



HARRIS COUNTY HOUSING AUTHORITY

8933 Interchange
Houston, Texas 77054

713-578-2100

www.hchatexas.org

REQUEST FOR PROPOSALS FOR LEGAL CONSULTING SERVICES - REAL ESTATE TRANSACTIONS & CONSTRUCTION RELATED SERVICES RFP NO. 17-04

Harris County Housing Authority Harris County Housing Authority (“HCHA” or the “Authority”) hereby solicits proposals from interested professional firms to provide Legal Consulting Services – Real Estate Transactions & Construction Related Services as specified in this Request for Proposals (“RFP”).

This RFP contains submission requirements, scope of service, period of services, terms and conditions and other pertinent information for submitting a proper and responsive submittal. RFP #17-04 will be posted on and can be downloaded from HCHA’s website www.hchatexas.org.

Prospective Offerors desiring any explanation or interpretation of this solicitation must make the request in writing no later than July 5, 2017. The request must be emailed to Samson Babalola at samson.babalola@hchatexas.org. Any information given to a prospective Offerors about this solicitation will be furnished to all other prospective Offerors as a written amendment to the solicitation. All amendment(s) to this solicitation, if issued, will be posted on HCHA’s website www.hchatexas.org. All Offerors are encouraged to check the HCHA website for amendment(s) issuance.

The proposal(s) must be enclosed in a sealed envelope and labeled as follows: **Legal Consulting Services - Real Estate Transactions & Construction Related Services for HCHA. RFP #17-04, Due Date and Time: July 14, 2017, 3:00 P.M. (CST), Name of Offeror _____.**

The RFP submission must be addressed to **Samson Babalola, Director of Real Estate, Harris County Housing Authority, 8933 Interchange Drive, Houston, Texas 77054.** RFP submissions may also be emailed as a PDF attachment to samson.babalola@hchatexas.org.

Submittals must reach HCHA no later than **3:00 P.M. (CST) on July 14, 2017.** Late submissions will be handled in accordance with the provisions in Form HUD-5369-B title “Late Submissions, Modifications, and Withdrawal of Offers.” Submittals will be held in confidence and will not be released in any manner until after the contract award.

Submittals will be evaluated on the criteria stated in the RFP. Negotiations may be conducted with Offerors who have a reasonable chance of being selected for the award. After evaluation of the submittal and amendments, if any, the contract will be awarded to the responsible firm(s) whose qualifications, price and other factors considered are the most advantageous to HCHA.

HCHA reserves the right to reject any and all submittals.

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1. PROFILE OF THE HARRIS COUNTY HOUSING AUTHORITY

Harris County Housing Authority (“HCHA” or the “Authority”) is governed by the Texas Housing Authorities Law, codified in the Texas Local Government Code. The Authority is a unit of government and its functions are essential governmental functions. It operates and manages its housing developments to provide decent, safe, sanitary and affordable housing to low income families, veterans, the elderly, and the disabled, and implements various programs designed and funded by the U.S. Department of Housing and Urban Development (“HUD”). The Authority is a Public Housing Agency (“PHA”) that administers HUD’s Section 8 Housing Choice Voucher (“HCV”) and Veterans Affairs Supportive Housing (“VASH”) Programs. HCHA’s revenue is derived from federal funds, administrative fees, development grants, and rental income.

HCHA enters into and executes contracts and other instruments that are necessary and convenient to the exercise of its powers.

The property of HCHA is used for essential public and governmental purposes. The Authority and its property are exempt from all taxes, including sales tax on all its purchases of supplies and services.

2. INTRODUCTION

HCHA, as part of its mission to provide safe, decent and sanitary affordable housing for low-income persons, hereby seeks proposals from law firms to provide Legal Consulting Services – Real Estate Transactions & Construction Related Services. This RFP will consider qualifications for services in the selection process. The statement of work to be performed is generally listed in “Attachment A,” but may not be all inclusive of the services needed. Consequently, evaluation by the successful Offeror may lead to alterations in the scope.

HCHA will consider most favorably Offerors who clearly demonstrate a knowledge of the Federal, State or local laws applicable to affordable and market rate housing development & construction, including HUD regulations and requirements and those contained in Section 504 of the Rehabilitation Act of 1973 and the Americans with Disabilities Act, as well as all applicable Federal, State, County and local laws, codes, ordinances and regulations. The Offeror should have experience in providing legal services for Low Income Housing Tax Credit (“LIHTC”) and Mixed Finance Housing, Single Family and Multifamily Developments, For Sale Housing, Family and Senior Housing and Homeless Housing. The Offeror must demonstrate legal real estate transactional and construction related services experience assisting PHA’s using public housing resources, leveraged with non-public housing resources as well as structuring the ownership of the development. The Offeror should also have demonstrated experience with the interaction of housing authorities with HUD and with HUD regulations and requirements relating to mixed finance development. The Offeror must demonstrate experience with the legal requirements related to conventional financing, the use of LIHTC, private debt financing, FHLB AHP, CDBG, HOME and other public and private funding mechanisms. All submittals must conform to requirements outlined herein.

If a contract is awarded, it will be awarded to the responsible firm(s) whose qualifications, price, and other factors are deemed most advantageous to the Authority. Additional requirements or restrictions imposed by HUD and other governmental entities will also be considered in rendering a decision.

3. PROCUREMENT SCHEDULE

The anticipated schedule for the RFP is as follows:

SCHEDULE

<u>EVENT</u>	<u>DATE</u>
Advertised	June 25 & July 2, 2017
Pre-submission Conference	N/A
Receipt of Written Questions	July 5, 2017
Response to Written Questions	July 10, 2017
Submission Date	July 14, 2017

4. DELIVERABLES

If submitting a hardcopy, one (1) original proposal and five (5) copies of the typewritten submission, including all required information, must be executed and submitted in a sealed envelope or package. Any handmade corrections made in the proposal must be initialed by the principal or authorized officer of the legal firm. The original proposal must bear the original signature of a principal or authorized officer of the firm.

Proposals may also be emailed as a PDF attachment to samson.babalola@hchatexas.org. If submitting an electronic copy, only one (1) proposal need be e-mailed. Electronic submission of the proposal shall be considered signed by a principal or authorized representative of the firm.

Offerors are solely responsible for ensuring that their proposals are actually received by the time and date stated. Receipt at HCHA after the due date and time specified will be cause for rejection.

Proposal Due Date/Time

Proposals must be submitted on or before **3:00 p.m. CST on July 14, 2017** in a bound and sealed envelope or package or by email attachment.

If submitting a hardcopy of the proposal, the face of the envelope or package must contain, in addition to the address below, the title **Legal Consulting Services - Real Estate Transactions & Construction Related Services for HCHA. RFP #17-04, Due Date and Time: July 14, 2017, 3:00 P.M. (CST), Name of Offeror _____**. If submitting an electronic copy of the proposal, the subject line must contain the title **Legal Consulting Services - Real Estate Transactions & Construction Related Services for HCHA. RFP #17-04, Due Date and Time: July 14, 2017, 3:00 P.M. (CST), Name of Offeror _____**.

Submission Place/Address

Proposals must be submitted to: **Samson Babalola, Director of Real Estate, Harris County Housing Authority, 8933 Interchange Drive, Houston, Texas 77054 or by email to samson.babalola@hchatexas.org.**

Proposals by telegram, telephone, or facsimile, or handwritten proposals, will not be accepted by HCHA.

5. PRICES AND TERMS

After receiving all responses, HCHA shall select the response that is most advantageous to the authority and then negotiate a fee schedule with the successful Offeror. If negotiations are unsuccessful, HCHA will cease negotiations and commence fee negotiations with the next ranked Offeror and so on.

6. GENERAL REQUIREMENTS

All submittals must conform to requirements outlined herein. HCHA reserves the option to require oral presentation by firm(s) and to request additional information during the proposal review period.

Submittals must be open and not subject to unilateral withdrawal or modification for ninety (90) days after the submittal due date.

All costs incurred, directly or indirectly, in preparing a response to this request for proposals shall be the sole responsibility of and shall be borne by the successful Offeror.

The successful Offeror shall:

- Complete written documentation of materials in a manner suitable for use by HCHA, HUD, Texas Department of Housing and Community Affairs (“TDHCA”), Texas General Land Office (“GLO”), Harris County, City of Houston, or other financial contribution or governing entities as required.
- Meet with HCHA, HUD, the community, and other state and local officials as may be necessary.
- Coordinate all services with HCHA.
- Coordinate all services with other parties as determined necessary by HCHA.
- Provide the basis, source, and methodology for arriving at conclusions in all materials and reports.
- List the firms’ name, contact person, telephone number, and provide resumes and profiles of expected participants in the performance of this service. The submittal must provide an execution plan including schedules with tasks on how this work will be accomplished. There may be subsequent instructions issued to the successful candidate in connection with the final process. The submittal must make provisions to meet and comply with all applicable laws and regulatory criteria.

7. CORRESPONDENCE

Requests for additional information related to this RFP should be made in writing and emailed to the Authority’s Director of Real Estate at samson.babalola@hchatexas.org by **July 5, 2017**. This will allow time for the issuance of any necessary amendment(s) to the RFP.

An amendment may be issued prior to the opening of the submittals for the purpose of changing or clarifying the intent of this RFP. All amendments shall be binding in the same way as if originally

written in this RFP.

Any interpretation affecting all Offerors made prior to the submittal due date will be issued in the form of an amendment. HCHA will not be bound by or responsible for any other explanations or interpretations of this RFP package other than those given in writing as set forth in this paragraph. Oral instructions, interpretations, or representations will not be binding upon HCHA or HCHA representatives.

Sub-consultant(s) and others who have been requested by the consultant to assist in preparing a proposal shall obtain necessary information from the Offeror. They shall not directly contact HCHA or HCHA representatives for this information. Submittals received will be publicly opened.

Contracts for these programs and services may be awarded to one or more firms whose submittals were judged to be the most advantageous to HCHA. In the event services are initiated prior to the processing of a fully executed contract, such services would be provided without guarantee of compensation.

8. DOCUMENT REQUIREMENTS

The following is a description of the minimum information, which must be supplied by Offerors in their submittals. It is up to the Offeror to give such supplementary facts or materials that it considers may be of assistance in the evaluation of the proposal submitted. Submittals that omit critical elements may be considered non-responsive. Each submittal shall include a Table of Contents listing the submittal contents. The critical elements of the proposal shall include the following information:

- I. Letter of Transmittal. Signed by the person authorized to commit the organization to perform the services in the submittal.
- II. Table of Contents.
- III. Executive Summary. Provide a brief non-technical overview of the firm's business including the range of services offered. Firms should provide information reflecting how and why the firm's products and services meet HCHA's needs. List the firm's team members, roles, responsibilities, qualifications and identify primary contact person. The Offeror shall identify hereunder if this proposal is a joint venture or partnership with another entity.
- IV. Related experience of Offeror with HUD, LIHTC, FHLB, GLO regulations and private funding associated with the development and financing of affordable housing developments. Provide a narrative which explains the Offeror's experience, anticipated relationship and proposed method for coordinating and communicating with HCHA, its consultants, federal, state, city, county, and community representatives.
- V. Related experience of firm(s) in providing legal services for PHA affordable housing and construction programs. The Offeror must demonstrate an understanding of Texas law related to ownership structure, proposed ownership entity(ies) for HCHA to participate in fees and develop a legal strategic plan, including specific tasks, responsibilities, time frames supporting timely and cost effective developments that are in the best interest of HCHA.
- VI. Methodology/strategy to accomplish the scope of services. Provide a narrative summary describing the legal issues anticipated based on HCHA undertaking an affordable housing

development program, in which it desires to develop/construct single family detached and multi-family projects serving the elderly, families, veterans and/or homeless persons.

- VIII. Fee Schedule in hours. The Successful Offeror shall present its fee schedule in hours. The Successful Offeror shall not present its fee schedule based on a contingency or fixed rate.
- IX. Schedule of Performance/Timeliness.
- X. List of business references (minimum of 5), including a list of all PHA's for which the Offeror has provided legal services related to the development/construction of affordable housing utilizing LIHTC, mixed finance funding, HUD funding, private debt, etc. Provide a brief description of the services provided for the subject transactions, identify whether the projects were funded, were closed, and whether construction has been completed. Include the contact persons for each PHA and each project. Include legal report and banking references.
- XI. Section 3 Program experience and compliance.
- XII. Women and Minority Business Enterprise ("M/WBE") Participation. Describe and provide evidence of the firm's plans to make a good faith effort to maximize the utilization of women and minority-owned business enterprises and/or women business enterprise firms. In addition, all submittals shall include completed M/WBE forms, Attachments D-F.
- XIII. Certifications and Affidavits. Offerors shall submit executed originals of the following:
 - A. "Attachment B:" Conflict of Interest Questionnaire
 - B. "Attachment C:" Form of Non-Collusive Affidavit
 - C. "Attachment D:" M/WBE Participation Form
 - D. "Attachment E:" Bidder's Proposed M/WBE Participation Form
 - E. "Attachment F:" Sample Format for Record Keeping / Estimated Project Work Force Breakdown
 - F. "Attachment H:" Certifications and Representations of Offerors for Non-Construction Contracts (Form HUD 5369-C)
 - G. "Attachment J:" Sample Format for Record Keeping / Estimated Project Work Force Breakdown
- XIV. Insurance: Evidence of all appropriate and applicable insurance coverage carried by the firm, including policy coverage periods. Offerors shall furnish HCHA with certificates of insurance showing that the following insurance is in force, will insure all operations under this RFP, and include HCHA as a named insured. Required insurance levels are as follows:

Professional liability insurance with a single limit of \$1,000,000 per occurrence and combined aggregate of coverage amounting to no less than \$1,000,000. Defense costs shall be excluded from the face amount of the policy. Aggregate limits are per 12-month policy period unless otherwise indicated. All insurance policies must require

on their face, or by endorsement, that the insurance carrier waives any rights of subrogation against HCHA. The successful Offeror shall give 30 days' written notice to the Authority before any policy may be canceled, materially changed, or nonrenewed. Within the 30-day period, the successful Offeror shall provide other suitable policies in lieu of those about to be canceled, materially changed, or nonrenewed so as to maintain in effect the required coverage.

XV. Key Team Members. List of all key members of firm(s) and any sub-consultant(s) who will be assigned to this project. Indicate the level of effort and function of each member on the project. Description of organization structure to showing how the key members will be involved. Include resumes of these individuals. The resumes should include the following minimum information:

- A. Names;
- B. An explanation of the functions they will perform and their titles by classification;
- C. Their relevant educational backgrounds;
- D. Their relevant work experience;
- E. Their work experience with governmental clients; and
- F. Any specialized skills, training, and/or credentials relevant to the required services.

9. METHODOLOGY/STRATEGY TO ACCOMPLISH SERVICES

The successful Offeror must describe how it will approach the work associated with the requested services, including an understanding of the scope of services required and unique or innovative approaches to be utilized in performing these services. All graphic presentations are optional. See "Attachment A" for the general scope of work anticipated. This document ("Attachment A") merely serves as a guideline and it is not to be confused as an exhaustive delineation of the work that may ultimately occur.

10. OTHER SUBMITTALS

The following information must be submitted upon request.

- I. Information concerning the firm's affirmative action plans, policies, etc..
- II. Financial statement for the previous three (3) years.

11. EVALUATION CRITERIA

This is a qualification-based selection. Submittals must be prepared in conformance with the guidelines stated herein.

Submittals will be evaluated by an Evaluation/Selection Committee. This team will review the submittals and make a recommendation to HCHA. The Committee will present its recommendations to the Board of Commissioners of HCHA who have authority to award contracts.

HCHA reserves the right to call for supplemental information from Offerors and to meet with all or any one of them to clarify points of uncertainty or ambiguity. Offerors agree to cooperate fully and promptly in providing such supplemental information or meeting requests.

Selection of the successful Offeror will be at the sole discretion of HCHA. All submittals shall be evaluated and up to three most qualified (top ranked), responsive and responsible firms may be invited for panel interviews and discussions. If a contract is awarded, it will be awarded to the responsible agency/organization whose qualifications and other factors are deemed most advantageous to HCHA. Additionally, HCHA shall have the right to reject any and all proposals at its discretion.

HCHA reserves the right to award multiple contracts to multiple Offerors. Those firms will be invited to negotiate all aspects of the fee proposal to arrive at a firm and reasonable price as determined by HCHA.

EVALUATION CRITERIA AND RATING

Evaluation Criteria	Maximum Points
1. Firm's history and resource capability to perform required services.	10
2. Evaluation of the qualifications of the assigned personnel. <ul style="list-style-type: none"> • Knowledge of current financing structures that are gaining acceptance in the affordable/mixed income housing community. • Knowledge of local housing and community development issues in the state of Texas. • General knowledge and expertise with affordable housing development, financing and construction programs. 	20
3. Demonstrated related experience in: <ul style="list-style-type: none"> • Drafting and reviewing affordable/mixed income housing finance documents • Meeting HUD and/or TDHCA requirements • Providing realistic legal options and/or recommendations to achieve HCHA's Affordable Housing Program goals. • Providing legal services in the areas of Texas real estate transactions, partnership formations and construction law. • Providing legal services for LIHTC transactions • Reviewing, negotiating and assistance in obtaining approval of financing documents, Ground Leases, Regulatory and Operating Agreements, Declaration of Restrictive Covenants, Management Agreements, Developer Agreement, Partnership Agreement, and Construction Contracts and amendments thereof and construction dispute resolution. 	25
4. Budget, cost-control experience and results.	5
5. Understanding of HUD requirements, City, County and State codes/ordinances applicable to this work.	10
6. Project planning, methodology/strategy to accomplish task. Viability and relevance of respondent's project approach and narrative summary of	10

anticipated legal issues.	
7. Schedule of performance/timeliness.	10
8. Section 3 program participation, experience and compliance.	5
9. Demonstrated ability in accomplishing work of similar nature (reference check)	10
Total Points Possible	105

Submittals will be evaluated and ranked according to points received.

12. TRAVEL AND REIMBURSABLES

All travel, postage, telephone, living and miscellaneous expenses will be borne by the successful Offeror. There will be no reimbursable expenses allowed under the purchase order/contract.

13. AVAILABILITY OF RECORDS

HCHA and any duly authorized representative (which may include, but not be limited to, the U.S. Department of Housing and Urban Development, the Inspector General of the United States, and/or Harris County), shall have access to, and the right to examine any and all pertinent books, records, documents, invoices, papers, and the like, of the successful Offeror office or firm, which shall relate to the performance of the services to be provided.

14. AVAILABILITY OF FUNDS

Funding for the project(s) will be provided by federal, state, city, county, private and/or HCHA funding sources. The selected Offeror must comply with all applicable federal, state, and local laws, regulations, and ordinances. In the event that funds used to finance the services requested under this RFP or subsequent contract become unavailable, HCHA may cancel the award and all binding agreements will become null and void upon no less than 24 hours' notice in writing. Said notice shall be delivered by certified mail, return receipt requested. HCHA shall be the final authority to determine the non-availability of funds.

15. ASSIGNMENT OR TRANSFER

The successful Offeror shall not assign or transfer any interest in the contract in whole or in part without written approval of HCHA.

16. CONTRACT AWARD

Acceptance of the firm's offer for the services specified herein will be made by executing a duly authorized contract authored and approved by HCHA. All Offerors are cautioned against making assumptions or accepting any representation by any employee, member, officer or representative of HCHA concerning the selection of the successful Offeror until a contract has been finally negotiated and executed.

Award of contract will be for a two (2) year period based on funding availability with two (2) one year options.

The contract for providing said service must be approved by the Board of Commissioners of HCHA prior to the initiation of any work.

17. COMPENSATION

The successful Offeror selected for this project must have the financial resources to complete the scope of work and services. Fees will be paid upon the receipt of an acceptable and approvable invoice submitted to the Director of Real Estate.

18. TERMINATION

Irrespective of any default hereunder, HCHA may at any time in its discretion (for convenience or cause) terminate the contract in whole or in part, and in such event the firm shall be entitled to receive equitable compensation for all work completed and accepted, prior to such termination or cancellation.

19. PATENTS AND ROYALTIES

The successful Offeror shall indemnify and save harmless HCHA and its employees from liability of any nature or kind, including cost and expenses for or on account of any copyrighted, patented, or not patented inventions, processes or articles manufactured or used in the performance of the contract, including its use by HCHA. If the firm uses any service, device or material covered by letters, patents or copyrights, it is mutually agreed and understood that the successful Offeror shall include all royalties or cost arising from the use of such services, devices, or materials involved in the work.

20. STANDARDS OF CONDUCT

The successful Offeror shall be responsible for maintaining satisfactory standards of employees' competency, conduct, courtesy, appearance, honesty, integrity, and shall be responsible for taking such disciplinary action with respect to any employee, as may be necessary.

21. CONFLICT OF INTEREST

No employee, officer or agent of HCHA shall participate directly or indirectly in the selection or in the award of any contract if a conflict, real or apparent, would be involved. Such conflict would arise when a financial or other interest in an agency selected for award is held by:

- An employee, officer or agent involved in making the award; or
- His/her relative including father, mother, son, daughter, brother, sister, uncle, aunt, first cousin, nephew, niece, husband, wife, domestic partner, father-in-law, mother-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law, stepfather, stepmother, stepson, stepdaughter, stepbrother, stepsister, half brother, or half sister; or
- His/her business or professional partner; or
- An organization which employs, is negotiating to employ, or has an arrangement concerning prospective employment of any of the above.

22. INDEMNIFICATION AND HOLD HARMLESS AGREEMENT

The successful Offeror shall indemnify, defend, and hold HCHA and its officers, agents, employees, and commissioners, (the “indemnified persons”) harmless from all liability, loss, or damage, including attorney fees and expenses, resulting from all claims, demands and causes of action of every kind and character asserted by any person (including, without limitation, the indemnified persons or the successful Offeror(s)’ employees), for personal injury, death, or for loss of or damage to any and all property in any way arising out of or in connection with the successful Offeror’s performance hereunder. The successful Offeror shall be responsible for all damage and loss sustained by it to its tools and equipment utilized in the performance of the successful Offeror’s services hereunder.

HCHA and/or any other indemnified persons shall notify the successful Offeror of any claim received within fifteen (15) days of receipt of such notice and shall promptly deliver to the successful Offeror, the original, or a true copy, of any notice, summons, pleading, or other process issued or served. Failure of any indemnified persons to provide this notice within the fifteen (15) day period does not waive any right to indemnification except to the extent that the successful Offeror is prejudiced, suffers loss, or incurs expense, because of the delay.

Following such notification, and except as otherwise provided below, the successful Offeror shall defend any such claim, suit, proceeding, or other action, at its sole cost and expense with attorneys of its own selection who are reasonably satisfactory to HCHA.

The successful Offeror shall control the defense and any negotiations to settle the claim, but the indemnified persons shall have the right, if they see fit, to participate in such defense at their own expense. The successful Offeror shall have the power to settle the claim without the consent or agreement of the indemnified persons, unless the settlement would (i) result in injunctive relief or other equitable remedies or otherwise require an indemnified person to comply with restrictions or limitations that would adversely affect the indemnified person, (ii) require an indemnified person to pay amounts that the successful Offeror does not fund in full, (iii) not result in an indemnified person’s full and complete release from all liability to the claimants or other parties that are parties to or are otherwise bound by the settlement or (iv) establish a precedent(s) which the indemnified persons, in their sole discretion individually or in their collective discretion as a group, determine is not in the best interest of the indemnified persons.

If the successful Offeror notifies HCHA in writing within ten (10) days after receipt of an indemnified person’s written notice of a claim and request for indemnification, that the successful Offeror elects not to defend the claim, HCHA or any of the indemnified persons, shall assume and control the defense, and all defense expenses shall constitute an indemnification loss.

23. REMOVAL OF EMPLOYEES

HCHA may request the successful Offeror to immediately remove from assignment or dismiss any employee found unfit to perform duties due, but limited, to one or more of the following:

- Neglect of duty or professional misconduct
- Disorderly conduct, use of abusive or offensive language, quarreling or fighting
- Theft, vandalism, immoral conduct or any other criminal activity

- Selling, consuming, possession, or being under the influence of intoxicants, including alcohol, or illegal substances while on assignment at HCHA

24. SUPERVISION

The successful Offeror shall provide adequate competent supervision at all times during the performance of the contract. A qualified lead attorney and one alternate shall be designated in writing to HCHA prior to execution of the contract. The lead attorney or his/her alternate must be available to meet with HCHA personnel at any reasonable time. The successful Offeror shall provide the telephone numbers and e-mail addresses where its representatives can be reached.

25. STATEMENT OF OWNERSHIP

The firm's submittal shall contain the legal name of the entity with whom HCHA will contract, by: name, address, phone number, and name of principal person assigned to negotiate on behalf of the firm(s). Furthermore, the firm(s) shall identify principals of any participating professional firms which subcontracts or joint ventures with the firm(s), including names, addresses, position, and description of the extent of participation in the project. If the firm is a subsidiary, its relationship to parent company(ies) shall be disclosed. The firm shall identify the organization and management approach to the project, as well as, identify individuals who will be assigned to key management positions. Resumes of these individuals shall be provided.

26. M/WBE PARTICIPATION

The successful Offeror agrees to make its best efforts to subcontract with minority business enterprises and/or women business enterprises (herein called M/WBE) certified as such or recognized by HCHA as a certified M/WBE. The firm shall make its best efforts to subcontract a sufficient dollar amount with M/WBEs to ensure that a minimum of 30 percent of the final contract dollars are expended on one or more M/WBEs. All adjustments that cause the contract price to increase will also increase the total amount that the firm must make its best efforts to expend on M/WBEs.

In the event HCHA has a reasonable belief that the firm will not use his/her/its best efforts to meet the 30 percent M/WBE participation goal, HCHA reserves the right to pull work from the contract. Best efforts may be established by showing that the firm has contacted and solicited bids/quotes from sub-consultants and worked with HCHA to seek assistance in identifying M/WBEs.

FAILURE TO USE YOUR BEST EFFORTS TO COMPLY MAY CONSTITUTE BREACH OF CONTRACT AND SUBJECT THE CONTRACT TO TERMINATION.

27. PERTINENT FEDERAL REGULATIONS WITH REGARD TO NONDISCRIMINATION AND EQUAL OPPORTUNITY

The requirements of Title VIII of the Civil Rights Act of 1968 and Title VI of the Civil Rights Act of 1964, relating to prohibitions against discrimination in housing and the benefits of federally funded programs because of race, color, religion, sex or national origin must be met by the successful Offeror.

The successful Offeror must adhere to federal regulations prohibiting discrimination on the basis of age under the Age Discrimination Act of 1975, and prohibit discrimination against handicapped individuals under Section 504 of the Rehabilitation Act of 1973 and the Americans with Disabilities Act of 1989.

The requirements of Executive Order 11246, relating to equal employment opportunity in connection

with federally funded programs must be met by the successful Offeror.

The successful Offeror must also meet the requirements of Section 3 of the Housing and Urban Development Act of 1968, relating to the training and employment of individuals, and contracting for business opportunities in metropolitan areas in which federally funded programs are being operated.

The successful Offeror must meet the requirements of Executive Orders 11625, 12432, and 12138 relating to the use of minority and women's business enterprises in connection with federally funded programs.

GENERAL SCOPE OF SERVICES

HCHA proposes to undertake two to four developments per year comprising of 80 to 150 units each. The developments may serve the elderly, families, homeless, and/or veterans, and shall be mixed income properties. In general, the developments will be located outside of the city limits of Houston and other municipalities within Harris County; however, HCHA reserves the right to develop a smaller number of projects inside the city limits of Houston and other municipalities within Harris County. All HCHA project shall meet energy efficiency standards promulgated by HUD and the City of Houston. Further all projects must comply with Harris County Community Services Department Design Guidelines and Concentration Policy, and/or requirements established by the funding source(s). HCHA developments are typically a combination of villas and multi-story buildings.

Under the direction of HCHA, the successful Offeror will be responsible for assisting HCHA with ownership structures and evidentiary material preparation. The Offeror will provide legal opinions and/or recommendations that will enable HCHA to achieve its affordable housing program goals. The Offeror will also be responsible for analyzing and evaluating the legal implications of financial options, conveying to HCHA the likely legal implications of the proposals and, assisting HCHA in protecting its interest and resources. If the Offeror is not a Texas based firm, the Offeror will be requested to subcontract with a Texas based firm to assist with filings, provide the Texas corporate legal opinion and ensure that the work is carried out in compliance with Texas statutes. The Offeror will work with the Director of Real Estate to review, comment and sometimes prepare business term sheets, financial proposals and associated evidentiary documents for approval. The documents shall reflect the agreed upon development and financing strategies of HCHA.

Additionally, HCHA may require the successful Offeror to:

- Author, review and/or provide comments on revitalization, development and implementation strategies of HCHA with regard to legal ramifications and limitations.
- Participate in team meetings, Board of Commissioner meetings and other Community meetings.
- Coordinate with HCHA the most efficient use of outside counsel.
- Provide HCHA with realistic legal, co-development and/or ownership recommendations to achieve its affordable housing program goals.
- Evaluate the projects' development and ownership structure (*i.e.* legal and tax issues, as well as, creation of ownership entities conducive to HCHA's desire to be either developer, co-developer, or special limited partner in the development; and legal issues related to HCHA providing operating subsidies only to the deals).
- Author, review and/or make recommendations regarding LIHTC/Mixed Finance Proposals and associated documents (*i.e.* ground leases, regulatory and operating agreements, declarations of restrictive covenants, Management Agreements, Partnership Agreements, and other miscellaneous documents).
- Coordinate the submittal and efforts to gain approval of financing proposals.
- Coordinate the financial closing.
- Prepare Construction Contracts/Amendments.
- Assist in the resolution of construction disputes.

Successful Offerors will have significant experience and expertise in the following areas:

- Transactional Law (Affordable and Mixed Finance Housing)
- Affordable Housing Finance (TDHCA, HOME, CDBG, FNMA, GNMA & Private Debt)

- Environmental Law
- Title Policies and Claims
- Construction Law, Davis Bacon Prevailing Wage Rates and Other Related Laws
- Conventional Real Estate and Construction Issues
- Collections and Workouts
- Enforcement of Contracts, Breach of Contracts and Deed Restrictions
- Receiverships, Foreclosures & Eminent Domain Law
- Insurance Coverage (including insurance carriers and brokers)
- Citations, Sanctions, & Specialized Litigation including: Land Use, Construction and Real Estate Related Matters

ATTACHMENT B

CONFLICT OF INTEREST QUESTIONNAIRE (CIQ)

CONFLICT OF INTEREST QUESTIONNAIRE
For vendor doing business with local governmental entity

FORM CIQ

<p>This questionnaire reflects changes made to the law by H.B. 23, 84th Leg., Regular Session.</p> <p>This questionnaire is being filed in accordance with Chapter 176, Local Government Code, by a vendor who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the vendor meets requirements under Section 176.006(a).</p> <p>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 vendor becomes aware of facts that require the statement to be filed. See Section 176.006(a-1), Local Government Code.</p> <p>A vendor commits an offense if the vendor knowingly violates Section 176.006, Local Government Code. An offense under this section is a misdemeanor.</p>	<p>OFFICE USE ONLY</p> <p>Date Received _____</p>
<p>1 Name of vendor who has a business relationship with local governmental entity.</p> <p>_____</p>	
<p>2 <input type="checkbox"/> 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 on which you became aware that the originally filed questionnaire was incomplete or inaccurate.)</p>	
<p>3 Name of local government officer about whom the information is being disclosed.</p> <p style="text-align: center;">_____</p> <p style="text-align: center;">Name of Officer</p>	
<p>4 Describe each employment or other business relationship with the local government officer, or a family member of the officer, as described by Section 176.003(a)(2)(A). Also describe any family relationship with the local government officer. Complete subparts A and B for each employment or business relationship described. Attach additional pages to this Form CIQ as necessary.</p> <p style="margin-top: 20px;">A. Is the local government officer or a family member of the officer receiving or likely to receive taxable income, other than investment income, from the vendor?</p> <p style="margin-left: 100px;"> <input type="checkbox"/> Yes <input type="checkbox"/> No </p> <p style="margin-top: 10px;">B. Is the vendor receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer or a family member of the officer AND the taxable income is not received from the local governmental entity?</p> <p style="margin-left: 100px;"> <input type="checkbox"/> Yes <input type="checkbox"/> No </p>	
<p>5 Describe each employment or business relationship that the vendor named in Section 1 maintains with a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership interest of one percent or more.</p>	
<p>6 <input type="checkbox"/> Check this box if the vendor has given the local government officer or a family member of the officer one or more gifts as described in Section 176.003(a)(2)(B), excluding gifts described in Section 176.003(a-1).</p>	
<p>7</p> <p style="margin-top: 20px;"> Signature of vendor doing business with the governmental entity _____ Date _____ </p>	

CONFLICT OF INTEREST QUESTIONNAIRE
For vendor doing business with local governmental entity

A complete copy of Chapter 176 of the Local Government Code may be found at <http://www.statutes.legis.state.tx.us/Docs/LG/html/LG.176.htm>. For easy reference, below are some of the sections cited on this form.

Local Government Code § 176.001(1-a): "Business relationship" means a connection between two or more parties based on commercial activity of one of the parties. The term does not include a connection based on:

- (A) a transaction that is subject to rate or fee regulation by a federal, state, or local governmental entity or an agency of a federal, state, or local governmental entity;
- (B) a transaction conducted at a price and subject to terms available to the public; or
- (C) a purchase or lease of goods or services from a person that is chartered by a state or federal agency and that is subject to regular examination by, and reporting to, that agency.

Local Government Code § 176.003(a)(2)(A) and (B):

- (a) A local government officer shall file a conflicts disclosure statement with respect to a vendor if:

(2) the vendor:

(A) has an employment or other business relationship with the local government officer or a family member of the officer that results in the officer or family member receiving taxable income, other than investment income, that exceeds \$2,500 during the 12-month period preceding the date that the officer becomes aware that

(i) a contract between the local governmental entity and vendor has been executed;

or

(ii) the local governmental entity is considering entering into a contract with the vendor;

(B) has given to the local government officer or a family member of the officer one or more gifts that have an aggregate value of more than \$100 in the 12-month period preceding the date the officer becomes aware that:

- (i) a contract between the local governmental entity and vendor has been executed; or
- (ii) the local governmental entity is considering entering into a contract with the vendor.

Local Government Code § 176.006(a) and (a-1)

- (a) A vendor shall file a completed conflict of interest questionnaire if the vendor has a business relationship with a local governmental entity and:

(1) has an employment or other business relationship with a local government officer of that local governmental entity, or a family member of the officer, described by Section 176.003(a)(2)(A);

(2) has given a local government officer of that local governmental entity, or a family member of the officer, one or more gifts with the aggregate value specified by Section 176.003(a)(2)(B), excluding any gift described by Section 176.003(a-1); or

(3) has a family relationship with a local government officer of that local governmental entity.

- (a-1) The completed conflict of interest questionnaire must be filed with the appropriate records administrator not later than the seventh business day after the later of:

(1) the date that the vendor:

(A) begins discussions or negotiations to enter into a contract with the local governmental entity; or

(B) submits to the local governmental entity an application, response to a request for proposals or bids, correspondence, or another writing related to a potential contract with the local governmental entity; or

(2) the date the vendor becomes aware:

(A) of an employment or other business relationship with a local government officer, or a family member of the officer, described by Subsection (a);

(B) that the vendor has given one or more gifts described by Subsection (a); or

(C) of a family relationship with a local government officer.

FORM OF NON-COLLUSIVE AFFIDAVIT

STATE OF TEXAS

COUNTY OF HARRIS

_____, being first duly sworn, deposes and says that he is

(a partner or officer of the firm of, etc.)

of the party making the foregoing proposal or bid, that such proposal or bid is genuine and not collusive or sham; that said bidder has not colluded, conspired, connived or agreed, directly or indirectly, with any manner, directly or indirectly, sought by agreement or collusion, or communication or conference with any person to fix the bid price or affiant or of any other bidder, or to fix any overhead, profit, or cost element of said bid price, or of that of any other bidder, or to secure any advantage against

THE HARRIS COUNTY HOUSING AUTHORITY

or of any person interested in the proposed Contract; and that all statements in said proposal or bid are true.

Signature of Bidder, if Bidder is an Individual

Signature of Bidder, if Bidder is a Partnership

Signature of Officer, if Bidder is a Corporation

Subscribed and sworn to before me this ____ day of _____, 2017

Notary Public

My Commission expires: _____

ATTACHMENT D

M/WBE PARTICIPATION

M/WBE PARTICIPATION: The consultant agrees to make its best efforts to subcontract with minority business enterprises and/or women business enterprises (herein called M/WBE) certified as such or recognized by HCHA as a certified M/WBE. Consultant shall make its best efforts to subcontract a sufficient dollar amount with M/WBEs to ensure that a minimum of 30 percent of the final contract dollars are expended on one or more M/WBEs. All adjustments that cause the contract price to increase will also increase the total amount that Consultant must make its best efforts to expend on M/WBEs.

USING BEST EFFORTS TO FULFILL M/WBE REQUIREMENT: In the event HCHA has a reasonable belief that Consultant will not use his/her/its best efforts to meet the 30 percent M/WBE participation goal, HCHA reserves the right to pull work from the contract. Best efforts may be established by showing that Consultant has contacted and solicited bids/quotes from subcontractors and worked with HCHA to seek assistance in identifying M/WBEs.

FAILURE TO USE YOUR BEST EFFORTS TO COMPLY MAY CONSTITUTE BREACH OF CONTRACT AND SUBJECT THE CONTRACT TO TERMINATION.

NOTIFICATION OF M/WBE PARTICIPATION: Consultant agrees to promptly complete and return all M/WBE Confirmation of Participation and M/WBE Confirmation of Payment forms utilized by HCHA to confirm M/WBE subcontractor by submitting copies of checks made payable to the respective M/WBE subcontractor signed by the successful Offeror.

CONSULTANT

DATE

ATTACHMENT E

BIDDER'S PROPOSED M/WBE PARTICIPATION FORM

BINDER'S PROPOSED MAYHEE PARTICIPATION FORM

Bidder proposes to work with the following MBE/WBE participants:

Name of Participant	MAVBE	Certifying Entity (City/Metro/HISD)	Percent of Total Work

ATTACHMENT F

SAMPLE FORMAT FOR RECORDKEEPING
ESTIMATED PROJECT WORK FORCE BREAKDOWN

SAMPLE FORMAT FOR RECORDKEEPING
ESTIMATED PROJECT WORK FORCE BREAKDOWN

MAVBE PARTICIPATION

JOB CATEGORY	TOTAL ESTIMATE O POSITIONS NEEDED FOR PROJECT	NO. POSITIONS OCCUPIED BY PERMANENT EMPLOYEES	NUMBER OF POSITIONS NOT OCCUPIED	NUMBER OF POSITIONS TO BE FILLED WITH MAVBE
OFFICE/SUPERVISOR				
PROFESSIONAL				
TECHNICAL				
OFFICE/CLERICAL				
SERVICE WORKERS				
TRAINERS				
CONTRACTS				
OTHERS				

Company

Project Name

Person Completing Form

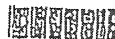
Date

ATTACHMENT G

Instructions to Offerors for Non-Construction Contracts (Form HUD-5369-B)

Instructions to Offerors Non-Construction

U.S. Department of Housing
and Urban Development
Office of Public and Indian Housing



- 01271 -

1. Preparation of Offers

(a) Offerors are expected to examine the statement of work, the proposed contract terms and conditions, and all instructions. Failure to do so will be at the offeror's risk.

(b) Each offeror shall furnish the information required by the solicitation. The offeror shall sign the offer and print or type its name on the cover sheet and each continuation sheet on which it makes an entry. Erasures or other changes must be initialed by the person signing the offer. Offers signed by an agent shall be accompanied by evidence of that agent's authority, unless that evidence has been previously furnished to the HA.

(c) Offers for services other than those specified will not be considered.

2. Submission of Offers

(a) Offers and modifications thereof shall be submitted in sealed envelopes or packages (1) addressed to the office specified in the solicitation, and (2) showing the time specified for receipt, the solicitation number, and the name and address of the offeror.

(b) Telegraphic offers will not be considered unless authorized by the solicitation; however, offers may be modified by written or telegraphic notice.

(c) Facsimile offers, modifications or withdrawals will not be considered unless authorized by the solicitation.

3. Amendments to Solicitations

(a) If this solicitation is amended, then all terms and conditions which are not modified remain unchanged.

(b) Offerors shall acknowledge receipt of any amendments to this solicitation by

- (1) signing and returning the amendment;
- (2) identifying the amendment number and date in the space provided for this purpose on the form for submitting an offer;
- (3) letter or telegram; or
- (4) facsimile, if facsimile offers are authorized in the solicitation. The HAHUD must receive the acknowledgment by the time specified for receipt of offers.

4. Explanation to Prospective Offerors

Any prospective offeror desiring an explanation or interpretation of the solicitation, statement of work, etc., must request it in writing soon enough to allow a reply to reach all prospective offerors before the submission of their offers. Oral explanations or instructions given before the award of the contract will not be binding. Any information given to a prospective offeror concerning a solicitation will be furnished promptly to all other prospective offerors as an amendment of the solicitation, if that information is necessary in submitting offers or if the lack of it would be prejudicial to any other prospective offerors.

5. Responsibility of Prospective Contractor

(a) The HA shall award a contract only to a responsible prospective contractor who is able to perform successfully under the terms and conditions of the proposed contract. To be determined responsible, a prospective contractor must -

- (1) Have adequate financial resources to perform the contract, or the ability to obtain them;

- (2) Have a satisfactory performance record;
- (3) Have a satisfactory record of integrity and business ethics;
- (4) Have a satisfactory record of compliance with public policy (e.g., Equal Employment Opportunity); and
- (5) Not have been suspended, debarred, or otherwise determined to be ineligible for award of contracts by the Department of Housing and Urban Development or any other agency of the U.S. Government. Current lists of ineligible contractors are available for inspection at the HAHUD.

(b) Before an offer is considered for award, the offeror may be requested by the HA to submit a statement or other documentation regarding any of the foregoing requirements. Failure by the offeror to provide such additional information may render the offeror ineligible for award.

6. Late Submissions, Modifications, and Withdrawal of Offers

(a) Any offer received at the place designated in the solicitation after the exact time specified for receipt will not be considered unless it is received before award is made and it -

- (1) Was sent by registered or certified mail not later than the fifth calendar day before the date specified for receipt of offers (e.g., an offer submitted in response to a solicitation requiring receipt of offers by the 20th of the month must have been mailed by the 15th);
- (2) Was sent by mail, or if authorized by the solicitation, was sent by telegram or via facsimile, and it is determined by the HAHUD that the late receipt was due solely to mishandling by the HAHUD after receipt of the HA;
- (3) Was sent by U.S. Postal Service Express Mail Next Day Service - Post Office to Addressee, not later than 5:00 p.m. at the place of mailing two working days prior to the date specified for receipt of proposals. The term "working days" excludes weekends and U.S. Federal holidays; or
- (4) Is the only offer received.

(b) Any modification of an offer, except a modification resulting from the HA's request for "best and final" offer (if this solicitation is a request for proposals), is subject to the same conditions as in subparagraphs (a)(1), (2), and (3) of this provision.

(c) A modification resulting from the HA's request for "best and final" offer received after the time and date specified in the request will not be considered unless received before award and the late receipt is due solely to mishandling by the HA after receipt of the HA.

(d) The only acceptable evidence to establish the date of mailing of a late offer, modification, or withdrawal sent either by registered or certified mail is the U.S. or Canadian Postal Service postmark both on the envelope or wrapper and on the original receipt from the U.S. or Canadian Postal Service. Both postmarks must show a legible date or the offer, modification, or withdrawal shall be processed as if mailed late. "Postmark" means a printed, stamped, or otherwise placed impression (exclusive of a postage meter machine impression) that is readily identifiable without further action as having been supplied and affixed by employees of the U.S. or Canadian Postal Service on the date of mailing. Therefore, offerors should request the postal clerk to place a hand cancellation bull's-eye postmark on both the receipt and the envelope or wrapper.

(e) The only acceptable evidence to establish the time of receipt at the HA is the time/date stamp of HA on the offer wrapper or other documentary evidence of receipt maintained by the HA.

UD-530B-B (Rev. 3)
Handbook 7460.8

(f) The only acceptable evidence to establish the date of mailing of a late offer, modification, or withdrawal sent by Express Mail Next Day Service-Post Office to Addressee is the date entered by the post office receiving clerk on the "Express Mail Next Day Service-Post Office to Addressee" label and the postmark on both the envelope or wrapper and on the original receipt from the U.S. Postal Service. "Postmark" has the same meaning as defined in paragraph (c) of this provision, excluding postmarks of the Canadian Postal Service. Therefore, offerors should request the postal clerk to place a legible hand cancellation bull's eye postmark on both the receipt and the envelope or wrapper.

(g) Notwithstanding paragraph (a) of this provision, a late modification of an otherwise successful offer that makes its terms more favorable to the HA will be considered at any time it is received and may be accepted.

(h) If this solicitation is a request for proposals, proposals may be withdrawn by written notice, or if authorized by this solicitation, by telegram (including radiogram) or facsimile machine transmission received at any time before award. Proposals may be withdrawn in person by a offeror or his authorized representative if the identity of the person requesting withdrawal is established and the person signs a receipt for the offer before award. If this solicitation is an invitation for bids, bids may be withdrawn at any time prior to bid opening.

7. Contract Award

(a) The HA will award a contract resulting from this solicitation to the responsible offeror whose offer conforming to the solicitation will be most advantageous to the HA, cost or price and other factors, specified elsewhere in this solicitation, considered.

(b) The HA may

- (1) reject any or all offers if such action is in the HA's interest,
- (2) accept other than the lowest offer,
- (3) waive informalities and minor irregularities in offers received, and (4) award more than one contract for all or part of the requirements stated.

(c) If this solicitation is a request for proposals, the HA may award a contract on the basis of initial offers received, without discussions. Therefore, each initial offer should contain the offeror's best terms from a cost or price and technical standpoint.

(d) A written award or acceptance of offer mailed or otherwise furnished to the successful offeror within the time for acceptance specified in the offer shall result in a binding contract without further action by either party. If this solicitation is a request for proposals, before the offer's specified expiration time, the HA may accept an offer, whether or not there are negotiations after its receipt, unless a written notice of withdrawal is received before award. Negotiations conducted after receipt of an offer do not constitute a rejection or counteroffer by the HA.

(e) Neither financial data submitted with an offer, nor representations concerning facilities or financing, will form a part of the resulting contract.

8. Service of Protest

Any protest against the award of a contract pursuant to this solicitation shall be served on the HA by obtaining written and dated acknowledgment of receipt from the HA at the address shown on the cover of this solicitation. The determination of the HA with regard to such protest or to proceed to award notwithstanding such protest shall be final unless appealed by the protester.

9. Offer Submission

Offers shall be submitted as follows and shall be enclosed in a sealed envelope and addressed to the office specified in the solicitation. The proposal shall show the hour and date specified in the solicitation for receipt, the solicitation number, and the name and address of the offeror, on the face of the envelope.

It is very important that the offer be properly identified on the face of the envelope as set forth above in order to insure that the date and time of receipt is stamped on the face of the offer envelope. Receiving procedures are: date and time stamp these envelopes identified as proposals and deliver them immediately to the appropriate contracting official, and only date stamp those envelopes which do not contain identification of the contents and deliver them to the appropriate procuring activity only through the routine mail delivery procedure.

(Describe bid or proposal preparation instructions here.)

ATTACHMENT H

**Certifications and Representations of Offerors for
Non-Construction Contracts (Form HUD 5369-C)**

Certifications and Representations of Offerors Non-Construction Contract

U.S. Department of Housing
and Urban Development
Office of Public and Indian Housing

OMB Approval No: 2577-0180 (exp. 7/30/96)

Public reporting burden for this collection of information is estimated to average 5 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

This form includes clauses required by OMB's common rule on bidding/offering procedures, implemented by HUD in 24 CFR 85.36, and those requirements set forth in Executive Order 11825 for small, minority, woman-owned businesses, and certifications for independent price determination, and conflict of interest. The form is required for nonconstruction contracts awarded by Housing Agencies (HAs). The form is used by bidder/offerors to certify to the HA's Contracting Officer for contract compliance. If the form were not used, HAs would be unable to enforce their contracts. Responses to the collection of information are required to obtain a benefit or to retain a benefit. The information requested does not lend itself to confidentiality.

I. Contingent Fee Representation and Agreement

(a) The bidder/offeror represents and certifies as part of its bid/offer that, except for full-time bona fide employees working solely for the bidder/offeror, the bidder/offeror:

- (1) [] has, [] has not employed or retained any person or company to solicit or obtain this contract; and
- (2) [] has, [] has not paid or agreed to pay to any person or company employed or retained to solicit or obtain this contract any commission, percentage, brokerage, or other fee contingent upon or resulting from the award of this contract.

(b) If the answer to either (a)(1) or (a)(2) above is affirmative, the bidder/offeror shall make an immediate and full written disclosure to the PHA Contracting Officer.

(c) Any misrepresentation by the bidder/offeror shall give the PHA the right to (1) terminate the resultant contract; (2) at its discretion, to deduct from contract payments the amount of any commission, percentage, brokerage, or other contingent fee; or (3) take other remedy pursuant to the contract.

2. Small, Minority, Women-Owned Business Concern Representation

The bidder/offeror represents and certifies as part of its bid/offer that it:

- (a) [] is, [] is not a small business concern. "Small business concern," as used in this provision, means a concern, including its affiliates, that is independently owned and operated, not dominant in the field of operation in which it is bidding, and qualified as a small business under the criteria and size standards in 13 CFR 121.
- (b) [] is, [] is not a women-owned small business concern. "Women-owned," as used in this provision, means a small business that is at least 51 percent owned by a woman or women who are U.S. citizens and who also control and operate the business.
- (c) [] is, [] is not a minority enterprise which, pursuant to Executive Order 11625, is defined as a business which is at least 51 percent owned by one or more minority group members or, in the case of a publicly owned business, at least 51 percent of its voting stock is owned by one or more minority group members, and whose management and daily operations are controlled by one or more such individuals.

For the purpose of this definition, minority group members are:

(Check the block applicable to you)

- | | |
|------------------------|------------------------------|
| [] Black Americans | [] Asian Pacific Americans |
| [] Hispanic Americans | [] Asian Indian Americans |
| [] Native Americans | [] Hasidic Jewish Americans |

3. Certificate of Independent Price Determination

(a) The bidder/offeror certifies that—

(1) The prices in this bid/offer have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other bidder/offeror or competitor relating to (i) those prices, (ii) the intention to submit a bid/offer, or (iii) the methods or factors used to calculate the prices offered;

(2) The prices in this bid/offer have not been and will not be knowingly disclosed by the bidder/offeror, directly or indirectly, to any other bidder/offeror or competitor before bid opening (in the case of a sealed bid solicitation) or contract award (in the case of a negotiated solicitation) unless otherwise required by law; and

(3) No attempt has been made or will be made by the bidder/offeror to induce any other concern to submit or not to submit a bid/offer for the purpose of restricting competition.

(b) Each signature on the bid/offer is considered to be a certification by the signatory that the signatory:

(1) Is the person in the bidder/offeror's organization responsible for determining the prices being offered in this bid or proposal, and that the signatory has not participated and will not participate in any action contrary to subparagraphs (a)(1) through (a)(3) above; or

(2) (i) Has been authorized, in writing, to act as agent for the following principals in certifying that those principals have not participated, and will not participate in any action contrary to subparagraphs (a)(1) through (a)(3) above (insert full name of person(s) in the bidder/offeror's organization responsible for determining the prices offered in this bid or proposal, and the title of his or her position in the bidder/offeror's organization);

(ii) As an authorized agent, does certify that the principals named in subdivision (b)(2)(i) above have not participated, and will not participate, in any action contrary to subparagraphs (a)(1) through (a)(3) above; and

(iii) As an agent, has not personally participated, and will not participate in any action contrary to subparagraphs (a)(1) through (a)(3) above.

(c) If the bidder/offeror deletes or modifies subparagraph (a)2 above, the bidder/offeror must furnish with its bid/offer a signed statement setting forth in detail the circumstances of the disclosure.

4. Organizational Conflicts of Interest Certification

(a) The Contractor warrants that to the best of its knowledge and belief and except as otherwise disclosed, it does not have any organizational conflict of interest which is defined as a situation in which the nature of work under a proposed contract and a prospective contractor's organizational, financial, contractual or other interest are such that:

(i) Award of the contract may result in an unfair competitive advantage;

(ii) The Contractor's objectivity in performing the contract work may be impaired; or

(iii) That the Contractor has disclosed all relevant information and requested the HA to make a determination with respect to this Contract.

(b) The Contractor agrees that if after award he or she discovers an organizational conflict of interest with respect to this contract, he or she shall make an immediate and full disclosure in writing to the HA which shall include a description of the action which the Contractor has taken or intends to eliminate or neutralize the conflict. The HA may, however, terminate the Contract for the convenience of HA if it would be in the best interest of HA.

(c) In the event the Contractor was aware of an organizational conflict of interest before the award of this Contract and intentionally did not disclose the conflict to the HA, the HA may terminate the Contract for default.

(d) The Contractor shall require a disclosure or representation from subcontractors and consultants who may be in a position to influence the advice or assistance rendered to the HA and shall include any necessary provisions to eliminate or neutralize conflicts of interest in consultant agreements or subcontracts involving performance or work under this Contract.

5. Authorized Negotiators (RFPs only)

The offeror represents that the following persons are authorized to negotiate on its behalf with the PHA in connection with this request for proposals: (list names, titles, and telephone numbers of the authorized negotiators):

6. Conflict of Interest

In the absence of any actual or apparent conflict, the offeror, by submission of a proposal, hereby warrants that to the best of its knowledge and belief, no actual or apparent conflict of interest exists with regard to any possible performance of this procurement, as described in the clause in this solicitation titled "Organizational Conflict of Interest."

7. Offeror's Signature

The offeror hereby certifies that the information contained in these certifications and representations is accurate, complete, and current.

Signature & Date:

Typed or Printed Name:

Title:

ATTACHMENT I

General Conditions for Non-Construction Contracts (Form HUD-5370-C)

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

General Conditions for Non-Construction
Contracts
Section II - (With Maintenance Work)

U.S. Department of Housing and Urban
Development
Office of Public and Indian Housing
Office of Labor Relations
OMB Approval No. 2577-0157 (exp. 1/01/2014)

Public Reporting Burden for this collection of information is estimated to average 0.08 hours per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Reports Management Officer, Office of Information Policies and Systems, U.S. Department of Housing and Urban Development, Washington, D.C. 20410-3600; and to the Office of Management and Budget, Paperwork Reduction Project (2577-0157), Washington, D.C. 20503. Do not send this completed form to either of these addresses.

Applicability. This form HUD-5370-C has 2 Sections. Those Sections must be inserted into non-construction contracts as described below:

In the classification under this Contract from the first day on which work is performed in the classification.

- 1] Non-construction contracts (without maintenance) greater than \$100,000 - use Section I;
- 2] Maintenance contracts (including nonroutine maintenance as defined at 24 CFR 966.105) greater than \$2,000 but not more than \$100,000 - use Section II; and
- 3] Maintenance contracts (including nonroutine maintenance), greater than \$100,000 - use Sections I and II.

Section II - Labor Standard Provisions for all Maintenance Contracts greater than \$2,000

1. Minimum Wages

(a) All maintenance laborers and mechanics employed under this Contract in the operation of the project(s) shall be paid unconditionally and not less often than semi-monthly, and without subsequent deduction (except as otherwise provided by law or regulations), the full amount of wages due at time of payment computed at rates not less than those contained in the wage determination of the Secretary of Housing and Urban Development which is attached hereto and made a part hereof. Such laborers and mechanics shall be paid the appropriate wage rate on the wage determination for the classification of work actually performed, without regard to skill. Laborers or mechanics performing work in more than one classification may be compensated at the rate specified for each classification for the time actually worked therein; provided, that the employer's payroll records accurately set forth the time spent in each classification in which work is performed. The wage determination, including any additional classifications and wage rates approved by HUD under subparagraph 1(b), shall be posted at all times by the Contractor and its subcontractors at the site of the work in a prominent and accessible place where it can be easily seen by the workers.

(b) (i) Any class of laborers or mechanics which is not listed in the wage determination and which is to be employed under the Contract shall be classified in conformance with the wage determination. HUD shall approve an additional classification and wage rate only when the following criteria have been met:

- (1) The work to be performed by the classification required is not performed by a classification in the wage determination;
- (2) The classification is utilized in the area by the industry; and
- (3) The proposed wage rate bears a reasonable relationship to the wage rates contained in the wage determination.

(ii) The wage rate determined pursuant to this paragraph shall be paid to all workers performing work

2. Withholding of funds

The Contracting Officer, upon his/her own action or upon request of HUD, shall withhold or cause to be withheld from the Contractor under this Contract or any other contract subject to HUD-determined wage rates, with the same prime Contractor, so much of the accrued payments or advances as may be considered necessary to pay laborers and mechanics employed by the Contractor or any subcontractor the full amount of wages required by this clause. In the event of failure to pay any laborer or mechanic employed under this Contract all or part of the wages required under this Contract, the Contracting Officer or HUD may, after written notice to the Contractor, take such action as may be necessary to cause the suspension of any further payment or advance until such violations have ceased. The Public Housing Agency or HUD may, after written notice to the Contractor, disburse such amounts withheld for and on account of the Contractor or subcontractor to the respective employees to whom they are due.

3. Records

- (a) The Contractor and each subcontractor shall make and maintain for three (3) years from the completion of the work records containing the following for each laborer and mechanic:
- (i) Name, address and Social Security Number;
 - (ii) Correct work classification or classifications;
 - (iii) Hourly rate or rates of monetary wages paid;
 - (iv) Rate or rates of any fringe benefits provided;
 - (v) Number of daily and weekly hours worked;
 - (vi) Gross wages earned;
 - (vii) Any deductions made; and
 - (viii) Actual wages paid.
- (b) The Contractor and each subcontractor shall make the records required under paragraph 3(a) available for inspection, copying, or transcription by authorized representatives of HUD or the HA and shall permit such representatives to interview employees during working hours on the job. If the Contractor or any subcontractor fails to make the required records available, HUD or its designee may, after written notice to the Contractor, take such action as may be necessary to cause the suspension of any further payment, advance or guarantee of funds.

4. Apprentices and Trainees

- (a) Apprentices and trainees will be permitted to work at less than the predetermined rate for the work they perform when they are employed pursuant to and individually registered in:
- (i) A bona fide apprenticeship program registered with the U.S. Department of Labor, Employment and Training Administration (ETA), Office of

Apprenticeship Training, Employer and Labor Services (OATELS), or with a state apprenticeship agency recognized by OATELS, or if a person is employed in his/her first 90 days of probationary employment as an apprentice in such an apprenticeship program, who is not individually registered in the program, but who has been certified by OATELS or a state apprenticeship agency (where appropriate) to be eligible for probationary employment as an apprentice;

(ii) A trainee program which has received prior approval, evidenced by formal certification by the U.S. Department of Labor, ETA; or

(iii) A training/trainee program that has received prior approval by HUD.

(b) Each apprentice or trainee must be paid at not less than the rate specified in the registered or approved program for the apprentice's/trainee's level of progress, expressed as a percentage of the journeyman hourly rate specified in the applicable wage determination. Apprentices and trainees shall be paid fringe benefits in accordance with the provisions of the registered or approved program. If the program does not specify fringe benefits, apprentices/trainees must be paid the full amount of fringe benefits listed on the wage determination for the applicable classification.

(c) The allowable ratio of apprentices or trainees to journeyman on the job site in any craft classification shall not be greater than the ratio permitted to the employer as to the entire work force under the approved program.

(d) Any worker employed as an apprentice or trainee wage rate who is not registered in an approved program, and any apprentice or trainee performing work on the job site in excess of the ratio permitted under the approved program, shall be paid not less than the applicable wage rate on the wage determination for the classification of work actually performed.

(e) In the event OATELS, a state apprenticeship agency recognized by OATELS or ETA, or HUD, withdraws approval of an apprenticeship or trainee program, the employer will no longer be permitted to utilize apprentices/trainees at less than the applicable predetermined rate for the work performed until an acceptable program is approved.

5. Disputes concerning labor standards

(a) Disputes arising out of the labor standards provisions contained in Section II of this form HUD-5370-C, other than those in Paragraph 6, shall be subject to the following procedures. Disputes within the meaning of this paragraph include disputes between the Contractor (or any of its subcontractors) and the HA, or HUD, or the employees or their representatives, concerning payment of prevailing wage rates or proper classification. The procedures in this section may be initiated upon HUD's own motion, upon referral of the HA, or upon request of the Contractor or subcontractor(s).

(i) A Contractor and/or subcontractor or other interested party desiring reconsideration of findings of violation by the HA or HUD relating to the payment of straight-time prevailing wages or classification of work shall request such reconsideration by letter postmarked within 30 calendar days of the date of notice of findings issued by the HA or HUD. The request shall set

forth those findings that are in dispute and the reasons, including any affirmative defenses, with respect to the violations. The request shall be directed to the appropriate HA or HUD official in accordance with instructions contained in the notice of findings or, if the notice does not specify to whom a request should be made, to the Regional Labor Relations Officer (HUD).

(ii) The HA or HUD official shall, within 60 days (unless otherwise indicated in the notice of findings) after receipt of a timely request for reconsideration, issue a written decision on the findings of violation. The written decision on reconsideration shall contain instructions that any appeal of the decision shall be addressed to the Regional Labor Relations Officer by letter postmarked within 30 calendar days after the date of the decision. In the event that the Regional Labor Relations Officer was the deciding official on reconsideration, the appeal shall be directed to the Director, Office of Labor Relations (HUD). Any appeal must set forth the aspects of the decision that are in dispute and the reasons, including any affirmative defenses, with respect to the violations.

(iii) The Regional Labor Relations Officer shall, within 60 days (unless otherwise indicated in the decision on reconsideration) after receipt of a timely appeal, issue a written decision on the findings. A decision of the Regional Labor Relations Officer may be appealed to the Director, Office of Labor Relations, by letter postmarked within 30 days of the Regional Labor Relations Officer's decision. Any appeal to the Director must set forth the aspects of the prior decision(s) that are in dispute and the reasons. The decision of the Director, Office of Labor Relations, shall be final.

(b) Disputes arising out of the labor standards provisions of paragraph 6 shall not be subject to paragraph 5(a) of this form HUD-5370-C. Such disputes shall be resolved in accordance with the procedures of the U.S. Department of Labor set forth in 29 CFR Parts 5, 6 and 7. Disputes within the meaning of this paragraph 5(b) include disputes between the Contractor (or any of its subcontractors) and the HA, HUD, the U.S. Department of Labor, or the employees or their representatives.

6. Contract Work Hours and Safety Standards Act

The provisions of this paragraph 6 are applicable only where the amount of the prime contract exceeds \$100,000. As used in this paragraph, the terms "laborers" and "mechanics" includes watchmen and guards.

(a) Overtime requirements. No Contractor or subcontractor contracting for any part of the Contract work which may require or involve the employment of laborers or mechanics shall require or permit any such laborer or mechanic in any workweek in which he or she is employed on such work to work in excess of 40 hours in such workweek unless such laborer or mechanic receives compensation at a rate not less than one and one-half times the basic rate of pay for all hours worked in excess of 40 hours in such workweek.

(b) Violation; liability for unpaid wages; liquidated damages. In the event of any violation of the provisions set forth in paragraph 6(a), the Contractor and any

subcontractor responsible therefor shall be liable for the unpaid wages. In addition, such Contractor and subcontractor shall be liable to the United States (in the case of work done under contract for the District of Columbia or a territory, to the District or to such territory), for liquidated damages. Such liquidated damages shall be computed with respect to each individual laborer or mechanic, including watchmen and guards, employed in violation of the provisions set forth in paragraph (a) of this clause, in the sum of \$10 for each calendar day on which such individual was required or permitted to work in excess of the standard workweek of 40 hours without payment of the overtime wages required by provisions set forth in paragraph (a) of this clause.

- (c) Withholding for unpaid wages and liquidated damages. HUD or its designee shall upon its own action or upon written request of an authorized representative of the U.S. Department of Labor withhold or cause to be withheld, from any moneys payable on account of work performed by the Contractor or subcontractor under any such Contract or any federal contract with the same prime Contractor, or any other federally-assisted contract subject to the Contract Work Hours and Safety Standards Act, which is held by the same prime Contractor such sums as may be determined to be necessary to satisfy any liabilities of such Contractor or subcontractor for unpaid wages and liquidated damages as provided in the provisions set forth in paragraph (b) of this clause.

7. Subcontracts

The Contractor or subcontractor shall insert in any subcontracts all the provisions contained in this Section II and also a clause requiring the subcontractors to include these provisions in any lower tier subcontracts. The prime Contractor shall be responsible for the compliance by any subcontractor or lower tier subcontractor with all the provisions contained in these clauses.

8. Non-Federal Prevailing Wage Rates

Any prevailing wage rate (including basic hourly rate and any fringe benefits), determined under state law to be prevailing, with respect to any employee in any trade or position employed under the Contract, is inapplicable to the contract and shall not be enforced against the Contractor or any subcontractor, with respect to employees engaged under the contract whenever such non-Federal prevailing wage rate, exclusive of any fringe benefits, exceeds the applicable wage rate determined by the Secretary of HUD to be prevailing in the locality with respect to such trade or position.

Certification of Payments to Influence Federal Transactions

U.S. Department of Housing
and Urban Development
Office of Public and Indian Housing

OMB Approval No. 2577-0157 (Exp. 01/31/2017)

Applicant Name

Program/Activity Receiving Federal Grant Funding

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, Disclosure Form to Report Lobbying, in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all sub recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Name of Authorized Official

Title

Signature

Date (mm/dd/yyyy)

ATTACHMENT J

Section 3 Policy

Harris County Housing Authority
Section 3 Policy

STATEMENT OF PURPOSE

The purpose of Section 3 of the Housing and Urban Development Act of 1968, as amended by Section 915 of the Housing and Community Development Act of 1992, is to "ensure that employment and other economic opportunities generated by certain HUD financial assistance shall, to the greatest extent feasible, and consistent with existing Federal, State and local laws and regulations, be directed toward low-and very low income persons, particularly those who are recipients of government assistance for housing, and to business concerns which provide economic opportunities to low-and very low-income persons." The 1992 Act sets forth:

- The types of HUD financial assistance, activities, and recipients subject to the requirements of Section 3;
- The specific individuals and business concerns who are the intended beneficiaries of the economic opportunities generated from HUD-assisted activities; and
- The order of priority in which these individuals and business concerns should be recruited and solicited for the employment and other economic opportunities generated from HUD-assisted activities.

The Harris Housing Authority's Section 3 Policy is expressed in this statement, the goal statement, and the preference tiers. Implementation procedures may be amended periodically to insure that the policy requirements are being met or to bring about efficiencies in the implementation of the program based on the practice and experience of running the program.

*Note that supply and delivery contracts are exempted from these Section 3 Policy requirements.

HARRIS COUNTY HOUSING AUTHORITY PREFERENCE TIERS

Harris County Housing Authority's preference is to ensure that as many housing authority residents as possible are employed. In an effort to further that goal, the Authority has created the following preference tier structure. Vendors are asked to comply with Section 3 by first considering Category I, hiring at the site where work is being performed. If the vendor demonstrates to the Authority's satisfaction the inability to hire at the site, the Authority's next preference is for the vendor to hire residents from other Authority properties and/or programs (Category II). If the vendor cannot meet its Section 3 goal in this manner and needs to move to other categories, the vendor must document this inability to comply with the preference.

- I. Preference for Section 3 Residents in Training and Employment Opportunities
 - Category I* Train/hire residents from the site where the work is being performed
 - Category II* Train/hire residents of other housing developments and/or programs managed by the housing authority that is expending the covered assistance
 - Category III* Train/hire participants in a HUD Youthbuild-like program being carried out in the metropolitan area or Non-metropolitan County in which the covered assistance is expended
 - Category IV* Train/hire other Section 3 residents

II. Preference for Section 3 Business Concerns In Contracting Opportunities

Category I Businesses

Business concerns that are 51 percent or more owned by residents of the housing development or developments for which the Section 3 covered assistance is expended and whose full-time permanent workforce includes 30 percent of these persons as employees (or 30% of persons who were Section 3 residents within 3 years of their first employment)

Category II Businesses

Business concerns that are 51 percent or more owned by residents of other housing developments or developments managed by the housing authority that is expending the Section 3 covered assistance and whose full-time, permanent workforce includes 30 percent of these persons as employees (or 30% of persons who were Section 3 residents within 3 years of their first employment)

Category III Businesses

Business concerns that are 51 percent or more owned by residents of the housing development or developments for which the Section 3 covered assistance is expended

Category IV Businesses

Business concerns that are 51 percent or more owned by residents of other housing developments or developments managed by the housing authority that is expending the Section 3 covered assistance

Category V Businesses

HUD Youthbuild-like programs being carried out in the metropolitan area in which the Section 3 covered assistance is expended

Category VI Businesses

Business concerns that are 51 percent or more owned by Section 3 residents and:

- i. whose permanent, full-time workforce includes no less than 30 percent Section 3 residents; or
- ii. that subcontract 20 percent or more of the total amount of the contract (including modifications) and subcontracts 25 percent of the subcontracted amount to Section 3 business concerns

Category VII Businesses

Business concerns that are 51 percent or more owned by Section 3 residents

NOTE: For contracts or purchase orders \$100,000 or less, other economic opportunities can be identified without regard for the Harris County Housing Authority's preference requirements.

SECTION 3 COMPLIANCE REQUIREMENTS

Hiring

A. Background

1. The Section 3 regulations provide that recipients, their contractors, and any subcontractors demonstrate compliance by employing Section 3 residents as 5% of the aggregate number of new hires.

2. The Section 3 Regulations, at CFR Part 135, require that in affordable housing programs, compliance efforts shall be directed to provide training and employment opportunities to Section 3 residents in accordance with the HCHA preference tier structure.
3. If a new hire is needed and a Section 3 resident is identified, that Section 3 resident will be required to submit evidence of Section 3 status to the recipient, contractor or subcontractor.
4. The Harris County Housing Authority requires a preference for hiring from the development where work is being performed. However, the Harris County Housing Authority will not require a vendor to hire from the development at the site if:
 - a. A pre-identified list of Section 3 residents from a job site contains no persons qualified to perform the work. Qualified residents from other developments shall then be considered.
 - b. The vendor's workforce is adequate to do the job and no new hiring is needed. In the event that no new hires are needed, vendors must pursue other avenues of compliance as set forth in the Harris County Housing Authority's preference tier structure.

B. Compliance

1. As part of each bid or proposal submitted, the respondent must document their workforce by position. Such information will be re-verified at the commencement of the contract.
2. Vendors will be required to submit documentation in the form of payroll forms submitted weekly that clearly identify the Section 3 hires. The vendor must comply with the Section 3 requirement throughout the life of the contract. Harris County Housing will periodically audit this information. Failure to comply with the weekly submittal of payroll shall result in the delay of payment.
3. Harris County Housing Authority residents by virtue of their income are Section 3 residents. Contractors employing Harris County Housing Authority residents must retain documentation that demonstrates any Harris County Housing Authority residents hired to meet Section 3 employment goals are:
 - a. identified on the lease of household, that is lease compliant; and
 - b. able to provide to the contractor or subcontractor the client number for the household where Harris County Housing Authority residency is claimed. This client number must appear on the certified payrolls submitted by the vendor to verify a Section 3 hire.
4. Non-Harris County Housing Authority households claiming Section 3 status must be prepared to submit evidence of income and residency in Harris County at the time of hire. As part of the Section 3 compliance process, vendors will be required to document that employees hired meet the residency and income requirements.

Contracting

A. Background

1. The Section 3 Regulations, at 24 CFR Part 135, provide that the Harris County Housing Authority, its contractors and subcontractors may demonstrate compliance by awarding contracts to Section 3 business concerns or to vendors who contract with such firms.
2. Harris County Housing Authority's contracting goals require that Section 3 firms receive at least:
 - a. 10 percent of the total dollar of all Section 3 covered contracts for building trades work for maintenance, repair, modernization or development of public or Indian housing; or
 - b. 10 percent of the total dollar amount of all Section 3 covered contracts for building trades work arising in connection with housing rehabilitation, housing construction and other public construction; and
 - c. 3 percent of the total dollar amount of all other Section 3 covered contracts.
3. Goals apply to the entire amount of Section 3 covered assistance awarded to a recipient in any federal fiscal year (FFY), October 1 - September 30. Correspondingly, Harris County Housing Authority's goals shall apply to the total dollar amount of each contract or purchase order.

4. Recipients that award contracts to contractors that will provide training or hiring, must ensure that contractors provide training, employment and contracting opportunities to Section 3 residents and Section 3 business concerns.
5. Efforts shall be directed to award contracts to Section 3 business concerns according to HCHA preference categories.

B. Compliance

1. Business concerns claiming Section 3 status based on ownership and workforce or workforce only (as applicable) must meet that status at the time the bid or proposal is submitted to the Harris County Housing Authority.
2. Anyone claiming to be a Section 3 resident or business concern shall be required, as set forth by procedure, to provide evidence of such status.
3. Pursuant to 24 CFR 135.36 (c) any firm, prime or subcontractor claiming Section 3 status must demonstrate to the Authority's satisfaction that the business concern is responsible and has the ability to complete the work under the terms and conditions of the proposed contract. In evaluating firms under this provision the Authority will examine:
 - a. the work history and prior performance of the firm;
 - b. the requirements of the job versus the skills evidenced by the firm through its owners, officers, principals, and key staff;
 - c. technical and logistical capacity to complete the work considering contracts already awarded to the firm by the Authority or others;
 - d. bonding capacity and ability to obtain required insurance (with allowances for disadvantaged or startup firms);
 - e. evidence of past sanctions imposed by the Authority or others; and
 - f. evidence that the firm, its principals, associates, partners, subcontractors or others have not acted or colluded in order to circumvent the compliance process by structuring contractual or other relationships or engaging in practices designed to comply with Section 3 only to obtain the preference without regard to the work requirements of the job.
4. A business concern need not hire to be considered a Section 3 business provided that:
 - a. the business concern is 51 % or more owned by a Section 3 resident; or
 - b. the business concern's workforce consists of sufficient numbers of Section 3 residents to qualify the vendor as a Section 3 business (30% or more of the full-time workforce consists of Section 3 residents, or persons who were Section 3 residents within 3 years of first employment); or
 - c. the business concern subcontracts 20% or more of the total amount of the contract (including modifications) and in turn subcontracts 25% of the subcontracted amount to Section 3 business concerns (25% of 20%); or
5. After award of a contract, if a business concern must hire to maintain the Section 3 workforce percentage, new hiring efforts must be made in accordance with the Harris County Housing Authority preference tier for hiring (Category I).
6. If a business concern claims Section 3 status by virtue of workforce composition, documentation of the 30% workforce requirement must be submitted to the Authority as part of the response to the bid, quote, or proposal. Further, the firm must maintain the Section 3 workforce percentage throughout the life of the contract. Workforce composition is subject to audit.
7. A business concern (including joint-ventures) seeking to qualify for a Section 3 preference shall certify and submit evidence that they are entitled to the applicable Section 3 preference and that they are a Section 3 business concern as defined in 24 CFR, Part 135 and by the Harris County Housing Authority pursuant to this policy. Prime or subcontractors must submit documentation (including workforce composition data) as part of any bid, quote, or proposal submitted to the Harris County Housing Authority. Additional documentation is required for joint-ventures.

8. Firms that claim Section 3 business status by subcontracting (25% of 20% a) of the total contract) to other Section 3 businesses must require that the subcontractor(s) provide ownership or workforce documentation as applicable. The prime contractors must keep such records on file and available for review by the Authority. Such documentation must also be submitted as part of any bid, quote or proposal.
9. Subcontractors identified by any prime contractor claiming Section 3 status per item 6 must be a Section 3 business by ownership and/or workforce as defined in this policy. Subcontractors used by prime contractors to comply with item 6 cannot claim Section 3 status by further subcontracting.
10. Section 3 Joint-Ventures - to meet Section 3 contracting goals the Authority is permitted to contract with an association of firms as least one of which meets the Authority's definition of a Section 3 business concern. A definition of a joint venture is provided in the definition section of this policy. Compliance requirements for joint-ventures are discussed below.
11. Joint-Ventures are subject to the following documentation requirements:
 - a. The joint-venture agreement must be in writing and must be submitted as part of the response to any bid or proposal solicited by the Harris County Housing Authority. In order for the Authority to evaluate the "adequacy" and "capacity", the agreement must describe in sufficient detail the area(s) of work assigned to each member of the joint-venture.
 - b. The joint-venture agreement must reference a completed and fully executed joint-venture certification, as provided by the Authority, which must also be attached to the joint-venture agreement as an exhibit.
 - c. The Harris County Housing Authority requires that the Section 3 joint-venture partner is a bona-fide Section 3 business; therefore, the joint-venture shall provide documentation that shows that the Section 3 partner meets the ownership and workforce, or workforce requirements established in this policy. Section 3 joint-venture partners cannot use subcontracting to establish their status as a Section 3 business concern.
 - d. Section 3 requires that the joint-venture partner be responsible for a clearly defined portion of the work. Proposals or bids must specify the labor hours assigned to and the compensation to be received by the Section 3 joint-venture firm.
 - e. Section 3 firms in the joint-venture must be qualified to perform the scope of work and have the capacity to complete the work assigned under the joint-venture agreement (see item b above).

Bid or Proposal Evaluation

- A. Vendors who fail to address Section 3 requirements will be deemed nonresponsive. This means that in the proposal or bid documents submitted to the Harris County Housing Authority, the Contractor's Affidavit and Compliance commitment must be completed including applicable attachments and supporting documentation to support claims of compliance by hiring, contracting, or other economic opportunities.
- B. After written notice from the Harris County Housing Authority specifying the defects in the Section 3 information, vendors will be given no more than 5 business days to complete the form and provide all required documents. Failure to respond within the 5 days will result in the Authority declaring the bidder or respondent non-responsive. The contract or bid will then be awarded to the next lowest bidder or to the respondent with the next highest score. Where the selection is a qualifications-based procurement, the Harris County Housing Authority will award to the firm that is the next highest ranked.

DEFINITIONS

NEW HIRES- Persons selected to fill full-time, temporary or seasonal employment opportunities.

RESIDENT OWNED BUSINESS (ROB)- A ROB is a business concern owned or controlled by affordable housing residents, that is: (a) at least 51 % owned by one or more affordable housing residents; and (b) whose management and daily business operations are controlled by one or more such individuals. For the purpose of Section 3 compliance, a ROB must also meet the Housing Authority's definitions of a Section 3 business concern as described below.

EMPLOYMENT OPPORTUNITIES GENERATED BY SECTION 3 COVERED ASSISTANCE- All employment opportunities generated by the expenditure of Section 3 covered PIH assistance (i.e. operating assistance, development assistance, and modernization assistance) and with respect to Section 3 covered housing and community development assistance, all employment opportunities arising in connection with Section 3 covered projects, including management and administrative jobs (including architectural, engineering, or related professional services and jobs directly related to administrative support of these activities) connected with the Section 3 covered project.

RECIPIENT- Any entity which receives Section 3 covered assistance, directly from HUD or from another recipient and includes, but is not limited to, any State, unit of local government, PHA, IHA, Indian Tribe, or other public body, public or private nonprofit organization, private agency or institution, mortgagor, developer, limited dividend sponsor, builder, property manager, community housing development organization, resident management corporation, resident council, or cooperative association. Recipient also includes any successor, assignee, or transferee of any such entity, but does not include any ultimate beneficiary under the HUD program to which Section 3 applies and does not include contractors.

SECTION 3- Section 3 of the Housing and Urban Development Act of 1968, as amended (12 U.S.C. 1701u).

SECTION 3 BUSINESS CONCERN- As defined by the Harris County Housing Authority, a Section 3 business concern is one:

- A. That is fifty-one (51 %) or more owned by Section 3 residents; or
- B. Whose full-time employees includes persons, at least 30 percent of whom are current Section 3 residents, or were Section 3 residents within three (3) years of the date of first employment with the business concern; or
- C. That provides evidence of a commitment to: (1) subcontract 25 percent or more of the total amount of the contract (including any modification); and (2) in turn subcontracts in excess of 25 percent of the amount from (1) to Section 3 business concerns as defined in A or B (25% of 20%).

Example: If the contract amount is \$1,000,000, vendor must subcontract at least 20% or \$200,000. Of the \$200,000, 25% or \$50,000 must go to Section 3 business concern(s) as defined in A or B.

SECTION 3 CLAUSE- The contract provisions and sanction set forth in 24 CFR 135.8.

SECTION 3 COVERED ACTIVITY- Any activity that is funded by Section 3 covered assistance including Affordable housing assistance.

SECTION 3 COVERED ASSISTANCE- There are no dollar amount thresholds for PIH (Public and Indian Housing) funded Section 3 covered activities. Section 3 applies to all contractors and

subcontractors performing work in connection with the following assistance regardless of the amount of the contract or subcontract:

- Public and Indian housing development assistance provided pursuant to Section 5 of the 1937 Act;
- Public and Indian housing operating assistance provided pursuant to Section 9 of the 1937 Act;
- Public and Indian housing modernization assistance provided pursuant to Section 14 of the 1937 Act;
- Section 8 assistance for work arising in connection with; housing rehabilitation, housing construction, or other public construction projects.

SECTION 3 COVERED CONTRACT- A contract or subcontract (including a professional service contract) awarded by a recipient or contractor for work generated by the expenditure of Section 3 covered assistance or for work arising in connection with a Section 3 covered project. "Section 3 covered contracts" do not include contracts for the purchase of supplies and materials except, whenever a contract for materials includes the installation of the materials, the contract constitutes a "Section 3 covered contract."

SECTION 3 COVERED PROJECT- The construction, reconstruction, conversion, or rehabilitation of housing (including reduction and abatement of lead-based paint hazards), other public construction which includes buildings or improvements (regardless of ownership) assisted with housing or community development assistance.

SECTION 3 JOINT VENTURE- An association of business concerns, one of which qualifies as a Section 3 business concern, formed by written joint venture agreement to engage in and carry out a specific business venture for which purpose the business concerns combine their efforts, resources, and skills for joint profit, but not necessarily on a continuing or permanent basis for conducting business generally, and for which the Section 3 business concern:

- Is responsible for a clearly defined portion of the work to be performed and holds management responsibilities in the joint venture; and
- Performs at least 25% of the work and is contractually entitled to compensation proportional to its work.

SECTION 3 RESIDENT-

- A. An affordable housing resident or
- B. An individual who resides in Harris County and who meets the following criteria:
 - i. Low-income persons-families (or single persons) whose incomes do not exceed 80 per centum of the median income for the area.
 - ii. Very low-income persons-families (or single persons) whose incomes do not exceed 50 per centum of the median income for the area.

ATTACHMENT K

Draft Contract

Legal Consulting Services – Real Estate Transactions & Construction Related Services, Agreement

This Legal Consulting Services – Real Estate Transactions & Construction Related Services, Agreement (“Agreement”) is entered into on this ____ day of _____ 2017 (“Effective Date”), by and between _____ (“_____”) and Harris County Housing Authority (“HCHA” or the “Authority”).

RECITALS

On _____, 2017, HCHA issued Request for Proposals 17-04 (“RFP 17-04”) seeking Legal Consulting Services – Real Estate Transactions & Construction Related Services attached to this Agreement as Exhibit 1.

After seeking a reasonable number of Proposals, HCHA has determined that _____ submitted the Proposal that represents the best overall value to HCHA, considering price and other factors set forth in RFP 17-04.

Because _____ was the responsive and responsible vendor that submitted the Proposal that represents the best overall value to HCHA, HCHA selected _____, and _____ has agreed, to provide Legal Consulting Services – Real Estate Transactions & Construction Related Services to HCHA.

TERMS

1. **SPECIFICATION.** _____ shall provide Legal Consulting Services – Real Estate Transactions & Construction Related Services as specified in RFP 17-04, including all attachments thereto.
 - A. The services performed by _____ shall be as an independent contractor. _____ is not an agent, partner, or joint venturer of HCHA. _____ shall not represent itself to third persons to be other than an independent contractor of HCHA, nor shall _____ permit itself to offer or agree to incur or assume any obligations or commitments in the name of HCHA or for HCHA without the prior written consent and authorization of the HCHA. _____ shall be responsible for payment of all taxes arising out of _____’s activities under this contract. This Agreement is not intended to create and shall not constitute a partnership or joint venture between the Parties. _____ shall have and retain the exclusive right of control over its employees’ employment, firing, discipline, compensation, insurance, and benefits in accordance with applicable laws. _____ has no authority to bind or otherwise obligate HCHA orally, in writing or by any act or omission. Nothing contained herein shall establish an agency, employee-employer relationship, partnership, joint enterprise, joint employer, or joint venture relationship by or between _____ and HCHA. Neither Party shall have the authority to enter into contracts or agreements on behalf of the other Party.
 - B. **IN THE EVENT THAT ANY STATE OR FEDERAL AGENCY, OR COURT OF COMPETENT JURISDICTION DETERMINES THAT _____ IS NOT AN INDEPENDENT CONTRACTOR, _____ AGREES TO INDEMNIFY AND HOLD HARMLESS HCHA FOR ANY AND ALL DIRECT**

DAMAGES, PENALTIES, ASSESSMENTS, TAXES, OR EXPENSES THAT MAY BE INCURRED BY HCHA AS A RESULT OF THIS DETERMINATION.

- C. _____ warrants that it will comply with all federal and state laws including but not limited to the Prompt Pay Act, in the payment of its workers.
- D. _____ is solely responsible for the payment of wages and any applicable benefits to workers for Services performed for HCHA. _____ shall be responsible for withholding federal and state income taxes, paying Federal Social Security taxes, maintaining unemployment insurance and maintaining workers' compensation insurance in an amount and under such terms as required by the applicable laws of the State of Texas.
- E. **HCHA'S PAYMENT IS TO _____. HCHA SHALL HAVE NO LIABILITY, DIRECTLY OR INDIRECTLY, FOR PAYMENT TO _____'S WORKERS OR SUBCONTRACTORS. _____ SHALL INDEMNIFY AND HOLD HCHA HARMLESS FROM ANY AND ALL SUCH CLAIMS.**
- F. _____'s workers are not entitled to any contributions by or benefits from HCHA for any pension plan, bonus plan or any other benefit plan. _____ and the workers furnished by _____ shall not be entitled to any fringe benefits or similar benefits afforded to employees of HCHA. HCHA is not liable for payment of any federal or state taxes and charges including, but not limited to, income withholding taxes, social security, unemployment, workers' compensation, and similar taxes and charges. This Section shall survive the expiration or termination of this Agreement.
- G. HCHA is not responsible to _____ or _____'s workers for payment of any overtime compensation or any additional payments pursuant to the Fair Labor Standards Act, 29 U.S.C. Section 207 9a(1), as amended; the Texas Pay Day Act; the Equal Pay Act; Title VII of the Civil Rights Act of 1964, 42 U.S.C. Section 2000e, *et al.*, as amended; or any provisions of the Texas Labor Code Ann., as amended. **HCHA will not be responsible for overtime wages.**
2. **CHARGES.** _____ understands and agrees that HCHA is exempt from all federal, state, and local taxes, unless otherwise stated in this Agreement. HCHA shall pay _____ for Legal Consulting Services – Real Estate Transactions & Construction Related Services as follows:
- _____
 - _____
3. **IMMUNITY.** Nothing in this Agreement is intended to waive HCHA's immunity.
4. **ACCESS TO RECORDS.** _____ understands and agrees to allow duly authorized representatives of HCHA, Harris County, the United States Department of Housing and Urban Development, the Comptroller General of the United States, the United States

General Accounting Office, or other local, state, and federal government representatives, access to contracts, books, documents, and records necessary to verify the nature and extent of the cost of services provided by vendor. The right to access shall continue as long as the records are required to be maintained. _____ further understands and agrees that:

- A. HCHA shall release any and all information necessary to comply with the Texas Public Information Act, Chapter 552 of the Texas Government Code ("PIA"), without the prior written consent of _____;
 - B. HCHA and its Commissioners, Officers, and Employees may request advice, decisions, and opinions of the Attorney General of Texas ("Attorney General") in regard to the application of the PIA to any information or data furnished to HCHA, whether or not the same are available to the public;
 - C. HCHA and its Commissioners, Officers, and Employees, shall have the right to rely on the advice, decisions, and opinions of the Attorney General, and HCHA and its Commissioners, Officers, and Employees, shall have no liability or obligations to _____ for the disclosure to the public, or to any person or persons, of any information or data furnished to HCHA in reliance on any advice, decision, or opinion of the Attorney General. In the event HCHA receives a written request for information pursuant to the PIA that affects _____'s rights, title to, or interest in any information or data or a part thereof, furnished to HCHA by _____ under this Agreement, then HCHA will promptly notify _____ of such request. _____ may, at its own option and expense, prepare comments and submit information directly to the Attorney General stating why the requested information is exempt from disclosure pursuant to the requirements of the PIA. _____ is solely responsible for submitting the memorandum brief and information to the Attorney General within the time period prescribed by the PIA. _____ is solely responsible for seeking any declaratory or injunctive relief regarding the disclosure of information that it deems confidential or privileged;
 - D. _____'s e-mail addresses that are provided to HCHA, including any affiliate of HCHA, are subject to disclosure. This consent is intended to comply with the requirements of the PIA, and shall survive termination of this Agreement. This consent shall apply to e-mail addresses provided by _____ and agents acting on behalf of _____ and shall apply to any e-mail address provided in any form for any reason whether related to this Agreement or otherwise;
 - E. _____ shall maintain all records concerning the program or project financed under this Agreement which HCHA reasonably requires for five (5) years from the termination of this Agreement unless a longer period is required under 2 C.F.R. §§ 200.300-.309, or other applicable regulations.
5. **GOVERNING FORMS.** In the event of any conflict between the terms and provisions of this Agreement, the RFP, and/or _____'s Proposal, this Agreement shall govern. In the event of any conflict of interpretation of any part of this Agreement, the RFP, and/or _____'s Proposal, HCHA's interpretation shall govern.

6. **AMENDMENTS TO BE IN WRITING.** This Agreement may not be altered, changed, or amended except by written agreement signed by all parties.
7. **GOVERNING LAW.** Laws and regulations applicable to this Agreement include, but are not limited to, the Texas Housing Authorities Law (Chapter 392 of the Texas Local Government Code), the requirements of Section 3 of the Housing and Urban Development Act of 1968 relating to the training and employment of individuals and contracting for business opportunities in metropolitan areas in which federally funded programs are being operated, the requirements of Executive Orders 11625, 12432 and 12138 to implement Minority Business Enterprises (MBE) and Women's Business Enterprise (WBE) participation goals in Federal Agency Programs, and, to the extent applicable, the standards, orders or regulations issued pursuant to the Clean Air Act (42 U.S.C. 7401-7671q) and the Federal Water Pollution Control Act as amended (33 U.S.C. 1251-1387) and violations shall be reported to HUD and the Regional Office of the Environmental Protection Agency.
8. **INVOICES AND PAYMENTS.** [Unless otherwise limited under Paragraph 2,] _____ shall submit its original itemized invoices and Taxpayer Identification Number to HCHA. HCHA shall pay _____ the maximum rate permitted by Chapter 2251 of the Texas Government Code on any past due payment not received within 30 days after the payment due date. In accordance with § 2251.043, in a formal administrative or judicial action to collect an invoice payment or interest due under this chapter, the opposing party, which may be HCHA or _____, shall pay the reasonable attorney fees of the prevailing party.
9. **POTENTIAL CONFLICTS OF INTEREST.** _____ and all _____ personnel performing services under this Agreement shall read and be familiar with HCHA's Ethics Policy and shall refrain from any conduct that will, or may, result in the violation of the Ethics Policy by any of HCHA's Commissioners or employees. If, at any time, an actual or apparent conflict of interest arises related to the work contemplated under this Agreement, including any violation of the Ethics Policy, Consultant shall immediately disclose such conflict in writing to HCHA. This paragraph shall survive the termination of this Agreement.
10. **SCOPE.** The term of this Agreement begins on the Effective Date and ends twelve (12) months from the Effective Date, but may be renewed for up to two (2) additional twelve (12) month terms at the sole option of HCHA. Either party, however, in its sole discretion, may terminate this Agreement sooner with, or without, cause by providing thirty (30) days' written notice to the other.
11. The following exhibits/documents are expressly made a part of this Agreement:

Exhibit 1 RFP 17-04
Exhibit 2 _____'s Proposal, including all attachments required by RFP 17-04

_____ shall complete all required forms prior to the commencement of any work.
12. _____ shall receive payments and notices in writing at the following address:

ATTN: _____, _____

13. HCHA shall receive notices in writing at the following address:

Harris County Housing Authority
8933 Interchange
Houston, Texas 77054
ATTN: Horace Allison, CEO

AGREED to on this date by:

HARRIS COUNTY HOUSING AUTHORITY

By: _____
_____, _____

By: _____
HORACE ALLISON, CEO

ATTACHMENT L

Harris County Housing Authority Ethics Policy

Effective: August 15, 2012
Last Revised: August 5, 2015

INDEX

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A. PURPOSE

As a county housing authority and public corporation, the Harris County Housing Authority ("Authority") is obligated to achieve and maintain certain standards of ethics under state law and under its Annual Contributions Contract ("ACC") with the U. S. Department of Housing and Urban Development ("HUD"). To achieve the highest standard of ethics and propriety, the Board of Commissioners adopted and established an Ethics Policy on August 15, 2012, to describe in a single document the various obligations of the Authority prescribed by federal and state law, and its contractual obligations with HUD. The purpose of the Ethics Policy is to maintain the reputation and goodwill of the Authority in Harris County and the state of Texas by ensuring that the public and other governmental entities have confidence in the integrity, independence, and impartiality of the commissioners, officers, employees, and other contractors of the Authority.

B. ENFORCEMENT

The board of commissioners shall recommend to any commissioner appropriate action to remediate or resolve any conflict or violation or shall refer to the Harris County Attorney's Office the facts and issues regarding any unresolved conflict or violation by a

HUD COUNTY HOUSING AUTHORITY ETHICS POLICY

commissioner that could constitute inefficiency, neglect of duty, or misconduct in office that might justify removal of the commissioner from office. The board of commissioners shall direct the executive director to remediate or resolve any conflict or violation involving an Authority employee. The executive director may take appropriate action to remedy or resolve an employee conflict or violation, including disciplinary action under the Employee Handbook.

C. ETHICS POLICY

All commissioners and employees shall abide by the provisions of Texas State law and the HUD ACC contained in the Sources of Law and Policy section below. To the extent allowed by federal or state law or the HUD ACC, the following rules shall further regulate the conduct of commissioners and employees to avoid the appearance or risk of impropriety:

Economic Benefit

A commissioner or employee shall not take any official action that he or she knows is likely to affect the economic interest of the commissioner or employee or their immediate family; an outside client or customer; a household member; the outside employer or a parent, child or spouse; a business entity or its affiliate of the commissioner or employee or their immediate family; a person or business entity from whom the commissioner or employee, or a spouse, has, within the previous 12 months, solicited, received and not rejected, or accepted an offer of employment, or with whom the commissioner or employee, or a spouse, has engaged in negotiations pertaining to business opportunities. Any commissioner or employee shall disclose such a relationship or interest and refrain from participation in any discussion or official action in the affected matter. A commissioner who is required to refrain from participation or action under this Section shall not be counted as "absent" for purposes of making a quorum under Article III, Section 7 of the Authority's Bylaws, because of the commissioner's refrainment.

Unfair Participation

A commissioner or employee may not use his or her official position to unfairly advance or impede private interests, or to grant or secure, or attempt to grant or secure, for any person, including himself or herself, any form of special consideration, treatment, exemption, or advantage beyond that which is lawfully available to other persons. A commissioner or employee shall not acquire an interest in, or acquire an interest affected by, any contract, transaction, decision or other matter, if the commissioner or employee knows that the interest will be affected by the impending official action by the Authority. A commissioner or employee may not enter into any agreement or understanding with any person that official action by the commissioner or employee will be rewarded or reciprocated by the other person. A commissioner or employee shall not appoint or employ, or vote to appoint or employ, any relative within the third degree of consanguinity or second degree of affinity to any office or position within the Authority. No commissioner or employee shall supervise a relative in the third degree of consanguinity or second degree of affinity. If an employee, because of marriage,

TARRANT COUNTY HOUSING AUTHORITY Ethics Policy

promotion, reorganization, or otherwise, is placed into the line of supervision of a proscribed relative, one of the employees must be reassigned or other arrangements made for supervision. Any commissioner or employee shall disclose such a relationship or interest and refrain from participation in any discussion or official action in the affected matter.

Gifts

A commissioner or employee, and second degree relatives or outside business associates, shall not solicit, accept, or agree to accept any gift to benefit for himself or herself or an interested business entity that reasonably tends to influence or reward official conduct or that the commissioner or employee knows is being offered with the intent to influence or reward official conduct. A commissioner or employee shall not solicit any gift or benefit but may accept or agree to accept a non-cash gift of nominal value and meals in an individual expense of \$50 or less at any occurrence from any individual or business entity doing or seeking to do business with the Authority. However, except as provided in the sentence immediately below, such gifts may not in aggregate exceed \$250 during any 12-month period. Gifts of reasonable value related to a special occasion and the relationship between the donor and recipient, reasonable public awards, or rewards for meritorious service or professional achievement, scholarships and fellowships, admissions to events in his or her official capacity or a spouse's position, and solicitations for civic or charitable causes are excluded from this rule.

Confidential Information

A commissioner or employee shall not use his or her official position to obtain official information about any person or entity for any purpose other than in the performance of official duties. A commissioner or employee shall not intentionally, knowingly, or recklessly disclose any confidential information concerning the property, operations, policies, affairs, or tenants of the Authority excepted as permitted by the Texas Public Information Law or applicable federal law or regulation.

Representation of Private Interests

A commissioner or employee shall not represent any person, group, or entity before the Authority's board of commissioners or before staff having policy-making or decision-making responsibility. A commissioner or employee shall not assert the prestige of the commissioner's or employee's position for the purpose of advancing private interests or state, or imply that he or she is able to influence Authority action on any basis other than the merits.

Outside Employment

A commissioner or employee shall not solicit, accept, or engage in concurrent outside employment which could be reasonably expected to impair independence of judgment in or faithful performance of official duties. A commissioner or employee shall not provide services to an outside employer related to the commissioner or employee's official duties. A commissioner or employee shall disclose any outside employment to the Authority board of commissioners upon initial appointment and annually thereafter.

HAIRIS COUNTY RULES OF AUTHORITY

Article 3.11

Authority Property and Resources

A commissioner or employee shall not use, request, or permit the use of Authority facilities, personnel, vehicles, equipment, tools, supplies, property, or resources for personal, private, or political activities or purposes.

Political Activity

A commissioner or employee shall not induce or attempt to induce any commissioner or employee to participate in a partisan election campaign, contribute to a candidate or political action committee, or engage in any other political activity relating to a particular party, candidate, or issue, or to refrain from engaging in any lawful political activity. A commissioner or employee may encourage another to vote generally. A commissioner or employee shall not accept any compensation for services in any political activity related to any federal, state or local election for a candidate or issue.

Third-Party Actions

A commissioner or employee shall not assist or induce, or attempt to assist or induce, any person to violate any provision in the Ethics Policy. A commissioner or employee shall not circumvent the Ethics Policy through the acts of another person.

Interest in Contracts

A commissioner or employee shall not have a private or personal financial interest in any contract with the Authority or in the sale to the Authority of any land, materials, supplies, or service. A private or personal financial interest arises when a party to the contract or sale involves the commissioner or employee, or a parent, child or spouse, or a business entity in which the commissioner or employee, or a parent, child or spouse, owns 10% of the voting stock or shares, or of the fair market value of the business entity, or a business entity that is a subcontractor on an Authority contract, a partner, or a parent, or subsidiary business entity.

Disclosure, Determination, and Resolution of Conflicts and Violations

A commissioner or employee shall disclose any known conflicts of interest, proscribed relationships, or apparent or potential violations of the laws, HUD's ACC, or Ethics Policy to the board of commissioners and executive director upon initial appointment or employment and annually upon the beginning of each fiscal year. The Authority's counsel shall prepare disclosure forms, and amendments as necessary or reasonable for approval of the board of commissioners. The board of commissioners shall submit all disclosure forms to Authority counsel for review. Authority counsel shall determine whether there is any actual or potential conflict or violation of the laws, HUD's ACC, or Ethics Policy, and recommend action by the board of commissioners or executive director to resolve any conflict or violation.

Interpretation

Actions subject to the Ethics Policy shall be opined by the counsel to the Authority based on the known facts and issues and reported to the board of commissioners and executive



director with recommended resolution of a conflict or violation of the law or general rules.

Annual Trainings

Commissioners are required to attend annual program and Board of Commissioners training to review the requirements of this Ethics Policy and their other responsibilities as Commissioners for Harris County Housing Authority.

D. SOURCES OF LAW AND POLICY

Certain Texas laws govern the ethics of commissioners and employees of housing authorities. The Ethics Policy will be amended automatically to incorporate any legislative amendments to these statutes that become law.

Texas Housing Authorities Law

The Texas Housing Authorities Law, Tex. Local Government Code, Chapter 392, includes two provisions regarding conflicts of interest affecting commissioners and employees:

Sec. 392.042. Interested Commissioners.

(a) In this section, "housing project" includes, in addition to the works or undertakings described by Subdivision (6) of Section 392.002:

- (1) a work or undertaking implemented for a reason described by Subdivision (6) of Section 392.002 that is financed in any way by public funds or tax-exempt revenue bonds; or
- (2) a building over which the housing authority has jurisdiction and of which a part is reserved for occupancy by persons who receive income or rental supplements from a governmental entity.

(b) Except as provided by Subsection (c), a commissioner of an authority may not have dealings with a housing project for pecuniary gain and may not own, acquire, or control a direct or indirect interest in a:

- (1) housing project;
- (2) property included or planned to be included in a housing project;
- (3) contract or proposed contract for the sale of land to be used for a housing project;
- (4) contract or proposed contract for the construction of a housing project; or
- (5) contract or proposed contract for the sale of materials or services to be furnished or used in connection with a housing project.

(c) A commissioner may:

- (1) manage a housing project;
- (2) own, acquire, or control a management company that renders management services to a housing project;
- (3) continue to own or control an interest in a housing project held by the commissioner before the commissioner's term of office began; or



- (4) own, acquire, or control an interest in, or have dealings with, a housing project over which the commissioner's housing authority does not have jurisdiction.
- (d) If a commissioner manages, owns, acquires, or controls a direct or indirect interest in property included or planned to be included in a housing project or has any other dealings for pecuniary gain with a housing project, the commissioner shall immediately disclose the interest or dealings to the authority in writing. The disclosure shall be entered in the minutes of the authority. The failure to disclose the interest constitutes misconduct of office.
- (e) A commissioner who knowingly or intentionally violates Subsection (b) or (d) commits an offense. An offense under this subsection is a felony of the third degree.
- (f) A person finally convicted under Subsection (e) is ineligible for future employment with the state, a political subdivision of the state, or a public corporation formed under the authority of the state or a political subdivision of the state.

§ 392.043. Interested Employees

- (a) Except as provided by Subsection (b), (c), or (f), an employee of an authority may not have dealings with a housing project for pecuniary gain and may not own, acquire, or control a direct or indirect interest in a:
- (1) housing project;
 - (2) property included or planned to be included in a housing project;
 - (3) contract or proposed contract for the sale of land to be used for a housing project;
 - (4) contract or proposed contract for the construction of a housing project; or
 - (5) contract or proposed contract for the sale of materials or services to be furnished or used in connection with a housing project.
- (b) An employee may not have any dealings with a housing project for pecuniary gain except in the performance of duties as an employee of the housing authority.
- (c) Except as otherwise permitted by this chapter or another law, an employee of an authority may not be employed by or otherwise contract to provide services to another authority unless the first authority gives its written consent to the employment or contract. An employee of an authority who is employed by or who contracts to provide services to another authority under this subsection does not violate Subsection (a) or (b).
- (d) An employee who knowingly or intentionally violates Subsection (a) or (c) commits an offense. An offense under this subsection is a felony of the third degree.
- (e) A person finally convicted under Subsection (d) is ineligible for future employment with the state, a political subdivision of the state, or a public corporation formed under the authority of the state or a political subdivision of the state.
- (f) An employee of an authority may be a party to or otherwise participate in a contract or agreement for assistance under a housing program, including a contract or agreement for public housing, Section 8 housing assistance, low-interest home loans, lease-purchase assistance, or down payment assistance, to the same extent as a member of the public if the employee qualifies for assistance under the program.
- (g) In this section, "Section 8 housing assistance" means housing assistance provided under Section 8, United States Housing Act of 1937 (42 U.S.C. Section 1437f).

Local Public Official Conflict of Interest

HOUSING AUTHORITY
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The Texas Government Code, Chapter 171, establishes conflict of interest boundaries for local public officials. Those applicable to housing authority commissioners and officers are included below:

§ 171.001. Definitions
In this chapter:

- (1) "Local public official" means a member of the governing body or another officer, whether elected, appointed, paid, or unpaid, of any district (including a school district), county, municipality, precinct, central appraisal district, transit authority or district, or other local governmental entity who exercises responsibilities beyond those that are advisory in nature.
- (2) "Business entity" means a sole proprietorship, partnership, firm, corporation, holding company, joint-stock company, receivership, trust, or any other entity recognized by law.

§ 171.002. Substantial Interest in Business Entity

- (a) For purposes of this chapter, a person has a substantial interest in a business entity if:
 - (1) the person owns 10 percent or more of the voting stock or shares of the business entity or owns either 10 percent or more or \$15,000 or more of the fair market value of the business entity; or
 - (2) funds received by the person from the business entity exceed 10 percent of the person's gross income for the previous year.
- (b) A person has a substantial interest in real property if the interest is an equitable or legal ownership with a fair market value of \$2,500 or more.
- (c) A local public official is considered to have a substantial interest under this section if a person related to the official in the first degree by consanguinity or affinity, as determined under Chapter 573, Government Code, has a substantial interest under this section.

§ 171.003. Prohibited Acts; Penalty

- (a) A local public official commits an offense if the official knowingly:
 - (1) violates Section 171.004;
 - (2) acts as surety for a business entity that has work, business, or a contract with the governmental entity; or
 - (3) acts as surety on any official bond required of an officer of the governmental entity.
- (a) An offense under this section is a Class A misdemeanor.

§ 171.004. Affidavit and Abstention From Voting Required

- (a) If a local public official has a substantial interest in a business entity or in real property, the official shall file, before a vote or decision on any matter involving the business entity or the real property, an affidavit stating the nature and extent of the interest and shall abstain from further participation in the matter if:
 - (1) in the case of a substantial interest in a business entity the action on the matter will have a special economic effect on the business entity that is distinguishable from the effect on the public; or



- (A) an officer of this state or of a district, county, municipality, precinct, school district, or other political subdivision of this state;
- (B) an officer or member of a board of this state or of a district, county, municipality, school district, or other political subdivision of this state; or
- (C) a judge of a court created by or under a statute of this state.

§ 573.002. Degrees of Relationship

Except as provided by Section 573.043, this chapter applies to relationships within the third degree by consanguinity or within the second degree by affinity.

SUBCHAPTER B. RELATIONSHIPS BY CONSANGUINITY OR BY AFFINITY

§ 573.021. Method of Computing Degree of Relationship

The degree of a relationship is computed by the civil law method.

§ 573.022. Determination of Consanguinity

(a) Two individuals are related to each other by consanguinity if:

- (1) one is a descendant of the other; or
- (2) they share a common ancestor.

(b) An adopted child is considered to be a child of the adoptive parent for this purpose.

§ 573.023. Computation of Degree of Consanguinity

(a) The degree of relationship by consanguinity between an individual and the individual's descendant is determined by the number of generations that separate them. A parent and child are related in the first degree, a grandparent and grandchild in the second degree, a great-grandparent and great-grandchild in the third degree and so on.

(b) If an individual and the individual's relative are related by consanguinity, but neither is descended from the other, the degree of relationship is determined by adding:

- (1) the number of generations between the individual and the nearest common ancestor of the individual and the individual's relative; and
- (2) the number of generations between the relative and the nearest common ancestor.

(c) An individual's relatives within the third degree by consanguinity are the individual's:

- (1) parent or child (relatives in the first degree);
- (2) brother, sister, grandparent, or grandchild (relatives in the second degree); and
- (3) great-grandparent, great-grandchild, aunt who is a sister of a parent of the individual, uncle who is a brother of a parent of the individual, nephew who is a child of a brother or sister of the individual, or niece who is a child of a brother or sister of the individual (relatives in the third degree).

§ 573.024. Determination of Affinity

(a) Two individuals are related to each other by affinity if:

- (1) they are married to each other; or
- (2) the spouse of one of the individuals is related by consanguinity to the other individual.

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- (b) The ending of a marriage by divorce or the death of a spouse ends relationships by affinity created by that marriage unless a child of that marriage is living, in which case the marriage is considered to continue as long as a child of that marriage lives.
- (c) Subsection (b) applies to a member of the board of trustees of or an officer of a school district only until the youngest child of the marriage reaches the age of 21 years.

§ 573.025. Computation of Degree of Affinity

- (a) A husband and wife are related to each other in the first degree by affinity. For other relationships by affinity, the degree of relationship is the same as the degree of the underlying relationship by consanguinity. For example: if two individuals are related to each other in the second degree by consanguinity, the spouse of one of the individuals is related to the other individual in the second degree by affinity.
- (b) An individual's relatives within the third degree by affinity are:
- (1) anyone related by consanguinity to the individual's spouse in one of the ways named in Section 573.023(c); and
 - (2) the spouse of anyone related to the individual by consanguinity in one of the ways named in Section 573.023(c).

SUBCHAPTER C. NEPOTISM PROHIBITIONS

§ 573.041. Prohibition Applicable to Public Official

A public official may not appoint, confirm the appointment of, or vote for the appointment or confirmation of the appointment of an individual to a position that is to be directly or indirectly compensated from public funds or fees of office if:

- (1) the individual is related to the public official within a degree described by Section 573.002; or
- (2) the public official holds the appointment or confirmation authority as a member of a state or local board, the legislature, or a court and the individual is related to another member of that board, legislature, or court within a degree described by Section 573.002.

§ 573.062. Continuous Employment

(a) A nepotism prohibition prescribed by Section 573.041 or by a municipal charter or ordinance does not apply to an appointment, confirmation of an appointment, or vote for an appointment or confirmation of an appointment of an individual to a position if:

- (1) the individual is employed in the position immediately before the election or appointment of the public official to whom the individual is related in a prohibited degree; and
- (2) that prior employment of the individual is continuous for at least:
 - (A) 30 days, if the public official is appointed;
 - (B) six months, if the public official is elected at an election other than the general election for state and county officers; or
 - (C) one year, if the public official is elected at the general election for state and county officers.

(b) If, under Subsection (a), an individual continues in a position, the public official to whom the individual is related in a prohibited degree may not participate in any

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Ethics Policy**

deliberation or voting on the appointment, reappointment, confirmation of the appointment or reappointment, employment, reemployment, change in status, compensation, or dismissal of the individual if that action applies only to the individual and is not taken regarding a bona fide class or category of employees.

SUBCHAPTER E. ENFORCEMENT

§ 573.081. Removal In General

(a) An individual who violates Subchapter C or Section 573.062(b) shall be removed from the individual's position. The removal must be made in accordance with the removal provisions in the constitution of this state, if applicable. If a provision of the constitution does not govern the removal, the removal must be by a quo warranto proceeding.

(b) A removal from a position shall be made immediately and summarily by the original appointing authority if a criminal conviction against the appointee for a violation of Subchapter C or Section 573.062(b) becomes final. If the removal is not made within 30 days after the date the conviction becomes final, the individual holding the position may be removed under Subsection (a).

§ 573.082. Removal by Quo Warranto Proceeding

(a) A quo warranto proceeding under this chapter must be brought by the attorney general in a district court in Travis County or in a district court of the county in which the defendant resides.

(b) The district or county attorney of the county in which a suit is filed under this section shall assist the attorney general at the attorney general's discretion.

§ 573.083. Withholding Payment of Compensation

A public official may not approve an account or draw or authorize the drawing of a warrant or order to pay the compensation of an ineligible individual if the official knows the individual is ineligible.

§ 573.084. Criminal Penalty

(a) An individual commits an offense involving official misconduct if the individual violates Subchapter C or Section 573.062(b) or 573.083.

(b) An offense under this section is a misdemeanor punishable by a fine not less than \$100 or more than \$1,000.

HUD Annual Contributions Contract

The Annual Contributions Contract (Form HUD-53012A) (ACC) between HUD and the Housing Authority prohibits certain interests involving commissioners and employees:

Section 19 – Conflict of Interest

**COMMERCIAL AND INDUSTRIAL DEVELOPMENT
(CIVILS/DALEY)**

(A)(1) In addition to any other applicable conflict of interest requirements, neither the Authority nor any of its contractors or their contractors may enter into any contract, subcontract, or arrangement in connection with a project under this ACC in which any of the following classes of people has an interest, direct or indirect, during his or her tenure or for one year thereafter:

- (i) Any present or former member or officer of the governing body of the HA, or any member of the officer's immediate family. There shall be excepted from this prohibition any present or former tenant commissioner who does not serve on the governing body of a resident corporation, and who otherwise does not occupy a policymaking position with the resident corporation, the Authority or a business entity.
- (ii) Any employee of the Authority who formulates policy or who influences decisions with respect to the project(s), or any member of the employee's immediate family, or the employee's partner.
- (iii) Any public official, member of the local governing body, or State or local legislator, or any member of such individual's immediate family, who exercises functions or responsibilities with respect to the project(s) or the HA.

(2) Any member of these classes of persons must disclose the member's interest or prospective interest to the Authority and HUD.

(3) The requirements of this subsection (A)(1) may be waived by HUD for good cause, if permitted under State and local law. No person for whom a waiver is requested may exercise responsibilities or functions with respect to the contract to which the waiver pertains.

(4) The provisions of this subsection (A) shall not apply to the General Depository Agreement entered into with an institution regulated by a Federal agency, or to utility service for which rates are fixed or controlled by a State or local agency.

(5) Nothing in this section shall prohibit a tenant of the Authority from serving on the governing body of the HA.

(B)(1) The Authority may not hire an employee in connection with a project under this ACC if the prospective employee is an immediate family member of any person belonging to one of the following classes:

- (i) Any present or former member or officer of the governing body of the HA. There shall be excepted from this prohibition any former tenant commissioner who does not serve on the governing body of a resident corporation, and who otherwise does not occupy a policymaking position with the HA.
- (ii) Any employee of the Authority who formulates policy or who influences decisions with respect to the project(s).
- (iii) Any public official, member of the local governing body, or State or local legislator, who exercises functions or responsibilities with respect to the project(s) or the HA.

(2) The prohibition referred to in subsection (B)(1) shall remain in effect throughout the class member's tenure and for one year thereafter.

(3) The class member shall disclose to the Authority and HUD the member's familial relationship to the prospective employee.

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(4) The requirements of this subsection (B)(1) may be waived by the Authority Board of Commissioners for good cause, provided such waiver is permitted by State and local law.

(C) [applies only to an Indian Housing Authority]

(D) For purposes of this section, the term "immediate family member" means the spouse, mother, father, brother, sister, or child of a covered class member (whether related as a full blood relative, or as a "half" or "step" relative, e.g., a half-brother or stepchild).