

CITY OF HOUSTON
REQUEST FOR PROPOSALS (RFP)
CHDO SINGLE-FAMILY HOME DEVELOPMENT
SOLICITATION NO.: T28889

Date Issued: March 1, 2019

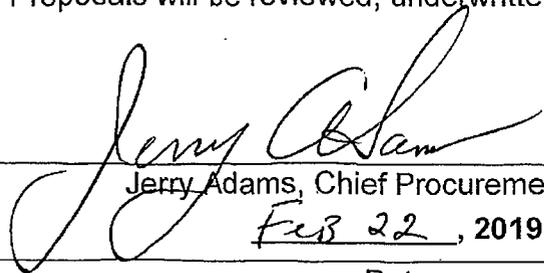
Pre-Proposal Conference: March 12, 2019 @1:00 P.M.
Housing & Community Development Department
9th Floor
2100 Travis
Houston, TX 77002

**Pre-Proposal Questions
Deadline:** March 29, 2019 @ 3:00 P.M.

Solicitation Due Date: April 15, 2019 @ 3:00 P.M., CST

Solicitation Contact Person: Tywana L. Rhone
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Project Summary: The Housing and Community Development Department (HCDD) seeks to procure proposals from Community Housing Development Organization (CHDO) developers of single-family homes. The purpose of this program is to expand affordable housing opportunities for Houston residents with an annual household income at or below 80% of the Area Median Income. Project proposals are being solicited for the new construction of resilient, ENERGY STAR certified affordable single-family homes. HUD regulation requires the City to reserve at least 15% of its HOME Investment Partnerships Program (HOME) funding for CHDOs. A CHDO is a private nonprofit, community-based organization that has staff with the capacity to develop affordable housing for the community it serves. To qualify for designation as a CHDO, the organization must meet certain requirements pertaining to their legal status, organizational structure, and capacity and experience. Proposals will be reviewed, underwritten and are due no Later than Friday, April 15, 2019 at 3 PM.


Jerry Adams, Chief Procurement Officer

FEB 22, 2019

Date

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PART I – GENERAL INFORMATION

A. General Information

The City of Houston (City) Housing and Community Development Department (HCDD) announces the availability of the HOME Investment Partnerships Program (HOME) funding for the CHDO contract awards to develop single-family affordable housing. HOME is authorized by Title II of the Cranston- Gonzalez National Affordable Housing Act of 1990 (42 United States Code Sections 12701- 12839) and the Federal HOME Final Rule at 24 CFR Part 92, as amended.

The City intends to enter into up to four (4) contracts with CHDOs certified by the City for the new construction of at least 20 sustainable designed, ENERGY Star certified single-family affordable homes. The project geographic area covers the City of Houston.

B. City of Houston Background

The City of Houston (City) recognizes that partnerships with public and private entities are vital to the provision of effective assistance to the Houston community. Each strategy prioritized by the City is accomplished through effective collaborations with community partners. These partners provide the expertise needed to ensure quality service provision, housing development, and neighborhood revitalization efforts. For this program initiative, we acknowledge the important role that the City's certified CHDOs perform. HCDD leads a community-wide effort to create funded sustainable affordable housing units that provides design features that lead to long-term resiliency. HCDD strives to serve those most in need of assistance. HCDD is committed to addressing the three main obstacles to meeting the needs of the underserved in Houston; by leveraging resources, supporting housing availability, and the dissemination of knowledge about programs.

C. Solicitation Schedule

Listed below are the important dates for this Request for Proposal (RFP).

<u>EVENT</u>	<u>DATE</u>
Date of RFP Issued	March 1, 2019
Pre-Proposal Conference	March 12, 2019 @ 1:00 PM
Questions from Proposers Due to City	March 29, 2019
Proposals Due from Proposers	April 15, 2019 @ 3:00 PM
Notification of Intent to Award (<i>Estimated</i>)	April 24, 2019
Council Agenda Date (<i>Estimated</i>)	May 1, 2019
Contract Start Date (<i>Estimated</i>)	May 3, 2019

PART II – SCOPE OF WORK/TECHNICAL SPECIFICATIONS

A. PURPOSE

The City is committed to working throughout Houston's neighborhoods to expand and improve the supply of affordable housing to increase opportunities for low to moderate income households to become homeowners. The primary purposes of the CHDO Single-Family Home Development Program (Program) are:

- To develop and market quality sustainable Energy Star affordable single-family housing,
- To effectively leverage available resources to provide more affordable housing choices through community developers,
- To provide homebuyer assistance through CHDOs, and
- To provide homeownership opportunities to families earning less than 80% of AMI.

Project proposals are being solicited to construct at least 20 affordable fortified ENERGY STAR certified single family homes by CHDO Developers. The homes will be made available with long-term affordability to a qualified target market that is below 80% of the Area Median Income (AMI), and located within the City of Houston. The designs of the homes will address the following: (1) elevated foundations; (2) ENERGY STAR certified; (3) fortified roof structures; (4) improved windows and doors; (5) a strong continuous load path connection; and (6) embrace sustainable landscape design principles. The Program is seeking home designs that address resiliency, energy efficiency, and new ways to assist with long-range sustainability and mitigation. Some property developments will include Elder Cottage Housing Opportunity (ECHO) units.

HCDD will use HOME CHDO set-aside funding to loan funds to CHDOs which will use the funds to develop and market the homes to qualified homebuyers. The CHDO set-aside funding is used initially by the CHDO for development costs and activities: (a) acquisition, (b) construction and (c) soft cost. Ultimately some of CHDO set-aside funding will be used to assist the homebuyer as pass-through assistance used as direct-assistance for the homebuyer. When the homes developed by the CHDOs are sold to qualified homebuyers, the loan from the City will be repaid or otherwise satisfied. The City is soliciting qualified CHDO Developers who can:

- successfully develop and market affordable single family housing,
- document their financial stability and capacity to develop quality affordable housing;
- validate their development experience, and
- work cooperatively with HCDD staff to successfully implement the Program.

Funding priority will be given to eligible CHDO's who have the capacity to participate in the development of affordable housing that encompasses FORTIFIED construction, innovative design, and ENERGY STAR certified. Viable proposed project designs are:

- Financially feasible and will benefit low to moderate income persons;
- Maximize the use of the HOME funds and/or leverages other private/public funds;
- Clearly defined as to scope, location, need, budget and goals of the organization;
- Demonstrates the capacity and capability of the CHDO to carry out the project successfully;
- Supports and coordinates with other community development efforts;
- Presents a design that meets cost reasonableness, and a reliable delivery team; and
- Ability to market and sale the homes to income eligible homebuyers.

Applicants recommended for funding consideration and approved by the City will execute a written agreement with the City and will agree to comply with all statutory, regulatory, and other legal requirements applicable to the HOME Program as described in the application. The staff of HCDD will administer the program in accordance with HUD approved regulations. The Department Director will have approval authority as detailed in the CHDO Development loan agreement and may delegate said authority. The HCDD Program staff will consult the City as needed, before determining approval or denial.

B. GENERAL APPLICANT ELIGIBILITY REQUIREMENT

Eligible Applicants are private nonprofit housing developers who are eligible for certification as a Community Housing Development Organization ("CHDO") or are currently certified CHDOs by the City. Applicants who have not been Pre-Certified within the last 90 days must submit an application for CHDO certification in conjunction with the Single Family Home Development RFP and must be certified as a CHDO by the City to be eligible as an Applicant.

A nonprofit organization must meet the following definition of a CHDO pursuant to 24 CFR §92.2 to be eligible for CHDO certification:

- Is organized under State or local laws;
- Has no part of its net earnings inuring to the benefit of any member, founder, contributor, or individual;
- Is neither controlled by, nor under the direction of, individuals or entities seeking to derive profit or gain from the organization. A community housing development organization may be sponsored or created by a for-profit entity, but:
 - The for-profit entity may not be an entity whose primary purpose is the development or management of housing, such as a builder, developer, or real estate management firm.
 - The for-profit entity may not have the right to appoint more than one-third of the membership of the organization's governing body. Board members appointed by the for-profit entity may not appoint the remaining two-thirds of the board members;
 - The community housing development organization must be free to contract for goods and services from vendors of its own choosing; and
 - The officers and employees of the for-profit entity may not be officers or employees of the community housing development organization.
- Has a tax exemption ruling from the Internal Revenue Service under section 501(c)(3) or (4) of the Internal Revenue Code of 1986 (26 CFR 1.501(c)(3)-1 or 1.501(c)(4)-1)), is classified as a subordinate of a central organization non-profit under section 905 of the Internal Revenue Code of 1986, or if the private nonprofit organization is an wholly owned entity that is disregarded as an entity separate from its owner for tax purposes (e.g., a single member limited liability company that is wholly owned by an organization that qualifies as tax-exempt), the owner organization has a tax exemption ruling from the Internal Revenue Service under section 501(c)(3) or (4) of the Internal Revenue Code of 1986 and meets the definition of "community housing development organization;"
- Is not a governmental entity (including the participating jurisdiction, other jurisdiction, Indian tribe, public housing authority, Indian housing authority, housing finance agency, or redevelopment authority) and is not controlled by a governmental entity. An organization that is created by a governmental entity may qualify as a community housing development organization; however, the governmental entity may not have the right to appoint more than one-third of the membership of the organization's governing body and no more than one-third of the board members may be public officials or employees of governmental entity. Board members appointed by a governmental entity may not appoint the remaining two-thirds of the board members. The officers or employees of a governmental entity may not be officers or employees of a community housing development organization;
- Has standards of financial accountability that conform to 2 CFR 200.302, 'Financial Management' and 2 CFR 200.303, 'Internal Controls;'
- Has among its purposes the provision of decent housing that is affordable to low-income and moderate-income persons, as evidenced in its charter, articles of incorporation, resolutions or by-laws;
- Maintains accountability to low-income community residents by:
 - Maintaining at least one-third of its governing board's membership for residents of low-income neighborhoods, other low-income community residents, or elected representative of low-income neighborhood organizations. For urban areas, "community" may be a neighborhood or neighborhoods, city, county or metropolitan area; for rural areas, it may be a neighborhood or neighborhoods, town, village, county, or multi-county area (but not the entire State); and

- Providing a formal process for low-income program beneficiaries to advise the organization in its decisions regarding the design, siting, development, and management of affordable housing;
- Has a demonstrated capacity for carrying out housing projects assisted with HOME funds. A designated organization undertaking development activities as a developer must satisfy this requirement by having paid employees with housing development experience who will work on projects assisted with HOME funds. For its first year of funding as a community housing development organization, an organization may satisfy this requirement through a contract with a consultant who has housing development experience to train appropriate key staff of the organization. An organization that will own housing must demonstrate capacity to act as owner of a project and meet the requirements of §92.300(6). A nonprofit organization does not meet the test of demonstrated capacity based on any person who is a volunteer or whose services are donated by another organization; and
- Has a history of serving the community within which housing to be assisted with HOME funds is to be located. In general, an organization must be able to show one year of serving the community before HOME funds are reserved for the organization. However, a newly created organization formed by local churches, service organizations or neighborhood organizations may meet this requirement by demonstrating that its parent organization has at least a year of serving the community.

C. ELIGIBLE USE OF FUNDS

This homebuyer development program is structured to encourage land acquisition and the new construction of affordable homes. Program design will be mainly guided by community needs and the local housing market. The funds will be eligible for the following categories:

- **Eligible Hard Costs**

Eligible hard costs are defined as the following:

1. Acquisition of land
2. Site preparation
3. Construction materials and labor

- **Eligible Soft Cost**

HOME funds can be used to cover the soft costs associated with a project if they are reasonable and necessary to the project. Please note that funds for soft costs are only eligible in collaboration with an eligible hard cost and must be approved by the City. The following list defines the types of project related soft costs that are eligible under HOME:

1. Financing fees
2. Credit reports
3. Title binders and insurance
4. Surety fees
5. Recordation fees, transactions taxes
6. Legal and accounting fees, including cost certification
7. Appraisals
8. Architectural/engineering fees, including drawings, specifications or work write-ups
9. Initial and job progress inspections
10. ASTM E1527-13 Phase I ESA
11. ASTM E1527-13 Phase II ESA if requested
12. Builders' or developers' fees
13. Affirmative marketing and marketing costs

14. Homebuyer counseling provided to purchasers of HOME-assisted housing or recipients of HOME assistance (e.g., down payment assistance)
15. Project costs incurred by the City that are directly related to a specific project

D. SCOPE OF WORK

CHDO Developer(s) are responsible for carrying out the CHDO Single-Family Home Development activities in a manner satisfactory to the City and consistent with all standards required as a condition of providing these funds. The Developer responsibilities include:

1. Carrying out this program in accordance with the policies, procedures and other provisions of the CHDO Single-Family Home Development "Program Guidelines" ("Exhibit A"), provided to the Developer by the City. The Developer must agree to accept and follow any written amendments to the Program Guidelines by the City that are made as a direct result of additional guidance or regulations provided by HUD, as well as any written amendments that are mutually agreed upon by City and Developer.
2. CHDO respondents are required to be the owner, seller, developer, and arrange financing for the proposed development, and be in sole charge of construction in accordance with 24 CFR § 92.300(a)(6).
3. CHDO Developers are responsible for the marketing and selling of the homes.
4. Project sites utilizing Houston Land Bank (HLB) lots for a nominal cost are available for selected CHDO Developers, see Houston Land Bank.
5. Other properties identified by the selected CHDO's located within the City of Houston may also be considered for participation in the CHDO program. Eligible properties are those designated and eligible under HOME for construction as affordable residential properties. The target neighborhoods eligible for redevelopment are within the City of Houston.
6. The total number of at least twenty (20) homes will be developed. As fill-in development, each site is unique and will require the test of cost reasonableness for that specific site.

All work and construction activities must comply with the City of Houston Building Standards to include the following work specifications, standards, checklists and administrative duties:

- Single-Family Construction Specifications
http://houstontx.gov/housing/COH_Contractor_Performance_Manual.pdf
- Minimum Property Standards for Rehabilitation, Reconstruction and New Construction
http://houstontx.gov/housing/COH_Minimum_Property_Standards.pdf
- Uniform Federal Accessibility Standards (UFAS)
<https://www.access-board.gov/guidelines-and-standards/buildings-and-sites/about-the-aba-standards/ufas#intro>
UFAS Accessibility Check List:
<https://www.hudexchange.info/resources/documents/Ufas-Accessibility-Checklist.pdf>
- Aging-In-Place Design Standards
http://houstontx.gov/housing/Aging_in_Place_Design_Standards.pdf

NOTE: Single family affordable housing for which this section applies may obtain a waiver from the City of the ramp requirement if the cost of grading the terrain to meet the requirement is prohibitively expensive or the homebuyer signs a No Ramp Request Waiver.

- HUD Single-Family Housing Standards
http://houstontx.gov/housing/HUD_Guidance_on_Community_Planning_and_Development_Green_Building.pdf
- Single-Family Elevation Design Standards
[http://houstontx.gov/housing/Elevation%20 Design_Standards.pdf](http://houstontx.gov/housing/Elevation%20Design_Standards.pdf)
- Example of Minimum Specification Standards
http://houstontx.gov/housing/HCDD_RECON-NEWCON_SPECS.pdf
- Single-Family Hazardous Materials Lead-Based Paint and Asbestos Containing Material Requirements
http://houstontx.gov/housing/SF_LBP_ACM_Requirements.pdf
- City of Houston Public Works Building Code Design Criteria
http://houstontx.gov/housing/hpw_ce1110_coh_building_code_design_criteria.pdf

Additionally, CHDO Developers must:

- Include inspection reports or certifications by inspectors in their project file
- Keep an inspection checklist and work write-up in their project file

Below are approximate construction costs for the development of Options A, B and C units.

- 6.1 **Option A** is approximately \$160,000 for 3-bedroom, 2 bathrooms with between 1,300 to 1,400 square feet single dwelling unit, with an attached garage to include three (3) different configuration options, with roof styles and front elevations. The City may give written approval for an additional amount due to the strategic value of a property for the Program or unforeseen costs that were beyond the control of CHDO Developer.
- 6.2 **Option B** is approximately \$185,000 for 4-bedroom, 2½ bathrooms with between 1,500 to 1,600 square feet single dwelling unit, with an attached garage to include three (3) different configuration options, with roof styles and front elevations. The City may give written approval for an additional amount due to the strategic value of a property for the Program or unforeseen costs that were beyond the control of CHDO Developer.
- 6.3 **Option C** is approximately \$78,000 for an Elder Cottage Housing Opportunity (ECHO) unit comprised of an approximately 750 to 800 square feet dwelling unit, to include 1 bedroom and 1 bathroom. It is built on the same lot with an Option A or Option B combined with to include three (3) different configuration options, with roof styles and front elevations. In Houston, Texas this unit is known as Accessory Dwelling Units (ADUs). The ADU may not exceed 900 square feet and is at least 10 feet from the main house on the same lot. The AUD must meet the City of Houston’s Residential Code of Tiny House Regulations.

The price points for Affordable Housing as described above should not exceed HOME & Housing Trust Fund Homeownership Sales Price Limits (applicable to change every year).

Use of the contractor plans contained herein is for the intent of review and qualification purposes to comply with design guidelines. Plans will not be used for any other purpose without prior written consent of the Original Designer.

7. This program activity may include the acquisition and development of residential property that is vacant in accordance with the definitions and requirements of the CHDO Single-Family Home Development Program for the purpose of new construction.
8. Developer's expenditures for program delivery will be limited to the maximum HOME expenditures and any additional philanthropic match unless changes to the limits are agreed to in writing by the City and CHDO Developer for a particular property.
 - 8.1 Prior approval of an acquisition by the City is required. The CHDO Developer may not execute a purchase agreement for a property to be acquired and developed or contribute a CHDO Developer-owned property to this program without first obtaining written approval from the City. To request this approval, the CHDO Developer will provide the City with a property description, proof of abandoned, foreclosed, or vacant status as applicable; preliminary plans and specifications for construction work; a preliminary development cost; and an estimate of final development cost. The City will base its approval upon an assessment of HOME compliance, financial feasibility, and conformity to expenditure limits described herein.
 - 8.2 The maximum CHDO Developer fee allowed per dwelling unit is 15%. Of this amount, 100% is payable upon the completion of each single family home construction development.
 - 8.3 The CHDO Developer fee can be reduced by \$100.00 per day to be subtracted from the Contract amount for each and every calendar day that the work or any portion of the work remains uncompleted after the expiration of the time period.
 - (1) The CHDO Developer is responsible for securing a construction loan or line of credit to cover construction development costs. The construction loan or the line of credit may be secured by liens against the property for which its funds are to be advanced, provided that the lien shall be subordinate to the Land Use Restrictions which require that the property be sold to an income qualified homebuyer. The lien on the property shall be released when the construction on the property is complete and the funds advanced for construction on the property have been reimbursed by the City and repaid to the lender. The lien securing the funds advanced by the City shall be subordinate to the liens securing the construction loan or line of credit. The City will reimburse the CHDO Developer based on three performance draws: (a) the completion of foundation, (b) structure (dry-in) and (c) project completion.
 - (2) Accounting for expenditures: CHDO Developer will account for total HOME expenditures per home by means of assigning an accounting code for HOME-funded or reimbursed expenses for each property and another accounting code, if applicable, for non-HOME funded expenditures (if any). At the time of the release of the HOME-assisted home, CHDO Developer will provide the City with a complete accounting of HOME expenditures for that home and non-HOME expenditures, if any. The separate accounting of HOME and other funds used is required for establishing the maximum allowed sale price and will provide necessary financial data on HOME-funded expenditures in the event of a HUD audit of program activities.

9 Housing designs standards: CHDO Developers will adhere to the following:

9.1 Each home must be ENERGY STAR certified.

9.1 Each design will adhere to Chapter 19 of the City's Code of Ordinances. Mitigation efforts may include, but not limited to, elevating building site out of the floodplain, elevated podium construction, restricting ground floor space for residential use, pier and beam foundations for single-family units. Design mediation efforts will be considered on a case by case basis by HCDD and/or the designated design consultant. Applicants are advised to check property addresses against the most recent flood maps which can be accessed on Harris County Flood Control District website at www.hcfcd.org.

9.1 Each home design must incorporate FORTIFIED Home[™] resilient features that address the roof, attic ventilation, openings and continuous load path.

9.1 Designs may support the defining features of a neighborhood into newly constructed infill houses. Those defining features of older city neighborhoods may include: roof pitches, porches, materials, and window types.

9.1 CHDO Developers are required to comply with standards established by an existing neighborhood conservation district and/or approved neighborhood plan.

9.1 Selected CHDO Developers will be required to work with HCDD or its designated entity to finalize specific housing designs.

10 The CHDO Developer hereby agrees to provide in a timely manner all necessary progress reports and other reports required by the City

11. Requests for "Administrative" and/or "Capacity Building" funds will not be considered in this Request for Proposal.

E. MARKETING

Locating qualified buyers who can buy the income-eligible assisted homes will require active marketing, outreach and careful screening. The City shall establish the criteria for *Qualified Homebuyers*, which must include an income which shall not exceed the then-current median income, adjusted for family size, for the City, as published by HUD and the ability to qualify for a conventional, fixed rate, 30-year mortgage of at least \$130,000.

1. **Affirmative Marketing.** The City is committed to overcoming historic patterns of segregation, promoting fair housing choice, and fostering inclusive communities that are free from discrimination by affirmatively furthering fair housing. CHDOs are required to submit an Affirmative Fair Housing Marketing Plan (AFHMP) – Single Family Housing. To ensure that outreach and communication efforts reach eligible homebuyers from all racial, ethnic, national origin, religious, familial status, the disabled, "special needs", and each gender group. Prior to marketing the first completed home, the CHDO Developer must obtain written approval from the City for their AFHMP.
2. **Marketing. Screening and Pre-purchase Counseling:** The CHDO Developer is responsible for: marketing, collecting applications and screening buyers for eligibility; providing assistance as needed to help buyers secure first mortgage financing approvals and assist with explaining the affordability provisions against the property.
3. **Homebuyer Counseling.** Each homebuyer is required to complete at least 8 hours of homebuyer counseling from a HUD approved counseling agency; which includes the specifics of the program's affordability period, recapture formula and other restrictions before obtaining a mortgage loan.
4. **Restrictions.** As a condition to the sale of an eligible single-family property to a Qualified Homebuyer, the City will impose, and file of record restrictions related to the resale of the property, including, without limitation, the time during which it must be occupied by the *Qualified*

Homebuyer or other income qualified purchasers, under conditions that meet the Recapture requirements of the HOME Program.

5. **Sale Price Limitation.** The price for homes to be sold to a *qualified homebuyer* cannot exceed the appraised market value of the “as completed” home.
6. **Excess Proceeds of Sale.** It is required by Program design, all excess proceeds from the sale of units, homebuyer *pass-through* direct subsidy and approved developer fees paid, shall be returned to the City to produce additional affordable housing units under the CHDO Developer Agreement. All CHDO Proceeds are returned to the City as Program Income.
7. **Affordability Covenants.** All units developed under this program will adhere to affordability restrictions which limit homebuyers’ incomes based on levels of Area Median Income (AMI) established annually by HUD. This program envisions the provision of housing units for-sale to households with incomes at or below 80% of AMI, as adjusted for family size. A developed home assisted with HOME funds must remain affordable to low, moderate, and middle-income households to the maximum extent practicable and for the longest feasible term which is determined by the amount of direct subsidy to the eligible homebuyer.

For HOME-assisted homebuyer units under the **recapture option**, the period of affordability is based upon the amount of direct HOME subsidy provided to the homebuyer that enabled the homebuyer to purchase the unit. Any HOME program income used to provide direct assistance to the homebuyer is included when determining the period of affordability. The recapture provision is triggered by any transfer of title, either voluntary or involuntary, during the established HOME period of affordability. Table 1 below outlines the required minimum affordability periods. Pay-off of the HOME assistance does not end the period of affordability.

Table 1. City of Houston Period of Affordability Under Recapture Provisions

Compliance Periods for Homeownership Activities HOME benefit to homebuyer	Minimum period of affordability
Under \$15,000	5 years
\$15,000 to \$25,999	10 years
\$26,000 to 39,999	15 years
\$40,000 or above	20 years

8. **Recapture.** When an eligible single-family property is sold to a qualified homebuyer, it will be made subject to restrictive covenants, recorded on record, that satisfy the HOME Program Recapture guidelines. The HOME recapture provisions permit the original homebuyer to sell the property to any willing buyer during the period of affordability while the City can recapture all, or a portion of the HOME-assistance provided to the original homebuyer. The recapture approach requires that all or a portion of the direct subsidy provided to the homebuyer be recaptured from the net proceeds of the sale. Under recapture, there is no requirement that the original HOME-assisted homebuyer sell the unit to another low-income homebuyer. Instead, if the homebuyer transfers the property either voluntarily or involuntarily during the period of affordability, the City of Houston recovers, from available net proceeds, all or a portion of the HOME assistance to the homebuyers. The funds are redeployed to assist with the development of future affordable housing.

F. FINANCIAL EVALUATION AND UNDERWRITING

Applications will go through an underwriting process that will evaluate the financial capacity, financial statements, organizational background, the sources and uses of funds, and the financial obligations of applicant CHDO Developer. Before making a funding commitment for funds for new construction,

HCDD will evaluate whether the homebuyer project is financially viable and meet the underwriting requirement of this project:

1. Financial capacity demonstrated by a financial audit.
2. The development must demonstrate that it is not investing any more HOME funds, alone or in combination with other funds, than are necessary to provide quality, affordable, and financially viable housing for at least the duration of the affordability period.
3. The Sources and Uses statement demonstrates that the project meets HCDD's underwriting guidelines.
4. Proposed development costs must be HOME-eligible, reasonable, and necessary.
5. There must be sufficient sources to pay for the proposed costs, and the CHDO Developer must have commitments from each funding source listed.
6. The CHDO Developer's financial capacity to undertake the project is well-documented.
7. The neighborhood market analysis of the neighborhood where the project will be located confirms there is market demand for homebuyer housing in that neighborhood, at the sales price(s) proposed.

G. MEETINGS

CHDO Developers must participate in meetings, general discussion, and consultations with HCDD relative to this project throughout the period of engagement at no additional cost to the Program. Following the initial 6-month period and shall hold quarterly meetings.

H. EXHIBITS

The following documents are provided as an aid in responding to this solicitation:

1. "Exhibit A": CHDO Single-Family Home Development Program Guidelines
2. "Attachment I" CHDO Single-Family Home Development Application

PART III – EVALUATION AND SELECTION PROCESS

A. Threshold Criteria

All proposals submitted are required to meet a threshold review to determine eligibility. Proposals that do not meet the threshold requirements are deemed ineligible for further consideration. The threshold criteria include:

1. Eligible Applicants are private nonprofit organizations that have submitted an application for CHDO Certification to HCDD in conjunction with the application for award under this RFP. Applicants that are determined to meet the definition of a CHDO and that may be certified as a CHDO by HCDD may be eligible for award under this RFP. Proposals must include the submission of the completed CHDO Single-Family Home Development Application (***Attachment I***) received by the Request for Proposal (RFP) application submission deadline.
2. Financial capacity demonstrated by:
 - 2.1 Evidence of a line of credit or equivalent tool of a construction loan or line of credit to cover construction development costs from a financial institution that will be available for use during the proposed development activities; or

- 2.2 A letter from a third party Certified Public Accountant (CPA) verifying the capacity of the CHDO Developer to provide a construction loan or line of credit to cover construction development costs as a short-term loan for development; and
- 2.3 A letter from the CHDO Developer's or owner's bank(s) confirming construction loan or line of credit to cover construction development costs.
3. Proposal provides a schematic design, floor plan and front exterior elevation for each proposed unit which reflects the exterior building composition.
4. The CHDO Developer must demonstrate capacity to complete the proposed project within the required timeframe of eighteen (18) months. Key activities are listed below:
 - 4.1 Acquisition of Property
 - 4.2 Environmental Analysis
 - 4.3 Initiation of Purchase
 - 4.4 Home Design Approved
 - 4.5 Potential Buyer Identified
 - 4.6 Contractor Construction Contract Signed
 - 4.7 Inspection & Construction Checklist
 - 4.8 Sale of Property
5. CHDO respondents are required to be the owner, developer, and construction loan borrower for the proposed development, and in sole charge of construction in accordance with 24 CFR § 92.300(a)(6).
6. The CHDO Developer must agree to adhere to all contracting and hiring requirements.

B. Evaluation Committee

An evaluation committee shall evaluate each CHDO Developers' submissions in accordance with the evaluation criteria listed in Evaluation Criteria (Item E below). Upon completion of the evaluation, the committee may develop a short list of Proposer(s) meeting the technical competence requirements. The short-listed Proposer(s) may be scheduled for a structured oral presentation, demonstration, interview and negotiations. Following these City-to-Proposer(s)' meetings, the evaluation committee will summarize their findings and recalculate their scores, if needed. However, the evaluation committee reserves the right to issue letter(s) of clarification when deemed necessary to any or all Proposer(s). The oral presentations, demonstrations and/or interviews may be recorded and/or videotaped.

C. Interviews/Oral Presentations/Demonstrations

The City reserves the right to request that CHDO Developer(s) provide a final presentation handout of its Proposal at their scheduled meeting. No CHDO Developer may attend presentations of any other CHDO Developer. If necessary, CHDO Developers may be scheduled for more than one presentation, demonstration, or interview.

D. Selection Process

The City intends to select four (4) Proposals that best meets the needs of the City and that provides the best overall value. The City reserves the right to check references on any projects performed by the Proposer, whether provided by the Proposer or known by the City. Upon review of all information provided by the CHDO Developers, the evaluation committee will make a recommendation for selection to City officials. Upon approval of the selected CHDO Developer(s), a contract shall be executed by the appropriate City officials.

E. Evaluation Criteria

1. Responsiveness of Proposal (Pass/Fail)

The Proposal shall be responsive to all material requirements that will enable the evaluation committee to evaluate it in accordance with the evaluation criteria and make a recommendation to City officials.

2. Technical Competence/Requirements (100 Points)

The Proposal shall be evaluated based on the extent to which the proposed solution meet the needs of the Program including but not limited to the desired affordable resilient single family home development, as expressed in this RFP.

2.1 Organizational Capacity (30 points)

A proven record of development and/or redevelopment experience with comparable activities. The ability to implement program activities within 60-90 days of commitment of funds and meet the required milestones within 18 months of commitment. CHDOs demonstrating "capacity" will:

1. Have a recent history of development and/or redevelopment in the City that includes high quality affordable residential products delivered on-schedule and on-budget, and experience working with federally-funded housing development. Provide sample evidence of similar projects by listing the name of the project, location, company, key contact email and phone number. The CHDO develop can meet this expertise by partnering with an experienced nonprofit or for-profit developer.
2. Have adequate staffing levels with appropriate skills and qualifications to complete proposed project within stated timeframe or have documented collaboration with a partner who will serve as co-developer. Provide list of qualified staffs that align with appropriate skills and qualifications in a resume sample.
3. Evidence of ability to meet the proposed schedule. List the estimated time schedule and step process to meet 18 months of commitment.
4. Ability to submit ALL required contract-related documents (insurance certifications, etc.) within four (4) weeks of preliminary notification of recommendation for funding.
5. Have an existing community development office/entity located in the City.
6. Provide an organizational chart of proposed team or staff that will be utilized for HCDD projects, inclusive of all proposed sub-contractor(s).
7. Provide resumes, titles and functions of key personnel whom will be responsible for the delivery of the service(s)/project(s); inclusive of all proposed sub-contractor(s).
8. Provide copies of key personnel certifications and/or licenses as applicable to the new construction projects specialty (i.e. electrical or plumbing etc.); inclusive of all proposed sub-contractor(s).

2.2 Project Budget/Financial Information (25 Points)

Evidence of sufficient liquid assets to meet project demands is demonstrated with an independent financial audit and meeting the following benchmarks.

1. Evidence of sufficient liquid assets to meet project demands. The CHDO's financial condition and its ability to fund cost overruns or other costs not included in the HCDD written agreement.
2. The proposal budget ensures quality and cost reasonableness. Development and operating costs are reasonable.
3. CHDO Developer has secured commitments (as evidenced in Proposal) for other funding: construction loan, line of credits and/or philanthropic subsidy layering.
4. Sufficient financing/leveraged funds identified and/or secured to complete project(s), including letters of commitment or of interest from recognized community development lenders.
5. The qualifications of the CHDO Developer, including experience and financial capacity are documented in the organization's most recent independent financial audit. Include organization chart, summary of qualified developer, experience and CHDO Developer's financial capacity.
6. Submit CHDO Developer audited annual financial statements, in accordance with and as defined in the Financial Accounting Standards Board (FASB) regulation(s) for the past two years. In addition, include your and Dunn & Bradstreet Report or Federal Tax Forms Filed to the Internal Revenue Service (IRS) for ***the past two years***.
7. Submit a letter from a certified Surety/Bonding company, authorized to do business in the State of Texas stating the "Bonding" capacity and provide the Surety listing with the U.S. Treasury. Additionally, the letter shall include the largest sum that the Surety/Bonding Company would be willing to bond the CHDO Developer for city new construction projects. The Surety/Bonding Company may be contacted and interviewed by the City.
8. Submit a letter from the Insurance provider stating the CHDO Developer ability in obtaining insurance to meet the City's minimum insurance requirements and Insurance providers A.M. Best rating.

2.3 Design (25 points)

1. Homes constructed must meet specific City of Houston Building Standards to include work specifications, standards, checklists and administrative duties.
2. Provide a structured methodology for the development of the single-family homes proposed.
3. Quality of site plan, floor plans and elevations.
4. The design qualifies for an ENERGY STAR qualified home and utilizes Energy Star appliances [HUD-2008-09 Building Energy Star Qualified Homes](#).
5. The design incorporates a tankless water heating system.

2.4 Project Compliance (15 points)

1. Completeness of Proposal documents.
2. Amount of HOME subsidy per single-family unit developed. Submit fee schedule to show the detail cost breakdown per single-family unit developed.
3. Project design is feasible in scope, design, and time frame.

2.5 Scope of Amenities (5 Points)

1. Value-added resiliency project amenities.
2. The design provides for the availability of both natural gas and electric utilities.

F. ADDITIONAL RELATED SERVICES

In submitting its Proposal, Proposer(s) shall indicate a willingness to negotiate future potential additional services deemed appropriate for the scope of services/SOW as provided herein or deemed necessary and/or desirable by the City.

G. CONSTRUCTION DRAWS AND INSPECTIONS

During construction, HCDD or its designated entity will provide monthly inspections, confirm work in progress and final completion. If the Senior Lender uses a third-party inspection firm, the City may rely on these inspection reports if the City is included as an addressee of the report. CHDO Developers will certify that each draw request is for actual costs expended and provide documentation to support such costs, including sub-contractor invoices. The City will only pay for completed and documented work.

Expenditures must be allowable and reasonable in accordance with federal, state, and local rules and regulations. The Department shall determine the reasonableness of all expenditures. The Department may request that the CHDO Developer make modifications to the disbursement request and is authorized to modify the disbursement procedures set forth herein and to establish such additional requirements for payment of funds to CHDO Developer/Owner as may be necessary or advisable for compliance with all program requirements. Any change in scope during the construction process to be approved in advance by HCDD.

The City will reimburse the CHDO Developer based on the completion of three (3) performance-based reimbursement requests: finished foundation, structure (dry-in) and project completion. There will be draw request to include actual invoices (not the subcontractor's G702) that support the requested payment.

HCDD will retain 10% of construction costs in each draw until satisfactory completion of the development. Retainage will be held until at least thirty (30) days after completion of construction; a final inspection is completed, and clearance is issued by the Department; labor standards final wage compliance report is completed; and certificates of occupancy are received for new construction or a certification of completion is received from the development architect for rehabilitation.

The final request for disbursement of retainage will be submitted to the Department with supporting documentation no later than sixty (60) days after the termination date of the Contract to remain in compliance with the Contract and eligible for future funding. The Department shall not be obligated to pay for costs incurred or performance rendered after the termination date of a Contract.

H. INVOICING

1. The City is a single entity for accounting, billing, and discounting. Any invoices accompanied by detailed supplements and other backup documents are to be submitted for payments to:

Housing & Community Development Department
Attention: Brenda Takahashi
2100 Travis, 9th Floor
Houston, Texas 77002

2. The City requires timely and accurate accounting and billing information.

PART IV – SUBMISSION OF PROPOSAL

A. Instructions for Submission

1. **Number of Copies.** Submit **three (3)** sealed printed hard copies of the Technical Proposal, including one (1) printed original manually signed in BLUE ink, and **six (6)** electronic copies of the Technical Proposal on **six (6) separate thumb drives** sealed in a separate single envelope bearing the assigned solicitation number (located on the first page of this RFP document) to:

City of Houston
Housing and Community Development Department
2100 Travis 9th Floor
Houston, Texas 77002
Attn: Tywana Rhone, Procurement Services, Division Manager

Proposer(s) may submit their Proposal to **Tywana Rhone** any time prior to the stated deadline.

2. **Time for Submission.** Proposals shall be submitted no later than the date and time indicated for submission in this RFP which is April 15, 2019 @ 3:00 P.M. at the Housing and Community Development Department. Late submittals will not be considered and will be returned unopened.
3. **Format.** Proposals must be left-bound with information **typewritten** on both sides of the page when appropriate. Material should be organized following the order of the submission requirements separated by typewritten **labeled tabs** and shall be securely bound. Submission materials will not be returned to Proposers.
4. **Complete Submission.** Proposers are advised to carefully review all the requirements and submit all documents and information as indicated in this RFP. Incomplete proposals may lead to a proposal being deemed non-responsive. Non-responsive proposals will not be considered.
5. **Packaging and Labeling.** The outside wrapping/envelope of the printed Proposal submission shall clearly indicate the RFP title, date, time for submission, and the name of the Proposer. The required number of thumb drives containing the Technical Proposal shall be submitted in a separate sealed envelope and marked in the same manner as the printed Technical Proposal. The outside wrapping/ envelope of the Proposal submission shall clearly identify the content as "Proposal Submission" and shall clearly indicate the RFP title, date, time for submission, and name of the Proposer. All other submission requirements shall be included with the Proposer's Proposal submission.
6. **Delivery of Proposals.** The Proposal, all required forms, must be delivered by hand or mailed to the address shown on the cover sheet of this RFP. If using an express delivery service, the package must be addressed and delivered specifically to **Tywana Rhone, Procurement Services, Division Manager**. Packages delivered by express mail services to other locations may not be re-delivered to its destination by the deadline hour.
7. **Proposers Responsible for Timely Submission.** The Proposer remains responsible for ensuring that its Proposal is received at the time, date, place, and office specified. The City assumes no responsibility for any Proposal not received, regardless of whether the delay is caused by the U.S. Postal Service, a courier delivery service, or some other act or circumstance.

B. Submission Requirements

1. **Cover Letter.** The cover letter shall be signed by an authorized representative of the Proposer. The letter should indicate the Proposer's commitment to provide the services proposed, community development and developing high-quality affordable housing.
2. **Executive Summary:** The executive summary should include a brief overview of the solution proposed, the overall strategy for implementation, and the key personnel who will be responsible for seeing the project through completion.
3. **CHDO Single-Family Home Development Application:** See *Attachment I*
4. **City of Houston CHDO Pre-Certification Application (Attachment IA) OR City of Houston CHDO Recertification Application (Attachment IB).**
5. **M/WBE Participation:** Identify M/WBE subcontractor(s) and submit a signed "M/WBE Letter of Intent" form identifying the role of each subcontractor for this implemented project.
6. **Exceptions to Standard Contract:** Provide any exceptions to the standard contract and include the rationale for taking the exception. Such exceptions will be considered when evaluating the Proposer's response to this RFP. If alternate language is proposed, include the proposed language for consideration, along with the corresponding Article Nos. within the RFP.
7. **Legal Actions:** Provide a list of any pending litigation and include a brief description of the reason for legal action.
8. **Conflict of Interest:** Provide information regarding any real or potential conflict of interest(s). Failure to disclose any potential conflict of interest at the outset may be cause for rejection of the Proposal.
9. **Other:** Provide any information the CHDO Developer deems pertinent to demonstrating its qualifications to perform the services being requested, such as memberships in any professional associations, documents, examples, etc.
10. **Forms and Certifications:** Complete all forms and certifications attached, as appropriate.

C. Appeals

HCDD's appeal process will be provided in writing to any appellant upon request or receipt of an appeal, and the same process will be clearly posted on the City's websites. HCDD will keep a record of each appeal that it receives and include all communications and their resolutions therein.

Applicants have the right to appeal decisions made on their program file based on the following:

- Non-receipt of award through RFP process
- Denied services through any of HCDD's programs
- Program eligibility determination
- Program award calculation
- Procedural error where the application was not processed by program staff in accordance with the program guidelines
- Affirmatively Furthering Fair Housing

Appeals must be made in writing, and may either be in letter form, through HCDD's website, or on HCDD's Appeal Request Form (available on HCDD's website or at the HCDD office). Written appeals will be accepted either by mail or in-person at the HCDD office. To be considered complete, an appeal must contain the following information:

1. Name
2. Property Address
3. Mailing Address (if different from Property Address)
4. Phone
5. Application number (if applicable)
6. Email Address
7. Reason for Appeal

Appeals must be made within thirty (30) days of notice of the determination on the applicant's file that generated the appeal. Upon receipt of an appeal, HCDD will respond in writing to the appellant of the program area's decision regarding the appeal and provide the basis thereof within thirty (30) days, as practicable.

Appeals Review Committee

Should the initial appeal process with the program area not achieve a resolution amenable to the appellant, the appellant has the right to escalate the appeal, in writing, to the Appeals Review Committee (ARC). The appellant may only escalate the appeal after the completion of the initial program area process. The ARC will process the escalated appeal within thirty (30) days, as practicable. The ARC will transmit their decision to the appellant in writing.

Complaint and Appeal Contact Information
HCDD Mailing Address
Housing and Community Development Department
2100 Travis St., 9th Floor
Houston, TX 77002
Attn: Planning & Grants Management
HCDDComplaintsAppeals@houstontx.gov

PART V – EXCEPTIONS TO TERMS AND CONDITIONS

All exceptions included with the Proposal shall be submitted in a clearly identified separate section of the Proposal in which the Proposer clearly cites the specific paragraphs within the RFP where the exceptions occur. Any exceptions not included in such a section shall be without force and effect in any resulting contract unless such exception is specifically referenced by the Chief Procurement Officer or designee, City Attorney, Director(s) or designee in a written statement. The Proposer's preprinted or standard terms will not be considered by the City as a part of any resulting contract.

All exceptions that are contained in the Proposal may negatively affect the City's Proposal evaluation based on the evaluation criteria as stated in the RFP or result in possible rejection of Proposal.

PART VI – SPECIAL CONDITIONS

A. No Contact Period

Neither Proposer(s) nor any person acting on Proposer(s)'s behalf shall attempt to influence the outcome of the award by the offer, presentation or promise of gratuities, favors, or anything of value to any appointed or elected official or employee of the City, their families or staff members. All inquiries regarding the solicitation are to be directed to the designated City Representative identified on the first page of the solicitation.

With the exception of Proposer's formal response to the solicitation and written requests for clarification during the period officially designated for such purpose by the City Representative, neither Proposer(s) nor persons acting on their behalf shall communicate with any appointed or

elected official or employee of the City, their families, or staff through written or oral means in an attempt to persuade or attempt to persuade or influence the outcome of the award or to obtain or deliver information intended to or which could reasonably result in an advantage to any Proposer from the time of issuance of the solicitation through the pre-award phase and up to the date the City Secretary publicly posts notice of any City Council agenda containing the applicable award. However, nothing in this paragraph shall prevent a bidder from making public statements to the City Council convened for a regularly scheduled session after the official selection has been made and placed on the City Council agenda for action, or to a City Council committee convened to discuss a recommendation regarding the solicitation.

B. Minority and Woman Business Enterprises (“M/WBE”)

Proposer shall comply with the City’s M/WBE programs as set out in Chapter 15, Article V of the City of Houston Code of Ordinances. Proposer shall make good faith efforts to award subcontracts or supply agreements in at least the value stated in this Agreement to M/WBE’s. Proposer acknowledges that it has reviewed the requirements for good faith efforts on file with the City’s Office of Business Opportunity (OBO) and will comply with them.

C. HUD Act Of 1968, Section 3

Proposer shall provide a detailed description of its plan to implement HUD Act of 1968 Section 3 (“Section 3”) requirements, including plans for community engagement, advertising job vacancies, recruitment, hiring, and training Section 3 eligible staff. The selected firm will be required to submit its Section 3 plan for review and approval by the City within 15 days of the contract start date.
http://houstontx.gov/housing/Compliance_Forms_Packet_Rv1.pdf

D. Protests

Protests should be filed in accordance with the City of Houston Administrative Policy No. 5-12 <http://www.houstontx.gov/adminpolicies/5-12.pdf>

E. Cancellation

The City has sole discretion and reserves the right to cancel this RFP, or to reject any or all Proposals received prior to contract award.

F. Anti-Boycott of Israel

Proposer certifies that Proposer is not currently engaged in and agrees until the funds are exhausted under this purchase order not to engage in, the boycott of Israel as defined by Section 808.001 of the Texas Government Code.

G. Executive Order 1-56 Zero Tolerance for Human Trafficking in City Service Contracts and Purchasing

The City has a zero tolerance for human trafficking and, per Executive Order 1-56, City funds shall not be used to promote human trafficking. City vendors are expected to comply with this Executive Order and notify the City’s Chief Procurement Officer of any information regarding possible violation by the vendor or its subcontractors providing services or goods to the City. The Executive Order is available on the City’s website: <http://www.houstontx.gov/execorders/1-56.pdf>

PART VII – INSTRUCTIONS TO PROPOSERS

A. Pre-Proposal Conference

A Pre-Proposal Conference will be held at the date, time, and location indicated on the first page of the RFP document. Interested Proposer(s) are encouraged to attend. It will be assumed that

potential Proposer(s) attending this meeting have reviewed the RFP in detail and are prepared to bring up any substantive questions not already addressed by the City.

B. Additional Information and Specification Changes

Requests for additional information and questions should be addressed to the Housing and Community Development Department, Finance/Procurement Services Division, Division Manager, Tywana L. Rhone preferably by e-mail to tywana.rhone@houstontx.gov by telephone at (832) 394-6204 no later than 3:00, CST by Day, DATE 2019. The City shall provide written responses to all questions received by Proposers prior to the RFP submittal deadline. Questions received from all Proposer(s) shall be answered by the City and made available to Proposer(s) who are listed as having obtained the RFP. Proposer(s) shall be notified in writing of any changes in the specifications contained within this RFP.

C. Letter(s) of Clarification

1. All Letters of Clarification and interpretations to this Solicitation shall be in writing. Any Letter of Clarification(s) or interpretation that is not in writing shall not legally bind the City. Only information supplied by the City in writing or in this RFP should be used in preparing Proposal responses.
2. The City does not assume responsibility for the receipt of any Letters of Clarification sent to Proposer(s).

D. Examination of Documents and Requirements

1. Each Proposer shall carefully examine all RFP documents and familiarize themselves with all requirements prior to submitting a Proposal to ensure that the Proposal meets the intent of this RFP.
2. Before submitting a Proposal, each Proposer shall be responsible for making all investigations and examinations that are necessary to ascertain conditions and affecting the requirements of this RFP. Failure to make such investigations and examinations shall not relieve the Proposer from obligation to comply, in every detail, with all provisions and requirements of the RFP.

E. Post-Proposal Discussions with Proposer(s)

It is the City's intent to commence final negotiation with the Proposer(s) deemed most advantageous to the City. The City reserves the right to conduct post-Proposal discussions with any Proposer(s).

PART VIII – REQUIRED FORMS TO BE SUBMITTED WITH PROPOSAL

- A. Fair Campaign Ordinance and Form "A" Fair Campaign (Exhibit III; see pgs. 30-33)
- B. Contractor Ownership Disclosure Ordinance and Affidavit of Ownership or Control (Exhibit IV; see pgs. 34-37)
- C. Anti-Collusion Statement (Exhibit V; see pg.38)

D. Bidder's Statement of Residency (Exhibit VI; see pg. 39)

E. Conflict of Interest Questionnaire (Exhibit VII; see pgs. 40-41)

PART IX – REQUIRED FORMS TO BE SUBMITTED BY RECOMMENDED VENDOR ONLY

Required forms shall be supplied to the Contractor after the award recommendation:

- A. Signed M/WBE Forms (Exhibit II; see pgs. 25-29): Attachment "A" Schedule of M/WBE Participation, M/WBE Participation Plan Good Faith Efforts; Attachment "B" Office of Business Opportunity and Contract Compliance M/WBE Utilization Report; Attachment "C" Certified M/WBE Subcontract Terms; Attachment "D" Office of Business Opportunity and Contract Compliance M/WBE Utilization Report
- B. Insurance Requirements and Insurance Certificate
- C. Drug Policy Compliance Agreement (Exhibit "B"); Contractor's Certification of No Safety Impact Positions in Performance of a City Contract (Exhibit "C"); Drug Policy Compliance Declaration (Exhibit "D") (see pgs. 42-45)
- D. City Contractors' Pay or Play Acknowledgement Form (POP-1) <http://www.houstontx.gov/obo/payorplay/pop1.pdf> and Pay or Play Certificate of Compliance (POP-2) <http://www.houstontx.gov/obo/payorplay/pop2.pdf>
- E. Texas Ethics Commission, Certificate of Interested Parties (Form 1295). Download a copy at <https://www.ethics.state.tx.us/tec/1295-Info.htm>

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**EXHIBIT II
ATTACHMENT "A"
SCHEDULE OF MWBE PARTICIPATION**

Date:	
Bid Number:	
Formal Bid Title:	

Name of Certified MWBE Subcontractor	Street Address, City, State, Zip Code, Tel # & Email	Certification Type {✓}		NAICS Code (6 Digits)	Description of Work (Scope of Work)	% of Participation
		MBE	WBE			

TOTAL	\$
MWBE PARTICIPATION	\$
TOTAL BID AMOUNT	\$

**MWBE PARTICIPATION PLAN
GOOD FAITH EFFORTS**

If you have exhausted your best efforts to comply with the City's MWBE Policy by seeking subcontracts and supply agreements with certified minority and women business enterprises, yet failed to meet the MWBE contract goal of this bid document, list below your good faith efforts to demonstrate compliance. For more information, please review the Good Faith Efforts Policy, which can be found on the OBO website at www.houstontx.gov/ofo.

****All firms listed above must be certified by the Office of Business Opportunity at the time of bid submission. This schedule of MWBE participation must be returned with the bid form.**

The undersigned will enter into a formal subcontracting agreement with the M/WBEs and suppliers listed on this participation plan upon award of a contract from the City.

Bidder Company Name

Signature of Authorized Officer/Agent/Bidder & Title

Print or Typed Name of Authorized Officer/Agent/Bidder & Title

Date

**EXHIBIT II
ATTACHMENT "B"
OFFICE OF BUSINESS OPPORTUNITY AND
CONTRACT COMPLIANCE MWBE UTILIZATION REPORT**

NOTICE OF INTENT

THIS AGREEMENT IS SUBJECT TO MEDIATION AND CAN BE INITIATED BY THE COMPANIES SIGNED BELOW OR THE OFFICE OF BUSINESS OPPORTUNITY.

To: City of Houston
Administering Department

Date: _____

Project Name and Number _____

Bid Amount: _____ M/W/BE Goal: _____

_____, agrees to enter into a contractual agreement with
Prime Contractor

_____, who will provide the following goods/services in connection
MWBE Subcontractor

with the above-referenced contract:

_____ for an estimated amount of \$ _____ or _____ % of the total contract value.

_____ is currently certified with the City of Houston's Office of Business Opportunity to function in the aforementioned capacity.
(M/W/BE Subcontractor)

_____ Intend to
Prime Contractor M/W/BE Subcontractor

work on the above-named contract in accordance with the M/W/DBE Participation Section of the City of Houston Bid Provisions, contingent upon award of the contract to the aforementioned Prime Contractor.

Signed (Prime Contactor)

Signed (M/W/BE Subcontractor)

Printed Signature

Printed Signature

Title Date

Title Date

**EXHIBIT II
ATTACHMENT "C"
CERTIFIED MWBE SUBCONTRACT TERMS**

CITY OF HOUSTON CERTIFIED MWBE SUBCONTRACT TERMS

Contractor shall ensure that all subcontracts with M/WBE subcontractors and suppliers are clearly labeled "**THIS CONTRACT IS SUBJECT TO MEDIATION**" and contain the following terms:

1. _____(M/WBE subcontractor) shall not delegate or subcontract more than 50% of the work under this subcontract to any other subcontractor or supplier without the express written consent of the City of Houston's Office of Business Opportunity Director ("the Director").
2. _____(M/WBE subcontractor) shall permit representatives of the City of Houston, at all reasonable times, to perform 1) audits of the books and records of the subcontractor, and 2) inspections of all places where work is to be undertaken in connection with this subcontract. Subcontractor shall keep such books and records available for such purpose for at least four (4) years after the end of its performance under this subcontract. Nothing in this provision shall affect the time for bringing a cause of action or the applicable statute of limitations.
3. Within five (5) business days of execution of this subcontract, Contractor (prime contractor) and Subcontractor shall designate in writing to the Director an agent for receiving any notice required or permitted to be given pursuant to Chapter 15 of the Houston City Code of Ordinances, along with the street and mailing address and phone number of such agent.

These provisions apply to goal-oriented contracts. A goal-oriented contract means any contract for the supply of goods or non-professional services in excess of \$100,000.00 for which competitive proposals are required by law; not within the scope of the MBE/WBE/SBE program of the United States Environmental Protection Agency or the United States Department of Transportation; and which the City Chief Procurement Officer has determined to have significant MWBE subcontracting potential in fields which there are an adequate number of known MBEs, WBE's, and or SBE's (if applicable) to compete for City contracts.

The MWBE policy of the City of Houston will be discussed during the pre-proposal conference. For information, assistance, and/or to receive a copy of the City's Affirmative Action Policy and/or Ordinance, contact the Office of Business Opportunity Division at 832.393.0600, 611 Walker Street, 7th Floor, Houston, Texas 77002.

**EXHIBIT II
ATTACHMENT "D"
OFFICE OF BUSINESS OPPORTUNITY AND
CONTRACT COMPLIANCE MWBE UTILIZATION REPORT**

Report Period: _____

PROJECT NAME & NUMBER: _____

AWARD DATE: _____

PRIME CONTRACTOR: _____

CONTRACT NO.: _____

ADDRESS: _____

CONTRACT AMOUNT: _____

LIAISON/PHONE NO.: _____

MWBE GOAL: _____

MWBE SUB/VENDOR NAME	DATE OF OBO CERTIFICATION	DATE OF SUBCONTRACT	SUBCONTRACT AMOUNT	% OF TOTAL CONTRACT	AMOUNT PAID TO DATE	% OF CONTRACT TO DATE

Use additional pages if needed. Submit by the 15th day of the following month.
Provide support documentation on all revenues paid to end of the report period to:
MWBE's to reflect up/down variances on Contract amount.

Office of Business Opportunity
ATTN: Carlecia Wright 713-837-9000
611 Walker, 7th Floor
Houston, Texas 77002

**EXHIBIT III
FAIR CAMPAIGN ORDINANCE**

The City of Houston Fair Campaign Ordinance makes it unlawful for a Contractor to offer any contribution to a candidate for City elective office (including elected officers and officers-elect). All respondents to this invitation to bid must comply with Houston Code of Ordinances Chapter 18 as amended relating to the contribution and solicitation of funds for election campaigns. Provisions of this ordinance are provided in part in the paragraphs that follow. Complete copies may be obtained from the office of the City Secretary.

Candidates for city office may neither solicit nor receive contributions except during a period commencing 270 calendar days prior to an election date for which a person is a candidate for such office and ending 90 calendar days after the election date, including run-off elections if such candidate is on the ballot.

Further, it shall be unlawful either for any person who submits a Bid or Proposal to contribute or offer any contribution to a candidate or for any candidate to solicit or accept any contribution from such person for a period commencing at the time of posting of the City Council Meeting Agenda including an item for the award of the Contract and ending upon the 30th day after the award of the Contract by City Council.

For the purposes of this Ordinance, a **Contract** is defined as each Contract having a value in excess of \$30,000 that is let by the City for professional services, personal services, or other goods or services of any other nature whether the Contract is awarded on a negotiated basis, request for Proposal basis, competitive Proposal basis or formal sealed competitive Bids. The term **Contractor** includes proprietors of proprietorships, partners having an equity interest of 10% or more of partnerships, (including limited liability partnerships and companies), all officers and directors of corporations (including limited liability corporations), and all holders of 10% or more of the outstanding shares of corporations.

A STATEMENT DISCLOSING THE NAMES AND BUSINESS ADDRESSES EACH OF THOSE PERSONS WILL BE REQUIRED TO BE SUBMITTED WITH EACH BID OR PROPOSAL FOR A CITY CONTRACT.

Completion of the attached form entitled "**Contractor Submission List**" will satisfy this requirement. Failure to provide this information may be just cause for rejection of your Bid or Proposal.

LIST EACH MEMBER OR MANAGER (IF NO MEMBERS) HAVING EQUITY INTEREST OF 10% OR MORE IN THE LIMITED LIABILITY COMPANY (IF NONE, STATE "NONE")

Name _____
Member/Manager Address

Name _____
Member/Manager Address

Name _____
Member/Manager Address

[] A CORPORATION

LIST ALL DIRECTORS OF THE CORPORATION (IF NONE STATE "NONE")

Name _____
Director Address

Name _____
Director Address

Name _____
Director Address

LIST ALL OFFICERS OF THE CORPORATION (IF NONE STATE "NONE")

Name _____
Officer Address

Name _____
Officer Address

Name _____
Officer Address

LIST ALL INDIVIDUALS OWNING 10% OR MORE OF OUTSTANDING SHARES OF STOCK OF THE CORPORATION (IF NONE STATE "NONE")

Name _____
Owner Address

Name _____
Owner Address

Name _____
Owner Address

I certify that I am duly authorized to submit this list on behalf of the firm, that I am associated with the firm in the capacity noted below, and that I have knowledge of the accuracy of the information provided herein.

Signature

Printed Name

Title

Note: This list constitutes a government record as defined by § 37.01 of the Texas Penal Code.

12/15/2016

EXHIBIT IV
CONTRACTOR OWNERSHIP DISCLOSURE ORDINANCE

City Council requires knowledge of the identities of the owners of entities seeking to Contract with the City in order to review their indebtedness to the City prior to entering Contracts. Therefore, all respondents to this Invitation to Bid must comply with Houston Code of Ordinances Chapter 15, as amended (Sections 15-122 through 15-126) relating to the disclosure of owners of entities bidding on, proposing for or receiving City contracts. Provisions of this ordinance are provided in part in the paragraphs that follow. Complete copies may be obtained from the office of the City Secretary.

Contracting entity means a sole proprietorship, corporation, non-profit corporation, partnership, joint venture, limited liability company, or other entity that seeks to enter into a contract requiring approval by the Council but excluding governmental entities.

A contracting entity must submit at the time of its Bid or Proposal, an affidavit listing the full names and the business and residence addresses of all persons owning five percent or more of a contracting entity or, where a contracting entity is a non-profit corporation, the full names and the business and residence addresses of all officers of the non-profit corporation.

Completion of the "**Affidavit of Ownership or Control**," included herein, and submitted with the Official Bid or Proposal Form will satisfy this requirement. Failure to provide this information may be just cause for rejection of your Bid or Proposal.

BOXES FOR ANY ADDRESS. INCLUSION OF E-MAIL ADDRESSES IS OPTIONAL, BUT RECOMMENDED. ATTACH ADDITIONAL SHEETS AS NEEDED.]

Contracting Entity

Name: _____

Business Address [No./STREET] _____

[CITY/STATE/ZIP CODE] _____

Telephone Number (____) _____

Email Address [OPTIONAL] _____

Residence Address [No./STREET] _____

[CITY/STATE/ZIP CODE] _____

Telephone Number (____) _____

Email Address [OPTIONAL] _____

10% Owner(s) or More (IF NONE, STATE "NONE.")

Name: _____

Business Address [No./STREET] _____

[CITY/STATE/ZIP CODE] _____

Telephone Number (____) _____

Email Address [OPTIONAL] _____

Residence Address [No./STREET] _____

[CITY/STATE/ZIP CODE] _____

Telephone Number (____) _____

Email Address [OPTIONAL] _____

7. Optional Information

Contracting Entity and/or _____ [NAME OF OWNER OR NON-PROFIT OFFICER] is actively protesting, challenging or appealing the accuracy and/or amount of taxes levied against _____ [CONTRACTING ENTITY, OWNER OR NON-PROFIT OFFICER] as follows:

Name of Debtor: _____

Tax Account Nos. _____

Case or File Nos. _____

Attorney/Agent Name _____

Attorney/Agent Phone No. (____) _____

Tax Years _____

Status of Appeal [DESCRIBE] _____

Affiant certifies that he or she is duly authorized to submit the above information on behalf of the Contracting Entity, that Affiant is associated with the Contracting Entity in the capacity noted above and has personal knowledge of the accuracy of the information provided herein, and that the information provided herein is true and correct to the best of Affiant's knowledge and belief.

Affiant

SWORN TO AND SUBSCRIBED before me this _____ day of _____, 20____.

(Seal)

Notary Public

NOTE:

This affidavit constitutes a **government record** as defined by Section 37.01 of the Texas Penal Code. Submission of a false government record is punishable as provided in Section 37.10 of the Texas Penal Code. Attach additional pages if needed to supply the required names and addresses.

**EXHIBIT V
ANTI-COLLUSION STATEMENT**

The undersigned, as Proposer, certifies that the only person or parties interested in this Proposal as principals are those named herein; that the Proposer has not, either directly or indirectly entered into any Agreement, participated in any collusion, or otherwise taken any action in restraint of free competitive bidding in connection with the award of this Contract.

Date

Proposer Signature

**EXHIBIT VI
BIDDER'S STATEMENT OF RESIDENCY**

The City may not award a contract for general construction, services, or purchases to a Nonresident Bidder unless Nonresident's Bid is lower than the lowest Bid submitted by a responsible Texas Resident Bidder by the same amount that a Texas Resident bidder would be required to underbid the Nonresident Bidder to obtain a comparable contract in the state in which Nonresident's principle place of business is located.

1. This certifies that the Bidder, _____, is a State of Texas Resident Bidder as defined in TEX. GOVT. CODE ANN. § 2252.001(4) (Vernon 2016).

Signature Title

"Texas Resident Bidder" means a bidder whose principal place of business is in this State, and includes a Contractor whose ultimate parent company or majority owner has its principal place of business in this State. *When bidder cannot sign 1, above, proceed to 2.*

2. a. _____ is a resident of _____ and is a Nonresident Bidder as defined in TEX. GOVT. CODE ANN. § 2252.001(3) (Vernon 2016).

Signature Title

"Nonresident Bidder" means a bidder whose principal place of business is not in this State, but excludes a contractor whose ultimate parent company or majority owner has its principal place of business in this State.

b. The State of _____ [does/does not] _____ have a state statute giving preference to resident bidders.

Signature Title

If the answer to 2.b is that your state does have a statute giving preference to resident bidders, then you must provide a copy and proceed to 3.

3. A copy of the State of _____ statute is attached.

Signature Title

Date

Note to Specifier - Do not include this form if the Project will receive federal funding in whole or in part. If used, include reference in Document 00210 - Supplementary Instructions to Bidders.

States that currently penalize out-of-state bidders include, but may not be limited to, Colorado, Illinois, Iowa, Minnesota, Montana, North Dakota, Pennsylvania, and Wyoming. If Low Bidder is a resident of one of these states, consult the City of Houston Legal Department in adjusting the Bid Amount.

**EXHIBIT VII
CONFLICT OF INTEREST QUESTIONNAIRE**

CONFLICT OF INTEREST QUESTIONNAIRE:

Chapter 176.006 of the Local Government Code ("the code") requires a Vendor/Contractor to file a Conflict of Interest Questionnaire (CIQ) with the City.

NOTE: Vendors/Contractors or Agents should **not** complete the CIQ if a conflict, as described below, **does not exist. Only Vendors/Contractors or Agents that actually have a conflict, as described below, must file a CIQ.**

Who must file a CIQ?

A Vendor/Contractor or Agent of a Vendor/Contractor does not have to file a CIQ unless they intend to enter or is considering entering into a contract with the City or:

1. has an employment or other business relationship with the Local Government Officer/Family Member; or
2. has given the Local Government Officer/Family Member one or more gifts with the aggregate value exceeding \$250.00.

When must the Vendor/Contractor or Agent file a CIQ?

The completed CIQ must be filed with the City Chief Procurement Officer not later than the 7th business day after the date the Vendor/Contractor or Agent:

1. begins discussions or negotiations to enter into a contract with the City;
2. submits an application to the City in response to a request for proposals or bids, correspondence, or any other writing related to a potential contract with the City;
3. becomes aware of an employment or other business relations with the Local Government Officer/Family Member;
4. becomes aware that he/she has given one or more gifts to the Local Government Officer/Family Member that exceeds \$250.00; or
5. an event that would make the CIQ incomplete or inaccurate.

What is a business relationship?

Under Chapter 176, business relationship means a connection between two or more parties based on the commercial activity of one of the parties. The term does not include:

1. a transaction that is subject to a rate or fee regulation by a governmental entity;
2. a transaction conducted at a price and subject to terms available to the public; or
3. a purchase or lease of goods or services from a person who is chartered by a state or federal agency and is subject to regular examination and reporting to that agency.

The Conflict of Interest Questionnaire is available for downloading from the Texas Ethics Commission's website at <http://www.ethics.state.tx.us/forms/CIQ.pdf>.

The Original Conflict of Interest Questionnaire shall be filed with the Finance Department, Strategic Procurement Division, ATTN: Jerry Adams, Chief Procurement Officer; 901 Bagby; Concourse Level; Houston, Texas 77002). Vendors and Contractors required to file shall include a copy of the form as part of the BID/Proposal package.

Any questions about filling out this form should be directed to your attorney.

**EXHIBIT VII
CONFLICT OF INTEREST QUESTIONNAIRE**

CONFLICT OF INTEREST QUESTIONNAIRE

FORM CIQ

For vendor or other person doing business with local governmental entity

OFFICE USE ONLY

Date Received

This questionnaire reflects changes made to the law by H.B. 1491, 80th Leg., Regular Session. This questionnaire is being filed in accordance with Chapter 176, Local Government Code by a person who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the person meets requirements under Section 176.006(a).
By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the person becomes aware of facts that require the statement to be filed. See Section 176.006, Local Government Code.
A person commits an offense if the person knowingly violates Section 176.006, Local Government Code. An offense under this section is a Class C misdemeanor.

1 Name of person who has a business relationship with local governmental entity.

2 Check this box if you are filing an update to a previously filed questionnaire.

(The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date the originally filed questionnaire becomes incomplete or inaccurate.)

3 Name of local government officer with whom filer has employment or business relationship.

Name of Officer

This section (item 3 including subparts A, B, C & D) must be completed for each officer with whom the filer has an employment or other business relationship as defined by Section 176.001(1-a), Local Government Code. Attach additional pages to this Form CIQ as necessary.

A. Is the local government officer named in this section receiving or likely to receive taxable income, other than investment income, from the filer of the questionnaire?

Yes No

B. Is the filer of the questionnaire receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer named in this section AND the taxable income is not received from the local governmental entity?

Yes No

C. Is the filer of this questionnaire employed by a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership of 10 percent or more?

Yes No

D. Describe each employment or business relationship with the local government officer named in this section.

4

Signature of person doing business with the governmental entity

Date

Adopted 06/29/2007

EXHIBIT "C"

**CONTRACTOR'S CERTIFICATION
OF NO SAFETY IMPACT POSITIONS
IN PERFORMANCE OF A CITY CONTRACT**

I, _____,
(Name) (Title)

as an owner or officer of _____ (Contractor)
(Name of Company)

have authority to bind the Contractor with respect to its bid, and hereby certify that Contractor has no employee safety impact positions, as defined in '5.18 of Executive Order No. 1-31, that will be involved

in performing _____.
(Project)

Contractor agrees and covenants that it shall immediately notify the City of Houston Director of Personnel if any safety impact positions are established to provide services in performing this City Contract.

(Date) (Typed or Printed Name)

(Signature)

(Title)

EXHIBIT "D"
DRUG POLICY COMPLIANCE DECLARATION

I, _____ as an owner or officer
of
(Name) (Print/Type) (Title)

(Contractor)

(Name of Company)

have personal knowledge and full authority to make the following declarations:

This reporting period covers the preceding 6 months from _____ to _____, 20_____.

_____ A written Drug Free Workplace Policy has been implemented and employees notified.
Initials The policy meets the criteria established by the Mayor's Amended Policy on Drug Detection and Deterrence (Mayor's Policy).

_____ Written drug testing procedures have been implemented in conformity with the
Mayor's
Initials Drug Detection and Deterrence Procedures for Contractors, Executive Order No. 1-31. Employees have been notified of such procedures.

_____ Collection/testing has been conducted in compliance with federal Health and Human
Initials Services (HHS) guidelines.

_____ Appropriate safety impact positions have been designated for employee positions
Initials performing on the City of Houston contract. The number of employees in safety impact positions during this reporting period is _____.

From _____ to _____ the following test has occurred

Initials	(Start date)	(End date)		
			<u>Random</u>	<u>Reasonable Suspicion</u>
				<u>Post Accident</u>
				<u>Total</u>
Number Employees Tested	_____	_____	_____	_____
Number Employees Positive	_____	_____	_____	_____
Percent Employees Positive	_____	_____	_____	_____

_____ Any employee who tested positive was immediately removed from the City worksite
Initials consistent with the Mayor's Policy and Executive Order No. 1-31.

_____ I affirm that falsification or failure to submit this declaration timely in accordance
with
Initials established guidelines will be considered a breach of contract.

I declare under penalty of perjury that the affirmations made herein and all information contained in this declaration are within my personal knowledge and are true and correct.

(Date)

(Typed or Printed Name)

(Signature)

(Title)