Property Manager
3. Maintenance Plan
4. Supportive Services Plan
 - Staffing levels
 - Needs assessment
5. Financial Management Plan

Team Firm Experience and Certifications

- Organizational chart that clearly illustrates roles and reporting relationships
- Description of responsibilities for each individual who will work on the project
- Resumes of individual personnel

Cost

Sample monthly budget

- Income (rents)
- Proposed monthly property management fee (**Cost Form**)
- Maintenance and repairs
- Landscaping and lawn care
- Salaries for all staff

Include all assumptions used to construct the budget

- Supportive services expense
- Supplies
- Accounting software/services
- Insurance
- Utilities
- Pest Control

RFP Submittal Instructions

Proposals must be complete and submitted as a PDF via email using the following instructions. **Proposals are due by 5pm on July 2, 2026.** Incomplete Proposals or those received after the due date and time will not be considered.

Email Subject:

Company Name – Extended Stay Hotel Management

Email to:

Lauren North

Redevelopment Projects Administrator

redvelopment@raleighnc.gov

RFP Checklist

Written Submission

1. Cover Letter
2. Corporate Background and Experience
3. Financial Information
4. Understanding/Approach
 - Plans and Policies
5. Team Firm Experience and Certs.
6. Cost Form and Sample Budget

Attachments

1. Proposer Questionnaire Form (submit signed copy)
2. **Reference Questionnaire Form (min. 3 references, sent directly from reference)**

Housing and Community Development

Questions?

