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REQUEST FOR PROPOSALS
for
Development Partners of Affordable Multi-Family Housing
seeking to apply for Hurricane Harvey (CDBG-DR) Funds in partnership with the
Harris County Housing Authority
RFP NO. 18-09

The Harris County Housing Authority ("**HCHA**") is requesting proposal submissions from qualified for-profit or non-profit development firms (**Offeror**(s)), with extensive experience in developing affordable multi-family housing, located in Harris County, Texas. **Preference will be given to development(s) that are shovel-ready and that are located outside the City Limits of the City of Houston.**

This **RFP** contains submission requirements, the scope of service, period of service, terms and conditions and other pertinent information for submitting a proper and responsive proposal. **RFP** #18-09 will be posted on **August 26, 2018,** 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 **September 4, 2018**. The request must be emailed to Samson Babalola at samson.babalola@hchatexas.org. Any information given to a prospective **Offeror** 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: **Development Partners of Affordable Multi-Family Housing - Request for Proposals. RFP #18-09, Due Date and Time: September 11, 2018, 3:00 P.M. (CST), Name of Offeror: _____.**

The **RFP** submission must be addressed to **Samson Babalola, Director of Real Estate Development, 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 **September 11, 2018**. 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. After evaluation of the proposals, if any, the contract will be awarded to the responsible **Offeror**(s) whose qualifications, project proposal and other factors considered are the most advantageous to **HCHA**.

HCHA reserves the right to reject any and all submissions.

Horace Allison, AIA
Horace Allison, CEO
Harris County Housing Authority

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1. PROFILE OF THE HARRIS COUNTY HOUSING AUTHORITY

Harris County Housing Authority ("**HCHA**") 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 affordable 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 **HCHA** 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.

The **HCHA** is the sole member of eight (8) LLCs that serve as the general partner for eight (8) Low Income Housing Tax Credit & Bond partnerships with a total of 1090 units.

2. INTRODUCTION

HCHA, as part of its mission to provide safe, decent and sanitary affordable housing for low-income persons and families, seeks proposals from qualified for-profit or non-profit housing developers seeking to apply for Hurricane Harvey (CDBG-DR) Funds in partnership with the **HCHA** to develop affordable housing. Projects sites proposed by the Respondents must be located within Harris County in high opportunity areas and non-impacted census tracts as defined by the **HUD,** the Texas Department of Housing and Community Affairs (**TDHCA**) and Harris County Community Services Department (**CSD**). Developers must provide evidence of political and community support. Title to one or more selected sites will be acquired by the **HCHA** or an entity controlled by the **HCHA**.

HCHA will consider most favorably **Offerors** who clearly demonstrate knowledge of the Federal, State or local laws, and regulations impacting the development and operation of affordable housing. The **Offeror** must have demonstrated experience in the interaction of housing authorities with lenders/investors, regulations and requirements related to the financial accounting and audit services for affordable housing developments. All submittals must conform to requirements outlined herein.

An **HCHA** affiliate intends to serve as Co-Developer for all projects. All activities, endeavors, initiatives, and actions undertaken as a result of an award of this **RFP** are hereinafter understood and incorporated by reference, to be in partnership with the **HCHA**, it's entities, instrumentalities and/or affiliates, and is subject to **HCHA** final prior approval.

If a contract is awarded, it will be awarded to the responsible **Offeror** whose qualifications, fees, terms/conditions and other factors are deemed most advantageous to the **HCHA**. Additional requirements or restrictions imposed by the lender, investor 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

EVENT	DATE
Advertised	August 26, 2018, and September 2, 2018
Post on **HCHA** Website	August 26, 2018
Pre-Submission Conference	N/A
Receipt of Written Questions	September 4, 2018
Response to Written Questions	September 5, 2018
Submission Date	September 11, 2018

4. DELIVERABLES

If submitting a hard copy, one (1) original proposal and four (4) 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 **Offeror**. The original proposal must bear the original signature of a principal or authorized officer of the **Offeror**.

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 emailed. Electronic submission of the proposal shall be considered signed by a principal or authorized representative of the **Offeror.**

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 **September 11, 2018,** in a bound and sealed envelope or package or by email attachment. If submitting a hardcopy submission of the proposal, the face of the envelope or package must contain, in addition to the address below, the title "**Development Partners of Affordable Multi-Family Housing – Request for Proposals. RFP #18-09, Due Date and Time: September 11, 2018, 3:00 P.M. (CST), Name of Offeror: _____**." If submitting an electronic copy of the proposal, the subject line must contain the title "**Development Partners of Affordable Multi-family Housing – Request for Proposals. RFP #18-09, Due Date and Time: September 11, 2018, 3:00 P.M. (CST), Name of Offeror: _____**."

Submission Place/Address

Proposals must be submitted to **Samson Babalola, Director of Real Estate Development, 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. SCOPE FOR THE DEVELOPMENT OF AFFORDABLE MULTI-FAMILY HOUSING

The **HCHA**'s goal in issuing this **RFP** is to provide additional affordable rental housing options for low-income persons and families in Harris County.

A.) Project Description

The **HCHA** is seeking to develop one or more affordable housing projects located within Harris County, Texas. Preference will be given to proposed developments that are shovel-ready, that are located outside the City Limits of Houston, Texas and that are located in the Sheldon ISD, CyFair ISD or Aldine ISD. The proposed development(s) must be financially viable.

B.) The Proposed Initiative

New Construction Projects: This initiative is being undertaken by the **HCHA** to provide additional affordable housing options for families impacted by Hurricane Harvey in Harris County. The initiative has the following core elements:

1. *New Housing.* New multifamily units will be constructed which respect the development patterns and scale of the surrounding community to provide a housing resource for low-income residents.

   - *Acceptable Site.* The **HCHA** must approve the location and condition of the proposed site, i.e., High Opportunity Area, and Non-Impacted Census tracts. The selected developer(s) will be required to provide a Phase I Environmental Assessment to the **HCHA** for projects proposing new construction, and the **HCHA**'s selection of any new construction project is subject to an acceptable Phase 1. The preferred site(s) will include amenities including but not limited to the following in close proximity: Elementary, Middle, and High Schools zoned to the development that achieved a "Met Standard" rating as established by the Texas Education Agency(**TEA**), full-service grocery store, pharmacy, public park, licensed child care facility, established employment centers and a public library.

   - *Ownership Structure.* Simultaneously, with the equity and construction loan closing, the development partnership will transfer title of the land to the **HCHA** or its related tax-exempt entity. Fee title to the land will be taken in the name of the **HCHA** or a related tax-exempt entity, and the land will be leased back to the development partnership under a long-term ground lease (99 years). An **HCHA** controlled entity will serve as the sole general partner of the development partnership. Development of the project will be turn-key, with the developer providing a fixed-price construction contract with a general contractor who will be identified in the developer's response to this **RFP**.

Financing Sources. The selected developer is responsible for seeking all private and public funds required by the project, and such funding must be identified in response to this **RFP**.

C.) **HCHA**'s Role

The **HCHA** has assembled a team of legal, financial, and architectural/planning experts (the "**HCHA** Team") to assist in the implementation of this initiative. The **HCHA** will assume one or more of the following roles in the development of the selected project(s):

1. Asset Manager. The **HCHA** will monitor and enforce the terms of the Agreement(s).

2. *Development Partner.* The **HCHA** will receive a share of the developer fee and cash flow in consideration of its contributions to the development of the project. The specific fee structure will be negotiated; however, the **HCHA** does not intend to have significant involvement in the day-to-day development activities.

3. Assist the developer in applying for public/private funds and/or LIHTC's.

D.) Developer's Role

The responsibilities of the selected developer(s) will include, but are not limited to, the following:

- Undertake predevelopment activities;
- Develop architectural plans and construction documents and specifications consistent with **HUD** guidelines, and obtain local approvals and permits;
- Develop and manage an implementation schedule;
- Obtain additional leveraged funds from private, non-governmental sources;
- Lead entity in applying for public/private funds and/or LIHTC's
- Develop a project budget;
- Coordinate all development activities, including reporting and budget requirements, with **HCHA**;
- Determine a general management structure and prepare a management plan for the property. If a property manager has not been selected by the developer at the time the proposal is submitted, then the developer shall subsequently recommend a property manager, subject to approval by the **HCHA**;
- Provide all necessary financial guarantees and assurances to the lenders and tax credit investors;
- Develop and implement a "Section 3" resident employment program;

- If the developer has already entered into a construction contract, then a copy of that contract and a resume and at least three (3) references for the general contractor shall be submitted with the proposal. If a general contractor has not already been selected by the developer at the time of the submission of the proposal, then the developer shall subsequently solicit construction bids and enter into a contract for construction, subject to **HCHA** approval of the general contractor and the terms of the construction contract. If the contractor is affiliated with the developer, a third-party cost estimate will be required prior to closing to confirm the reasonableness of the construction costs;

- Oversee construction and ensure completion in a timely manner;

- If the developer has already entered into commitment letters with the lender(s), then such commitment letters shall be provided in the proposal. If the developer shall subsequently obtain commitments from one or more lenders, for financing the project, such commitments to be on forms and with parties reasonably acceptable to the **HCHA**;

E.) Income Structure and Use Restrictions

The **HCHA** seeks to provide housing to serve mix income households, including the low and very low income. Respondents may target occupancy to households with incomes at or below 80% of area median income (and subject to any income restrictions associated with other funding sources).

F.) Legal and Ownership Structure

The **HCHA** shall have the right to review, negotiate and approve the agreement of limited partnership and/or amended and restated limited partnership agreement prior to execution by the general partner.

6. SELECTION PROCESS

A.) Development Team

The development team must be capable of handling the development, sale transaction and ongoing oversight of the project. The following will be viewed as favorable by the selection committee:

- Previous experience developing affordable housing of 100 units or more;

- Financial capacity to complete the project, including providing all necessary guarantees; administrative capacity to complete the project;

- The management entity that is proposed, if any, must have previous experience with managing projects 100 units or more:

- The development is located in a high opportunity, non-impacted census tracts, etc.;

- The developer partner can be headed by a non-pofit community-based developer or a for-profit developer, or be a joint venture. The new project construction developer's team should include (1) experienced developer of multi-family housing; (2) a licensed general contractor with demonstrated financial capability; (3) a registered architect with LIHTC multi-family residential

design experience, and (4) a management agent with experience managing multi-family rental complexes. The developer may perform any of these functions if qualified. The HCHA reserves the right to accept or reject individual members of the development team. To the extent that any of the indicated members of the development team are not identified in the proposal, the HCHA reserves the right to require that the developer complies with HUD procurement regulations in connection with the subsequent identification of such team members.

B.) Proposal Requirements

The Developer, i.e., the Respondent, is required to submit the following information, although the **HCHA** reserves the right to request additional information upon review of initial submissions:

1. Structure of the Team

All entities that comprise the team are to be identified, indicating their specialization(s) and specific contribution to the team. Respondents are encouraged to include on the team specialists for all components of the program including design, construction, financing, and management services. The form of relationship between participants should be designed to meet the needs of the team and the program; however, the team leader should be clearly identified. Ultimately, the identified team leader will be held responsible for the performance of all members of the team. If the team members are unrelated parties; the team leader should enter into individual agreements with each member to assure performance, and copies of such agreements shall be provided in the proposal. Respondents must submit an organization chart showing all of the individuals that will be assigned to this project. Also, resumes of the key individuals are to be included with a detailed description of the responsibilities that they will be required to perform. The **HCHA** is interested in assessing the capacity and capability of teams and their ability to respond to the demands of this initiative. Additionally, the **HCHA** will assess the capability of the project manager, the lead individuals in each discipline, and the team.

2. Experience of Team Members

Descriptions of relevant experience should be provided for each member of the team. Additionally, any previous collaboration among some or all members of the team should be noted. Successful experience in the development and operation of similar projects to the one proposed for this **RFP** will be favored. Likewise, experience in housing development efforts with resident and community participation will be favored.

3. References

Respondents must submit at least 5 references for the team leader and 3 references for each of the other major team participants.

4. M/WBE Participation

The Respondent must submit information showing the composition of the team, clearly indicating where, and to what extent, minority and female business enterprises are to be utilized. The **HCHA** has established 30 percent M/WBE participation as a goal. In addition, all proposals shall include a completed minority business enterprise form (attached to this **RFP**).

5. Financial Statement

Current financial statements of the developer and the team leader (if other than the developer) of the proposing team must be submitted. These statements should demonstrate the financial capacity of the developer, or the entity that would most likely be responsible for executing all applicable guarantees. Financial statements may be submitted in a separate, sealed envelope (one copy only) marked "Financial Statements - Confidential."

6. Project Design, Operation, and Location

In a narrative and diagrammatic presentation, Respondents should provide a detailed description of the proposed project(s) including tenant amenities and any other relevant information. A legal description and street address of the proposed project site must also be included. It is recognized that the selected developer is responsible for the financial success of the development, its operation and the developer is expected to propose accordingly. The **HCHA** is interested in facilitating the development of a successful rental housing project. Thus, design concepts are expected to respond to the need to produce an economically viable product. A construction budget must also be provided.

7. Financing Plan

Respondents must submit a "Sources and Uses of Funds" and a general "Development and Operating Proforma" that presents the primary elements of the development and operating costs, as well as the necessary operating projections for the development. It is understood that these are estimates. For the estimate, the Respondent should assume that the development will be exempt from ad valorem taxes after the **HCHA**-related entity becomes the general partner. As noted earlier, the development(s) and operation(s) are subject to Davis Bacon wages, Section 3 and *M/WBE* requirements. The selected Respondent will be expected to refine the financing plan as the development plan, including design and construction budget, is finalized.

The narrative of the financing plan should clearly identify the number and income mix of units to be included in the project. The financing plan should include a proforma and a reasonably detailed 15-year spreadsheet showing operating budgets in balance for the duration. The development proforma should show all sources and uses of development funds and reasonably detailed explanation for development costs. The 15-year spreadsheet should show rents or other payments for each distinct type of housing unit. It should also break operating expenses into typical, separate categories. Trending assumptions should be clearly stated and documented. A “year one” operating budget must be included.

8. Proposed Ownership Structure

The **HCHA** and the selected Respondent will negotiate the specifics of the ownership structure after selection. An **HCHA**-related entity will serve as the general partner of the development partnership. It is anticipated that when the **HCHA** related entity is admitted to the development partnership as the general partner, an ad valorem tax exemption should apply due to **HCHA**'s ownership of the fee title to the land coupled with control of the development partnership. If the Respondent is comprised of more than one legal entity, the Respondent must identify the various legal entities to be involved in the ownership of the improvements and the nature of their involvement. With respect to the development entity and/or the

management agent, a precise description of any joint venture arrangements, including respective equity and decision-making interests shall be provided.

9. Proposed Fee Structure

Respondents should submit a proposed fee structure as appropriate, including a proposed split of the developer fee and cash flow with the **HCHA**, based upon the **HCHA's** role as set out in Section 3.3 above. The proposed fees should include the amount and timing of payment(s).

10. Property Management Plan

The **HCHA** is deeply committed to excellent professional property management for the proposed project over the long term. The Respondent should identify an existing firm to carry out the property management of the development that has an excellent reputation and experience in the management of multifamily rental housing. The **HCHA** reserves the right to approve or disapprove the proposed management entity. The Respondent shall also submit a written management plan.

11. Development Schedule

Respondents shall submit a Development Schedule that addresses the requisite activities for the transaction and provides a timeline for the process, indicating key assumptions and milestones.

12. Community Participation

Respondent should discuss how it would envision giving the community input as the new construction development concept is finalized. Please provide a description of efforts that will be made to keep the community informed during the new construction development process and during the ongoing operation of the project.

13. Section 3 Participation

Pursuant to Section 3 of the HUD Act of 1968, if additional job training, employment, and other economic opportunities are generated by this initiative, then to the greatest extent feasible, these opportunities must be directed to low-income and very low-income persons. In addition to employment and training opportunities, Section 3 also seeks to benefit businesses owned by public housing residents and other low-income persons.

The **HCHA** has a strong commitment to the Section 3 program policy. Respondents should discuss how the project will accommodate **HUD** "Section 3" program requirements for the employment of and the utilization of businesses owned and operated by low-income persons.

14. Required Certifications and Affidavits

Respondents must complete and submit the following forms, all of which are included herein.

Attachment A: Conflict of Interest Questionnaire (CIQ)
Attachment B: M/WBE Participation Form
Attachment C: Affirmative Action for Handicapped Workers
Attachment D: Instructions to Offerors for Non-Construction (Form HUD-5369-B)
Attachment E: Certifications and Representations of Offerors for Non-Construction Contracts (Form HUD 5369-C)
Attachment F: Form of Non-Collusive Affidavit
Attachment G: Certification of Payments to Influence Federal Transactions
Attachment H: Declaration (Required Submission)

C.) Evaluation Process and Selection Criteria

Proposals will be evaluated by an **HCHA** selection committee. The selection committee will be advised by consultants and attorneys already retained by the **HCHA**. The selection committee will present its recommendations to the **HCHA** Board of Commissioners who will make the final selection. Proposals will be evaluated using the Evaluation Criteria outlined below. After the initial scoring of proposals, those deemed by the committee to be within the competitive range may, at the **HCHA's** option, be asked for a telephone or personal interview to clarify issues and, if necessary, following the interview, to submit "best and final" offers.

After the interviews and the receipt of any best and final offers, each of those Respondents will be reevaluated and re-scored. The **HCHA** reserves the right to conduct negotiations with more than one of the **Offerors** (finalist). Selection of a proposal does not constitute **HCHA's** approval of a design. One or more **Offerors** with the highest overall scores, whose proposals are most advantageous to the **HCHA** considering price, technical and other factors, as specified in this **RFP**, will be selected as development partner(s) of choice.

The **HCHA** reserves the right to accept or reject individual members of each proposed development team or assemble a separate team from members of different teams.

The **HCHA** reserves the right to accept or reject in part, or reject all proposals and to re-solicit new proposals. The **HCHA** may also reject any proposals that are incomplete or non-responsive and any proposals that are submitted after the deadline.

Proposal Evaluation Criteria

In evaluating the submitted proposals, the **HCHA** will consider the following criteria:

20 Points ***Experience and Qualifications.*** The experience, qualifications, and financial capability of the development team as partially evidenced by the timely and successful completion of similar projects involving income restricted multi-family rental housing developments. Reference checks will provide affirmation of the **Offeror**'s competence with respect to the development and management of such projects.

20 Points ***Feasibility.*** The feasibility of the proposal as evidenced by an achievable financial structure and a reasonable series of development and operating cost assumptions with an emphasis on containment of per unit total development costs. Feasibility is also measured by the degree to which a project is ready to start construction in the case of new construction.

15 Points ***Leveraging of HCHA Funds.*** Preference will be given to projects that **do not require** the direct use of **HCHA** funds

25 Points ***Development Concept and Plan.*** The degree to which the plans meet the criteria set forth under the Acceptable Site provisions stated in this **RFP**. Familiarity with neighborhood conditions, community participation processes is important, location in non-impacted census tracts and high opportunity areas as defined by **HUD** and **TDHCA**. The attractiveness of the site location will be considered under this criteria.

15 Points ***Fee Structuring and Timing.*** The reasonableness of the fees and timing of receipt of such fees for the various team members will be evaluated.

5 Points ***Section 3 Participation.*** Section 3 Plan and the Respondent's experience in developing and implementing Section 3 plans will be considered.

Total Possible Points – 100

Bonus Points: 30 total points possible

Proposals may receive an additional 5 bonus points for sites zoned to one or more Public Elementary School(s) with an accountability rating of "Met Standard" by the **TEA**.

Proposals may receive an additional 5 bonus points for sites zoned to one or more Public Middle School(s) rated with an accountability rating of "Met Standard" by the **TEA**.

Proposals may receive an additional 5 bonus points for sites zoned to one or more Public High School(s) rated with an accountability rating of "Met Standard" by the **TEA**.

Proposals may receive an additional 5 bonus points for the proposed development being **shovel-ready.** (Developments where planning and engineering is advanced enough that given sufficient funding, construction can begin within a very short time)

Proposals may receive an additional 5 bonus points for the proposed development being located in Harris County but outside the City Limits of Houston, Texas.

Proposals may receive an additional 5 bonus points for the proposed development being located in the Sheldon ISD, CyFair ISD or Aldine ISD.

7. SUBMISSION PROCESS & CONDITIONS

A.) Submission Package

An original and four (4) copies (a total of five) of the complete submission package must be received by the **HCHA**, Attn: Samson Babalola, Director of Real Estate Development, **3:00 CST** on **September 11, 2018,** Harris County Housing Authority, 8933 Interchange, Houston, Texas 77054. On the outside of the envelope should be the Respondent's name and address, phone number, the due date of **September 11, 2018,** and the **RFP** title "Request for Proposals for Development Partners of Affordable Multi-Family Housing." The submission package must be signed by an officer of the **Offeror** who is legally authorized to enter into a contractual relationship in the name of the **Offeror**. In the absence of a corporate seal, the submission package must be notarized by a Notary Public.

B.) Withdrawals

Proposals may **not** be withdrawn for ninety (90) days from the submission deadline date.

C.) Mistakes in Proposals

If a mistake in a proposal is suspected or alleged, the proposal may be corrected or withdrawn during any negotiations that are held. If negotiations are not held, or if best and final offers have been received, the Respondent may be permitted to correct a mistake in its proposal, and the intended correct offer may be considered based on the conditions that follow:

- The mistake and the intended correct offer are clearly evident on the face of the proposal.
- The Respondent submits written evidence that clearly and convincingly demonstrates both the existing offer and such correction would not be contrary to the fair and equal treatment of other Respondents.

Mistakes after award shall not be corrected unless the **HCHA**'s Counsel makes a written determination that it would be disadvantageous to the **HCHA** not to allow the mistake to be corrected. The approval or disapproval of requests of this nature shall be in writing by the **HCHA**'s Counsel.

D.) Conflict of Interest

The development team warrants that to the best of its knowledge and belief and except as otherwise disclosed, it does not have any organizational conflict of interest. Conflict of interest is defined as a situation in which the nature of work under this contract and the Respondent's organizational, financial, contractual or other interests are such that:

- Award of the contract may result in an unfair competitive advantage.
- The **Offeror**'s objectivity in performing the contract work may be impaired. In the event the **Offeror** has an organizational conflict of interest as defined herein, the **Offeror** shall disclose such conflict of interest fully in the proposal submission.

- The **Offeror** 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 Chief Executive Officer which shall include a description of the action which the **Offeror** has taken or intends to take to eliminate or neutralize the conflict. The **HCHA** may, however, terminate the contract if it is in its' best interest.

- In the event the **Offeror** was aware of an organizational conflict of interest before the award of this contract and intentionally did not disclose the conflict to the Chief Executive Officer, the **HCHA** may terminate the contract for default.

- The provisions of this clause shall be included in all subcontracts and consulting agreements wherein the work to be performed is similar to the service provided by the **Offeror**. The **Offeror** shall include in such subcontracts and consulting agreements any necessary provisions to eliminate or neutralize conflicts of interest.

- No member of or delegate to the U.S. Congress or Resident Commissioner shall be allowed to any share or part of this contract or to any benefit to arise. This provision shall be construed to extend to this contract if made with a corporation for its general benefit.

- No member, officer, or employee of the **HCHA**, no member of the governing body of the locality, in which the project is situated, no member of the governing body in which the **HCHA** was activate, and no other public official of such locality or localities who exercises any functions or responsibilities with respect to the project, shall, during his or her tenure, or for one year thereafter, have any interest, direct or indirect, in this contract or the proceeds thereof.

- The **HCHA** reserves total discretion to determine the proper treatment of any conflict of interest disclosed under this provision.

E.) Incurred Costs in Preparing Proposals

The **Offeror** will be responsible for all costs incurred in preparing a response to this **RFP**. All material and documents submitted by prospective development teams will become the property of the **HCHA** and will not be returned. Any Developer selected for further negotiations, as well as Developer(s) ultimately selected to enter into a contractual agreement(s) with the **HCHA**, will be responsible for all costs incurred by it during negotiations.

F.) Contract/Award

A contract shall be awarded in accordance with the terms and conditions of this **RFP** to the one or more **Offeror**(s) whose proposal(s) are most advantageous to the **HCHA** considering price, technical and other factors as specified in this **RFP**. The **HCHA** reserves the right to negotiate and award any element of this **RFP**, to reject any or all proposals or to waive any minor irregularities or technicalities in proposals received as the best interest of the **HCHA** may require.

Acceptance of a **Offeror**'s offer for the services specified herein will be made by executing a duly authorized Memorandum of Understanding (MOU) or other Agreement prepared by HCHA in form and content.

8. CONFIDENTIALITY OF PROPOSALS

There will be no public opening of proposals. All proposals and information concerning same shall remain confidential until all negotiations are completed, and the Notice of Award is issued. **Offerors** are hereby notified that all proposals received by **HCHA** shall be included as part of the official contract file. Therefore, any part of the proposals that is not considered confidential, privileged or proprietary under any applicable Federal, State or local laws shall be available for public inspection upon completion of the procurement process. Any material submitted by the **Offeror** that is to be considered as confidential must be clearly marked as such; however, the applicable provisions of Federal, State and local laws shall govern the confidentiality of proposals despite anything contrary to this provision stated in the proposal.

9. MINORITY/WOMEN BUSINESS PARTICIPATION

The **Offeror**(s) awarded the contract agrees to use its best efforts to subcontract with minority business enterprises and/or women business enterprises, certified as such or recognized by the **HCHA** as such. The **Offeror** shall make a good faith effort to subcontract a sufficient dollar amount with MBE/WBE firms or attorneys to ensure the final contract dollars are expended on one or more MBE/WBEs. All adjustments to increase the contract will also increase the total amount that the **Offeror** must make a good faith effort to expend on MBE/WBEs.

In the event, **HCHA** has a reasonable belief that the **Offeror** will not use its best efforts to meet the 30 percent (30%) MBE/WBE participation goal, **HCHA** reserves the right to pull work from the contract. Best efforts may be established by showing the **Offeror** has contracted and solicited bids/quotes from subcontractors in identifying MBE/WBEs.

10. AVAILABILITY OF RECORDS

The U. S. Department of Housing and Urban Development, the U.S. Government Accounting Office, the Harris County Housing Authority, Harris County Community Services Department and any duly authorized representatives of each, shall have access to, and the right to examine any and all pertinent books, records, documents, invoices, papers, and the like, of the **Offeror**(s) office or firm, which shall relate to the performance of the services to be provided.

11. 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 disabled 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.

ATTACHMENT A

CONFLICT OF INTEREST QUESTIONNAIRE (CIQ)

CONFLICT OF INTEREST QUESTIONNAIRE

FORM CIQ

For vendor doing business with local governmental entity

This questionnaire reflects changes made to the law by H.B. 23, 84th Leg., Regular Session.

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).

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.

A vendor commits an offense if the vendor knowingly violates Section 176.006, Local Government Code. An offense under this section is a misdemeanor.

OFFICE USE ONLY

Date Received

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

2 ☐ **Check this box if you are filing an update to a previously filed questionnaire.** (The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date on which you became aware that the originally filed questionnaire was incomplete or inaccurate.)

3 **Name of local government officer about whom the information is being disclosed.**

Name of Officer

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.**

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?

☐ Yes ☐ No

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?

☐ Yes ☐ No

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.**

6 ☐ 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).

7

Signature of vendor doing business with the governmental entity

Date

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/htm/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.

ATTACHMENT B

M/WBE PARTICIPATION

BIDDER'S PROPOSED M/WBE PARTICIPATION FORMS

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

BIDDER'S PROPOSED M/WBE PARTICIPATION FORM

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

Name of Participant	**M/WBE**	Certifying Entity (City/Metro/HISD)	Percent of Total Work

SAMPLE FORMAT FOR RECORDKEEPING
ESTIMATED PROJECT WORK FORCE BREAKDOWN

M/WBE PARTICIPATION

JOB CATEGORY	TOTAL ESTIMATED POSITIONS NEEDED FOR PROJECT	NO. POSITIONS OCCUPIED BY PERMANENT EMPLOYEES	NUMBER OF POSITIONS NOT OCCUPIED	NUMBER OF POSITIONS TO BE FILLED WITH M/WBE
OFFICER/SUPERVISOR				
PROFESSIONAL				
TECHNICAL				
OFFICE/CLERICAL				
SERVICE WORKERS				
TRAINEES				
CONTRACTS:				
OTHERS				

Company

Project Name

Person Completing Form

Date

ATTACHMENT C

Affirmative Action for Handicapped Workers

EXHIBIT C
AFFIRMATIVE ACTION FOR DISABLED WORKERS
41 CFR 60-741.4
41 CFR 60-250.4

(a) The Consultant will not discriminate against any employee or applicant for employment because of physical or mental handicap in regard to any position for which the employee or applicant for employment is qualified. The Consultant agrees to take affirmative action to employ, advance in employment, and otherwise treat qualified handicapped individuals without discrimination based upon their physical or mental handicap in all employment practices such as the following: employment, upgrading, demotion or transfer, recruitment, advertising, layoff or termination, rates of pay or other forms of compensation, and selection of training, including apprenticeship.

(b) The Consultant agrees to comply with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the Act.

(c) In the event of the Consultant's noncompliance with the requirements of this clause, actions for noncompliance may be taken in accordance with the rules, regulations, and relevant orders of the Secretary of Labor issued pursuant to the Act.

(d) The Consultant agrees to post in conspicuous places, available to employees and applicants for employment, notice in a form to be prescribed by the Chief Development Officer, provided by or through the **HCHA**. Such notices shall state the Consultant's obligation under the law to take affirmative action to employ and advance in employment qualified handicapped employees and applicants for employment, and the rights of applicants and employees.

(e) The Consultant will notify each labor union or representative of workers with which it has a collective bargaining agreement or other contract or other understanding, that the Consultant is bound by the terms of Section 503 of the Rehabilitation Act of 1973, and is committed to take affirmative action to employ and advance in employment physically and mentally handicapped individuals.

(f) The Consultant will include the provisions of this clause in every subcontract or purchase order of $2,500 or more unless exempted by rules, regulations, or orders of the Secretary issued pursuant to Section 503 of the Act, so that such provisions will be binding upon each subcontract or vendor. The Consultant will take such action with request to any subcontract or purchase orders as the Director of the Office of Federal Contract Compliance Programs may direct to enforce such provisions, including action for noncompliance.

(g) The Consultant will not discriminate against any employee or applicant for employment because he or she is a disabled veteran or veteran of the Vietnam Era in regard to any position for which the employee or applicant for employment is qualified.

The Consultant shall comply with the affirmative action clause prescribe in 41 C.F.R. Section 60-250.4(a) through (m) and the regulations contained in part 60-250.

ATTACHMENT D

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

- 03291 -

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 HA/HUD 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 HA/HUD.

(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 HA/HUD that the late receipt was due solely to mishandling by the HA/HUD after receipt at 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 at 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.

(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 mailgram) or facsimile machine transmission received at any time before award. Proposals may be withdrawn in person by a offeror or its 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 protestor.

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 those 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 E

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 11625 for small, minority, women-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 bidders/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.

1. 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)(l) 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)(l) 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)(l) through (a)(3) above; and

(iii) As an agent, has not personally participated, and will not participate in any action contrary to subparagraphs (a)(l) 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 my 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 F

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 G

Certification of Payments to Influence Federal Transcations

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

Certification of Payments to Influence Federal Transactions

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

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 H

Declaration (Required Submission)

13.0 DECLARATION – (REQUIRED SUBMITTAL)

_____
NAME

_____
TITLE

_____
CITY, STATE

_____
SUBMITTAL DATE

The undersigned, as Offeror, declares that the only persons interested in this Response are named herein, that no other person has any interest in this proposal, that this proposal is made without connection or arrangement with any other person, and that this proposal is in every respect fair, in good faith, and without collusion or fraud.

The Offeror further declares that he/she has complied in every respect with all of the instructions of Offerors, and has read all addenda, if any, has satisfied himself or herself fully relative to all matters and conditions with respect to the proposal.

The Offeror agrees, if this proposal is accepted, to execute such agreement as appropriate for the purpose of establishing a formal contractual relationship between the Offeror and the **HCHA** for the performance of all requirements to which the proposal pertains.

The Offeror states that this proposal is based upon the proposal documents and amendments, if any.

Persons Interested in this Response:

Name	Identity of Interest
1.	
2.	
3.	

_____
NAME OF FIRM/INDIVIDUAL/CORPORATION

_____
SIGNATURE

_____
TITLE

ATTACHMENT I

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 verses 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% of20%); 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%) 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.

ATTACHMENT J

Ethics Policy

HARRIS COUNTY HOUSING AUTHORITY
Ethics Policy

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

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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

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,

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.

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).

<u>Local Public Official Conflict of Interest</u>

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.
(b) 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

(2) in the case of a substantial interest in real property, it is reasonably foreseeable that an action on the matter will have a special economic effect on the value of the property, distinguishable from its effect on the public.

(b) The affidavit must be filed with the official record keeper of the governmental entity.

(c) If a local public official is required to file and does file an affidavit under Subsection (a), the official is not required to abstain from further participation in the matter requiring the affidavit if a majority of the members of the governmental entity of which the official is a member is composed of persons who are likewise required to file and who do file affidavits of similar interests on the same official action.

§ 171.005. Voting on Budget

(a) The governing body of a governmental entity shall take a separate vote on any budget item specifically dedicated to a contract with a business entity in which a member of the governing body has a substantial interest.

(b) Except as provided by Section 171.004(c), the affected member may not participate in that separate vote. The member may vote on a final budget if:

(1) the member has complied with this chapter; and

(2) the matter in which the member is concerned has been resolved.

§ 171.006. Effect of Violation of Chapter

The finding by a court of a violation under this chapter does not render an action of the governing body voidable unless the measure that was the subject of an action involving a conflict of interest would not have passed the governing body without the vote of the person who violated the chapter.

§ 171.007. Common Law Preempted; Cumulative of Municipal Provisions

(a) This chapter preempts the common law of conflict of interests as applied to local public officials.

(b) This chapter is cumulative of municipal charter provisions and municipal ordinances defining and prohibiting conflicts of interests.

§ 171.009. Service on Board of Corporation for No Compensation

It shall be lawful for a local public official to serve as a member of the board of directors of private, nonprofit corporations when such officials receive no compensation or other remuneration from the nonprofit corporation or other nonprofit entity.

Texas Nepotism Law

The Texas Nepotism Law, Texas Government Code, Chapter 573, limits the relationships of a public official to employees and candidates for public positions:

§ 573.001. Definitions

In this chapter:

(1) "Candidate" has the meaning assigned by Section 251.001, Election Code.

(2) "Position" includes an office, clerkship, employment, or duty.

(3) "Public official" means:

(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.

(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

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

(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.

(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 of stepchild).