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Request for Qualifications

Solicitation Name and Number	Development Partner for Choice Neighborhood Redevelopment of Western Heights C21009
KCDC's Procurement Division must receive your response no later than	11:00 am EST on March 19, 2021 (as KCDC's clocks indicate)
Deliver Responses to	procurementinfo@kcdc.org
Electronic Copies	Use the MS Word version posted on KCDC's website (or other electronic means) to provide a typed response. The final proposal is to be submitted in Adobe format.
Questions About This Solicitation	Submit questions to procurementinfo@kcdc.org by 3:00 p.m. on March 11, 2021. <u>KCDC will not accept questions via telephone.</u>
Open Records/Public Access to Documents	All documents provided to KCDC are subject to the Tennessee Open Meetings Act (TCA 8-44-101) and open records requirements.
Solicitation Meeting	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Solicitation Meeting Connection	KCDC will host an on-line meeting. Email procurementinfo@kcdc.org for the web link.
Solicitation Meeting is Mandatory	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Not Applicable
Solicitation Meeting Date and Time	March 9, 2021 at 2:00 p.m.
Award Results	KCDC posts the award decision to its web page at: http://www.kcdc.org/procurement/
Check KCDC's webpage (https://www.kcdc.org/procurement/) for addenda and changes before submitting your response	



General Information

1. Agency Background

- a. Knoxville's Community Development Corporation (KCDC) is a high-performing public housing authority serving Knoxville and Knox County, Tennessee. It manages more than 3,700 units across 20 properties and 4,000 Section 8 vouchers. Additionally, it serves as the redevelopment agency for the City of Knoxville, managing redevelopment areas, TIFs, and PILOTs. Since 1997, KCDC has pursued an aggressive redevelopment agenda, beginning with a highly successful HOPE VI redevelopment at College Homes (Mechanicsville Community) and, more recently, a robust rehab and new construction program as shown below. At both Austin Homes and Five Points redevelopments, KCDC took on a Choice Neighborhood Initiative (CNI)-like approach, whereby KCDC led a community-driven planning and redevelopment process focused on achieving core goals related to Housing, People, and Neighborhood. The Five Point initiative is complete, and Austin Homes is under construction. KCDC is nearing the end of its RAD conversions. By the time the CNI implementation grant is submitted, it is expected that units in Western Heights will be the last remaining public housing in KCDC's portfolio.

<u>Name</u>	<u>Units</u>	<u>Closing</u>	<u>New/Rehab</u>	<u>Major Source</u>	<u>Financing</u>	<u>Sub Completion</u>	<u>Subsidy</u>
Eastport Tax Credit	60	2010	New	9% Tax Credits	n/a	yes	PBRA
Eastport School Repurposing	25	2010	Repurposed	Grant	n/a	yes	PBRA
Five Points Phase 1	90	2016	New	9% Tax Credits	n/a	yes	PBRA
Five Points Phase 2	84	2017	New	9% Tax Credits	CITC	yes	PBRA
Lonsdale	260	2017	Rehab	4% Tax Credits	Fannie	yes	PBRA
North Ridge Crossing	270	2017	Rehab	4% Tax Credits	Fannie	yes	PBRA
Vista	175	2017	Rehab	4% Tax Credits	Fannie	yes	PBRA
Five Points Phase 3	80	2018	New	9% Tax Credits	CITC	yes	PBRA
Cottages at Clifton	53	2018	New	Grant	CITC	yes	PBV
Five Points Phase 4	82	2019	New	9% Tax Credits	CITC	yes	PBRA
Montgomery Village	380	2018	Rehab	n/a	FHA 223f	yes	PBRA
Rehab Units at Western	244	2019	Rehab	Grant	n/a	yes	PBRA
Young High Flats (dev partnership)	156	2019	New	4% Tax Credits	CITC con; Fannie perm	approx 90%	60%/PBV
Flats at Pond Gap (dev partnershi	102	2019	New	4% Tax Credits	CITC con; Fannie perm	approx 80%	60%/PBV
Austin Redevelopment Phase 1	105	2020	New	9% Tax Credits	CITC	approx 50%	mkt/60%/PBV
Moss Grove (dev partnership)	192	2020	New	4% Tax Credits	CITC con; Fannie perm	approx 50%	inc avg/PBV
Cagle Terrace	274	2020	Rehab	n/a	FHA 223f	10%	PBRA
Austin Redevelopment Phase 2	180	June 2021*	New	4% Tax Credits	CITC	0%	inc avg/PBV

2. General Information

- a. KCDC is requesting Statements of Qualifications submissions from comprehensive development teams with extensive Choice Neighborhood housing development and implementation experience. The successful respondent will prove through its submittal that it possesses the qualifications necessary to implement a comprehensive and complex revitalization strategy for the Western Heights public housing site and surrounding Choice Neighborhood, including mixes of incomes, uses, and financing sources. KCDC anticipates entering into a long-term Master Developer Agreement (MDA) with the successful respondent.

A successful development partner is expected to have been awarded a CNI implementation grant in the past or has implemented mixed-income housing with measurable proven success and has a project lead who has been a significant contributor to an awarded CNI project.

- b. KCDC is in the early stages of developing a CNI Transformation Plan to guide redevelopment efforts in the Western Heights Neighborhood. KCDC has enlisted an impressive group of key stakeholders and critical community partners and has engaged a highly experienced team to assist in this process. Western Heights is a working-class community of small homes and lots bounded by Western Avenue, Tennessee Ave, I-275 and Beaumont Avenue. The neighborhood is just 2.4 miles from downtown Knoxville and the University of Tennessee; its incredible mountain views and proximity to the highly desirable Beaumont Academy enrolls not only kids from the neighborhood, but is the gifted and talented elementary school for Knoxville, drawing families to the neighborhood from across the region. The neighborhood was once a thriving inner suburb; however, years of disinvestment and depopulation have led the community's decline.
- c. The neighborhood is home to two adjacent public housing communities. (1) Knoxville's original public housing community totaling 244 units. These units received a \$7 million rehab through a grant that has just been completed. (2) The other 196 units, which are the focus of the implementation grant, are technically about 10 years newer, but in far greater distress. D3G already completed a study that concludes they are obsolete. And, in 2011, KCDC received section 18 approval to demolish other units on the property, providing ample vacant area for an initial stage of redevelopment.
- d. KCDC intends to have a finalized Transformation Plan by late summer 2021 and to apply for a Choice Neighborhood Implementation Grant a few months later. While KCDC is a high-performing agency and has significant redevelopment experience, it is seeking a true partnership with a Development Partner who is experienced with comprehensive neighborhood transformation and mixed-income housing to enhance the capacity of its team and ensure the initiative's overall success. In the event KCDC is not successful in the 2021 round we anticipate reapplying in 2022.

3. Changes After Award

It is possible that after award KCDC will need to revise the service needs or requirements specified in this document. KCDC reserves the right to make such changes after consultation with the selected firm.

4. Contact Policy

Contact only KCDC's Procurement Division about this solicitation from the issuance of this RFQ until its award. Information obtained from any other person will not affect the risks or obligations assumed by the firm or relieve the firm from fulfilling any of the conditions of the resulting award. Such contact can disqualify the firm from the solicitation process.

5. Evaluation

- a. KCDC is utilizing a Qualifications-Based Selection (QBS) method of procurement through this Request for Qualifications (RFQ) solicitation. Under this method, Developer compensation will not be used as an evaluation factor. Responses will be evaluated by an KCDC evaluation committee utilizing the evaluation criteria outlined in this RFQ.

Based on the committee's evaluations, KCDC's Contracting Officer will determine which of the responsive firms may be capable of providing the services described in this RFQ and have a reasonable chance of award (the competitive range). KCDC may, at its sole discretion, enter negotiations with the highest-ranked firm in the competitive range or request additional information and/or presentations/interviews with the firm or firms considered to be in the competitive range. The evaluation committee may then re-evaluate the competitive range firms based on their original proposals and the additional information provided.

- b. KCDC will negotiate compensation and other key business terms with the top-ranked firm with the intention of reaching an agreement on fair and reasonable terms and entering an MDA. If an agreement cannot be reached, KCDC will terminate negotiations with this firm and proceed to the next-highest rated firm until an agreement is reached on compensation and other business terms determined to be fair and reasonable.
- c. If an award is made through this solicitation, all team members identified in the response to this RFQ will also be considered approved. The selected Development Partner will be required to comply with all applicable HUD regulations pertaining to procurement of contractor and technical services and identity of interests. The Development Partner will be required to follow a competitive solicitation process that is approved by KCDC for all other contractors in accordance with the terms and conditions of the MDA.
- d. KCDC will review all proposals and reserves the right to request necessary modifications, waive minor technicalities, reject all proposals, reject any proposal that does not meet mandatory requirement(s) or cancel this RFQ, according to KCDC's best interests. KCDC further reserves the right to adjust its evaluation scenario if this is in KCDC's best interest and consistent with good business practices.
- e. Qualifications received in response to this solicitation may be evaluated using a two-stage evaluation process. During Stage I of the evaluation process, firms will be evaluated and scored by an Evaluation Committee based on the Evaluation Criteria as described at the end of this section. KCDC may decide to enter negotiations with the highest-ranked firm at this point or, at KCDC's sole discretion, they may initiate a Stage II process.
- f. If utilized, during Stage II of the evaluation process KCDC will allow firms that KCDC has determined have a reasonable chance of being selected, to provide a presentation of their firm's experience and capabilities and to clarify any questions the Evaluation Committee may have about their firm. After completion of Stage II interviews, the Evaluation Committee will re-evaluate each of the Stage II firms. KCDC will then enter negotiations with the highest-ranked firm from the Stage II evaluation.
- g. If a contract cannot be negotiated with this firm, negotiations will be terminated. KCDC will then initiate negotiations with the next highest-ranked firm. This procedure will continue until a mutually satisfactory contract has been negotiated.

- h. KCDC reserves the right to make no award or decline to enter negotiations should it believe that no respondent to this RFQ will be capable of delivering the necessary level of services with acceptable terms and/or time period. KCDC further reserves the right to forego Stage II of the evaluation process and enter negotiations with the highest ranked firm from Stage I of the evaluation process.
- i. Contract award may be subject to approval by KCDC Board and the United States Department of Housing and Urban Development (HUD), as applicable.
- j. KCDC plans to award to the best overall proposal on the following evaluation scale:

Factors	Maximum Points
<p><u>Respondent and Team Experience</u></p> <p>The degree to which the respondent and its team demonstrates:</p> <ul style="list-style-type: none"> • Successful experience in the planning, redevelopment, financing, construction and management of Choice Neighborhood and/or similar mixed-income transformation development projects of comparable scope and complexity. • Cohesion of the team, as demonstrated by previous experience working together. • Degree to which developer would meet all applicable CNI threshold requirements established by the last published Choice Neighborhood Implementation Grant Notice of Funding Availability (NOFA) • Degree to which developer shows a commitment to complete the due diligence and other steps necessary to submit a Choice Neighborhood Implementation Grant Application in 2021 and manage other commitments. • Degree to which respondent demonstrates that the key staff proposed for the developer and proposed team members have significant successful experience in their respective disciplines as required for the planning, development, and operation of developments of comparable size, scope, and complexity. • Respondent must have participated in a minimum of one Choice Neighborhood comprehensive neighborhood transformation with measurable outcomes (or a comparable mixed-income project with measurable outcomes) to be scored. 	35
<p><u>Methodology</u></p> <ul style="list-style-type: none"> • Degree to which respondent demonstrates a willingness to share roles and responsibilities of the development process. • Degree to which the respondent demonstrates knowledge of the steps, processes, and issues involved in implementing a Choice Neighborhood transformation and redevelopment project. • Degree to which the respondent's proposed roles and key business terms provide the best value for KCDC, competitiveness for the Choice Neighborhood grant application, and the success of the implementation. 	35

<u>Financial Resources and Financial Capacity</u>	15
<ul style="list-style-type: none"> Ability to obtain, structure, and implement financing for such projects. The financial capacity as evidenced by financial statements, the firm's most recent audit and bank references, and the Development Partner's discussion of how it intends to honor all guarantees should the need arise. 	
<u>DBE/MBE/WBE Experience and Participation Plans</u>	10
Plan for meeting or fostering MBE/WBE/ SBE/DBE objectives as addressed in Section 4, item 6.	
<u>Section 3 Plan/Requirements</u>	5
Plan for meeting or fostering Section 3 objectives as addressed in Section 4, item 7.	
Total	100

General Conditions

6. Advertising

In submitting a Statement of Qualifications, the firm and their consultants agree not to use the results as a part of any commercial advertising.

7. Assignment of Transfer

The successful firm shall not assign or transfer any interest in the contract, in whole or part, without written approval of KCDC. Claims for sums of money due, or to become due from KCDC pursuant to the contract, may be assigned to a bank, trust company or other financial institution. KCDC is hereby expressly relieved and absolved of all liability in the event a purported assignment or subcontracting is attempted in the absence of the firm obtaining KCDC's prior written consent the contract.

8. Availability of Records

The Comptroller General of the United States, the Department of Housing and Urban Development (HUD), KCDC, and any duly authorized representative of each, shall have full and free access to, and the right to audit and to make excerpts and transcripts from, all pertinent books, records, documents, invoices, papers and the like, of the firm, or in the possession of the firm, which shall relate to, or concern the performance of the contract.

9. Cancellation

Irrespective of any default, hereunder KCDC may also at any time at its sole discretion cancel the contract in whole or in part.

In the event of cancellation, the firm shall be entitled to receive equitable compensation for all work completed and accepted prior to such termination or cancellation as shall be indicated in the contract.

10. Conflict of Interest

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

- Respondent may have an unfair competitive advantage; or
 - The respondent's objectivity in performing the work solicited may be impaired. In the event the respondent has an organizational conflict of interest as defined herein, the respondent shall disclose such conflict of interest fully in the Statement of Qualifications submission.
- b. The respondent agrees that if, after award, he, she or it, discovers an organizational conflict of interest with respect to this solicitation, he, she or it, shall make an immediate and full disclosure in writing to the KCDC Contracting Officer. This shall include a description of the action, which the respondent has taken or intends to take to eliminate or neutralize the conflict. KCDC may, however, disqualify the respondent or if a contract has been entered into with the respondent, terminate said contract, in its sole discretion.
 - c. In the event the respondent was aware of an organizational conflict of interest before the award of a contract and intentionally did not disclose the conflict to the KCDC Contracting Officer, KCDC may disqualify the respondent.
 - d. The provisions of this Section shall be included in all subcontracts and consulting agreements wherein the work to be performed is similar to the service provided by the respondent. The respondent shall include in such subcontracts and consulting agreements any necessary provisions to eliminate or neutralize conflicts of interest.
 - e. No member of or delegate to the U.S. Congress or Resident Commissioner shall be allowed to share any part of the contract awarded under this solicitation or to any benefit that may arise there from. This provision shall be construed to extend to any contract made with the successful respondent.
 - f. No member, officer, or employee of KCDC, no member of the governing body of the locality in which the project is situated, no member of the governing body in which KCDC was activated, and no other public official of such locality or localities who exercises in respect to the project, shall during his or her tenure, or for one year thereafter, have any interest, direct or indirect, in any contract or the proceeds thereof resulting from this solicitation.
 - g. No member, officer or employee of the respondent selected to perform the services described above shall, during the term of their contract, or for one year thereafter, have any interest direct or indirect, in any contract that they are responsible for procuring, managing or overseeing.
 - h. KCDC reserves total discretion to determine the proper treatment of any conflict of interest disclosed under this Section.

11. Contract Award

The Contract for the selected Developer/Development Team shall be subject to the approval of KCDC's Board of Commissioners and may be subject to approval by the U.S. Department of Housing and Urban Development.

12. Contract Documents

Written contract documents will be prepared by KCDC and the selected Developer Partner. Modifications may be adopted based on final negotiations and specific requirements of the contract under this RFQ.

13. Cost of Preparing the Statement of Qualifications

All costs incurred, directly or indirectly, in response to the Request for Qualifications shall be the sole responsibility of and shall be borne by the respondents.

14. Disputes

- a. Issues Causing Protest: Any respondent which disputes the reasonableness, necessity, or competitiveness, of the terms and conditions of this solicitation or who has been adversely affected by a decision concerning a notice of intended or actual award, may file a written notice of protest with the contact person listed in the solicitation.
- b. Filing the Protest: The respondent must first advise the contact person listed in the solicitation in writing within 48 hours after receipt of the bid solicitation or intended or actual notice of award of their intent to file a formal written notice with the contact person listed in the solicitation.
- c. Content of Formal Written Notice: The formal written notice should be printed, typewritten, or otherwise duplicated in legible form. The formal written notice of protest should contain the information that follows:
 - The name and address of the respondent filing the protest and an explanation of how his/her/its substantial interests have been affected by the bid solicitation or by KCDC's notice of intended or actual award.
 - A statement of how and when the respondent filing the protest received notice of the bid solicitation or notice of intended or actual award.
 - A statement of all issues of disputed material fact. If there are none, the protest must so indicate.
 - A concise statement of the ultimate facts alleged, as well as KCDC's policies, which entitle the respondent filing the protest to relief.
 - A demand for relief the respondent deems themselves entitled.
 - Any other information which the respondent contends is material.
- d. Response to Protest: Upon receipt of a timely filed Notice of Protest and meeting the above requirements, the solicitation process, or award process will be stopped until the protest is resolved. The Contracting Officer may set forth in writing particular facts and circumstances which require continuance of the solicitation process without the above-mentioned delay to avoid material increased costs or immediate or serious danger to health, safety or welfare. This written documentation will specifically detail the facts underlying the Contracting Officer's decision and will constitute final agency action.
- e. Resolution: The Contracting Officer may request such information pertaining to the matter, as he/she deems appropriate. Within seven (7) days of the date that the formal written protest is referred to him/her, the Executive Director will notify the Respondent making the protest his/her decision.

15. Federal, State, and Local Reporting Compliance

The firm shall provide such financial and programmatic information as required by KCDC to comply with all Federal, State and local law reporting requirements.

16. Form of Contract

The acceptance of the proposed firm's offer for the services specified herein will be made by issuance of a duly authorized MDA. Respondents are cautioned to make no assumptions or accept any representations by a representative of KCDC concerning the award until an MDA is negotiated and executed.

17. Government Restrictions

In the event any governmental restrictions may be imposed which would necessitate alteration of the material, quality, workmanship or performance of the goods or services offered, it shall be the responsibility of the successful firm to immediately notify KCDC in writing specifying the regulation which requires alteration. KCDC reserves the right to accept any such alternation, including any reasonable price adjustments occasioned thereby, or to cancel the contract at no expense to KCDC.

18. Insurance

- a. The selected firm shall maintain at its expense during the term of the Contract the following insurance.
 - Worker's Compensation Employer's Liability of at least in accordance with government limits.
 - Automobile Liability Insurance in an amount not less than \$5,000,000 per occurrence and \$5,000,000 aggregate.
 - Professional Liability Insurance in the amount of \$1 million.
 - General Liability Insurance in the amount of \$5,000,000 per occurrence and \$5,000,000 aggregate.
 - KCDC and project instrumentalities shall be named as additional insured on all policies.
 - The selected firm shall not hold KCDC and its instrumentalities liable for any personal injury incurred by their respective employees, agents or consultants, contractors or subcontractors while working on this Project.
 - The firm agrees to hold KCDC and its instrumentalities harmless from any such claim by its employees, agents, consultants, contractors or subcontractors, unless a Court having jurisdiction finds there is gross negligence of an employee of KCDC while acting within the scope of their employment.
- b. The insurance company covering the firm must be licensed to do business in the State of Tennessee and have a Best's Guide rating of "A+" or higher.

c. **Proof of Liability Insurance**

The successful firm shall furnish to KCDC a certified copy of the policy or policies covering the work as required in the specifications as evidence that the insurance required will be maintained in force for the entire duration of the contract with KCDC. KCDC and its instrumentalities must be listed as an additional insured.

19. **Laws**

The contract shall be governed by the laws of the State of Tennessee and applicable federal law.

20. **Non-Conformance to Conditions/Specifications/Scope of Services**

Services will be inspected for compliance with specifications. Services not conforming to specifications may not be accepted at the firm's expense. Services not provided in accordance with the Scope of Services may result in the firm being found in default. In the event of default, all procurement cost may be charged against the firm. Any violations of these stipulations may result in the firm's name being removed from KCDC's Statement of Qualifications mailing list.

21. **Notices**

All written notices required to be given by either party under the terms of the contract resulting from the contract award shall be addressed to the firm at their legal business residence as given in the contract. Written notices to KCDC shall be addressed as provided in the contract.

22. **Patents, Licenses, and Royalties**

The successful firm shall indemnify and save harmless KCDC, its instrumentalities, and employees from liability of any kind, including cost and expenses for or on account of any copyrighted, patented, or not patented invention, process or article manufactured or used in the performance of the contract, including its use by KCDC. If the firm uses a design, device or material covered by letters, patent or copyright and understood that the proposal prices shall include all royalties or costs arising from the use of such design, device or materials involved in the work. Further, all residual rights to Patents, Licenses and Royalties (e.g. software and license to sue same purchased) shall revert to KCDC at the end of the Agreement.

23. **Payment**

- a. To the extent required and pursuant to the schedule of deliverables in accordance with the final Development Agreement negotiated by the parties KCDC may make periodic payments for services provided as required under its agreement with the selected Developer/Development Team.
- b. Payment made by KCDC to the selected Developer/Development Team will be in a form approved by KCDC's Board of Commissioners. The invoice is to be emailed to APAdmin@kcdc.org. Upon review and acceptance of the invoice, payment shall be due and payable within 30 days.

24. **Performance Evaluation Meeting**

The selected firm shall be readily available to meet with representatives of KCDC weekly the first month of the contract and as often as necessary to resolve all performance problems identified at these meetings.

25. Permits and Licenses

The successful firm shall obtain all permits and licenses that are required for performing its work. The firm shall pay all related fees and costs in connection with required permits and licenses. Proof of ownership shall be made on all software used in the execution of the contract. The firm will hold KCDC harmless for any violation of software licensing resulting from breaches by employees, owners and agents of the firm.

26. Project Personnel

Except as formally approved by KCDC, the key Statement of Qualifications shall be for the individuals who will actually complete the work, at the proposed levels of effort. Changes in staffing must be proposed in writing to KCDC and approved by KCDC in writing.

27. Removal of Employees

- a. KCDC may request the successful firm to immediately remove from assignment to KCDC and/or dismiss any employee found unfit to perform duties due to one or more of the following reasons:
- Neglect of Duty.
 - Disorderly conduct, use of abusive or offensive language, quarreling, intimidation by words or actions or fighting.
 - Theft, vandalism, immoral conduct or any other criminal action.
 - Selling, consuming, possessing, or being under the influence of intoxicants, including alcohol or illegal substances while on assignment at KCDC.

28. Section 3 Clauses

Every applicant, recipient, contracting party, contractor, and subcontractor shall incorporate or cause to be incorporated a "Section 3 Clause" in all contracts for work in connection with a Section 3 covered development. All Statement of Qualifications must also include a Compliance Plan for Section 3 requirements. (See Attachment III)

29. Standards of Conduct

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

30. Supervision

The successful firm shall always provide adequate competent supervision during the performance of the contract. To that effect, a qualified consultant and one or more alternates shall be designated in writing to KCDC prior to contract start. The firm or his designated representative shall be readily available to meet with KCDC personnel. The successful firm shall provide the telephone numbers where its representatives can be reached.

31. Taxes

The successful firm is responsible for all state and federal payroll and/or social security taxes. The firm shall hold KCDC harmless in every respect against tax liability.

32. Travel

All travel and miscellaneous expenses will be borne by the firm selected.

Responsibilities

33. Introduction

- a. The selected Development Partner will be expected to serve the role of Housing Lead for the CNI application. However, as stated earlier, KCDC has a great deal of experience with housing development, tax credits, various forms of debt, management, etc. Therefore, it is KCDC's expectation, that the agency will also play a significant role in the implementation of the Western Heights housing strategy. KCDC's lack of direct experience in mixed-income development is the primary reason for bringing on a development partner, so KCDC views the arrangement as a true partnership and a capacity-building exercise. For this reason, the roles and responsibilities are anticipated to grow for KCDC throughout the project. What KCDC has set out below in 1-3 is a starting point, but KCDC is interested in your thoughts of how we can best collaborate in your response to the RFQ. If your vision is a little different than what we have laid out, please describe it in your response.

(1) Rehab Phase (within the CNI neighborhood but outside of CNI grant-funded scope). KCDC understands that it is essential for the 244-unit adjacent development (minimally rehabbed in 2019) to look and feel "Choice Neighborhood Ready." To this end, KCDC expects to carefully plan (as part of the comprehensive neighborhood transformation planning) a more substantial rehab of these units over the next several months and would like the development partner's assistance in planning and executing the rehab (including selection of the design partners, contractor, and construction supervision, but would not expect the developer to participate in the funding of the project (except to the extent deferred development fees are necessary), ownership, or management of the asset. Depending on developer's level of participation, KCDC would expect the developer to provide a guaranty of completion, but not any LP guarantees related to the performance of the asset.

(2) Phases 1 and 2 of Choice Neighborhoods Implementation. In phases 1 and 2 of Choice Neighborhoods Implementation, KCDC would expect to be a participant in all aspects of the development process but would also expect the Development Partner to be highly involved in the day-to-day development process. KCDC would expect to share with the developer: all predevelopment costs; owner's equity requirements (including deferred developer fees if necessary); ownership (during the tax credit period); developer guaranty of completion; and developer tax credit LP guarantees to the extent the developer is involved in management.

(3) Remaining Phases of Choice Neighborhoods Implementation. KCDC would expect that it would have gained capacity in the first two phases of the Choice Neighborhoods Implementation.

Thereafter, KCDC would expect more responsibility for predevelopment and post development management. KCDC would expect developer expertise throughout the predevelopment and construction processes, and that the Development Partner would provide a guaranty of completion. KCDC would expect that any Developer ownership interests would be minority interests. KCDC would expect the developer to provide a guaranty of completion, but not any LP guarantees related to the performance of the asset.

In any LIHTC structures where Development Partner is a co-owner, KCDC would intend for a KCDC instrumentality to be the general partner and the Development Partner to be a special limited partner. While somewhat unique nationally, this structure allows for better use of available debt resources in Tennessee, and this is the structure KCDC has used even when the minority partner in other recent LIHTC partnership transactions.

- b. During Choice Neighborhood application preparation, the Development Partner will be expected to work with KCDC to manage the assembled a team of consultants (along with any additional consultants) necessary to prepare the application. The Development Partner will also be expected to fully participate in the preparation and submission of the Choice Neighborhood Implementation Grant Application in 2021 and in the Spring-Summer 2021 Transformation Planning Process. For purposes of the Choice Implementation Application KCDC has already assembled a team consisting of Urban Design Associates, a local architect and civil design firm, CVR Associates for Choice Neighborhoods grant writing and consulting, a “People Partner,” and the City of Knoxville to serve as the “Neighborhood Partner.” Resident meetings have already begun.
 - c. Throughout the redevelopment effort, the Development Partner will work closely with KCDC and be responsive to the needs of the Choice Neighborhood team and all stakeholders, including but not limited to KCDC’s residents and the surrounding community. The Development Partner will be responsible, along with KCDC, for ensuring that the redevelopment plan is approved, financed and implemented in a timely fashion.
34. **While the eventual MDA will control all phases of development, the following is an expected scope of work for the first and second phases of development under the Choice Implementation Project.**
- Oversee and Implement Redevelopment Efforts: Provide the necessary staffing, expertise, supervision and guarantees to implement all aspects of the redevelopment fully and expeditiously as required by the MDA.
 - Hire and Manage Consultants and Contractors Necessary for Planning and Implementation: With input from KCDC, the Development Partner will procure other consultants and/or contractors and coordinate all tasks necessary for implementation of the redevelopment plan.
 - Maintain Communication Regarding Project Progress with KCDC, HUD, all key stakeholders, and the larger public: KCDC will establish a regular schedule of team meetings, in which the Development Partner will participate.

Moreover, the Development Partner will be responsible for submitting monthly progress reports to KCDC, in such formats and media as KCDC might direct, detailing project progress and milestones achieved; updated critical path schedule; budget status and projections; Section 3 and M/WBE participation and other information deemed relevant by KCDC.

- Develop and Maintain Quality Control Measures: The Development Partner is responsible for ensuring the Project is implemented and managed with the highest quality standards. The Development Partner will be required to implement quality assurance and control measures to ensure effective performance by all parties in all aspects of the program.
- Develop and Maintain a Detailed Development Schedule and Critical Path Schedule: Develop and maintain a detailed schedule of events, predicated on financing deadlines that include pre-development activities, construction start, project stabilization and permanent loan close. Develop a Critical Path Schedule for all phases of construction, and lease-up and stabilization.
- Foster Resident Involvement in Project Implementation: Facilitate and foster the involvement of public housing and other neighborhood residents in the design and implementation of the redevelopment plans. In cooperation with KCDC, keep residents informed of the status of the revitalization, assist in providing job opportunities for residents during and after implementation, and assist/encourage resident businesses.
- Be Responsive to Local Community, Neighborhood, and Governmental Interests: While KCDC will be the lead in any communications with the city of Knoxville or state agencies, promote and maintain good relations with community and neighborhood groups, and federal, state, and local governments.
- Compliance with Laws, Rules and Regulations: The Development Partner will comply with all applicable federal, state, and local laws, rules and regulations. The Development Partner will also establish systems and manage all Development Team Members proposed, as well as all contractors, consultants and others providing service during the redevelopment effort to ensure their compliance with applicable federal, state and local laws, rules and regulations.
- MDE/WBE/DBE/Section 3 Opportunities: The Development Partner will take affirmative steps necessary to assure that minority, women-owned, and disadvantaged business enterprises are used to the greatest extent feasible, and that it develops and implements a comprehensive Section 3 Program.
- Plans and Specifications: The Development Partner will be responsible for the preparation of all construction Plans and Specifications necessary to implement the construction of the Housing phases of the project. Plans and Specifications must comply with the requirements of all local, State and Federal permitting and regulatory entities; including, but not limited to, Section 504 and Uniform Federal Accessibility Standards (UFAS) and meet HUD requirements for broadband infrastructure. In addition, Plans and Specifications must be prepared with the intent for the project to meet the highest possible cost-effective standards for energy efficiency.

Plans and Specifications must also be comprehensive and must meet or exceed industry standards of quality and sustainability. Plans and Specifications must also be of the highest quality so that construction change orders and disputes are minimized. All Plans and Specifications will be subject to review and approval by HUD and KCDC.

35. **Financing**

- Produce an Overall Financing Plan: Produce an attainable financing plan for the overall redevelopment effort. The Financing Plan will reflect the goals of the master plan. The financing plan must demonstrate a sensitivity and approach to using public funds from any source in the most efficient manner, maximizing leveraging of such funds to the greatest extent possible.
- Financing Application(s): In accordance with the MDA, the Development Partner will work with KCDC to obtain all financing necessary to implement the redevelopment plans in a timely fashion, which may include, but not be limited to: tax credits; tax-exempt bonds; federal, state and local funds; and private debt.
- Maximize the Leveraging of Public and Private Resources: The Development Partner will be expected to maximize the leveraging of public and private resources by pursuing all reasonable sources of financing and utilizing a variety of partners and partnerships. Additionally, the Development Partner will take full responsibility for securing all financing sources in a timely fashion; coordinating discussion and negotiations with financial institutions and private partners, inclusive of KCDC; and ensuring KCDC is involved in all aspects of the selection of financial partners to assure that proposed terms are both competitive and reasonable. In this regard KCDC expects to fully participate in the review/approval of solicitation documents, proposals, business terms and related contractual documents.
- Obtain Equity Investment: The Development Partner will obtain equity financing commitments with the best terms currently available as required by the MDA and subject to KCDC's approval.
- HUD Development Proposal(s): The Development Partner will work with KCDC to prepare the necessary HUD CNI, RAD, or mixed-finance development proposals and related submissions for each phase required to obtain HUD approval.
- Guarantees: In accordance with the MDA and the long-term management structure of the project during the term of the tax credit partnership, the Development Partner will provide such guarantees required for the successful financing of the redevelopment effort.
- Operating Feasibility: As required in the MDA, structure such reserves and other resources as will reasonably guarantee the long-term operating feasibility of the Project, including KCDC subsidized units, utilizing no more subsidy than committed by KCDC (as applicable).
- Accounting/Financing: The Development Partner shall maintain accounting records and ensure Project financing is available at the appropriate times and utilized in the appropriate manner, in compliance with the MDA.

36. Construction

- Hire Qualified General Contractors and Oversee Construction Activities: The Development Partner will create and implement a competitive process for selecting the most qualified General Contractor. All such entities must have all necessary licenses, financial capacity and capabilities to perform the work. During construction, the Development Partner shall provide oversight and management of construction activities by coordinating with all development team members and attending job-site meetings to ensure the expeditious implementation of construction activities. As regular onsite construction monitoring is critical to the success of the project; the Development Partner must have a full-time onsite presence during the term of construction.
- Facilitate Necessary Site Improvements: Pursuant to the MDA, the Development Partner shall initiate and complete site work and infrastructure construction in collaboration with KCDC, local and regional public utility agencies and other private utilities.

KCDC's Role

37. KCDC's level of participation throughout the development process will be determined by the terms and conditions codified in the MDA. Given KCDC's capacity and experience, KCDC fully expects to play a significant role in the implementation of the housing strategy. As described above, KCDC expects to develop capacity during the initial two phases and handle more responsibility as the project progresses.

- KCDC will lead the process, along with (UDA, CVR, and the Developer) in preparation of the Choice Implementation Grant Materials.
- KCDC will lead the preparation for the HUD site visits related to the Choice Implementation Grant.
- KCDC will be involved in all the design processes to finalize the site plan, the building designs and floor plans and must approve each stage (schematic, design development and construction document) before the design team is authorized to begin the following stage.
- Subject to the Choice Neighborhood Grant, KCDC will contribute its vacant land in Western Heights and its land currently containing the units to the Choice Neighborhood project (except for land where a new Head Start Building is being constructed).
- KCDC will provide property access to developer and consultants to conduct testing.
- KCDC will provide general information relating to tenant incomes, rent, operating budgets, historical cost data, family composition, handicap accommodation, PILOTs, utilities, etc.
- KCDC will lead any necessary approvals for demolition and disposition.

- KCDC will participate in the development of the solicitation documents for investors and lenders. KCDC will also participate in negotiations with the selected investors and lenders and will approve the final terms and conditions of the equity or loan agreements.
- KCDC will work with construction schedules to prepare tenant relocation plans to minimize displacement and cost.
- KCDC will lead any RAD submissions.
- During construction, KCDC reserves the right for itself, its authorized agents, and HUD, to enter the property at any time to inspect the Project and any work in progress for the purpose of protecting or furthering its and/or HUD's interest.
- KCDC will direct the Development Partner on all necessary communications with external stakeholders, including the City, elected officials, the current public housing residents and community residents.
- KCDC expects to secure significant funding from the City of Knoxville, from the Tennessee Housing Development Agency, as well as Choice Neighborhood funding; therefore, KCDC expects whatever funds it expends on the developments to be limited and only contributed after all other reasonable sources of funding (including deferred developer fees) are exhausted.
- KCDC will have the right to review/approve all payments made regardless of the funding source in accordance with the terms and conditions of the MDA.
- KCDC will have the right to review all project-related contracts, contract amendments and deliverables as outlined in the terms and conditions of the MDA.

Submission Requirements

All responses to this RFQ must contain the information listed below in a format, which correlates with each of the items listed.

1. **Cover Letter**

Provide a 1–2-page cover letter that includes the following:

- Summary of key information about the firm and its qualifications; in particular, a brief introduction of at least (i) one recent Choice Neighborhood project, and (ii) at least one other multiphase mixed income project (could be Choice or a project similar in scope to Choice).
- Describe how the Developer meets all applicable CNI threshold requirements detailed in the 2020 Choice Neighborhood Implementation Grant NOFA.

- Developer's commitment to submit a Choice Neighborhoods Implementation grant with KCDC in 2021.
 - Contact information for the primary contact person, including email/phone number.
2. **Relevant Project Experience**-In a succinct fashion, please provide a more detailed overview of the two projects listed in the cover letter.
- Include a chart describing (by phase) the income mixing, number of units, development sources, equity investor, total development cost, closing date and completion dates.
 - Include a description of any non-housing buildings developed in the transformation, along with sources (if applicable).
 - Include photographs of completed work.
 - Please explain how each of the projects engaged residents and the community and how the project achieved measurable outcomes.
 - Please list a project reference for high level employee still working for the client.
 - Please include a list (name, number of units, city) of all other mixed income developments completed in the last five years as well as a list of any projects currently in the pipeline and whether they are Choice Neighborhoods projects or not.
3. **Key Staff Experience**
- Provide profiles of key staff of the Respondent and other proposed team members (if applicable) that would be providing services. Include a list of similar projects they have worked on and their roles.
 - Please list the proposed working project manager (the key contact of developer KCDC would expect to be working with throughout the project), and provide a list of his/her current projects making clear how this person will manage this project with other work they are currently assigned.
4. **Proposed Roles and Key Business Terms**
- a. Provide an explanation of Development Partner's definition of a development partnership with KCDC, and demonstrate how they intend to approach a sharing of responsibilities. If the developer envisions a different structure than that proposed by KCDC, please describe in this section.
 - b. Provide initial proposed business terms as a starting point for negotiations, understanding KCDC's intent to play a significant role in implementation:

- Please provide an affirmative statement that any work by developer specifically attributed to applying for the Choice Neighborhoods Grant will not be charged to KCDC.
- KCDC's budget for master planning and submission of Choice Neighborhoods Implementation Grant is approximately \$725,000. KCDC already secured \$450,000 from the City of Knoxville for master planning. Would developer be willing to share a portion of the remaining cost? If so how much?

c. **NON-CHOICE REHAB-**

- Please describe a proposed sharing of total Predevelopment Costs (%).
- Please describe Developer's willingness to assist KCDC in this phase and describe a proposed developer fee split (%).
- Developer commitment to including project and construction management expenses within their Developer fee above.
- Developer guaranty of completion.

d. **PHASES 1 and 2-**

- Please describe a proposed sharing of (%) of total Predevelopment Costs.
- Proposed developer fee split (%).
- Developer commitment to including project and construction management expenses within their Developer Fee.
- Proposed ownership in the ownership entity (%).
- Developer's requirements relating to property management, and if developer intends to be the manager of Phases 1 and 2, an explanation of its experience in managing similar projects.
- Developer commitment to include KCDC in all financing solicitations and approvals.
- Developer's role in providing guarantees.
- Please generally describe the back-end buyout of the developer from the ownership structure at the end of the tax credit partnership.

e. REMAINING CHOICE PHASES-As mentioned earlier in the RFQ, KCDC intends to develop capacity in the first two phases, and it is anticipated that KCDC would perform many of development roles in the remaining phases; however, it is also anticipated that the Developer Partner will continue to have a role in providing assistance with transformative design, project management, and construction management. For the remaining phase(s):

- Please describe a proposed sharing of total Predevelopment Costs (%).
- Developer commitment to including project and construction management expenses within their Developer fee.
- Proposed ownership in the ownership entity (%) (if applicable).
- Developer's requirements relating to management (if applicable).
- Proposed developer fee split (%).
- Developer's role in providing guarantees beyond completion (if applicable).

5. **Financial Capacity**

Please describe the financial capacity of the entity to be the developer of this Choice Neighborhoods project, along with all the other work in its pipeline. Please be specific. The top ranked developer will be expected to confirm its narrative with audited financial statements.

6. **DBE/MBE/WBE Experience and Participation Plans**

- a. Describe Respondent's experience with DBE/MBE/WBE contracting on prior projects.
- b. Describe Respondent's plans for maximizing DBE/MBE/WBE contracting for KCDC projects.

7. **Section 3 Plan**










Section 3's intent 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.

- a. Describe Respondent's past experience with Section 3 contracting on prior projects.
- b. Describe Respondent's plans for maximizing Section 3 contracting for KCDC projects.

8. **Required Certifications**

Complete the certification forms provided in Attachments B & C.

PLEASE DO NOT RETURN THIS AND THE PREVIOUS PAGES

Solicitation Document A: General Information about the Firm					
Sign Your Name to the Right of the Arrow 					
If completing this document in Adobe, an electronic signature is acceptable to KCDC.					
Your signature indicates you read and agree to "KCDC's General Instructions to Suppliers" (www.kcdc.org) and that you are authorized to bind the firm or are submitting the response on behalf of and at the direction of the firms' representative authorized to contractually bind the firm. I represent that the firm or its applicable representative(s) has reviewed the information contained in this Solicitation Package and that the information submitted is accurate.					
Printed Name and Title 					
Company Name 					
Street Address 					
City/State/Zip 					
Contact Person (Please Print Clearly) 					
Telephone Number 					
Cell Number 					
Firm's E-Mail Address (Please Print Clearly) 					
Addenda					
Addenda are at www.kcdc.org . Click on "Procurement" and then on "Open Solicitations" to find addenda. Please check for addenda prior to submitting a proposal.					
Acknowledge addenda have been issued by checking below as appropriate:					
None <input type="checkbox"/>	Addendum 1 <input type="checkbox"/>	Addendum 2 <input type="checkbox"/>	Addendum 3 <input type="checkbox"/>	Addendum 4 <input type="checkbox"/>	Addendum 5 <input type="checkbox"/>
Statistical Information (Check all the apply)					
This firm is at least 51% owned and operated by a woman					Yes <input type="checkbox"/> No <input type="checkbox"/>
This firm qualifies as a small business by the State of Tennessee <i>Total gross receipts of not more than \$10,000,000 average over a three-year period OR employs no more than 99 persons on a full-time basis</i>					Yes <input type="checkbox"/> No <input type="checkbox"/>
This firm qualifies as Section 3 business (as defined by HUD): <i>It is at least 51% owned by a Public Housing resident or it employs Section 3 residents for at least 30% of its employee base; or it commits to subcontract at least 25% of the project's dollars to a Section 3 business.</i>					Yes <input type="checkbox"/> No <input type="checkbox"/>
This business is owned & operated by persons at least 51% of the following ethnic background:					
Asian/Pacific <input type="checkbox"/>	Black <input type="checkbox"/>	Hasidic Jew <input type="checkbox"/>	Hispanic <input type="checkbox"/>	Native Americans <input type="checkbox"/>	White <input type="checkbox"/>

Conflict of Interest

1. No commissioner or officer of KCDC or other person whose duty it is to vote for, let out, overlook or in any manner superintend any of the work for KCDC has a direct interest in the award or the firm providing goods or services.
2. No employee, officer or agent of the grantee or sub-grantee will participate in selection, or in the award or administration of an award supported by federal funds if a conflict of interest, real or apparent, would be involved. Such a conflict would arise when the employee, officer or agent, any member of his immediate family, his or her partner, or an organization, which employs, or is about to employ, any of the above, has a financial or other interest in the firm selected for award.
3. The grantee's or sub-grantee's officers, employees or agents will neither solicit nor accept gratuities, favors or anything of monetary value from suppliers, potential suppliers or parties to sub-agreements.
4. By submission of this form, the firm is certifying that no conflicts of interest exist.

Drug Free Workplace Requirements

5. Private employers with five or more employees desiring to contract for construction services attest that they have a drug free workplace program in effect in accordance with TCA 50-9-112.

Eligibility

6. The firm is eligible for employment on public contracts because no convictions or guilty pleas or pleas of nolo contendere to violations of the Sherman Anti-Trust Act, mail fraud or state criminal violations with an award from the State of Tennessee or any political subdivision thereof have occurred.

General

7. The firm fully understands the preparation and contents of the attached offer and of all pertinent circumstances respecting such offer.
8. Such offer is genuine and is not a sham offer.

Iran Divestment Act

9. Concerning the Iran Divestment Act (TCA 12-12-101 et seq.), by submission of this proposal, each firm and each person signing on behalf of any firm certifies, and in the case of a joint proposal, each party thereto certifies as to its own organization, under penalty of perjury, that to the best of its knowledge and belief that each firm is not on the list created pursuant to § 12-12-106.

Accuracy of Electronic Copies

10. If the firm provides electronic copies of the proposal to KCDC, the firm certifies that the information provided on paper and in the electronic format is identical unless specifically noted otherwise.

Non-Collusion

11. Neither the said firm nor any of its officers, partners, owners, agents, representatives, employees or parties interest, including this affiant, has in any way colluded conspired, connived or agreed, directly or indirectly, with any other responder, firm, or person to submit a collusive or sham offer in connection with the award or agreement for which the attached offer has been submitted or to refrain from making an offer in connection with such award or agreement, or collusion or communication or conference with any other firm, or, to fix any overhead, profit, or cost element of the offer price or the offer price of any other firm, or to secure through any collusion, conspiracy, connivance, or unlawful agreement any advantage against KCDC or any person interested in the proposed award or agreement.
12. The price or prices quoted in the attached offer are fair, proper and not tainted by any collusion, conspiracy, connivance, or unlawful agreement on the part of the firm or any of its agents, representatives, owners, employees, or parties in interest, including this affiant.

No Contact/No Advocacy Affidavit

13. After this solicitation is issued, any contact initiated by any firm with any KCDC representative concerning this proposal is strictly prohibited-except for communication with the Procurement Division. My signature signifies that no unauthorized contact occurred.
14. To ensure the integrity of the review and evaluation process, respondents to this solicitation nor any firm representing them, may not lobby or advocate to KCDC staff or Board members. My signature signifies that no unauthorized advocacy occurred.

The undersigned hereby acknowledges receipt of these affidavits and certifies that the submittal in response to this solicitation is in full compliance with the listed requirements.

Signed by _____	
Printed Name _____	
Title _____	
Subscribed and sworn to before me this date	
By (Notary Public) _____	
My Commission Expires on _____	
Notary Stamp	

Attachment C: Identity of Interest Disclosure Certificate

IDENTITY OF INTEREST (IOI) DISCLOSURE CERTIFICATE

SECTION I: TO BE COMPLETED BY ALL RESPONDENTS

Respondent Name: _____

CHECK SECTION II OR III, AS APPLICABLE

SECTION II. TO BE COMPLETE ONLY WHEN NO IDENTITY OF INTEREST EXISTS

_____ Certification of No Identity of Interest

I, _____ hereby certify that I have read Section IV of this Disclosure Certificate and understand what the DOH has determined constitutes an Identity of Interest and that **NO** identity of interest relationships exist between me and ANY individual or organization doing business with my organization or with the projects. (Complete Section VI)

SECTION III. TO BE COMPLETED WHEN AN IDENTITY OF INTEREST DOES EXIST

_____ Certification of Identity of Interest

I, _____ hereby certify that I have read and understand what the Agency has determined constitutes an identity of interest, as outlined in Section IV, and hereby disclose in Section V those entities with which I have an identity of interest relationship. (Complete Section V)

SECTION IV. IDENTITY OF INTEREST STATEMENT

- (1) When there is a family relationship through blood, marriage or adoption with any officer, director, board member, or authorized agent of any other development team member.
- (2) When there is any financial interest between the proponent and any other development team member's firm or corporation and/or a supplying entity.
- (3) When one or more of the officers, directors, stockholders or partners of the proponent is also an officer, director, stockholder, or partner of any other development team member and/or the supplying entity.
- (4) When any officer, director, board member, or authorized agent of any development team member advances any funds or items of value to the proponent.
- (5) When any development team member and/or supplying entity provides and pays on behalf of the proponent the cost of any materials and/or services in connection with obligations under the agreement.
- (6) When the supplying entity takes stock or any interest in the proponent as part of the consideration to be paid them.
- (7) When there exist of come into being and side deals, agreements, contracts or understandings entered thereby altering, amending, or canceling any agreement document, except as approved by the agency.

**SECTION V. TO BE COMPLETED FOR EACH IDENTITY OR INTEREST ENTITY.
(ADD ADDITIONAL SHEETS IF NECESSARY)**

Type of Entity: Contractor ☐ Subcontractor ☐ Property Management Agent ☐

Other ☐ _____

Supplier of: Goods ☐ Labor ☐ Material ☐ Both ☐

Services ☐

Entity Name: _____

Address: _____

Phone Number: _____

Trade/Business: _____

Describe relationship to IOI entity: _____

Type of Entity: Contractor ☐ Subcontractor ☐ Property Management Agent ☐

Other ☐ _____

Supplier of: Goods ☐ Labor ☐ Material ☐ Both ☐

Services ☐

Entity Name: _____

Address: _____

Phone Number: _____

Trade/Business: _____

Describe relationship to IOI entity: _____

SECTION VI. TO BE COMPLETED BY ALL RESPONDENTS

I further understand and agree that, if a contract is awarded to my organization, if any of my business change during the life of the contract to include Identity of Interest relationship referred to above, I will file an amended disclosure Certificate.

I also agree to provide a new disclosure Certificate at any time requested by the Agency.

I hereby certify that this information may be verified, that the information submitted is true and accurate and that no other identity of interest relationship exist between me and any individual or organization, except as described above. I further understand that failure to disclose an Identity of Interest to the Agency will also subject me to all administrative remedies available to the Agency. Such remedies may include suspension and debarment from participating in any Agency or Federal Program.

Signature

Date

Signature

Date

Instructions to Offerors Non-Construction

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



- 03291 -

1. Preparation of Offers

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

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

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

2. Submission of Offers

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

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

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

3. Amendments to Solicitations

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

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

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

4. Explanation to Prospective Offerors

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

5. Responsibility of Prospective Contractor

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

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

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

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

6. Late Submissions, Modifications, and Withdrawal of Offers

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

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

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

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

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

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

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

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

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

7. Contract Award

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

(b) The HA may

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

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

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

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

8. Service of Protest

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

9. Offer Submission

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

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

[Describe bid or proposal preparation instructions here:]

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. 3/31/2020)

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 \$105,000 - use Section I;
- 2) **Maintenance contracts** (including nonroutine maintenance as defined at 24 CFR 968.105) greater than \$2,000 but not more than \$150,000 - use Section II; and
- 3) **Maintenance contracts** (including nonroutine maintenance), greater than \$150,000 – use Sections I and II.

Section I - Clauses for All Non-Construction Contracts greater than \$150,000

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.

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- (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 therefrom, 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.

Attachment F: Section 3 Information

Section 3 is a provision of the Housing and Urban Development Act of 1968 which requires that programs of direct financial assistance administered by the U.S. Department of Housing and Urban Development (HUD) provide, to the greatest extent feasible, opportunities for job training and employment to lower income residents in connection with projects in their neighborhoods. Section 3 is a tool for fostering local economic development, neighborhood economic improvement and individual self-sufficiency.

- a. Recipients and sub-recipients must make a good faith effort to utilize Section 3 area residents as trainees and employees in connection with the project. Targeted recruitment and the selection of Section 3 area residents for available positions are two examples of good faith efforts to meet this requirement.
- b. Recipients and sub-recipients must make a good faith effort to award contracts to Section 3 business concerns for work in connection with the project. An example of a good faith effort to meet this requirement is the implementation of an affirmative action plan, which includes targets for the number and dollar value for awarding contracts to Section 3 business concerns.
- c. Recipients and sub-recipients must keep records and submit reports to HUD documenting the good faith efforts taken and the results of these actions. Examples of such documentation include letters to community organizations, employment development and business development centers, copies of solicitations for bids or proposals, and copies of affirmative action plans.
- d. Contractors must track hours worked by Section 3 workers and report them yearly.
- e. How can businesses find Section 3 residents to work for them? This can be accomplished by recruiting in the neighborhood and public housing developments to tell residents about available training and job opportunities. Distributing flyers, posting signs, placing ads, and contacting resident organizations and local community development and employment agencies to find potential workers are a few effective ways of getting jobs and people together.
- f. The successful firm will give KCDC job announcements for any position that must be filled as a result of the award of KCDC work. Additionally the successful firm will supply the same job announcement to the Knoxville-Knox County Committee Action Committee's Workforce Connections group. These can be emailed to windie.wilson@knoxcac.org or faxed to 544-5269.
- g. A Section 3 worker is, when hired:
 - A worker whose annual income for the previous or projected calendar year is below HUD income limits or
 - Is employed by a Section 3 business concern or
 - A YouthBuild participant
- h. A Targeted Section 3 worker is:
 - Is employed by a Section 3 business concern or

- A Public Housing resident or HCV participant or
 - Resident of other housing assisted by the Public Housing Authority or
 - A YouthBuild participant
- i. A Section 3 business is one that:
1. Is at least 51% owned and controlled by low or very low income persons; or
 2. Is at least 51% or more owned and controlled by Public Housing residents or HCV participants; or
 3. Has over 75% of labor hours performed on construction projects done by low or very low income persons. This is measured during the last 3-months of work performed by the business during the reporting period.

Additional information is available from HUD at

[https://www.hud.gov/press/press_releases_media_advisories/HUD No 20 159](https://www.hud.gov/press/press_releases_media_advisories/HUD_No_20_159)