

**Housing Authority
of the County
of Merced**

REQUEST FOR PROPOSALS

RFP # 2017-08

Property Management Services

**Merced Commons I
Merced Commons II
Oak Terrace**

**Proposals Due: July 31, 2017 @ 4:00PM
405 U Street, Merced, CA 95341**

**Pre-bid meeting: July 11, 2017 @ 2:00PM
Oak Terrace, 1019 Loughborough Drive
Merced, CA 95348**

REQUEST FOR PROPOSAL (RFP) # 2017-08

PROPERTY MANAGEMENT SERVICES

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SECTION 1 - GENERAL INFORMATION

Housing Authority of the County of Merced (HACM) is a provider of affordable housing in the County of Merced. The HACM is seeking proposals from qualified property management firms for comprehensive property management services for two (2) residential developments, Oak Terrace and Merced Commons I and II (located on one site). It is the intention of the HACM to execute a 3-year contract or contracts, with one (1) two-year option for renewal. Proposals will be accepted and awarded by property. Proposers may submit proposals for all or a single selected property.

Evaluation and awards will be made to the proposer(s) who best meet the needs of the HACM.

This RFP is being issued, as well any addenda, by HACM. The contact person for HACM is:

Sue Speer, Development Technician
405 U Street - Merced, CA 95341
Telephone: (209) 386-4137 -- Fax: (209) 386-4187
Email: Sue@merced-pha.com

1. **Proposals may be submitted by mail or hand-delivered.** Four (4) complete sets (including minimum of one original) must be bound separately and submitted together. The instructions below provide guidance on what the proposals will contain and how it should be organized.

Proposals shall be delivered, assembled in the order described in this RFP, in a sealed envelope or box clearly marked with the following:

REQUEST FOR PROPOSAL # 2017-08
Property Management

Proposals must be received by HACM *prior to* **4:00 p.m. on July 31, 2017 at HACM 405 U Street, Merced, CA 95341.** Late submittals will not be accepted and will be returned, unopened, to the sender.

- a. Facsimile copies or emails will not be accepted. All proposals will become the property of HACM upon submission.
 - b. All proposals must be submitted in accordance with the conditions and instructions provided herein.
 - c. All proposals must remain open for acceptance for 60 days from the due date.
2. **Pre-bid Meeting and Interpretations/Questions:** A Pre-Bid meeting will be held at **2:00 p.m. (PDT) on Tuesday, July 11, 2017** commencing at **Oak Terrace, 1019 Loughborough Drive, Merced, CA 95348.** This meeting is not mandatory however it is highly recommended and will provide proposers an opportunity to visit the developments. During the period between issuance of this RFP and the proposal due date, no oral interpretation of the RFP's requirements will be given to any prospective respondent. Request for interpretation must be made, in writing, no later than **10:00 a.m. (PDT) eight (8)** calendar days prior to bid due date. Interpretations and/or questions must be submitted to Sue Speer at email sue@merced-pha.com or fax: (209) 386-4187.
 3. **Addenda/Addendum and Update Procedures for the RFP:** During the period of advertisement for this RFP, HACM may wish to amend, add to or delete from, the contents of this RFP. In such situations, HACM will issue an Addenda/Addendum to the RFP setting forth the nature of the modification(s). HACM will email, fax or send via regular U.S. Postal Service Mail (upon written request), to all known Respondents, any Addenda/Addendum to the Respondents of the RFP solicitation. Interested parties may also view Addenda/Addendum on HACM's website [3 of 57](http://www.merced-</div><div data-bbox=)

pha.com. It shall be the responsibility of each Respondent to ensure that they have any/all Addenda/Addendum relative to this RFP.

- 4. Contact with HACM staff, Board Members and/or Residents:** Under no circumstances may any HACM Board Member or any HACM staff member other than the contact person specified within this RFP be contacted during this RFP process by any entity intending to submit a response to this RFP. Failure to comply with this request will result in disqualification. All questions shall be in writing and directed to the contact person as listed within this RFP.

SECTION 2 – STATEMENT OF WORK – See attachment #1

SECTION 3 – PROPOSAL SUBMISSION REQUIREMENTS All proposals shall be submitted in an 8 ½" x 11" format, preferably in a 3-ring binder or similar format. Larger size pages or inserts may be used provided they fold into 8 ½" x 11". The proposal submittal shall be bound in a manner that the HACM can, if needed, easily remove the binding or remove pages to make copies, then easily return the proposal submittal to its original condition. The front cover of the proposal should bear the name and number of the RFP, date of submittal, Respondent's name(s), address, phone & fax numbers and email address(es). Provide all required certifications and HUD forms, and all other required documents as outlined within this RFP. All forms that require a signature or initials must bear an original signature or initial. All copies of the submittal must be identical in content and organization. The format of the proposals shall be organized into sections and tabbed for ease of review, including copies.

Tab 1: Submittal Instructions & Requirements (**Attachment #2**)

Technical Capabilities and Qualifications

Management Plan

Profile of Firm Form (**Attachment #3**)

Form of Non-Collusive Affidavit (**Attachment #4**)

Tab 2: Demonstrated Successful Past Performance

The Respondent shall submit a listing of former or current clients, including any Public Housing Agencies, for whom the Respondent has performed similar or like services to those being proposed herein. For each reference, please list Company/Agency name, mailing address, contact person, telephone and email address and brief description of services performed. References must be current and/or within the previous 24 months.

Tab 3: Capacity to meet all requirements as specified within the RFP.

Tab 4: Understanding the Scope of Services and Work to be performed.

Tab 5: Proposal Cost Form (**Attachment #5**)

HUD-5369-B: Instructions to Offerors Non-Construction (**Attachment #6**)

HUD-5369-C: Certifications and Representations of Offerors, Non-Construction Contracts (**Attachment #7**)

HUD-5370-C: General Conditions for Non-Construction Contracts Section I and Section II (**Attachment #8**)

Insurance Certification

Tab 6: SBE/WBE Preference

Tab 7: Section 3 Certification for Business Concerns seeking Section 3 Business Preference (**Attachment #10**)

Tab 8: Other Information (Optional)

SECTION 4 - SUPPLEMENTAL INSTRUCTIONS TO RESPONDENTS

- 1. Acceptance of Proposal:** Proposals must be signed and received, in completed form, at the HACM prior to the proposal due date and time. Proposals submitted after the designated due date and time will not be accepted for any reason and will be returned unopened to the sender.

2. **Time for Reviewing Proposals:** Proposals received prior to the due date and time will be securely kept and remain unopened. Proposals received after the due date and time will not be considered. All proposals properly received will be evaluated by a HACM Evaluation Committee appointed by the Executive Director.
3. **Withdrawal of Proposals:** Proposals may be withdrawn by written notice or facsimile transmission received at any time prior to award and provided that withdrawal request has the signature of the authorized representative.
4. **Award of Contract(s):** Contract shall be awarded to the Respondent whose proposal is the lowest responsive and responsible proposer. The Respondent to whom award is made will be notified at the earliest practical date.
5. **HUD Debarment and Suspension List:** Contract shall not be awarded to a contractor which has been debarred, suspended or otherwise ineligible for participation, in accordance with Federal regulations (24 CFR, part 24 and 24 CRF, part 85) and in accordance to State of California law.
6. **No Claim Against HACM:** A Respondent shall not obtain, by submitting a proposal in response to this RFP, any claim against HACM or HACM's property by reason of all or any part of any of the following: any aspect of this RFP; the selection process; the rejection of any or all offers; the acceptance of any offer; entering into any agreements or the failure to enter into any agreements; any statement, representations, acts or omissions of the HACM or any person or entity on its behalf; the exercise of any discretion set forth in or concerning any of the foregoing; and any other matters arising out of the foregoing.
7. **Best Available Data:** All information contained in this RFP is the best data available to the HACM at the time the RFP was prepared. The information given in the RFP is not intended as representation having binding legal effect. This information is furnished for the convenience of the Respondents and HACM assumes no liability for any errors or omissions.
8. **Licenses:** The Respondents shall have and maintain all required licenses necessary to conduct business in City of Merced and State of California. All licenses must be kept up-to-date for the duration of this contract. Copies of all licenses must be submitted at or prior to contract signing.
9. **Respondent Responsibilities:** Each Respondent is presumed by HACM to have thoroughly studied this RFP and is familiar with the contents, locations, nature of request, etc. covered by the RFP. Any failure to completely understand this RFP is the responsibility of the Respondent.
10. **Release of Information:** Information submitted in response to this RFP will not be released by HACM during the proposal evaluation process or prior to a contract award.
11. **Proprietary Information:** If a respondent does not desire certain proprietary information in their response disclosed, the respondent is required to identify all propriety information in the response, which identification shall be submitted concurrently with the response. If the respondent fails to identify proprietary information, it agrees by submission of its response that those sections shall be deemed nonproprietary and may be made available upon public request after a contract award.
12. **Indemnity:** Contractor shall indemnify and defend HACM, its officers, officials, employees, volunteers, agents and assigns and hold it harmless from and against any and all claims, demands, liability, damage, costs, expenses, awards, fines, judgements and attorney fees arising out of or in any way connected with the performance of this Contract. Indemnity shall

apply to any acts, omissions, willful misconduct, or negligent conduct, whether active or passive, unless liability is caused solely by the negligent or willful misconduct of HACM. Contractor will, on request and at its own expense, defend any action, suit or proceeding arising hereunder and shall reimburse and pay HACM for any loss, cost, damage or expense, including attorney fees (including those of in-house counsel) suffered by it hereunder.

SECTION 5 – RIGHT TO PROTEST

Rights: Any prospective or actual proposer or contractor, who is allegedly aggrieved in connection with the solicitation of a proposal or award of a contract, shall have the right to protest. Such right only applies to serious violation of the HACM procurement policy.

1. **Definition:** An alleged aggrieved “protestant” is a prospective proposer or proposers who feels that he/she/they has been treated inequitably by HACM and wishes HACM to correct the alleged inequitable condition or situation.
2. **Eligibility:** To be eligible to file a protest with HACM pertaining to an RFP or contract, the alleged aggrieved protestant must have been involved in the RFP process in some manner as a perspective proposer (i.e. recipient to the RFP documents) when the alleged situation occurred. HACM has no obligation to consider a protest filed by any party that does not meet these criteria.
3. **Procedure:** Any actual or prospective contractor may protest the solicitation or award of a contract for material violation of HACM’s procurement policy. Any protest against a HACM solicitation must be received before the due date for receipt of Proposals and any protest against the award of a contract must be received within ten (10) calendar days after contract award or the protest will not be considered.

All protests must be in writing and submitted to the Contracting Officer or his/her designee for a written decision. The Contracting Officer or his/her designee will issue a written decision and findings to the Protester or Protesters within thirty (30) calendar days from receipt of the written protest. This decision is then appealable to the Board of Commissioners within five (5) calendar days of receipt of the written decision. Appeals which are not timely filed will not be considered and the decision becomes final. All appeals shall be appropriately marked and sent to the address as listed below:

APPEAL OF RFP # 2017-08
Housing Authority of the County of Merced
ATTN: Executive Director
405 U Street, Merced, Ca 95341

SECTION 6 - HACM’S RESERVATION OF RIGHTS

1. HACM reserves the right to accept or reject any or all proposals, to take exception to these RFP specifications or to waive any formalities or to terminate the RFP process at any time, if deemed by HACM to be in its best interests.
2. The HACM reserves the right to reject and not consider any proposal that does not meet the requirements of this RFP, including by not necessarily limited to, incomplete proposal and/or proposals offering alternate or non-requested services. Respondents may be excluded from further considerations for failure to fully comply with the specifications of this RFP.
3. The HACM reserves the right not to award a contract pursuant to this RFP.

4. HACM reserves the right to reject the proposal of any Respondents who have previously failed to perform properly or to complete on time, a contract of similar nature; or who is not in a position to perform the contract.
5. The HACM reserves the right to terminate a contract awarded pursuant to this RFP, at anytime for its convenience upon 10 days written notice to the successful Respondent(s).
6. The HACM reserves the right to determine the days, hours and locations that the successful Respondent(s) shall provide the services called for in this RFP.
7. The HACM reserves the right to retain all proposals submitted and not to permit withdrawal for a period of 60 days subsequent to the deadline for receiving proposals without the written consent of the HACM Executive Director.
8. The HACM reserves the right to negotiate the fees proposed by the Respondent entity.
9. The HACM shall have no obligation to compensate any Respondent for any costs incurred in responding to this RFP.
10. The HACM shall reserve the right to at any time during the RFP or contract process prohibit any further participation by a Respondent or reject any proposal submitted that does not conform to any of the requirements detailed herein.

SECTION 7 – PROPOSAL EVALUATION/CONTRACT AWARD

Proposals received in response to this solicitation shall be evaluated based on the evaluation factors set forth in the RFP. Factors not specified in the RFP shall not be considered.

Contract shall be awarded to the responsible firm whose qualifications, price and other factors considered are most advantageous to the agency.

- 1) Proposals will be evaluated and scored.
 - 2) Scoring will be based on predetermined Evaluation Criteria. The available points associated with each area of consideration are shown below in Section 8.
 - 3) If after the initial evaluation of proposals, if there is a clear winner, contract may be awarded at that time.
 - 4) If necessary, the results of the evaluation of both technical and cost proposals may be used to determine those proposals to be considered in the competitive range and kept in the running and scheduled for negotiations/discussion, or phase 2.
- A. HACM reserves the right to make no award, or decline to enter into negotiations should it believe that no Respondents to this RFP will be capable of delivering the necessary level of services within an acceptable price range and/or time period.
 - B. The Evaluation Committee will evaluate the merits of proposals received in accordance with the evaluation factors stated in the RFP and formulate a recommendation. However, while a numerical rating system may be used to assist the Evaluation Committee in selecting the competitive range (if necessary) and making an award recommendation decision, the award decision is ultimately a business decision that will reflect an integrated assessment of the relative merits of the proposal using the factors and their relative weights disclosed in the RFP.

SECTION 8 – EVALUATION CRITERIA

The following factors will be utilized by the HACM to evaluate each proposal received. Award of points for each listed factor will be based upon the detailed information that the proposer submits within his/her proposal submittal.

Evaluation #	Maximum Rating (Pts)	Evaluation Criteria
1	25	Technical Capabilities and Qualifications: in terms of personnel, (qualifications, years of relevant experience and years with the firm), equipment and materials; and, Management Plan: Include staffing of key positions, methods of assigning work, and procedures for maintaining level of service, etc.
2	15	Demonstrated Successful Past Performance: Documented track record of successfully completing projects substantially similar to that required by this solicitation and verifiable by reference checks or other means, (including meeting costs, schedules, and performance). Provide client(s) name, address, telephone number and email address.
3	15	Capacity to meet all requirements as specified in the RFP: Including number of years providing services for other similar sized entities with similar scope of work.
4	25	Understanding the Scope of Services and Work to Be Performed: proposal should reflect a demonstrated understanding of the RFP requirements.
5	20	Proposed Costs: Proposal cost will be evaluated through a careful analysis of cost compared to the other Respondents proposals. Consideration will be given to those Respondents who demonstrate through their submittals, the ability to perform the required work at the minimum cost to HACM
6	5	Preference: SBE/DBE/MBE/WBE: Provided to those Respondents who provide documentation of Small Business Enterprise, Disadvantaged Business Enterprise Minority-owned Business and/or Women/s Business Enterprise Preference
7	5	Preference: Section 3 Business Participation: Provided to those Respondents who demonstrate through their submittals that HACM's stated participation goals, in terms of Section 3 business enterprise contracting and Section 3 resident employment and training will be met.
	110	Maximum Points Possible

SECTION 9 – SUMMARY OF EVALUATION CRITERIA FOR STEP I AND STEP II

Step I

Evaluation Criteria

Technical:

1. Technical Capabilities & Qualifications	25 Points
2. Demonstrated Past Performance	15 Points
3. Capacity	15 Points
4. Understanding of the Scope and Work	25 Points
5. Proposed Costs	20 Points

Total **100 Points**

Additional Points

5. SBE/DBE/MBE/WBE Preference	5 Points
6. Section 3 Participation	5 Points

Total **10 Points**

MAXIMUM POINTS POSSIBLE: **110 Points**

Understanding of the Technical Capabilities & Qualifications (20 Points Maximum):

- (16-20) Proposal demonstrates excellent staffing levels, with appropriate qualifications. Demonstrates ability to maintain staffing levels and appropriate equipment/materials. RFP includes an excellent Management Plan and reasonable schedule.
(Over 10 years experience)
- (11-15) Proposal demonstrates sufficient staffing levels, with appropriate qualifications. Appears to have the ability to maintain staffing levels and appropriate equipment/materials. Management Plan is good.
(5-10 years experience)
- (6-10) Proposal demonstrates fair staffing levels, with fair qualifications. May have the ability to maintain staffing levels and appropriate equipment/materials. Management Plan is fair.
(Less than 5 years)
- (0-5) Proposal does not demonstrate sufficient staffing levels, with appropriate qualifications. May not have the ability to maintain staffing levels and appropriate equipment/materials for the work required. Management Plan is not adequate.

Demonstrated Successful Past Performance (20 Points Maximum):

- (16-20) Proposal demonstrates a complete and comprehensive track record of successfully completing projects substantially similar and provided adequate list of verifiable references.
- (11-15) Proposal demonstrates a good track record of successfully completing projects substantially similar to that required and provided adequate list of verifiable references.
- (6-10) Proposal demonstrates a fair track record of successfully completing projects substantially similar and provided a fair list of verifiable references.
- (0-5) Proposal does not demonstrate an adequate track record of successfully completing projects substantially similar and does not include an adequate list of verifiable references.

Capacity (20 Points Maximum):

- (11-20) Proposal demonstrates a strong capacity to meet all requirements specified in the RFP.

- (7-11) Proposal demonstrates fair capacity to meet all requirements specified in the RFP
- (0-6) Proposal does not demonstrate capacity to meet all requirements specified in the RFP.

Understanding of the Scope and Work (20 Points Maximum):

- (16-20) Proposal demonstrates a complete and comprehensive understanding of the Scope of Services and Work to be performed.
- (11-15) Proposal demonstrates a good understanding of the Scope of Services and Work to be performed.
- (6-10) Proposal demonstrates some understanding of the Scope of Services and Work to be performed.
- (0-5) Proposal does not provide an adequate understanding of the Scope of Services and work to be completed.

Proposed Costs (20 Points Maximum):

- (16-20) Proposal demonstrates an excellent ability to perform the required work at the minimum cost to the HACM.
- (6-15) Proposal demonstrates a good ability to perform the required work at the reasonable cost range to the HACM.
- (0-5) Proposal does not demonstrate the ability to perform the required work at a reasonable cost to the HACM.

REQUEST FOR PROPOSALS (RFP)
RFP #2017-08: Property Management Services

Statement of Work

Property Management Services

The Housing Authority of the County of Merced ("HACM") is looking for Property Management Services to oversee a total of 212 units for two (2) developments, Oak Terrace and Merced Commons I and II (located on one site) in the City of Merced. HACM is requiring full-service professional property management services. The complexes are on two (2) different development sites. Oak Terrace has 65 units and Merced Commons I and Merced Commons II has a combined 147 units (see Attachment 11 for more information). The sites are divided into two geographic locations. Each complex varies in programs administered such as Market Rate Housing, Section 8 Housing Choice Voucher ("HCV"), Project Based Section 8 and/or Multi-family Contract-based Section 8 from U.S. Department of Housing & Urban Development ("HUD") through California Housing Finance Agency ("Cal-HFA").

I. General Requirements

The CONTRACTOR shall provide full service, on a day-to-day property management services at the properties ("Properties") identified in Attachment 11 of the RFP documents.

II. Governing Documents and Authorities

The management of the Properties shall be carried out under the direct supervision of the Contractor at the project site and subject to all applicable laws and regulations (including specifically, but without limitation, laws and regulations cited below) and the documents identified below.

- A. United States Housing Act of 1937, as amended from time to time, or any successor legislation (the "Act").
- B. The Fair Housing Act, 42 U.S.C. 3601-19, and regulations issued thereunder, 24 CFR Part 100; Executive Order 11063 (Equal Opportunity in Housing) and regulations issued thereunder, 24 CFR Part 107; the fair housing poster regulations, 24 CFR Part 110, and advertising guidelines, 24 CFR Part 109.
- C. Title VI of the Civil Rights Act of 1964, 42 U.S.C. 2000d, and regulations issued thereunder relating to non-discrimination in housing, 24 CFR Part 1.
- D. Age Discrimination Act of 1975, 42 U.S.C. 6101-07, and regulations issued thereunder, 24 CFR Part 146.
- E. Section 504 of the Rehabilitation Act of 1973, 29 U.S.C. 794, and regulations issued thereunder, 24 CFR Part 8; the Americans with Disabilities Act, 42 U.S.C. 12181-89, and regulations issued thereunder, 28 CFR Part 36.

- F. Fair Housing Act, 42 U.S.C. 3601 et seq. and regulations issued thereunder, 24 CFR 100.
- G. California Fair Employment and Housing Act (FEHA) Government Code 12900 et seq, The Unruh Civil Rights Act and Ralph Civil Rights Act, Civil Code 51.
- H. Section 42 of the Internal Revenue Service Tax Code.
- I. Section 103 of the Internal Revenue Service Tax Code, as applicable to the Properties as a consequence of the issuance of tax-exempt bonds by the HACM.

III. Management Goals

- A. The Contractor shall provide a desirable, well maintained, habitable, and affordable place to live for an economically, racially and ethnically integrated resident population, without regard to race, religion, sex, color, family status, disability status, national origin, marital status, ancestry, gender identity or sexual orientation; and
- B. The Contractor shall house financially eligible, suitable and responsible residents and maximize occupancy and rent collection through utilization of a consistent and fair leasing strategy; and
- C. The Contractor shall provide effective and timely services to the residents and keep accurate and complete records in accordance to the reporting needs of the HACM (as outlined in Section V. below); and
- D. The Contractor shall maintain effective working relationships with the HACM, the HACM's vendors who provide services and/or supplies to the Properties, local government including, but not limited to the police department, and the Properties' lenders and investors; and
- E. The Contractor shall coordinate with the HACM as it relates to other HACM contractors who provide services and/or supplies to the Properties, including, among other things, security services, pest control services, and any and all other services and/or supplies. As the Contractor is responsible for the day-to-day operations at the Properties, it is incumbent upon the Contractor to ensure that the other HACM contractors who are supplying services and/or supplies to the Properties are acting in accordance with the relevant Scopes of Work, codes and regulations, and budgets. The Contractor shall keep the HACM apprised of any and all developments as it relates to other HACM contractors providing services and/or supplies to the Properties.
- F. Barring unforeseen circumstances, the Contractor shall respond to all communications and requests from the HACM in a timely manner and at very least acknowledge receipt of communications or requests within three business days of receipt.

IV. Management Standards and Plans

- A. The Contractor shall: 1) furnish the services of its organization with the highest

degree of professionalism and management practices, similar to those prescribed by the Institute of Real Estate Management (IREM), 2) maximize economic returns for the HACM that are consistent with private properties management practices, and 3) adhere to all applicable rules and regulations of the State of California, HUD, CalHFA and any other government regulations that apply.

- B. The Contractor shall operate and maintain the appropriate Property as market-rate apartment complexes on a standard equal to other apartment complexes with comparable facilities and amenities within the surrounding community.
- C. The Contractor shall manage the Properties in a strategic and data-driven manner which shall include the development and tracking of metrics or benchmarks in order to ensure positive performance of the Properties. To further ensure consistency in administration and clear understanding of management expectations, the Contractor shall submit to the HACM for final approval, three (3) copies of its Comprehensive Management Plan covering each property, for every type (i.e. market rate, project based voucher, etc.) it is charged with managing (the "Management Plan") within ninety (90) days of the commencement date of the contract and updated at least annually thereafter. The Management Plan shall demonstrate or address the following elements:
1. Maintenance, marketing, utilization, and economic development of the Properties. The Management Plan, which shall include the Contractor's recommendations for achieving maximum economic return on the Properties. All policies or actions recommended in the Management Plan are subject to approval by the HACM **prior** to implementation and shall be reviewed on an ongoing basis at the HACM's discretion to ensure best practices are being captured and utilized for continuous performance improvement. At a minimum, the Management Plan shall include all of the following:
 - a. Financial and demographic analysis of each property's neighborhoods;
 - b. Rental rate schedule and unit marketing plan with recommendations (Must include a tenant communication plan that provides at least 90 days' notice and outline of supportive services to be provided by the Contractor as part of administering rent increases);
 - c. Resident eligibility/selection criteria for each property (must include clear process for review and consideration) ;
 - d. Annual Operating budget that includes a capital expenditure plan;
 - e. Security operations procedures and emergency protocols;
 - f. Provision of social and supportive services for the residents, (as applicable);
 - g. Management of laundry facilities, vending machines, etc.;
 - h. Maintenance and physical improvement of the Properties;
 - i. Inventory control for furnishings and appliances;
 - j. Waiting list procedures for each Property that is compliant with all State and Federal Fair Housing and other applicable laws;
 - k. Rent collection policies and procedures;
 - l. Personnel policies and property staffing and ongoing training and

- development (must include an organizational chart);
 - m. Strategy for reducing energy consumption at each site (water, electric, gas, solar, etc.)
 - n. Strategy for increasing revenues at each site including recommendations
- 2. Submission of all day-to-day operating forms that will be used in provision of services.
- D. Within 60 days of the onset of services, the Contractor shall conduct an audit of the tenant files for all the Properties to ensure each one is complete and includes the following information: current tenant ID, application for residence, signed lease agreement, tenant communications, legal notices (including notification to enter and notices of rent increases), and documentation of any issues or violations of the rental agreement.
- E. Within 30 days of the onset of services, the Contractor shall conduct an orientation with its staff to ensure appropriate understanding of the full administration of the Properties for each site under the Management Plans, including (but not limited to): training on applicable regulations related to the property and/or specific units, HACM required reports and software, data tracking, budgets, capital improvements, outstanding tenant issues, and operational guiding procedures. Written notice of completion of training will be provided by the Contractor to the HACM.
- E. The Contractor shall conduct regular quality control analysis of the practices conducted within the Properties to ensure consistent application of the approved Management Plan and to minimize errors in administration. Findings within the analysis will be shared with the HACM and an action plan implemented to correct and improve performance.

V. Specific Requirements

- A. Leasing
 - 1. During the Term, the Contractor shall handle all negotiations with prospective residents of the Properties and shall have the right to execute and enter into, on behalf of the HACM, any and all leases or rental agreements ("Leases"), of residential units of the Properties and any extension and renewal of said Leases, provided, however, that without the prior written consent of the HACM, the Contractor shall not enter into any Lease with any person for a term in excess of one (1) year. The Contractor shall submit the proposed form of lease agreement to the HACM for its written approval prior to the Contractor's use of said lease agreement. Any changes, alterations, or modifications thereof must receive a prior written approval from the HACM.
 - 2. The Contractor shall be and act as the HACM's exclusive Contractor in leasing the Properties.
 - 3. The Contractor shall not decline to lease any unit at the Properties to a prospective resident on the basis of the resident's race, religion, national

origin, ancestry, sex, sexual preference, physical handicap, or any other classification protected by law (i.e. Section 504). (NOTE: Fair Housing provisions regarding age/familial status do not apply to housing intended and operated for occupancy by at least one person 55 years of age or older per unit.) Prior to executing any Lease with a resident, the Contractor shall investigate the financial ability and history of his/her rent payment history by securing income documentation such as paystubs, tax returns and social security award letters and performing credit checks and ensure that individual has at least three times the monthly rental rate in income to comfortably afford the unit over time. The Contractor shall also conduct criminal background checks of each prospective resident and obtain references from the prospective resident's previous landlords, to the extent deemed necessary by the Contractor, to protect the HACM against financial losses and other liabilities. All expenditures incurred by the Contractor for duties described in this Paragraph shall be considered operating expenses of the Properties.

4. All lease terms including, but not limited to, rental rate, rental concessions, and security deposits are to be determined within the Annual Operating Budget. Any deviations from the Annual Operating Budget require prior written approval by the HACM.

The Contractor is authorized to serve "notices to vacate" on tenants and to institute any action or proceeding it deems necessary to recover possession of leased premises; or to recover rent, charges, or other sums payable to the HACM. The Contractor may compromise and settle or otherwise discontinue any such action or proceeding provided the Contractor first obtains the HACM's written approval. In exercising the authority granted by this Paragraph, the Contractor may incur collection fees, costs, and legal fees as agreed to in writing by the Contractor and the HACM. Any such fees or costs shall be considered operating expenses of the Properties.

5. The Contractor shall collect a security deposit from each resident in an amount equal to the maximum authorized by law or as authorized in writing by the HACM.
6. The Contractor shall provide good customer service to all residents and receive, consider, and respond to all resident suggestions, requests, complaints and/or problems in a professional manner consistent with the Contractor's authority, the applicable regulatory and programmatic requirements of the Properties, and its responsibilities as described throughout this Contract. Wherever possible, responses to residents should be provided within one business week of receipt by the Contractor.

B. Marketing of Vacancies

1. The Contractor shall aggressively pursue marketing practices that minimize vacancies and target residents appropriate to the particular Properties involved (i.e. market rate, low-income, etc.) in compliance with all applicable laws. Required vacancy rate must not exceed 5%. Marketing and leasing efforts shall emphasize the added social service amenities offered at, or

planned to be offered at, the Properties.

2. The Contractor shall market the Properties by using a full complement of available advertising media, such as newspapers, the display of signs at the Properties, and the notification of available housing units to service agencies and organizations, and shall respond to all lease referrals. The Contractor shall charge all expenses of advertising to the Properties' accounts as an operating expense, as limited by the Annual Operating Budget.
3. The Contractor shall provide a weekly list of all vacant units at each property along with a phone and foot traffic log, and a narrative detailing the marketing plan of action.
4. The Contractor shall maintain current and accurate tenant waiting lists for the Properties in compliance with all applicable program regulations.

C. Operations and Maintenance

The Contractor shall, at all times, maintain the Properties in a good, clean, habitable, and attractive condition acceptable to the HACM. Repairs shall be performed, as necessary, and shall be budgeted as part of the operating expense of the Properties. To this end, the Contractor shall:

1. Perform the following, subject to any limitations imposed by the HACM: all interior and exterior cleaning, painting, decorating, and carpentry; the periodic inspection, maintenance and repair of plumbing, heating, and ventilating systems, stoves and refrigerators, and elevators; the periodic inspection, maintenance of outdoor grounds and facilities; and any other routine maintenance and repair work that becomes necessary.
2. Hire all on-site Resident Managers, Properties' Supervisors, maintenance personnel, clerical and accounting staff for each Property in accordance with applicable equal employment opportunity requirements. This shall include adequate orientation provided to new staff that ensures consistent understanding of policies and procedures for the Contracting firm and HACM properties the staff-person is assigned.
3. Prepare vacant units for occupancy. Turnaround for each vacant unit will be completed within Five (5) business days from move-out, unless there are extenuating circumstances such as a death or major damage. At least ninety-eight percent (98%) of the vacant units at each site are to be market ready at all times. Pre-occupancy inspections shall be completed for each unit with Contractor and tenant identifying in writing the condition of the unit at the time of occupancy.
4. Promptly receive and systematically investigate all service requests from tenants within no later than 10 calendar days, take any necessary action, and keep adequate records of the action taken (which includes entry within the system or records.) Emergency repair requests shall be received and serviced on a 24-hour basis. Complaints of a serious nature (i.e. deaths, crime reported, etc) shall be reported to the HACM at the conclusion of an

investigation by the Contractor. Emergency repair requests include, but is not limited, to the following:

- a. Gas leaks
 - b. Broken water lines
 - c. Toilet stoppage
 - d. Exposed/frayed electrical wires, exposed fuse box connection, and/or electrical failure within the unit
 - e. Burst or broken water heater
 - f. Destruction of exterior door (front/rear). Door broken and unable to lock.
 - g. Broken window/window lock (front/rear of unit)
 - h. Defective or omission of smoke detectors
 - i. Elevator failure
 - j. Collapsing walls and ceilings
 - k. Main line stoppage
 - l. No water in unit
5. Purchase materials, supplies, equipment, tools, and services that are necessary for the operation and maintenance of the Properties and maintain a current inventory of the same. Contractor shall notify the HACM in advance and obtain approval should it elect to receive supplies and/or services from family members of its staff.
 6. Perform preventive maintenance of the Properties to preserve the physical assets in accordance with sound property management practices. Included among these responsibilities are periodic inspections of sidewalks, walkways, stairs and paved areas to identify trip and other hazards and remediate the same in a timely manner. Also included is the regular review of energy consumption (gas, water, electricity) of the Properties to ensure usage is consistent and where possible reduced as well as any accommodations needed to ensure all applicable properties within the portfolio meet all accessibility requirements.
 7. Procure with contractors, as necessary, for the maintenance and repair of air conditioning and heating systems, elevators and other items requiring special maintenance and repair skills not usually possessed by regular maintenance employees.
 8. Conduct fire alarm system tests on a monthly basis. Conduct smoke detector tests semi-annually. Maintain written records of such inspections on site. Training for staff on fire, earthquake safety and crime prevention shall be conducted on an annual basis or more frequently if determined reasonably necessary in response to circumstances such as an increase in crime or the occurrence of a natural disaster.
 9. Coordinate with and accompany inspectors from the HACM, the HACM's insurance carrier, the U.S. Department of Urban and Housing Development's Real Estate Assessment Center ("HUD REAC"), and other HACM -authorized parties.

10. Post a management sign on the building exterior of each Property within one (1) month of execution of the contract which includes required information concerning service of notice of process and maintain the same during the Term in accordance with HACM requirements. The sign shall be of reasonable size and visible from the sidewalk with information regarding the management company and contact information, subject to the HACM's approval.
11. Obtain and maintain in full force and effect, all licenses and permits required by law.
12. Conduct all tenant initial/recertification of eligibility in accordance with the respective Section 8 and/or Tax Credit Programs, perform monthly TRCS processing where applicable, administer reserve and replacement drawdown as periodically required, and process monthly vouchers where applicable submit routine program compliance reports, all of which are to include assurance of accuracy in accordance with all applicable HUD program requirements.
13. On an ongoing basis, the Contractor shall provide the appropriate level of training and orientation necessary for all staff working at the Properties to ensure appropriate delivery of site specific administration within the Management Plan and provide consistent customer service to its residents. This includes but is not limited to: regulatory requirements, available HACM resources, budget, capital expenditures, and general operating procedures as part of the site's Management Plan.

In the event of a change in staffing, the Contractor will provide HACM advance written notice and resume of new staff as well as written certification that the necessary orientation and/or training has occurred.

D. Procurement Requirements

Comply with all HACM Procurement Policies and procedures and related requirements, as amended from time to time.

E. Financial Management and Reporting

1. Collection and Disbursements of Revenues

- a. Trust accounts, identified as "Operating Accounts", shall be established and maintained by the Contractor for each Property. Accounts shall be established for the deposit of all amounts collected. The Contractor shall include the HACM's Contracting Officer or its designee as an authorized signer on all Operating Accounts.
- b. Upon written approval of the HACM, all Operating Accounts shall be established in a bank or other financial institution whose deposits are FDIC-insured.
- c. The Contractor shall collect all rents and revenues from the Properties.

The Contractor shall collect applicable charges, and other amount receivables, including any laundry room receipts and income from vending machines, from each Property on a daily basis. All funds received shall be deposited in each Property's Operating Account. The Contractor shall promptly serve all legal notices and provide necessary copies to compliance Agencies as applicable.

- d. The Contractor shall disburse, from funds collected and deposited in the Operating Accounts described above, all operating expenses for the Properties, including salaries, services, utilities, minor maintenance and repair costs, service contracts and any other recurring operating expenses as authorized by the HACM including the payment of the Contractor's compensation. The Contractor shall also pay from the Operating Accounts the single aggregate payment required to be made monthly by the HACM such as the mortgages for the Properties. Such payments, including amortized principal, interest and other charges, shall be paid directly to the Mortgagee by the Contractor unless otherwise directed by the HACM. The Contractor shall pay all the above operating expenses, mortgage and other payments prior to delinquency and shall be responsible for any late fees, charges or similar assessments.
- e. Except for the disbursements described in Paragraph III.D.1.d. of this Contract, funds shall be disbursed or transferred from the Operating Accounts only as directed by the HACM.
- f. Trust accounts, identified as "Security Deposit", shall be established and maintained by the Contractor for each Property. Accounts shall be established for the deposit of all security deposit collected and disbursement of security deposits to vacating tenants. The Contractor shall include the HACM's Contracting Officer or its designee as an authorized signer on all Security Deposit Accounts.
- g. Upon written approval of the HACM, all Security Deposit Accounts shall be established in a bank or other financial institution whose deposits are FDIC-insured.
- h. The Contractor shall organize and maintain a system of controls designed to ensure the authenticity of bills, invoices, and statements charged and paid. This system of controls must be detailed in the Management Plan and approved in writing by the HACM.
- i. The Contractor shall utilize and timely update the HACM's property management software system (currently Yardi) to process all tenant accounting and other transactions.
- j. The Contractor understands, agrees and acknowledges that some or all of the Properties may be financed with the proceeds of tax-exempt revenue bonds (the "Bonds") or serve as collateral for the Bonds from time to time and that the documents pursuant to which the Bonds are issued (which may include, without limitation, an indenture of trust and deed of trust or mortgage and which are herein referred to collectively as

“Loan Documents”) may require; that revenues from the Properties be remitted to a trustee or escrow agent, that funds to pay operating expenses be requisitioned from such trustee or escrow agent, and that revenues generated by the Properties otherwise be accounted for or administered in a manner inconsistent with or supplemental to the procedures herein described. The Contractor agrees that, upon being provided with copies of any such Loan Documents, it shall timely comply with the terms of such Loan Documents applicable to the Contractor, the Properties or revenues of the Properties. In the event of any conflict between the provisions of the Loan Documents and the provisions of this Scope of Work, the provisions of the Loan Documents shall control.

2. Accounting, Monthly Financial Reporting and Administering of Funds

a. Books and Records

The Contractor agrees to keep accurate, complete and separate books and records of account for each Property in accordance with accepted accounting standards and procedures on the basis of a calendar year. These books shall detail all income and expenditures, accounts payable, accounts receivable, available cash and other assets and liabilities pertaining to the Properties.

The HACM may, at any time during the Contractor's normal business hours, either in person or through a representative, inspect all records and supporting and related documentation kept by the Contractor relating to the management and operation of the Properties, including but not limited to, electronic records, checks, bills, vouchers, statements, cash receipts, and correspondence. The HACM may, at its own expense, have an audit made of all accounting books and records connected with the management of the Properties.

b. Financial Reports

Each month the Contractor shall prepare and submit to the HACM financial reports for each Property on an accrual basis for the preceding month, including a narrative describing the properties performance and significant events which may have occurred over the preceding month. The Contractor shall deliver to the HACM the following financial reports in an electronic format compatible with the HACM's property management software and Microsoft Excel or on software provided by the HACM, as determined by the HACM in its sole election:

- The preliminary trial balance report reflecting beginning balance, current month's debits and credits, and the ending balance on or before the last business day of the month.
- The Monthly income statement and balance sheets (financial statements) and final trial balance shall separately set forth data for both the current month and the year to date (including the current month). The Contractor shall deliver to the HACM copies

of **all bills** paid by the Contractor for the preceding month electronically along with open account payables and P.O. logs for all work procured during the period. Contractor shall submit Budget modifications or line item adjustments as necessary. Contractor is also required to submit detailed narratives explaining budget variances +/- 5% on a monthly basis. Simultaneously with delivery of the monthly financial statements, the Contractor shall also deliver to the HACM rent rolls delineating Housing Assistance and tenant portions of rent charged for the month, account receivable aging report delineating between received from HUD and tenant; HUD form-52670 with supporting details, check registers for each Property; general ledgers, report of cash receipts that can be traced to the bank deposits, bank reconciliation with supporting bank statement; report of security deposits, monthly equipment & building improvements report for specified, single capital expenditures of **\$5000** and above Each such report and supporting documentation shall be delivered electronically to the HACM on or before the **10th** calendar day of the following month.

c. Remittance to the HACM

On or before the 10th calendar day of each month, the Contractor shall remit to the HACM, via wire transfer or other means as directed by the HACM from time to time, the net profit, if any, shown on the preceding month's income and expense report less the Contractor's monthly compensation due under this contract and a reserve equal to one month's budgeted payroll, to pay expenses that are anticipated but not yet due. Notwithstanding all the above the Contractor understands and agrees that certain of the Properties may serve as collateral for Bonds of the HACM which may require the remittance of net profit or other funds to the HACM or third parties designated by the HACM from time to time during the Term via lock-box or other arrangements. The Contractor shall fully and timely comply with all HACM request to establish such collection mechanisms and shall comply with any related bond indenture provisions. The cost, if any, of said compliance by the Contractor shall be included with the Property operating expenses.

d. Delinquency

On or before the **10th** calendar day of the month, the Contractor shall prepare and submit to the HACM, electronically via email if possible, a tenant delinquency report which reflects uncollectible accounts and recommendation for their write-offs, additionally contractor shall actively pursue collection efforts for all outstanding payments due from current and future tenants.

e. Annual Financial Report

Within thirty (30) days from the end of each calendar year during the Term, the Contractor shall make available and provide access to all

Properties' records via electronic means acceptable to the HACM and assist the HACM's auditor in preparing the annual financial report for the preceding year. Within thirty (30) days of the end of the calendar year immediately following the expiration or termination of the Term unless requested sooner by the HACM, the Contractor shall make available, transfer and provide access to all Properties' records via electronic means and on software acceptable to the HACM (including any property management software provided to the Contractor by the HACM under this Contract) and assist the HACM's auditor in preparing the annual financial report for the preceding year.

f. Year End Close Out

The Contractor is to perform a year-end reconciliation to include but is not limited to:

1. Adequacy of allowance for doubtful accounts
2. Balance sheet and program reconciliations, as applicable
 - Cash
 - Tenant security deposits and liability
 - Investments
 - Accounts receivable and allowance for doubtful accounts
 - Other receivables
 - Notes receivables
 - Prepaid expenses
 - Fixed assets
 - Other assets
 - Accounts payable
 - Accrued expenses
 - Unearned revenue
 - Notes payable – current and long term
 - Bonds payable – current and long term
 - Other long term liabilities
 - transfers

g. Filing of Tax and Other Returns and Reports

The Contractor shall prepare and file as applicable all returns and other documents required under the Federal Insurance Contributions Act (FICA) and the Federal Unemployment Tax Act, or any similar federal or state legislation, and all withholding tax returns required for employees of the Properties. These documents shall include the filling of annual welfare exemption applications(s). The Contractor agrees that the records and reports on the Properties furnished to the HACM by the Contractor under this Contract shall set forth all required data as to operating expenses and income and shall be otherwise sufficient for the preparation of all required reporting by federal, state, or local authorities.

h. Annual Operating Budget

The Contractor shall prepare and submit to the HACM for approval, an Annual Operating Budget (the "Budget") including, but not limited to, rents and other income and expenses, for the calendar year beginning January 1, and for each calendar year thereafter during the term of this Contract. The Contractor shall submit the Budget to the HACM at least **150 days** prior to the beginning of the calendar year covered by the Budget except in the case of the first year of the Term where the Budget shall be submitted to the HACM within sixty (60) days of the Commencement Date. Any changes to this submittal schedule shall be approved by the HACM in writing. The HACM shall promptly inform the Contractor of any changes to be incorporated in the Budget, and the Contractor shall keep the HACM informed of any anticipated and actual deviations from the receipts or disbursements set forth in the approved Budget. Disbursement for each type of operating expense itemized in the Budget may not exceed the amount authorized in the approved Budget without prior written approval from the HACM. For expenses over \$2,500 that are not authorized in the approved Budget, the Contractor must receive pre-approval from the HACM before the expense can be incurred. Receipts shall be provided for all disbursements.

At least once per year, the Contractor will conduct cost reasonableness testing for all routine major expense categories such as carpets/flooring, painting, plumbing supply, landscaping, elevator maintenance, ADA improvements, etc. and submit the results to the HACM.

i. Compliance with Loan Documents

The Contractor agrees that it shall comply with any requirements relative to Contractor preparation of the budget contained in any Loan Documents. The Contractor further agrees to provide to any parties entitled to records relating to the Properties under the Loan Documents (as such parties are identified to the Contractor by the HACM) access to the Contractor's records relating to the Properties on the same terms and conditions as the HACM. The Contractor agrees to provide copies of any notices required to be sent by Contractor to the HACM hereunder to such additional parties as specified in the Loan Documents or as otherwise directed in writing by the HACM.

VI. Housing Authority's Responsibilities

- A. The HACM shall have oversight responsibility in all areas of the Contractor's operating plan as an asset manager, and shall conduct quarterly management reviews and at its sole discretion conduct formal or informal audits of the Contractor's administration to help minimize errors and ensure optimal performance.
- B. The HACM will provide the Contractor remote or direct access to the HACM's property management database system and software to be used by the Contractor only to manage, communicate, and provide financial information to

the HACM for the Properties awarded to the Contractor.

- C. Except for emergencies as listed in Section V.C.4 above, the HACM shall provide prior written approval of Contractor's disbursements over \$2,500 from the Operating Accounts. Receipts shall be provided for all disbursements.
- D. The HACM shall reserve the right to provide and select service vendors for such services as trash removal, elevator maintenance, and laundry room service when, in the HACM's sole discretion, it determines that the provision of such vendor(s) is in the HACM's best interest.

VII. Changes to or Termination of Contract

- A. Should the HACM in its sole discretion elect to terminate the contract, in addition to the surrender of applicable files and property as outlined throughout the contract, the Contractor shall at very least ensure that current status of all outstanding issues has been well documented within the official system of record and provided to the HACM.

SUBMITTAL INSTRUCTIONS & REQUIREMENTS

Unless otherwise specifically required, the items listed below must be included in the proposal submittal. Please complete this form by marking an "X", where provided, to verify that the reference completed form or information has been included within the hardcopy proposal submitted by the proposer. Proposals must be tabbed in the order listed below for continuity and ease of reference.

<i>X=ITEM INCLUDED</i>	<i>SUBMITTAL ITEMS (Submit FOUR (4) sets of your proposal, including one with original signatures.) Submit this page in Tab 1.</i>
_____	Tab 1 Submittal Instructions & Requirements (Attachment #2) Technical Capabilities and Qualifications Management Plan Profile of Firm Form (Attachment #3) Form of Non-Collusive Affidavit (Attachment #4)
_____	Tab 2 Demonstrated Successful Past Performance References
_____	Tab 3 Capacity to meet all requirements as specified within the RFP.
_____	Tab 4 Understanding the Scope of Services and Work to be performed.
_____	Tab 5 Proposal Cost Form (Attachment #5) HUD-5369-B: Instructions to Offerors, Non-Construction HUD-5369-C: Certifications and Representations of Offerors HUD-5370-C: General Conditions for Non-Construction Contracts Insurance Certification
_____	Tab 6 SBE/DBE/MBE/WBE Preference
_____	Tab 7 Section 3 Certification for Business Concerns seeking Section 3 Business Preference
_____	Tab 8 Other Information (optional)

BUSINESS NAME: _____

BY: _____
(Signature of Official Company Representative)

DATE: _____

Print Name: _____

Title: _____

PROFILE OF FIRM FORM

1. Name of Firm: _____ Telephone: _____

2. Contact Person _____ Cell: _____

Fax: _____ Email: _____

Secondary Email: _____

3. Street Address, City, State, Zip: _____

4. Mailing Address, City, State, Zip (if different) _____

5. Please attached a brief biography/resume of the company, including the following information:
 (a) Year Firm Established; (b) Former Business Name and Year Established (if applicable).

6. Identify Principals/Partners in Firm:

NAME	TITLE	% OF OWNERSHIP

7. Identify the individual(s) that will act as project manager and any other supervisory personnel that will work on project:

NAME	TITLE

8. Proposer Diversity Statement: You must circle all of the following that apply to the ownership of this firm and enter, where provided, the correct percentage (%) of ownership of each:

- Caucasian (Male) _____%
 Caucasian (Female) _____%
 Public-Held Corporation _____%
 Government Agency _____%
 Non-Profit Organization _____%

Resident- (RBE), Minority- (MBE), or Woman-Owned (WBE) Business Enterprise ~ Qualifies by virtue of 51% or more ownership and active management by one or more of the following:

- Resident-Owned _____%
 African American _____%
 Native American _____%
 Hispanic _____%
 Asian/Pacific Islander _____%
 Woman-Owned (MBE) _____%

- Disabled Veteran _____%
 Other (Specify): _____%

WMBE Certification Number: _____

Certified by (Agency): _____
(NOTE: A CERTIFICATION/NUMBER NOT REQUIRED TO PROPOSE – ENTER IF AVAILABLE)

9. Federal Tax ID No.: _____

10. City/County Business Licenses: **City of Merced License #** _____

11. State of California License/Registration/Certification Type(s) and #.: _____

12. Worker’s Compensation Insurance Carrier: _____
Policy No.: _____ Expiration Date: _____

13. General Liability Insurance Carrier: _____
Policy No. _____ Expiration Date: _____

14. Automobile Liability Insurance Carrier: _____
Policy No. _____ Expiration Date: _____

15. Debarred Statement: Has this firm, or any principal(s) ever been debarred from providing any services by the Federal Government, any state government, the State of California or any local government agency within or without the State of California?
Yes No If "Yes," please attach a full detailed explanation, including dates, circumstances and current status.

16. Disclosure Statement: Does this firm or any principals thereof have any current, past personal or professional relationship with any Commissioner, Officer and/or Employee(s) of the HA?
Yes No If "Yes," please attach a full detailed explanation, including dates, circumstances and current status.

17. Verification Statement: The undersigned proposer hereby states that by completing and submitting this form he/she is verifying that all information provided herein is, to the best of his/her knowledge, true and accurate, and agrees that if the HA discovers that any information entered herein is false, that shall entitle the HA to not consider nor make award or to cancel any award with the undersigned party.

Signature **Date** **Printed Name** **Company**

FORM OF NON-COLLUSIVE AFFIDAVIT

_____, being first duly sworn, deposes and says:
(name of signer)

That he/she, is the _____ (a/an owner, partner, officer of the firm, ect.) the party making the foregoing bid that the bid is not made in the interest of, or on behalf of, any undisclosed person, partnership, company, association, organization ,or corporation; that the bid is genuine and not collusive or sham; that the bidder has not directly or indirectly induced or solicited any other bidder to put in a false or sham bid, and has not directly or indirectly colluded, conspired, connived, or agreed with any bidder or anyone else to put in a sham bid, or that anyone shall refrain from bidding; that the bidder has not in any manner, directly or indirectly, sought by agreement, communication, or conference with anyone to fix the bid price of the bidder or any other bidder, or to fix any overhead, profit, or cost element of the bide price, or of that of any other bidder, or to secure any advantage against the public body awarding the contract of anyone interested in the proposed contract; that all statements contained in the bid are true; and, further, that the bidder has not, directly or indirectly, submitted his or her bid price or any breakdown thereof, or the contents thereof, or divulged information or data relative thereto, or paid, and will not pay, any organization, bid depository, or to any member or agent thereof to effectuate a collusive or sham bid.

That I have examined and carefully prepared this proposal from specifications, and have checked the same in detail before submitting this proposal; that the undersigned is duly authorized to make this affidavit.

I declare under penalty of perjury under the laws of the State of California that the forgoing is true and correct.

SIGNATURE OF BIDDER:
if bidder is an individual
SIGNATURE OF PARTNER:
if bidder is a partnership;
SIGNATURE OF OFFICER:
if bidder is a corporation;

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy or validity of that document.

State of _____ }
County of _____ } §

Subscribed and sworn to (or affirmed) before me on this _____ day of _____, _____, by

(1) _____,
(Name of Signer)

Proved to me on the basis of satisfactory evidence to be the person who appeared before me (.) (,) (and

(2) _____,
(Name of Signer)

Proved to me on the basis of satisfactory evidence to be the person who appeared before me) _____

Signature _____
(Signature of Notary Public)

(Seal)

My commission expires _____, 20_____.

PROPOSAL COST FORM
RFP #2017-08: PROPERTY MANAGEMENT SERVICES

The undersigned, having familiarized themselves with the project conditions and scope affecting the cost of work as issued by the Housing Authority of the County of Merced (HACM), hereby proposes to furnish all labor, tools, materials, equipment, personnel, supervision, machinery, and services necessary to satisfactorily complete all work required as stated within the proposal documents (RFP #2017-08: Property Management Services) to provide comprehensive property management services.

It is the intention of the HACM to execute a 3-year contract or contracts, with one (1) two-year option for renewal. Please attach cost proposals to include the work as detailed within Attachment #1 Statement of Work.

ADDENDUM ACKNOWLEDGEMENT:

By my signature below, I hereby acknowledge that I have received the following addenda/addendum:

Number _____ Date _____ Number _____ Date _____
Number _____ Date _____ Number _____ Date _____

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Name of Company: _____

Print Name of Bidder

Date: _____, 20____

Signature of Bidder

Title

Instructions to Offerors Non-Construction



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:]

Certifications and Representations of Offerors Non-Construction Contract

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)

- | | |
|---|---|
| <input type="checkbox"/> Black Americans | <input type="checkbox"/> Asian Pacific Americans |
| <input type="checkbox"/> Hispanic Americans | <input type="checkbox"/> Asian Indian Americans |
| <input type="checkbox"/> Native Americans | <input type="checkbox"/> Hasidic Jewish Americans |

3. Certificate of Independent Price Determination

(a) The bidder/offeror certifies that—

- (1) The prices in this bid/offer have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other bidder/offeror or competitor relating to (i) those prices, (ii) the intention to submit a bid/offer, or (iii) the methods or factors used to calculate the prices offered;
- (2) The prices in this bid/offer have not been and will not be knowingly disclosed by the bidder/offeror, directly or indirectly, to any other bidder/offeror or competitor before bid opening (in the case of a sealed bid solicitation) or contract award (in the case of a negotiated solicitation) unless otherwise required by law; and
- (3) No attempt has been made or will be made by the bidder/offeror to induce any other concern to submit or not to submit a bid/offer for the purpose of restricting competition.

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

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

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

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

4. Organizational Conflicts of Interest Certification

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

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

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

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

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

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

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

5. Authorized Negotiators (RFPs only)

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

6. Conflict of Interest

In the absence of any actual or apparent conflict, the offeror, by submission of a proposal, hereby warrants that to the best of its knowledge and belief, no actual or apparent conflict of interest exists with regard to 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:

General Conditions for Non-Construction Contracts

Section I – (With or without Maintenance Work)

U.S. Department of Housing and Urban Development

Office of Public and Indian Housing

Office of Labor Relations

OMB Approval No. 2577-0157 (exp. 1/31/2017)

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

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

- 1) **Non-construction contracts** (*without* maintenance) **greater than \$100,000 - use Section I;**
- 2) **Maintenance contracts** (including nonroutine maintenance as defined at 24 CFR 968.105) **greater than \$2,000 but not more than \$100,000 - use Section II;** and
- 3) **Maintenance contracts** (including nonroutine maintenance), **greater than \$100,000 – use Sections I and II.**

Section I - Clauses for All Non-Construction Contracts greater than \$100,000

1. Definitions

The following definitions are applicable to this contract:

- (a) "Authority or Housing Authority (HA)" means the Housing Authority.
- (b) "Contract" means the contract entered into between the Authority and the Contractor. It includes the contract form, the Certifications and Representations, these contract clauses, and the scope of work. It includes all formal changes to any of those documents by addendum, Change Order, or other modification.
- (c) "Contractor" means the person or other entity entering into the contract with the Authority to perform all of the work required under the contract.
- (d) "Day" means calendar days, unless otherwise stated.
- (e) "HUD" means the Secretary of Housing and Urban development, his delegates, successors, and assigns, and the officers and employees of the United States Department of Housing and Urban Development acting for and on behalf of the Secretary.

2. Changes

- (a) The HA may at any time, by written order, and without notice to the sureties, if any, make changes within the general scope of this contract in the services to be performed or supplies to be delivered.
- (b) If any such change causes an increase or decrease in the hourly rate, the not-to-exceed amount of the contract, or the time required for performance of any part of the work under this contract, whether or not changed by the order, or otherwise affects the conditions of this contract, the HA shall make an equitable adjustment in the not-to-exceed amount, the hourly rate, the delivery schedule, or other affected terms, and shall modify the contract accordingly.
- (c) The Contractor must assert its right to an equitable adjustment under this clause within 30 days from the date of receipt of the written order. However, if the HA decides that the facts justify it, the HA may receive and act upon a

- proposal submitted before final payment of the contract.
- (d) Failure to agree to any adjustment shall be a dispute under clause Disputes, herein. However, nothing in this clause shall excuse the Contractor from proceeding with the contract as changed.
 - (e) No services for which an additional cost or fee will be charged by the Contractor shall be furnished without the prior written consent of the HA.

3. Termination for Convenience and Default

- (a) The HA may terminate this contract in whole, or from time to time in part, for the HA's convenience or the failure of the Contractor to fulfill the contract obligations (default). The HA shall terminate by delivering to the Contractor a written Notice of Termination specifying the nature, extent, and effective date of the termination. Upon receipt of the notice, the Contractor shall: (i) immediately discontinue all services affected (unless the notice directs otherwise); and (ii) deliver to the HA all information, reports, papers, and other materials accumulated or generated in performing this contract, whether completed or in process.
- (b) If the termination is for the convenience of the HA, the HA shall be liable only for payment for services rendered before the effective date of the termination.
- (c) If the termination is due to the failure of the Contractor to fulfill its obligations under the contract (default), the HA may (i) require the Contractor to deliver to it, in the manner and to the extent directed by the HA, any work as described in subparagraph (a)(ii) above, and compensation be determined in accordance with the Changes clause, paragraph 2, above; (ii) take over the work and prosecute the same to completion by contract or otherwise, and the Contractor shall be liable for any additional cost incurred by the HA; (iii) withhold any payments to the Contractor, for the purpose of off-set or partial payment, as the case may be, of amounts owed to the HA by the Contractor.
- (d) If, after termination for failure to fulfill contract obligations (default), it is determined that the Contractor had not failed, the termination shall be deemed to have been effected for the convenience of the HA, and the Contractor shall be entitled to payment as described in paragraph (b) above.
- (e) Any disputes with regard to this clause are expressly made subject to the terms of clause titled Disputes herein.

4. Examination and Retention of Contractor's Records

- (a) The HA, HUD, or Comptroller General of the United States, or any of their duly authorized representatives shall, until 3 years after final payment under this contract, have access to and the right to examine any of the Contractor's directly pertinent books, documents, papers, or other records involving transactions related to this contract for the purpose of making audit, examination, excerpts, and transcriptions.

- (b) The Contractor agrees to include in first-tier subcontracts under this contract a clause substantially the same as paragraph (a) above. "Subcontract," as used in this clause, excludes purchase orders not exceeding \$10,000.
- (c) The periods of access and examination in paragraphs (a) and (b) above for records relating to:
- (i) appeals under the clause titled Disputes;
 - (ii) litigation or settlement of claims arising from the performance of this contract; or,
 - (iii) costs and expenses of this contract to which the HA, HUD, or Comptroller General or any of their duly authorized representatives has taken exception shall continue until disposition of such appeals, litigation, claims, or exceptions.

5. Rights in Data (Ownership and Proprietary Interest)

The HA shall have exclusive ownership of, all proprietary interest in, and the right to full and exclusive possession of all information, materials and documents discovered or produced by Contractor pursuant to the terms of this Contract, including but not limited to reports, memoranda or letters concerning the research and reporting tasks of this Contract.

6. Energy Efficiency

The contractor shall comply with all mandatory standards and policies relating to energy efficiency which are contained in the energy conservation plan issued in compliance with the Energy Policy and Conservation Act (Pub.L. 94-163) for the State in which the work under this contract is performed.

7. Disputes

- (a) All disputes arising under or relating to this contract, except for disputes arising under clauses contained in Section III, Labor Standards Provisions, including any claims for damages for the alleged breach there of which are not disposed of by agreement, shall be resolved under this clause.
- (b) All claims by the Contractor shall be made in writing and submitted to the HA. A claim by the HA against the Contractor shall be subject to a written decision by the HA.
- (c) The HA shall, with reasonable promptness, but in no event in no more than 60 days, render a decision concerning any claim hereunder. Unless the Contractor, within 30 days after receipt of the HA's decision, shall notify the HA in writing that it takes exception to such decision, the decision shall be final and conclusive.
- (d) Provided the Contractor has (i) given the notice within the time stated in paragraph (c) above, and (ii) excepted its claim relating to such decision from the final release, and (iii) brought suit against the HA not later than one year after receipt of final payment, or if final payment has not been made, not later than one year after the Contractor has had a reasonable time to respond to a written request by the HA that it submit a final voucher and release, whichever is earlier, then the HA's decision shall not be final or conclusive, but the dispute shall be determined on the merits by a court of competent jurisdiction.
- (e) The Contractor shall proceed diligently with performance of this contract, pending final resolution of any request for relief, claim, appeal, or action arising under the contract, and comply with any decision of the HA.

8. Contract Termination; Debarment

A breach of these Contract clauses may be grounds for termination of the Contract and for debarment or denial of participation in HUD programs as a Contractor and a subcontractor as provided in 24 CFR Part 24.

9. Assignment of Contract

The Contractor shall not assign or transfer any interest in this contract; except that claims for monies due or to become due from the HA under the contract may be assigned to a bank, trust company, or other financial institution. If the Contractor is a partnership, this contract shall inure to the benefit of the surviving or remaining member(s) of such partnership approved by the HA.

10. Certificate and Release

Prior to final payment under this contract, or prior to settlement upon termination of this contract, and as a condition precedent thereto, the Contractor shall execute and deliver to the HA a certificate and release, in a form acceptable to the HA, of all claims against the HA by the Contractor under and by virtue of this contract, other than such claims, if any, as may be specifically excepted by the Contractor in stated amounts set forth therein.

11. Organizational Conflicts of Interest

- (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 this contract and a contractor's organizational, financial, contractual or other interests are such that:
- (i) Award of the contract may result in an unfair competitive advantage; or
 - (ii) The Contractor's objectivity in performing the contract work may be impaired.
- (b) The Contractor agrees that if after award it discovers an organizational conflict of interest with respect to this contract or any task/delivery order under the contract, he or she shall make an immediate and full disclosure in writing to the Contracting Officer which shall include a description of the action which the Contractor has taken or intends to take to eliminate or neutralize the conflict. The HA may, however, terminate the contract or task/delivery order for the convenience of the HA if it would be in the best interest of the 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 Contracting Officer, the HA may terminate the contract for default.
- (d) The terms 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 prime Contractor. The Contractor shall include in such subcontracts and consulting agreements any necessary provisions to eliminate or neutralize conflicts of interest.

12. Inspection and Acceptance

- (a) The HA has the right to review, require correction, if necessary, and accept the work products produced by the Contractor. Such review(s) shall be carried out within 30 days so as to not impede the work of the Contractor. Any

product of work shall be deemed accepted as submitted if the HA does not issue written comments and/or required corrections within 30 days from the date of receipt of such product from the Contractor.

- (b) The Contractor shall make any required corrections promptly at no additional charge and return a revised copy of the product to the HA within 7 days of notification or a later date if extended by the HA.
- (c) Failure by the Contractor to proceed with reasonable promptness to make necessary corrections shall be a default. If the Contractor's submission of corrected work remains unacceptable, the HA may terminate this contract (or the task order involved) or reduce the contract price or cost to reflect the reduced value of services received.

13. Interest of Members of Congress

No member of or delegate to the Congress of the United States of America or Resident Commissioner shall be admitted to any share or part of this contract or to any benefit to arise there from, but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit.

14. Interest of Members, Officers, or Employees and Former Members, Officers, or Employees

No member, officer, or employee of the HA, no member of the governing body of the locality in which the project is situated, no member of the governing body in which the HA was activated, 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.

15. Limitation on Payments to Influence Certain Federal Transactions

(a) Definitions. As used in this clause:

"Agency", as defined in 5 U.S.C. 552(f), includes Federal executive departments and agencies as well as independent regulatory commissions and Government corporations, as defined in 31 U.S.C. 9101(1).

"Covered Federal Action" means any of the following Federal actions:

- (i) The awarding of any Federal contract;
- (ii) The making of any Federal grant;
- (iii) The making of any Federal loan;
- (iv) The entering into of any cooperative agreement; and,
- (v) The extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

Covered Federal action does not include receiving from an agency a commitment providing for the United States to insure or guarantee a loan.

"Indian tribe" and "tribal organization" have the meaning provided in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450B). Alaskan Natives are included under the definitions of Indian tribes in that Act.

"Influencing or attempting to influence" means making, with the intent to influence, any communication to or appearance before an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any covered Federal action.

"Local government" means a unit of government in a State and, if chartered, established, or otherwise recognized by a State for the performance of a governmental duty, including a local public authority, a special district, an intrastate district, a council of governments, a sponsor group representative organization, and any other instrumentality of a local government.

"Officer or employee of an agency" includes the following individuals who are employed by an agency:

- (i) An individual who is appointed to a position in the Government under title 5, U.S.C., including a position under a temporary appointment;
- (ii) A member of the uniformed services as defined in section 202, title 18, U.S.C.;
- (iii) A special Government employee as defined in section 202, title 18, U.S.C.; and,
- (iv) An individual who is a member of a Federal advisory committee, as defined by the Federal Advisory Committee Act, title 5, appendix 2.

"Person" means an individual, corporation, company, association, authority, firm, partnership, society, State, and local government, regardless of whether such entity is operated for profit or not for profit. This term excludes an Indian tribe, tribal organization, or other Indian organization with respect to expenditures specifically permitted by other Federal law.

"Recipient" includes all contractors, subcontractors at any tier, and subgrantees at any tier of the recipient of funds received in connection with a Federal contract, grant, loan, or cooperative agreement. The term excludes an Indian tribe, tribal organization, or any other Indian organization with respect to expenditures specifically permitted by other Federal law.

"Regularly employed means, with respect to an officer or employee of a person requesting or receiving a Federal contract, grant, loan, or cooperative agreement, an officer or employee who is employed by such person for at least 130 working days within one year immediately preceding the date of the submission that initiates agency consideration of such person for receipt of such contract, grant, loan, or cooperative agreement. An officer or employee who is employed by such person for less than 130 working days within one year immediately preceding the date of submission that initiates agency consideration of such person shall be considered to be regularly employed as soon as he or she is employed by such person for 130 working days.

"State" means a State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, a territory or possession of the United States, an agency or instrumentality of a State, and a multi-State, regional, or interstate entity having governmental duties and powers.

(b) Prohibition.

- (i) Section 1352 of title 31, U.S.C. provides in part that no appropriated funds may be expended by the recipient of a Federal contract, grant, loan, or cooperative agreement to pay any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any of the following covered Federal actions: 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.

- (ii) The prohibition does not apply as follows:

(1) Agency and legislative liaison by Own Employees.

(a) The prohibition on the use of appropriated funds, in paragraph (i) of this section, does not apply in the case of a payment of reasonable compensation made to an officer or employee of a person requesting or receiving a Federal contract, grant, loan, or cooperative agreement, if the payment is for agency and legislative activities not directly related to a covered Federal action.

(b) For purposes of paragraph (b)(i)(1)(a) of this clause, providing any information specifically requested by an agency or Congress is permitted at any time.

(c) The following agency and legislative liaison activities are permitted at any time only where they are not related to a specific solicitation for any covered Federal action:

(1) Discussing with an agency (including individual demonstrations) the qualities and characteristics of the person's products or services, conditions or terms of sale, and service capabilities; and,

(2) Technical discussions and other activities regarding the application or adaptation of the person's products or services for an agency's use.

(d) The following agency and legislative liaison activities are permitted where they are prior to formal solicitation of any covered Federal action:

(1) Providing any information not specifically requested but necessary for an agency to make an informed decision about initiation of a covered Federal action;

(2) Technical discussions regarding the preparation of an unsolicited proposal prior to its official submission; and

(3) Capability presentations by persons seeking awards from an agency pursuant to the provisions of the Small Business Act, as amended by Public Law 95-507 and other subsequent amendments.

(e) Only those activities expressly authorized by subdivision (b)(ii)(1)(a) of this clause are permitted under this clause.

(2) Professional and technical services.

(a) The prohibition on the use of appropriated funds, in subparagraph (b)(i) of this clause, does not apply in the case of-

(i) A payment of reasonable compensation made to an officer or employee of a person requesting or receiving a covered Federal action or an extension, continuation, renewal, amendment, or modification of a covered Federal action, if payment is for professional or technical services rendered directly in the preparation, submission, or negotiation of any bid, proposal, or application for that Federal action or for meeting requirements imposed by or pursuant to law as a condition for receiving that Federal action.

(ii) Any reasonable payment to a person, other than an officer or employee of a

person requesting or receiving a covered Federal action or an extension, continuation, renewal, amendment, or modification of a covered Federal action if the payment is for professional or technical services rendered directly in the preparation, submission, or negotiation of any bid, proposal, or application for that Federal action or for meeting requirements imposed by or pursuant to law as a condition for receiving that Federal action. Persons other than officers or employees of a person requesting or receiving a covered Federal action include consultants and trade associations.

(b) For purposes of subdivision (b)(ii)(2)(a) of clause, "professional and technical services" shall be limited to advice and analysis directly applying any professional or technical discipline.

(c) Requirements imposed by or pursuant to law as a condition for receiving a covered Federal award include those required by law or regulation, or reasonably expected to be required by law or regulation, and any other requirements in the actual award documents.

(d) Only those services expressly authorized by subdivisions (b)(ii)(2)(a)(i) and (ii) of this section are permitted under this clause.

(iii) Selling activities by independent sales representatives.

(c) The prohibition on the use of appropriated funds, in subparagraph (b)(i) of this clause, does not apply to the following selling activities before an agency by independent sales representatives, provided such activities are prior to formal solicitation by an agency and are specifically limited to the merits of the matter:

(i) Discussing with an agency (including individual demonstration) the qualities and characteristics of the person's products or services, conditions or terms of sale, and service capabilities; and

(ii) Technical discussions and other activities regarding the application or adaptation of the person's products or services for an agency's use.

(d) Agreement. In accepting any contract, grant, cooperative agreement, or loan resulting from this solicitation, the person submitting the offer agrees not to make any payment prohibited by this clause.

(e) Penalties. Any person who makes an expenditure prohibited under paragraph (b) of this clause shall be subject to civil penalties as provided for by 31 U.S.C. 1352. An imposition of a civil penalty does not prevent the Government from seeking any other remedy that may be applicable.

(f) Cost Allowability. Nothing in this clause is to be interpreted to make allowable or reasonable any costs which would be unallowable or unreasonable in accordance with Part 31 of the Federal Acquisition Regulation (FAR), or OMB Circulars dealing with cost allowability for recipients of assistance agreements. Conversely, costs made specifically unallowable by the requirements in this clause will not be made allowable under any of the provisions of FAR Part 31 or the relevant OMB Circulars.

16. Equal Employment Opportunity

During the performance of this contract, the Contractor agrees as follows:

- (a) The Contractor shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, or national origin.
- (b) The Contractor shall take affirmative action to ensure that applicants are employed, and that employees are treated during employment without regard to their race, color, religion, sex, or national origin. Such action shall include, but not be limited to (1) employment; (2) upgrading; (3) demotion; (4) transfer; (5) recruitment or recruitment advertising; (6) layoff or termination; (7) rates of pay or other forms of compensation; and (8) selection for training, including apprenticeship.
- (c) The Contractor shall post in conspicuous places available to employees and applicants for employment the notices to be provided by the Contracting Officer that explain this clause.
- (d) The Contractor shall, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.
- (e) The Contractor shall send, to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, the notice to be provided by the Contracting Officer advising the labor union or workers' representative of the Contractor's commitments under this clause, and post copies of the notice in conspicuous places available to employees and applicants for employment.
- (f) The Contractor shall comply with Executive Order 11246, as amended, and the rules, regulations, and orders of the Secretary of Labor.
- (g) The Contractor shall furnish all information and reports required by Executive Order 11246, as amended and by rules, regulations, and orders of the Secretary of Labor, or pursuant thereto. The Contractor shall permit access to its books, records, and accounts by the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations, and orders.
- (h) In the event of a determination that the Contractor is not in compliance with this clause or any rule, regulation, or order of the Secretary of Labor, this contract may be canceled, terminated, or suspended in whole or in part, and the Contractor may be declared ineligible for further Government contracts, or federally assisted construction contracts under the procedures authorized in Executive Order 11246, as amended. In addition, sanctions may be imposed and remedies invoked against the Contractor as provided in Executive Order 11246, as amended, the rules, regulations, and orders of the Secretary of Labor, or as otherwise provided by law.
- (i) The Contractor shall include the terms and conditions of this clause in every subcontract or purchase order unless exempted by the rules, regulations, or orders of the Secretary of Labor issued under Executive Order 11246, as amended, so that these terms and conditions will be binding upon each subcontractor or vendor. The Contractor shall take such action with respect to any subcontractor or purchase order as the Secretary of Housing and Urban Development or the Secretary of Labor may direct as a means of enforcing such provisions, including sanctions for noncompliance; provided that if the

Contractor becomes involved in, or is threatened with, litigation with a subcontractor or vendor as a result of such direction, the Contractor may request the United States to enter into the litigation to protect the interests of the United States.

17. Dissemination or Disclosure of Information

No information or material shall be disseminated or disclosed to the general public, the news media, or any person or organization without prior express written approval by the HA.

18. Contractor's Status

It is understood that the Contractor is an independent contractor and is not to be considered an employee of the HA, or assume any right, privilege or duties of an employee, and shall save harmless the HA and its employees from claims suits, actions and costs of every description resulting from the Contractor's activities on behalf of the HA in connection with this Agreement.

19. Other Contractors

HA may undertake or award other contracts for additional work at or near the site(s) of the work under this contract. The contractor shall fully cooperate with the other contractors and with HA and HUD employees and shall carefully adapt scheduling and performing the work under this contract to accommodate the additional work, heeding any direction that may be provided by the Contracting Officer. The contractor shall not commit or permit any act that will interfere with the performance of work by any other contractor or HA employee.

20. Liens

The Contractor is prohibited from placing a lien on HA's property. This prohibition shall apply to all subcontractors.

21. Training and Employment Opportunities for Residents in the Project Area (Section 3, HUD Act of 1968; 24 CFR 135)

- (a) The work to be performed under this contract is subject to the requirements of section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (section 3). The purpose of section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.
- (b) The parties to this contract agree to comply with HUD's regulations in 24 CFR Part 135, which implement section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the Part 135 regulations.
- (c) The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the section 3 preference, shall set forth minimum number and job titles subject to hire, availability of

apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.

- (d) The contractor agrees to include this section 3 clause in every subcontract subject to compliance with regulations in 24 CFR Part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR Part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR Part 135.
- (e) The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR Part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR Part 135.
- (f) Noncompliance with HUD's regulations in 24 CFR Part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.

22. Procurement of Recovered Materials

- (a) In accordance with Section 6002 of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act, the Contractor shall procure items designated in guidelines of the Environmental Protection Agency (EPA) at 40 CFR Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition. The Contractor shall procure items designated in the EPA guidelines that contain the highest percentage of recovered materials practicable unless the Contractor determines that such items: (1) are not reasonably available in a reasonable period of time; (2) fail to meet reasonable performance standards, which shall be determined on the basis of the guidelines of the National Institute of Standards and Technology, if applicable to the item; or (3) are only available at an unreasonable price.
- (b) Paragraph (a) of this clause shall apply to items purchased under this contract where: (1) the Contractor purchases in excess of \$10,000 of the item under this contract; or (2) during the preceding Federal fiscal year, the Contractor: (i) purchased any amount of the items for use under a contract that was funded with Federal appropriations and was with a Federal agency or a State agency or agency of a political subdivision of a State; and (ii) purchased a total of in excess of \$10,000 of the item both under and outside that contract.

Insurance Requirements for Property Management Firms Operating at HACM Owned Locations

Property Manager shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property which may arise from or in connection with the contracted work by the Property Manager, its employees, agents, or sub-contractors. It is agreed that the Property Manager's Liability insurance shall be primary with respect to property management employee claims (*as defined below*), and not contributing with any other insurance maintained by the HACM unless the HACM is solely negligent.

Property management employee claims shall be defined as: *any and all claims, demands, suits, actions or judgments which actually or allegedly arise from the acts or omissions of the Property Manager or its officers, agents, employees, or sub-contractors, except such as may have been caused solely by the negligence of HACM.* To the extent a claim is brought against the HACM as the result of a property management employee claim, such claim against the HACM shall be deemed to be a property management *employee claim* and will be resolved by the Property Manager.

MINIMUM SCOPE OF INSURANCE

Coverage shall be at least as broad as:

1. Insurance Services Office Commercial General Liability coverage (*occurrence form CG 0 01 10 01*).
2. Insurance Services Office Additional Insured form (*CG 20 37 or CG 20 26*).
3. Insurance Services Office form number CA 00 01 06 92 covering Automobile Liability, Code 1 (*any auto*) [*required if scope of work includes driving on HACM property or transporting residents or participants*].
4. Workers' Compensation insurance as required by State law and Employer's Liability Insurance (*for property management employees*).
5. Professional Errors and Omissions Liability insurance (*including defense for allegations of discrimination, fair housing, ADA violations, and sexual molestation*).
6. Crime insurance (*or a Fidelity Bond*) which shall include Employee Dishonesty coverages.

MINIMUM LIMITS OF INSURANCE

Property Manager shall maintain limits no less than:

1. General Liability: \$1,000,000 per occurrence for Bodily Injury, Personal Injury, and Property Damage. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the project/location or the general aggregate limit shall be twice the required occurrence limit.
2. Automobile Liability: \$1,000,000 per accident for Bodily Injury and Property Damage.
3. Workers' Compensation (*statutory*) and Employer's Liability: \$1,000,000 per accident for Bodily Injury or Disease.
4. Professional Errors and Omissions Liability insurance: \$1,000,000 per claim (*including coverages for discrimination, fair housing and ADA violations, and sexual molestation*).
5. Crime/Fidelity coverage: sufficient to cover all employees employed by Property Manager who shall be responsible for handling any monies; Employee Dishonesty \$100,000, Forgery or alteration \$100,000, Theft, Disappearance, Destruction, Inside/Outside \$10,000.

NOTE: These limits can be attained by individual policies or by combining primary and umbrella policies.

DEDUCTIBLES AND SELF-INSURED RETENTIONS

Any deductibles or self-insured retentions must be declared to and approved by the HACM. At the option of the HACM, either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the HACM its officers, officials, employees, and volunteers; or the Property Manager shall provide a financial guarantee satisfactory to the HACM guaranteeing payment of losses and related investigations, claim administration, and defense expenses.

OTHER INSURANCE PROVISIONS

The General Liability and Automobile Liability policies are to contain, or be endorsed to contain, the following provisions:

1. The HACM, its officers, officials, employees and volunteers are to be covered as additional insureds with

respect to liability on behalf of the Property Manager including all work and services to be performed in accordance with the terms of the agreement between the HACM and the Property Manager. This includes, but is not limited to, property management employee claims (as defined above). The HACM, its officers, officials, employees, and volunteers are to be covered as additional insured with respect to all liability arising out of automobiles owned, leased, hired, or borrowed by or on behalf of the Property Manager.

2. For any claims related to this contract, the Property Manager's insurance coverage shall be primary as respects the HACM, its officers, officials, employees, and volunteers. Any insurance of self-insurance maintained by the HACM, its officers, officials, employees, or volunteers shall be excess of the Property Manager's insurance.
3. Each insurance policy required by these specifications shall be endorsed to state that coverage shall not be cancelled or materially changed, except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to the HACM.
4. Maintenance of the proper insurance for the duration of the contract is a material element of the contract. Material changes in the required coverage or cancellation of the coverage shall constitute a material breach of the contract by the Property Manager.

ACCEPTABILITY OF INSURERS

Insurance is to be placed with insurers with a current A.M. Best's rating of no less than B+: VI. Property Managers must provide written verification of their insurer's rating.

VERIFICATION OF COVERAGE

Property Manager shall furnish the HACM with original certificates and amendatory endorsements effecting coverage required by these specifications. The endorsements should conform fully to the requirements. All certificates and endorsements are to be received and approved by the HACM in sufficient time before the lease or agreement commences to permit the Property Manager to remedy any deficiencies. The HACM reserves the right to require complete, certified copies of all required insurance policies, including endorsements effecting the coverage required by these specifications at any time.

SUB-CONTRACTORS

Use of sub-contractors must be pre-approved by the HACM. Property Manager shall include all sub-contractors as insureds under its policies or shall furnish separate insurance certificates and endorsements for each sub-contractor in a manner and in such time as to permit the HACM to approve them before sub-contractors' work begins. All coverages for sub-contractors shall be subject to all of the requirements stated herein.

NOTE: If a sub-contractor will be hired to perform hazardous material remediation, that sub-contractor will name the HACM, its officers, officials, employees, volunteers and partners as Additional Insureds on its General Liability insurance policy by endorsement. Such policy will provide coverage for the hazardous material work and other hazardous material operations.

Notwithstanding this provision, Property Manager shall indemnify the HACM for any claims resulting from the performance or non-performance of the Property Manager's sub-contractors and/or their failure to be properly insured.

**CERTIFICATION FOR BUSINESS CONCERNS SEEKING SECTION 3 BUSINESS PREFERENCE
IN CONTRACTING AND DEMONSTRATION OF CAPABILITY**

NAME OF BUSINESS: _____

ADDRESS OF BUSINESS: _____

TYPE OF BUSINESS: Corporation Partnership Sole Proprietorship Joint Venture

Attached is the following documentation as evidence of status:

For business claiming status as a Section 3 resident-owned Enterprise:

Copy of resident lease Other evidence Copy of evidence of participation in a public assistance program

For the business entity as applicable:

<input type="checkbox"/> Copy of Articles of Incorporation	<input type="checkbox"/> Certificate of Good Standing
<input type="checkbox"/> Assumed Business Name Certificate	<input type="checkbox"/> Partnership Agreement
<input type="checkbox"/> List of owners/stockholder and % of each	<input type="checkbox"/> Corporation Annual Report
<input type="checkbox"/> Latest Board minutes appointing officers	<input type="checkbox"/> Additional documentation
<input type="checkbox"/> Organization chart with names and titles and brief functional statement	

For business claiming Section 3 status by subcontracting 25% of the dollar awarded to qualified Section 3 business:

List of subcontracted Section 3 business and subcontract amount

For business claiming Section 3 status, claiming at least 30% of their workforce are currently Section 3 residents or were Section 3 eligible residents within 3 years of date of first employment with the business:

<input type="checkbox"/> List of all current full time employees	<input type="checkbox"/> List of all employees claiming Section 3 status
<input type="checkbox"/> PHA Residential lease (less than 3 years from date of employment)	<input type="checkbox"/> Other evidence of Section 3 status (less than 3 years from date of employment)

Evidence of ability to perform successfully under the terms and conditions of the proposed contract:

<input type="checkbox"/> Current financial statement	<input type="checkbox"/> List of owned equipment
<input type="checkbox"/> Statement of ability to comply	<input type="checkbox"/> List of all contracts for the past 2 years with public policy

Corporate Seal

AUTHORIZING NAME AND SIGNATURE:

Title

Date

Signature

Printed Name

SUGGESTED AFFIRMATIVE ACTION PLAN FOR UTILIZATION OF PROJECT AREA BUSINESSES

Number Of All Contracts Proposed: _____

Name Of Company: _____

Dollar Value Of All Contracts Proposed: _____

Project: _____

To The Greatest Extent Feasible, Contracts Will Be Awarded Through Negotiation Or Bid To Qualified Project Area Businesses.

Goal Of These Contracts For Project Area Businesses:

PROPOSED TYPE OF CONTRACT	APPROX. COST	PROPOSED TYPE OF CONTRACT	APPROX. COST

Outline The Program To Achieve These Goals For Economically And Socially Disadvantaged:

NOTE: To Complete The Affirmative Action Plan, Follow Steps Outlines In Attached Exhibit.

SUGGESTED SECTION 3 PRELIMINARY WORKFORCE STATEMENT UTILIZATION OF LOWER INCOME PROJECT AREA RESIDENTS AS REGULAR, PERMANENT EMPLOYEES, TRAINEES, APPRENTICES.

COMPANY NAME: _____

ADDRESS: _____

PROJECT: _____

	PRESENT PERMANENT EMPLOYEES (At Time of Contract Signing)	SECTION 3 WORKFORCE PROJECTION (Residents)	TOTAL PROJECTED WORKFORCE INCREASE
TRAINEES			
APPRENTICES			
JOURNEYPERSONS			
LABORERS			
SUPERVISORY			
SUPERINTENDENT			
PROFESSIONAL			
CLERICAL			

NOTE: RESIDENTS ARE THOSE LOWER INCOME PROJECT AREA RESIDENTS WHO HAVE BEEN QUALIFIED AS ELIGIBLE.

SECTION 3 BUSINESS PREFERENCE CLAUSE

This contract is subject to the following conditions under Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3).

- A. The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low and very low-income persons, particularly persons who are recipients of HUD assistance for housing.
- B. The parties to this contract agree to comply with HUD's regulations in 24 CFR Part 135, which implement Section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the Part 135 regulations.
- C. The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor or organization or workers' representative of the contractor's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.
- D. The contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR Part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon finding that the subcontractor is in violation of the regulations in 24 CFR Part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR Part 135.
- E. The contractor will certify that any vacant employment positions, including training positions that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR Part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR Part 135.
- F. Noncompliance with HUD's regulations in 24 CFR Part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.
- G. With respect to work performed in connection with Section 3 covered Indian housing assistance, Section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprise. Parties to this contract that are subject to the provisions of Section 3 and Section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with Section 7(b).

PREFERENCE FOR SECTION 3 BUSINESS CONCERNS IN CONTRACTING OPPORTUNITIES

The HA has established the following priority for preference when providing contracting opportunities to Section 3 Businesses:

Priority I

Category 1a Business

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.

Priority II

Category 1b Business

Business concerns whose workforce includes 30 percent of residents of the housing development for which the Section 3-covered assistance is expended, or within three (3) years of the date of first employment with the business concern, were residents of the Section 3-covered housing development.

Priority III

Category 2a Business

Business concerns that are 51 percent or more owned by residents of any other housing development or developments.

Priority IV

Category 2b Business

Business concerns whose workforce includes 30 percent of residents of any other public housing development or developments, or within three (3) years of the date of first employment with the business concern, were "Section 3" residents of any other public housing development.

Priority V

Category 3 Business

Business concerns participating in HUD Youth-build programs being carried out in the metropolitan area in which the Section 3-covered assistance is expended.

Priority VI

Category 4a Business

Business concerns that are 51 percent or more owned by Section 3 residents in the metropolitan area, or whose permanent, full-time workforce includes no less than 30 percent of Section 3 residents in the metropolitan area, or within three (3) years of the date of employment with the business concern, were Section 3 residents in the metropolitan area.

Priority VII

Category 4b Business

Business concerns that subcontract in excess of 25 percent of the total amount of subcontracts to Section 3 business concerns.

Eligibility for Preference

A business concern seeking to qualify for a Section 3 contracting preference shall certify or submit evidence that the business concern is a Section business concern.

HUD directs within 24 CFR 135 that the HA may make award to qualified Section 3 business concern with the highest priority ranking and with the lowest responsive bid if that bid is:

- (a) within the maximum total contract price established by the HA; or
- (b) not more than "X" higher than the total bid price of the lowest responsive bid from any responsible bidder. "X" is determined as follows:

"X" = LESSOR OF:	
When the lowest responsive bid is less than \$100,000	10% of that bid, or \$9,000.00
When the lowest responsive bid is at least:	
\$100,000.00, but less than \$200,000.00	9% of that bid, or \$16,000.00
\$200,000.00, but less than \$300,000.00	8% of that bid, or \$21,000.00
\$300,000.00, but less than \$400,000.00	7% of that bid, or \$24,000.00
\$400,000.00, but less than \$500,000.00	6% of that bid, or \$25,000.00
\$500,000.00, but less than \$1,000,000.00	5% of that bid, or \$40,000.00
\$1,000,000.00, but less than \$2,000,000.00	4% of that bid, or \$60,000.00
\$2,000,000.00, but less than \$4,000,000.00	3% of that bid, or \$80,000.00
\$4,000,000.00, but less than \$7,000,000.00	2% of that bid, or \$105,000.00
\$7,000,000.00, or more	1.5% of the lowest responsive and responsible bid with no dollar limit

Description of Properties

Merced Commons I and Merced Commons II (Merced Commons I/II) are two (2) developments located on one (1) site at 290 Q Street in the City of Merced.

- Merced Commons I consists of an eight (8) multiplex, two-story buildings with seventy-six (76) units and one (1) Office/Laundry/Shop. Development is 100% multi-family Contract-based Section 8 from HUD through CalHFA. Unit breakdown:

1-Bedroom units = 27 units

2-Bedroom units = 38 units

3-Bedroom units = 11 units

- Merced Commons II consists of nine (9) multiplex, two-story buildings containing seventy-one (71) units. Development is 100% multi-family Contract-based Section 8 from HUD through CalHFA. Unit breakdown:

1-Bedroom units = 18 units

2-Bedroom units = 35 units

3-Bedroom units = 18 units

- Oak Terrace is one (1) development, with sixteen (16) single and two-story buildings that is located at 1019 Loughborough Drive in the City of Merced. This property is a gated community that includes an office, one (1) laundry room/shop and community family area with barbeques and an in-ground pool. Development is Market Rent and Housing Choice Vouchers (HCV). Unit breakdown:

1 bedroom units = 32 units

2 bedroom units = 32 units

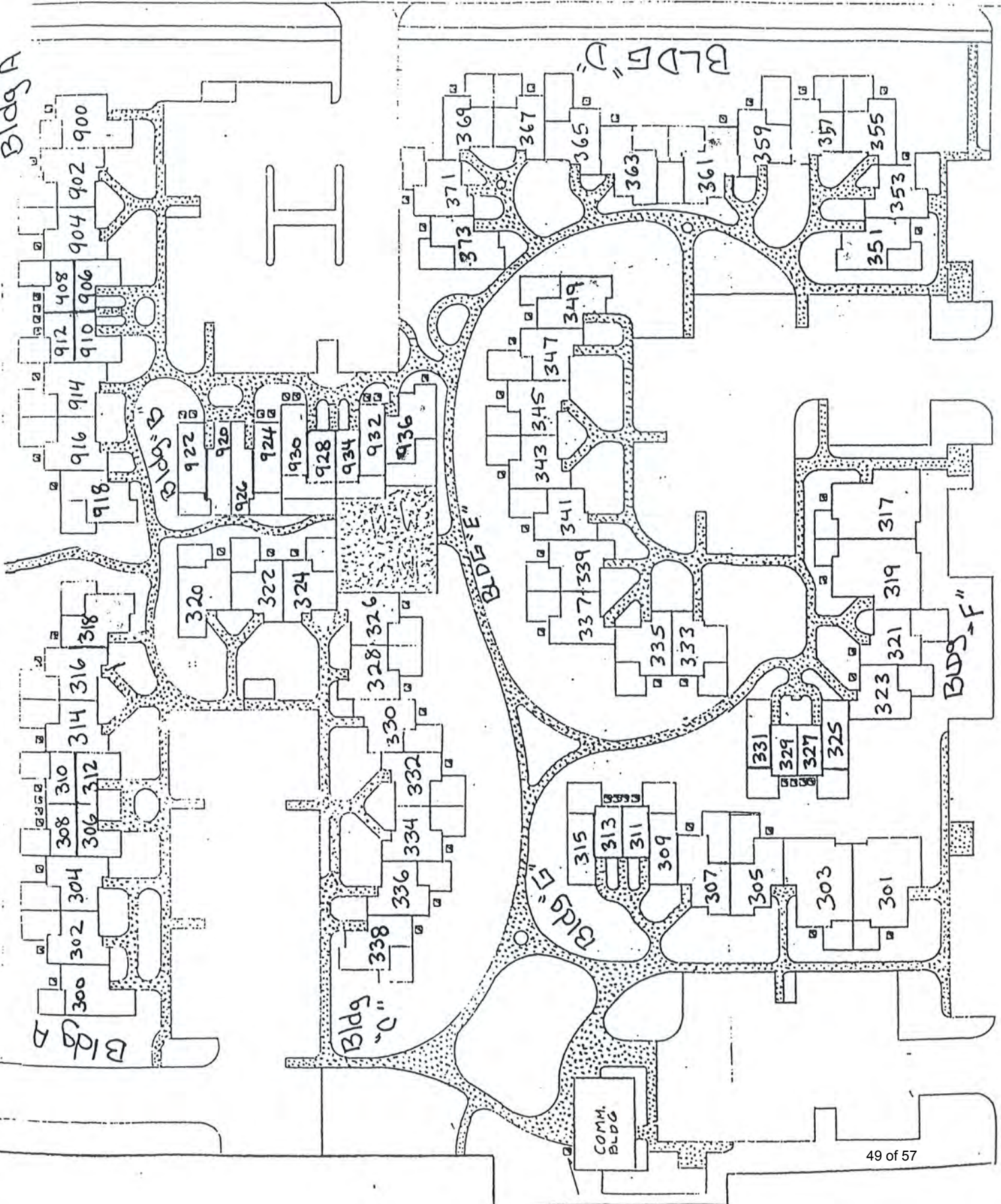
MCI

WEST 4TH STREET

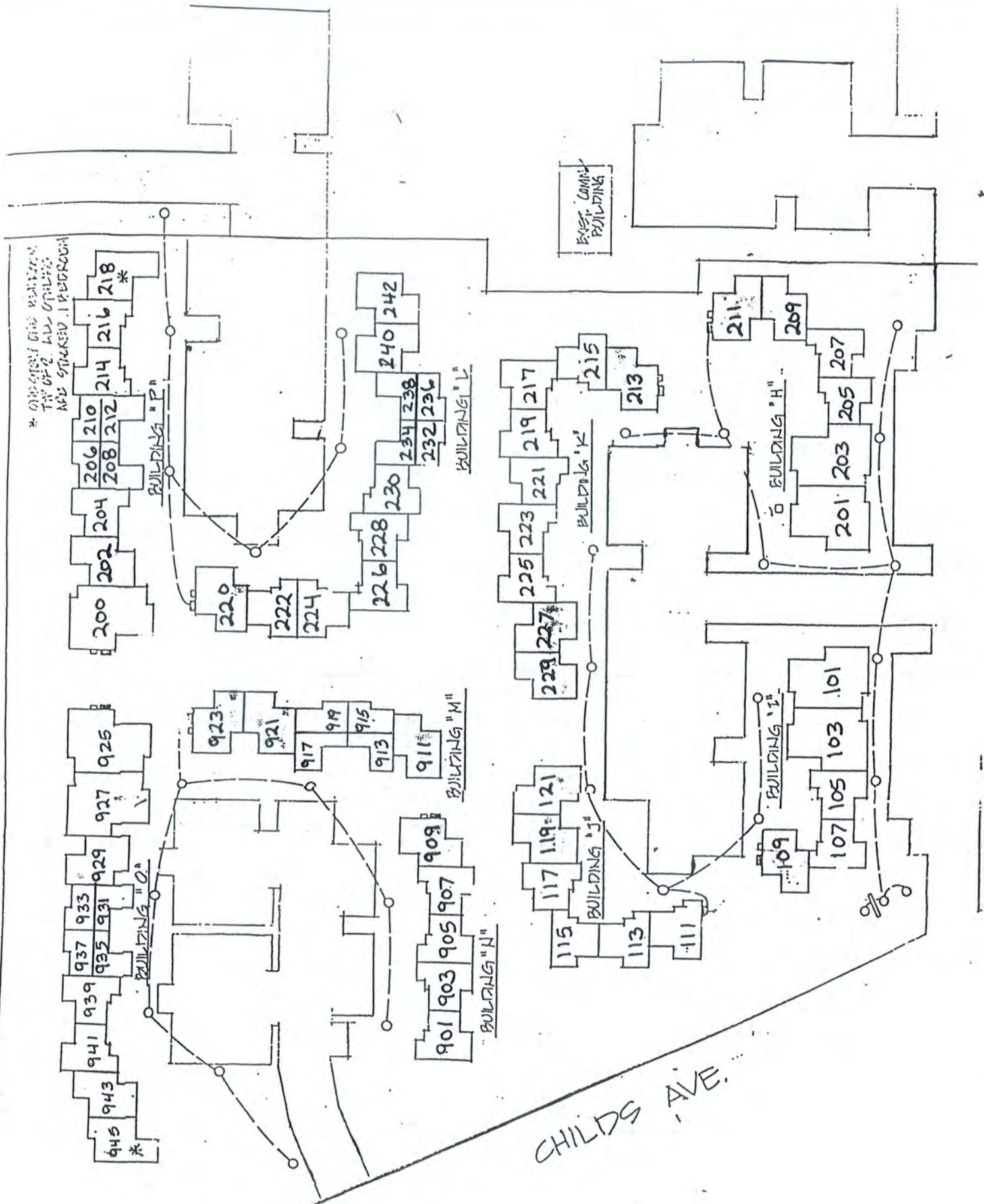
Bldg A

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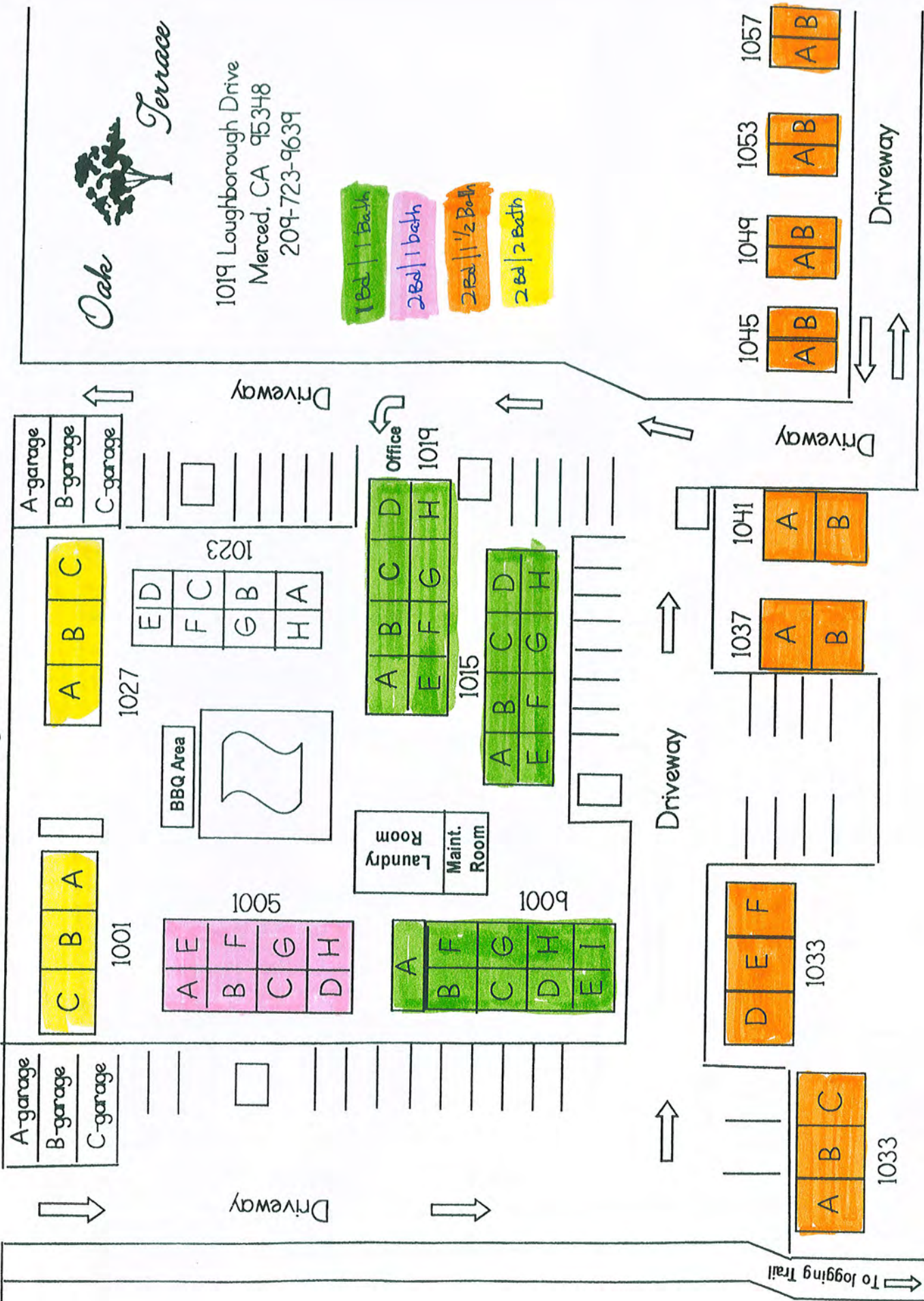
Bldg D



* ON OCCASION THIS BUILDING
 MAY BE USED AS A
 STACKED BEDROOM



Loughborough Drive





Winn Residential

Monthly Property Summary Report

Merced Commons Apt I

APRIL 2017



MERCED, CA

76 UNITS

SECTION 8

INCOME AND EXPENSE SUMMARY

Total Operating Income Actual/Month:	\$48,125
Total Operating Income Budget/Month:	\$48,530
Total Operating Income Actual/YTD:	\$335,403
Total Operating Income Budget/YTD:	\$342,111
Total Operating Expenses Actual/Month:	\$27,787
Total Operating Expenses Budget/Month:	\$33,328
Total Operating Expenses Actual/YTD:	\$187,523
Total Operating Expenses Budget/YTD:	\$214,953
Total Net Operating Income Actual/Month:	\$20,338
Total Net Operating Income Budget/Month:	\$15,203
Total Net Operating Income Budget/YTD:	\$147,880
Total Net Operating Income Budget/YTD:	\$127,159

BUDGET VARIANCE REPORT

(Line Item Variance Report: Expenses Exceeding 10% of budget with \$500 minimum variance.)

SUMMARY OF CAPITAL EXPENSES AND IMPROVEMENTS

YTD Budgeted Capital Improvements/Cash Flow:	\$0
YTD Actual Capital Improvements/Cash Flow:	\$0
YTD Budgeted Capital Improvements/RR:	\$0
YTD Actual Capital Improvements/RR:	\$0

Description of Capital Improvements YTD:

1.



Winn Residential

Monthly Property Summary Report

Merced Commons Apt II

APRIL 2017



MERCED, CA
71 UNITS
SECTION 8

INCOME AND EXPENSE SUMMARY

Total Operating Income Actual/Month:	\$59,126
Total Operating Income Budget/Month:	\$57,716
Total Operating Income Actual/YTD:	\$405,396
Total Operating Income Budget/YTD:	\$ 412,413
Total Operating Expenses Actual/Month:	\$27,722
Total Operating Expenses Budget/Month:	\$30,122
Total Operating Expenses Actual/YTD:	\$171,854
Total Operating Expenses Budget/YTD:	\$201,956
Total Net Operating Income Actual/Month:	\$29,404
Total Net Operating Income Budget/Month:	\$28,594
Total Net Operating Income Actual/YTD:	\$233,542
Total Net Operating Income Budget/YTD:	\$210,457

BUDGET VARIANCE REPORT

(Line Item Variance Report: Expenses Exceeding 10% of budget with \$500 minimum variance.)

SUMMARY OF CAPITAL EXPENSES AND IMPROVEMENTS

YTD Budgeted Capital Improvements/Cash Flow:	\$0
YTD Actual Capital Improvements/Cash Flow:	\$0
YTD Budgeted Capital Improvements/RR:	\$0
YTD Actual Capital Improvements/RR:	\$0

Description of Capital Improvements YTD:

1.



Winn Residential

Monthly Property Summary Report

Oak Terrace

APRIL 2017



MERCED, CA
65 UNITS
MARKET

INCOME AND EXPENSE SUMMARY

Total Operating Income Actual/Month:	\$42,904
Total Operating Income Budget/Month:	\$40,027
Total Operating Income Actual/YTD:	\$291,949
Total Operating Income Budget/YTD:	\$279,324
Total Operating Expenses Actual/Month:	\$15,930

Total Operating Expenses Budget/Month: \$22,730
 Total Operating Expenses Actual/YTD: \$291,949
 Total Operating Expenses Budget/YTD: \$279,324
 Total Net Operating Income Actual/Month: \$26,974
 Total Net Operating Income Budget/Month: \$17,297
 Total Net Operating Income Budget/YTD: \$111,508
 Total Net Operating Income Budget/YTD: \$148,062

BUDGET VARIANCE REPORT

(Line Item Variance Report: Expenses Exceeding 10% of budget with \$500 minimum variance.)

SUMMARY OF CAPITAL EXPENSES AND IMPROVEMENTS

YTD Budgeted Capital Improvements/Cash Flow: \$0
 YTD Actual Capital Improvements/Cash Flow: \$(-7,211)
 YTD Budgeted Capital Improvements/RR: \$0
 YTD Actual Capital Improvements/RR: \$0

Description of Capital Improvements YTD:

1. Patio Fences
2. Upstairs Patio
- 3.
- 4.

GENERAL PROPERTY ISSUES

- 1.
- 2.
- 3.