



RFQ Number: P-004440
Date of Issuance: October 3, 2014
Proposal Due Dates: November 19, 2014 – Cycle 1
December 31, 2014 – Cycle 2
April 30, 2015 – Cycle 3

To Prospective Offerors:

The Philadelphia Housing Authority (“PHA” or the “Authority”) is hereby requesting proposals for:

Unit-Based Operating Subsidy Program

The Philadelphia Housing Authority (PHA or Authority) is organized under the laws of the Commonwealth of Pennsylvania to develop, acquire, lease and operate low-rent housing programs. The PHA is the largest housing agency in the Commonwealth and the fourth largest in the nation. The Authority has approximately 81,000 residents in 34 conventional developments, and about 5,000 scattered site units. Additionally, PHA currently administers over 16,000 Housing Choice Vouchers. PHA has an annual budget of approximately \$371 million, which is primarily funded by the U.S. Department of Housing and Urban Development.

Offerors must submit one (1) original hard copy and seven (7) copies of their bid, including the required bid forms, as well as an electronic copy (on one or more CDs) in Microsoft Excel, Microsoft Word, and/or Portable Document Format (PDF) formats, and the proposal shall be based upon and in conformity with this Request for Proposal. The proposals shall be enclosed in an envelope, which shall be sealed and clearly labeled “Solicitation No. P-004440, entitled Unit-Based Operating Subsidy Program” on the due dates set forth above.” The bidder shall be responsible for the placement of his/her firm’s name on the outside of the envelope. Bids must be received by PHA Contracts Department at 3100 Penrose Ferry Road, Philadelphia, PA 19145, no later than 11 P.M. on proposal due date indicated above. Late proposals will not be considered. Photo identification is required for entrance into our facility. BIDS SUBMITTED VIA ELECTRONIC MAIL WILL NOT BE ACCEPTED.

Requests for additional information should be directed to the Contracting Officer’s representative, William Cook, Sr. Sourcing Manager - Procurement, Philadelphia Housing Authority, 3100 Penrose Ferry Road, Philadelphia, PA 19145, (215) 684-4223, Fax (215) 684-4092. E-mail: William.Cook@pha.phila.gov. Note that inquiries received later than seven (7) days before receipt of proposals may not receive a response.

Sincerely,

KELVIN JEREMIAH
PRESIDENT AND CEO

**Request for Proposals (“RFP”)
Local Unit-Based (Public Housing) Operating Subsidy Program
For
Existing, Newly Constructed, or Renovated Units**

**Conditional Approval for Applicants Applying for Low Income
Housing Tax Credits in 2015**

Solicitation # P-004440:

Introduction

About the Philadelphia Housing Authority

The Philadelphia Housing Authority (“PHA”) is organized under the laws of the Commonwealth of Pennsylvania to develop, acquire, lease, sell and operate low-income housing in the City of Philadelphia. PHA is the largest housing authority in the Commonwealth and the fourth largest in the nation. PHA owns and/or operates and manages approximately 16,000 family and elderly residential units in approximately 40 developments and over 7,000 scattered sites. PHA also administers approximately 18,000 Section 8 (or Housing Choice) Vouchers. The United States Department of Housing and Urban Development (“HUD”) is the primary funding agency for all operating, construction, modernization and rehabilitation of the PHA’s housing inventory.

PHA is a participant in the HUD Moving to Work Demonstration Program (“MTW Program”) pursuant to a Moving to Work Demonstration Agreement (the “MTW Agreement”), as amended from time to time, initially executed by HUD on February 28, 2002 and in force through 2018. The MTW Program is authorized by Section 204 of Title II of the Omnibus Consolidated Rescissions and Appropriations Act of 1996 (Pub. Law No. 104-134) (the “MTW Statute”). Under the MTW Statute, PHA has the flexibility to design and test various approaches for providing and administering housing assistance that reduces costs, achieves greater cost effectiveness in federal expenditures, and increases housing choices for low-income families, among other goals. The MTW Agreement permits PHA to supersede terms and conditions of the ACC, provisions of the United States Housing Act of 1937 (the “1937 Act”), 42 U.S.C. Section 1437 et seq. and other HUD requirements to the extent necessary and approved by HUD to implement PHA’s MTW demonstration program. The program described in this RFP is designed and operated through PHA’s MTW authority.

In 2013, PHA established its “Six in Five Plan” in which PHA is attempting to create or preserve 6,000 low-income housing opportunities in the next five years. PHA has

established a local unit based rental assistance program to develop new approaches for administering public housing operating subsidy and gap financing for capital expenditures for the construction of assisted public housing (“Local Unit-Based Operating Subsidy Program”). This program was established to further PHA’s goal of increasing the availability of, and private investment in, attractive, affordable, quality housing, in quality neighborhoods throughout the City of Philadelphia.

Objectives of the Local Unit-Based Operating Subsidy Program

PHA’s overall objective is to provide decent, safe, sanitary and affordable housing for families of extremely low to moderate incomes. Any units assisted under the Local Unit-Based Operating Subsidy Program will be public housing units, subject to the requirements of the federal public housing program under PHA’s Annual Contributions Contract (“ACC”) with HUD, as modified under the MTW Program.

PHA has determined a need to encourage, by the provision of operating subsidies to owners who will operate public housing, the replacement of public housing units that have been disposed of or demolished.

Additional goals identified by PHA to address through the Local Unit-Based Programs are to:

- a) increase the number of available, affordable rental units for extremely low and low-income families;
- b) increase the number of available, affordable rental units in areas of deconcentrated poverty;
- c) increase the number of available, affordable rental units in non-impacted areas;
- d) foster the revitalization of housing in areas targeted by the City of Philadelphia;
- e) foster PHA efforts associated with revitalization of its existing public housing stock;
- f) experiment with the types of housing assisted and test new opportunities and approaches for assisting low and very-low income families; and
- g) increase the number of available, affordable rental units to income-eligible, disabled, special needs or homeless households.

SECTION A – GENERAL INFORMATION

A.1 Overview

PHA is pleased to issue this Request for Proposals (“RFP”) to solicit proposals from interested property owners and developers who would like to participate in PHA’s Local Unit-Based Operating Subsidy Program and are applying for an allocation of 9% Low Income Housing Tax Credits (“LIHTC”) in the 2015 application submission round or propose to apply for an allocation of 4% LIHTCs.

This solicitation invites proposals for existing units and new construction units that are or will be available for rental to extremely low-income and low-income households (30% to 80% of area median income) using assistance provided through PHA’s Local Unit-Based Operating Subsidy Program. PHA will make available a portion of the operating subsidies PHA receives from HUD through the ACC. **The units under the Local Unit-Based Operating Subsidy Program will be public housing units and must be operated in accordance with applicable public housing requirements under the 1937 Act as modified under the MTW Program and all closing documents associated with the transaction.**

Applicants may request operating assistance for all or some of the units in the project which shall be paid on a per unit per month basis. Unless otherwise negotiated, once the units are eligible for assistance in accordance with HUD requirements, PHA will provide an operating subsidy equal to the operating deficit based on the annual operating budget provided by the owner to PHA subject to the lesser of \$500 per unit per month (plus annual inflation) or PHA’s current monthly per unit non-utility operating subsidy amount as paid to PHA by HUD; plus (ii) 100% of PHA’s current monthly per unit utility operating subsidy amount as paid to PHA by HUD less a percentage for PHA costs associated with the administration and monitoring of the project (estimated to be 10% of the non-utility subsidy). The resident occupying the unit will pay either an income-based rent (30% or less of monthly-adjusted income) or a flat fixed rent (if applicable).

In addition, applicants under this RFP may have the opportunity to request PHA funds for capital expenses. These funds may only be used to pay for the costs of acquiring, repairing, rehabilitating or constructing the public housing units. These funds are very limited and will only be considered based on the pro forma for the project after the project receives an allocation of LIHTCs and has secured its other funding sources. No project shall contain any projection of PHA funds for capital expenses in its LIHTC application unless previously approved by the Board. If PHA funds for capital expenses are provided, it will be in the form of a loan, to be repaid during the period in which the units receive operating subsidy, based upon terms as may be negotiated between applicant and PHA.

A.2 Limitation for Tax Credit Applications

This RFP is seeking proposals and requests for a conditional commitment of public housing operating subsidy for applicants who are submitting applications to the Pennsylvania Housing Finance Agency (“PHFA”) for an award of 4% or 9% LIHTCs. Any conditional commitment obtained pursuant to this RFP shall be contingent upon the award of LIHTCs in 2015.

A.3. Appropriations

All PHA funds under this RFP and any resulting transactions are subject to continuing and varying federal appropriations.

A.4. Eligible Properties

Properties eligible for the Local Unit-Based Operating Subsidy Program may include existing units, with or without rehabilitation, and/or new construction units. Types of structures include, but are not limited to:

1. Single family dwellings;
2. Multi-family dwellings (except that no families with children under the age of 18 may reside in high-rise, elevator buildings); and
3. Housing units in mixed-use buildings.

All units in the project receiving operating subsidy must be a minimum of an efficiency sized unit.

A.5. Letter of Commitment and Mixed Finance Transaction

This RFP may result in the selection of one or more proposals for a commitment of PHA’s support to provide operating subsidy to the project subject to the requirements of this RFP (“Letter of Commitment”). If selected, PHA will issue a Letter of Commitment for the project.

Completion of the transaction will require submission of an approval of a Rental Term Sheet by the HUD Office of Public Housing Investments, and if approved, negotiation of the terms and conditions of a Regulatory and Operatory Agreement between the parties and other documents as necessary and/or required by PHA and/or HUD in order to close the transaction (“Mixed Finance Transaction”). Any funds for capital expenses will require the execution of loan and other security instruments for the provision of the funds by PHA.

The specific details of each transaction approved through this RFP and the Local Unit-Based Operating Subsidy Program will be negotiated and defined prior to closing and will be subject to HUD review and approval as part of the Mixed Finance Transaction

closing process. No contractual rights will arise out of the process of negotiation until such time as PHA and the selected applicant(s) have signed the documents necessary to close the Mixed Finance Transaction.

A.6. Applicant's Role

The applicant(s) will be responsible for all activities associated with the development, rental and management of the units, including, but not limited to:

- (a) identifying a site or sites for which the applicant(s) can demonstrate the ability to obtain site control on or before a stated date;
- (b) completing and submitting a marketing analysis that shows project feasibility;
- (c) developing architectural plans and obtaining all applicable city and state approvals and permits, as applicable;
- (d) developing a construction phasing strategy and implementation schedule for the site, as applicable;
- (e) after completing items (a)-(d) above, documenting community and resident consultation, as required under this RFP;
- (f) arranging and securing private debt and equity financing and finalizing terms for all public and private financing, as necessary;
- (g) working with PHA to incorporate supportive and community service programs into the project, as necessary;
- (h) developing and implementing a Section 3 program and encouraging participation by minority and women-owned business;
- (i) soliciting prices and contracts for construction, as applicable;
- (j) implementing the construction plan and ensuring completion in a timely manner, if applicable;
- (k) providing all necessary financial guarantees and assurances from financially capable entities that are able to perform such guaranties and assurances to assemble all public and private financing, as necessary; and
- (l) developing a property management plan and providing qualified property management and, if applicable, supportive service staff for the project.

A.6. Administration

All public housing units approved through this RFP must be operated in accordance with PHA's Admissions and Continued Occupancy Plan ("ACOP"), the MTW Agreement, and other applicable HUD and PHA regulations, policies and procedures.

A.7. Federal Regulations

Except as modified by the MTW Agreement or Annual MTW Plan, the following regulations under Title 24 of the Code of Federal Regulations (CFR) are applicable to the Local Unit-Based Operating Subsidy Program:

| <u>Part</u> | <u>Applicable Provisions</u> |
|--------------------|---|
| 5 | General HUD Program Requirements; Waivers |
| 902 | Public Housing Assessment System (" PHAS ") – Physical condition indicators |
| 905 | Public Housing Capital Fund Program |
| 906 | Section 32 Homeownership Program |
| 908 | Electronic Transmission of Family Data |
| 945 | Designated Housing (senior only or disabled only housing) |
| 960 | Admissions and Occupancy |
| 963 | Contracting With Resident-Owned Businesses |
| 964 | Resident Participation and Opportunities in Public Housing |
| 965 | General Provisions including: preemption of State wage rates, insurance, energy conservation, utility metering, resident allowances for utilities, physical inspection requirements, lead-based paint poisoning prevention, and fire safety |
| 966 | Public Housing Lease and Grievance Provisions |
| 968 | Modernization |
| 969 | Operation As Public Housing After Debt Service |
| 970 | Demolition or Disposition of Public Housing |
| 990 | Annual Contributions for Operating Subsidies |

A.8. Term

The term of the agreements entered into through the Mixed Finance Transaction process shall be the latest to occur of (i) expiration of the minimum period during which the public housing units are required by law to be operated as “public housing” in accordance with the 1937 Act; and (ii) the expiration of 40 years from the date of first availability for occupancy of the public housing units. Such 40-year period shall be extended for 10 years after the end of the last PHA fiscal year for which operating fund assistance is provided by PHA on behalf of the project, or as may be otherwise required by law. Additional terms and restrictions may apply if PHA provides funds for capital expenses.

A.9. Funds for Capital Expenses

Under the Unit-Based Operating Subsidy Program and this solicitation, PHA may consider requests for funds for capital expenses to support the acquisition, rehabilitation or new construction of public housing units. Requests for funds for capital expenses will only occur after the determination of the award of LIHTCs by PHFA and/or an award of Philadelphia Housing Trust Fund (HTF), federal HOME and Community Development Block Grant funds through the City of Philadelphia, or as otherwise determined by PHA. An addendum shall be issued to this RFP describing the process and procedures for application for and award of funds for capital expenses.

A.10. Amount of Subsidy per Unit.

Unless otherwise negotiated, once the units are eligible for assistance in accordance with HUD requirements, PHA will provide an operating subsidy equal to the operating deficit based on the annual operating budget provided by the owner to PHA subject to the lesser of \$500 per unit per month (plus annual inflation) or PHA’s current monthly per unit non-utility operating subsidy amount as paid to PHA by HUD; plus (ii) 100% of PHA’s current monthly per unit utility operating subsidy amount as paid to PHA by HUD less a percentage for PHA costs associated with the administration and monitoring of the project (estimated to be 10% of the non-utility subsidy).

A.11. Site and Neighborhood Standards and Deconcentration of Poverty Goals.

All projects must comply with PHA’s Site and Neighborhood Standards.

A.12. Waiting Lists.

Waiting lists of approved projects must be established in accordance with the ACOP.

A.13. Tenant Screening Requirements. Procedures for tenant selection for the Local Unit-Based Operating Subsidy Program must be based upon PHA’s ACOP and applicable public housing requirements.

B. RFP Requirements

B.1. Period of Solicitation

This will be an open and continuing RFP solicitation consisting of three review cycles. The first review cycle will close on **November 19, 2014**. Applicants who want a decision from PHA for a Letter of Intent for a 9% LIHTC must submit their proposals in the initial submission round.

The second review cycle shall close on **December 31, 2014**. This review cycle will cover proposals received after November 19, 2014 through December 31, 2014. The third and final review cycle shall be open from January 1, 2015 through **April 30, 2015**. Proposals must be submitted by 4 P.M. on identified closing dates.

PHA may, in its sole discretion, extend the solicitation period, but also reserves the right to terminate the solicitation period at any time. PHA will use its best efforts to process Proposals expeditiously through evaluation rounds during the duration of this RFP.

B.2. Proposal

The form of proposal is set forth in Section D.1. PHA may consider unacceptable any Proposal for which critical information is lacking or in which the submission represents a major deviation from the requirements of this RFP. Minor omissions, such as incomplete references may, at the sole option and discretion of PHA, be corrected upon notification from the Sourcing Manager.

B.3. RFP Questions

Any prospective applicant desiring an explanation or interpretation of RFP provisions must submit a written request to the PHA Contracting Officer as listed in this RFP. Oral explanations and/or responses are not binding. Any information given to prospective applicants concerning this RFP will be furnished promptly to all other persons or entities who have indicated their interest in the RFP by receiving a solicitation package and/or providing their contact information for this RFP to PHA.

If PHA revises or modifies this RFP, a written addendum will be issued to all entities that request a copy of this RFP.

B.4. Contact with Staff, Board Members and Residents

Applicants may not contact any PHA staff, Board member or resident concerning this RFP, except as may be required to comply with Site and Neighborhood standards and resident notification under appropriate Sections of this RFP. All inquiries concerning this RFP should be submitted in writing to the issuing office at:

Philadelphia Housing Authority
3100 Penrose Ferry Road
Philadelphia, PA 19145

All questions or requests for clarification must be submitted in writing to the PHA Contracting Officer. Written answers to questions concerning this RFP will be provided to all applicants, giving due regard to the proper protection of proprietary information. Contact with anyone other than the issuing officer may result in disqualification of an applicant.

B.5. Pre-Proposal Conference

PHA Staff will be attending the briefing session scheduled by the City of Philadelphia for its Request for Proposals for Affordable Housing Development scheduled for:

Tuesday, October 21st from 1:00 pm – 3:00 pm

OHCD Board Room
1234 Market St., 17th Floor
Philadelphia, PA 19107.

This room is accessible to persons with disabilities. If accommodations in order to participate are required, please contact James O'Toole at 215-686-9760 (TDD 215-686-9803) or email him at james.o'toole@phila.gov. Advance notice of 72 hours is required for sign-language interpreter services.

B.6. Costs Incurred in Preparing Proposals

Applicants will be responsible for all costs incurred in preparing their response to this RFP. All material and documents submitted by applicants will become the property of PHA and will not be returned. Any materials submitted that an applicant considers proprietary must be clearly marked as such to exclude it from the public record. Applicants selected for further interviews or negotiations will be responsible for all costs incurred during these processes.

B.7. Proposal Submissions

Applicants must provide **one clearly marked "ORIGINAL"** and **seven (7) copies**. Proposals must be submitted in sealed envelopes or boxes clearly marked and delivered to:

Contracting Officer
Philadelphia Housing Authority
3100 Penrose Ferry Road
Philadelphia, PA 19145

Upon receipt of each proposal, PHA will date-stamp it to evidence receipt. Upon request, PHA will provide an applicant with an acknowledgment of receipt. Faxed proposals will not be accepted.

B.8. Selection Process

Proposals will be opened by the Contracting Officer or designee and initially reviewed to determine compliance with the submission requirements specified in this RFP. Proposals that do not comply with these requirements may be rejected without further review.

PHA will form an evaluation panel, comprised of PHA staff and others, as PHA may select, to review responsive Proposals ("Evaluation Panel"). The Proposals will be reviewed in accordance with the evaluation criteria set forth in Section D.2. The Evaluation Panel will determine a competitive range based on the criteria and point system set forth in this RFP. The Evaluation Panel reserves the right, at PHA's sole discretion, to require face-to-face or telephone interviews with respect to proposals, if such interviews are deemed to be in PHA's best interest. Each applicant that falls within the competitive range will be considered for issuance of a Letter of Commitment.

The Evaluation Committee will provide its recommendations to the President and CEO who shall determine which proposals to support for a Letter of Commitment.

B.9. Conditional Award

The selection process for the Local Unit-Based Operating Subsidy Program may result in the award of one or more Letters of Commitment to enter into negotiations for a Mixed Finance Transaction, subject to the award of LIHTCs. Completion of the transaction is subject to approval by the PHA Board of Commissioners, final due diligence review and completion of the Mixed Finance Transaction process which requires approval by HUD.

B.10. PHA Options

PHA will review all proposals submitted for consideration. PHA reserves the right to reject, in whole or in part, any or all proposals received in response to this RFP. PHA further reserves the right to cancel or re-issue this RFP, to modify the selection procedure or the scope of this RFP or the required responses; to extend or shorten the deadlines for accepting proposals; to request amendments to proposals after expiration deadlines; or to negotiate or approve final agreements with respect to providing assistance to the applicant. PHA also reserves the right to waive any informalities or minor irregularities if it serves its best interest to do so.

PHA will reject a proposal if any entity participating in the submission is debarred by HUD from providing services to public housing authorities, and reserves the right, in its sole discretion, to reject the proposal of any applicant who, itself or by its affiliate or any participating entity, has previously failed, in any way, to adequately perform under any prior contract with PHA or with the City or Commonwealth of Pennsylvania.

Determination of the criteria and process whereby proposals are evaluated and the decision of which applicants will receive a Letter of Commitment, and whether or not

PHA will enter into a Mixed Finance Transaction with the applicant as a result of this RFP will be at the sole and absolute discretion of PHA.

C. Applicable Law

C.1 Prevailing Wages and Labor Standards

Pursuant to 24 CFR Part 85, Section 85.36 (i) (5) and (6), for those projects involving new construction or rehabilitation, payment of not less than the wages prevailing in the locality, as predetermined by the Secretary of Labor pursuant to the Davis-Bacon Act, to all persons employed pursuant to any construction contract arising from this funding, and in compliance with the Contract Work Hours and Safety Standards Act, Department of Labor regulations in 29 CFR Part 5, and other federal laws and regulations pertaining to labor standards applicable to such an agreement.

C.2 Fair Housing Equal Opportunity Clause

Contracts for construction work are subject to Executive Order 11246 (30 FR 12319) as amended by Executive Order 11375 (32 FR 14303), relating to prevention of discrimination on the basis of gender, or on the basis of race, creed, color and national origin, age disability or other status and applicable implementing regulations (41 CFR § 60-1.1 et seq.), rules and orders of HUD and the Office of Federal Contract Compliance programs of the Department of Labor.

The owner will not discriminate on the basis of race, color, religion, creed, sex, national origin, handicap or familial status, or by the existence or use of a policy or practice, or any arrangement, criterion or other method of administration which has the effect of denying Equal Housing Opportunity or which substantially impairs the ability of persons to apply for or receive the benefits of assistance because of race, color, religion, creed, sex, natural origin, handicap or familial status, in the sale, rental, or other disposition of residential properties or related facilities, including the land to be developed for residential use, or in the use or occupancy thereof.

In addition, owners must comply with the Philadelphia Code of Ordinances and Home Rule Charter § 9-1100 et seq. that, among other requirements, prohibits discrimination in employment and housing based on sexual orientation.

C.3 The Americans with Disabilities Act of 1990 (“ADA”)

The owner(s) and all subcontractors must comply with the ADA. The ADA makes it unlawful to discriminate in employment against a qualified individual with disability. See 42 U.S. Code § 12101 et seq.

C.4 Section 504 of the Rehabilitation Act of 1973 (Amended)

The owner(s) and all subcontractors must comply with Section 504 of the Rehabilitation Act of 1973, as amended (“**Rehabilitation Act**”) 29 U.S.C. Section 791 et seq. The Rehabilitation Act, among other things, prohibits discrimination against disabled persons

in federally funded programs and activities and requires new construction units to be accessible (see 24 CFR Part 8). Unless otherwise modified (increased) by this RFP, this means that 5% of the units, or at least one unit, whichever is greater, must meet Uniform Federal Accessibility Standards for persons with mobility disabilities and an additional 2% of the units, or at least one unit, whichever is greater, must be accessible for persons with hearing or visual disabilities.

C.5 Age Discrimination Act of 1975

The owner(s) and all subcontractors must comply with the Age Discrimination Act of 1975 (42 U.S.C. § 6101 et seq.) that prohibits, with certain stated exceptions, discrimination against any otherwise qualified individual solely on the basis of age.

C.6. Section 3

This RFP is subject to Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701) (47 U.S.C. § 3131 et seq.), which requires that, to the greatest extent feasible, opportunities for training and employment be given to lower-income residents of the unit of local government or the metropolitan area (or non-metropolitan county), as determined by the Secretary of HUD, in which the project is located; and that contracts for work in connection with the RFP be awarded to business concerns which are located in or owned in substantial part by persons residing in such area.

C.7 Minority and Women – Owned Business Enterprises

Executive Order 11625, Prescribing Additional Arrangements for Developing and Coordinating a National Program for Minority Business Enterprise applies to this RFP and encourages participation in federal programs by business concerns owned by minority group members. Executive Order 12138, creates a National Women's Business Enterprise Policy and encourages women-owned business enterprise participation in federal programs. During the performance of the R&O Agreement, as applicable, owner(s) and all subcontractors must comply with these orders and any other applicable laws, codes, regulations or orders.

C.8 Environmental Review

See Attachment 1 – Environmental Review

SECTION D – PROPOSAL CONTENTS AND EVALUATION FACTORS FOR AWARD AND SELECTION

D.1. Proposal Contents

In order to be considered responsive to this RFP, applicants must submit a binder with tabs that address the following information:

1. Narrative description of the project

Provide a narrative of the proposed development, including a general description of the project, ownership, and financing structure. Include any special features or preferences.

2. Community Resources

Address the following:

- a) Proximity to neighborhood resources including, but not limited to, supermarkets, pharmacies, health centers, recreational spaces, open space or parks, and commercial corridors.
- b) Access to multi-modal transportation (i.e. SEPTA bus, elevated rail, regional rail, and subway; car shares; and bike lanes)
- c) Whether project is in accordance with Philadelphia 2030 plan, City of Philadelphia district plans, or neighborhood plan that has been approved by the City Planning Commission.
- d) Whether project is located in a an area of revitalization that has been designated as such by the City of Philadelphia or the Commonwealth of Pennsylvania (i.e. Neighborhood Transformation Initiative, Keystone Opportunity Zones, Empowerment Zones, Promise Zone, Redevelopment Area, Blight Elimination Zone).
- e) Whether project is located near job centers or employment resources and without excessive travel costs either through private vehicle or public transportation.

3. Site and Neighborhood Standards

Every project assisted by PHA must satisfy PHA's Site and Neighborhood Standards. Provide a narrative statement identifying which element(s) the proposed development satisfies.

- a) In accordance with PHA's MTW Agreement assisted units may be located in the agency's jurisdiction, including within, but not limited to, the following types of urban areas:
 - (1) an area of revitalization that has been designated as such by the governing jurisdiction, including Redevelopment Areas and Enhanced Enterprise Communities;
 - (2) an area where public housing units were previously constructed and were demolished;
 - (3) a racially or economically impacted area where the agency plans to preserve existing affordable housing;

- (4) in connection with a HOPE VI or other HUD funded master planned development;
- (5) in areas where a needs analysis indicates that subsidized housing represents a low percentage of the total number of housing units in the area; or
- (6) relocating units to an area with a lower concentration of public housing units.

4. Housing Needs Analysis

Prior to final authorization by the PHA Board of Commissioners, an applicant must provide PHA with a housing needs analysis that identifies that there is a real need for housing in the area of the proposed development.

Include a housing needs analysis or indicate how the applicant will satisfy this requirement.

5. Site/Layout

Applicants must provide the following information:

- a) Site map of the City indicating the location of the proposed project.
- b) A description of the buildings by structure and type, including the number of units by size (square footage) for each type of unit, and the number of units by bedroom and bathroom count.
- c) Site and floor plans, if available. Describe status if unavailable.
- d) For existing units, provide photographs of the interior and exterior of the building and units and a map identifying their location.
- e) For scattered sites, a spreadsheet of addresses and unit mix is allowable in lieu of map.

6. Project Amenities/Services

Project amenities include, but are not restricted to supportive services; on-site resources such as open or recreational space; storage; and facilities for resident's use such as business centers, multi-purpose rooms, fitness centers, etc.

7. Developer Capacity and Qualifications

Applicants must provide a complete list of project participants ("Team") as identified below. For Team members that will not be designated until after the selection of a contractor, i.e. General Contractor/Construction Manager, the applicant can choose to defer selection and address reason to defer selection of that Team member to later date.

To meet these criteria, proposal must include the following:

- a) Owner: The identity of the owner and other project principals and the names of officers and principal members, shareholders, investors, and other parties having a substantial interest. If it is anticipated that additional Team members will be involved in the completion and/or operation of the project, the role(s) that remains unfilled must be specified. Information concerning any participant who is not known at the time of the owner's submission must be provided to PHA as soon as the participant is known, and will be subject to PHA's approval.
- b) Team Structure: A statement of the composition of the project Team, including, as applicable, the development entity, architect, attorney, property management entity, and supportive services provider. The statement must set out the anticipated relationship(s) among the Team members and assignment of responsibilities as it pertains to project schedule and operations.
- c) Profile of Principals and Staff: Provide short profiles (no more than two paragraphs) for each of the principals and key staff, including the project manager, to be involved in the project. This information should specify their roles and their previous experience with affordable housing development efforts. In addition, provide resumes for each of the principals and key staff members.

8. Prior Affordable Housing Experience

Provide detailed descriptions of up to three (3) recent affordable housing projects completed within the last five (5) years. Where relevant, indicate if public housing units, Section 8 units or low-income housing tax credit units were part of the project.

9. Property Management Plan

Applicant must provide the name of the firm or entity that will manage the project. Describe the experience of the proposed property management entity, including a list of all properties under management now or in the last five (5) years. Include name, owner, location, type of site, type of construction, income and subsidy mix, and the number and size of units.

Describe in detail the management structure and plan for the project, including:

- a) Staff: State the number of staff and amount of staff time to be devoted to the project, and the location (on or off-site) and availability of staff.
- b) Tenant Screening Methodology

- c) **Operation Methodologies:** For handling resident orientation, security, emergency, short-term and long-term maintenance, tenant grievances, and eviction proceedings.

10. Supportive Services Plan

Describe all supportive and other services to be provided to residents, including the entity or persons who will be providing such services, the scope of services, length of time they will be provided and amount of time to be devoted by each of the service providers to the project.

Describe the experience of the proposed service provider(s), if applicable, including a list of all similar services provided within the past three (3) years. Include the location and type of site to which the services were provided, the number of people served, the name of the organization to which the services were provided, the time period during which each service was provided and, if the services have been terminated, explain the reasons for the termination.

11. Budgets

Complete the budget forms listed below, which identify anticipated development and other costs for the project:

- a) The Development Pro Forma (Exhibit A), which identifies the total development cost and the sources and uses of funds.
- b) The Operating Budget (part of Exhibit A), to provide operating costs and cash flow over a 15 year period.
- c) Tax Credit Summary (Exhibit A), to provide details on the amount of tax credits being requested from PHFA, the equity raise (as cents on the dollar), and the amount of funds being requested (if any) from PHFA.

Provide supporting evidence of all funding commitments received, and a list of pending applications with dates of submission and expected awards.

12. Readiness and Project Schedule

Address the following:

- a) Evidence of Site Control: Describe the current status of the ownership and/or control of the site.
- b) Evidence of Zoning: Describe whether the existing units or the proposed new construction units are permitted by current zoning ordinances or regulations or evidence to indicate that the needed rezoning is likely and will not delay the project.

- c) Project Schedule. Proposals are required to include the most recent development and construction schedule to include all Pre-development phases and financial closings.
- d) Relocation Issues: If applicable, provide a statement identifying:
 - i. The number of persons (families, individuals, businesses and nonprofit organizations) occupying the property on the date of the submission of the Proposal;
 - ii. The number of persons to be displaced, temporarily relocated or moved permanently within the building or complex, if applicable;
 - iii. The estimated cost of relocation payments and services, and the sources of funding;
 - iv. The organization(s) that will carry out the relocation activities; and
 - v. Evidence that all residents and other occupants voluntarily have agreed to vacate the premises or are eligible, and desire, to remain in the units.

13. Occupancy and Affordability

PHA is committed to increasing the number of available, affordable rental units for extremely low and low-income families. Applicants are required to include a rent schedule that identifies the AMI allowed for each unit. Rents must be established in accordance with the budget and reasonable operating costs for the project. Tenant rents will be set at 30% of monthly adjusted household income.

Schedule must include:

- a) Size and type of unit (i.e. efficiency, number of bedrooms, visitable, etc....)
- b) Utilities, services, and equipment included and excluded from rent. (*For utilities that are not included in the rent, include an estimate of the average monthly cost for each unit type for the first year of occupancy.*)
- c) State the amount of operating assistance requested for each size and type of unit.

14. Community Support

The proposal must provide documentation to evidence that during the planning process, the applicant has or will:

- a) Consult(ed) with appropriate political leaders, resident organizations and representative community groups in the vicinity of or representing the area of the subject property;
- b) Advise(d) current residents and public housing residents in the vicinity of the property, by letter to resident organizations of the applicant's plan to enter in a Mixed Finance Transaction with PHA for the project. Radius is set by current Philadelphia City Planning Commission Standards for Registered Community Organizations (RCOs) of every property on the same block as the applicant's property; every property on the blockface across the street from any frontage of the applicant's property; and every property or any portion of which is within 200 ft. of the applicant's property. [*Reference City of Philadelphia Bill NO. 130657 as amended*]
- c) Submit a signed certification to PHA that the comments from residents, public housing residents and representative community groups have been considered in the revitalization plans for the property.

If this has not been conducted prior to the submission of the Proposal, describe the process for obtaining such support, including notices, publications, and meetings.

The failure by the Applicant to obtain community support as set forth above may result in the withdrawal of any Letter of Commitment issued by PHA.

15. Diversity

- a) Minority and Women Business Enterprises: Describe the plan for participation of M/WBEs on the project Team and/or the development of the project.
- b) Section 3: Describe the plan for Section 3 programs for the project. Describe experience with Section 3 recruitment, training and employment of residents in the development and management of housing properties.

D.2. Proposal Evaluation

See attached evaluation form.

D.3. Conditions of Approval

- a) Preliminary Requirements
Prior to seeking PHA Board Approval, PHA will require a confirmation of all funding sources, review of the pro forma for the project and other due diligence as PHA may require.

b) PHA Board of Commissioner Approval

The PHA Board of Commissioners must approve the transaction in order to seek necessary approvals and commence negotiation of the Mixed Finance Transaction documents.

c) Subject to Appropriations

Although PHA may enter into a Mixed Finance Transaction, the continued funding of Operating Subsidies is contingent upon annual appropriations by the United States Congress.

Evaluation Criteria

The following evaluation criteria will be used in determining a competitive range for the proposals. Each Proposal has a possible score of 100 points. Interviews may be used, at the sole discretion of PHA. If PHA elects to conduct interviews, PHA will have the right to re-score proposals, at PHA's sole discretion, to reflect any modifications PHA determines to be appropriate based on the interview process.

All or part of the PHA review process may be conducted jointly with the City of Philadelphia through its Office of Housing and Community Development (OHCD) for its RFP for the Affordable Rental Housing Development.

| | Criteria | Points |
|----------|---|---------------|
| 1 | Experience in Developing Affordable Housing | 25 |
| 2 | Experience Managing Public and/or Affordable Housing | 25 |
| 3 | Number of Public Housing Units * | 30 |
| 4 | Quality of Site Plan, Unit Layout and Building Design | 10 |
| 5 | Supportive Services for Residents | 10 |
| | Total Available | 100 |

* The greater the number of units in one development, the greater the benefit to PHA

Environmental Review

Applicants applying to PHA for a federally funded subsidy or commitment of other federal funds (e.g. Unit Based Subsidy, Project (Unit) Based Voucher, and Capital Funds) are required to obtain environmental clearance prior to a final commitment from PHA. Presently, the United States Department of Housing and Urban Development (“HUD) conducts the environmental review process that is needed to obtain environmental clearance for PHA projects. The environmental review process, commonly referred to as NEPA (or the National Environmental Policy Act), is set forth in 24 CFR Part 50.

The level of environmental review needed to obtain an environmental clearance is determined by the scope and nature of proposed activities. It is important for applicants to understand that the environmental review processes covers numerous and varied considerations and can take a significant amount of time and effort to complete. Starting the process EARLY is a necessity.

DETERMINING THE LEVEL OF ENVIRONMENTAL REVIEW

24 CFR Part 50 details the regulatory process for the required environmental review. Except for certain exceptions, every commitment of PHA funds to a project requires some level of environmental review consideration. The extent of the environmental review depends on the activity.

There are four levels of environmental review:

1. Categorically Excluded, Not Subject To 50.4 (CENST) (24 CFR Part 50.19)
2. Categorically Excluded, Subject To 50.4 (CEST) (24 CFR Part 50.20)
3. Environmental Assessment (EA) (24 CFR Subpart E)
4. Environmental Impact Statement (EIS) (24 CFR Subpart F)

CENST (24 CFR 50.19)

CENST activities typically do not alter physical conditions to an extent that necessitates an environmental review. If the activity is one of the identified activities listed in this section, then no environmental review is required. Funds from any source may be used for CENST activities after the determination is made that it is one of the activities in this section.

- Projects receiving operating subsidy, project based voucher assistance or capital funds are not considered CENST activities.

CEST (24 CFR 50.20)

If an activity is not determined CENST, the Responsible Entity (“RE”) (i.e. the HUD Field Office) must determine if it is Categorically Excluded. Categorically Excluded activities are those that are excluded from NEPA requirements, but may be subject to review under other Federal laws and authorities listed in 24 CFR 50.4. For CEST activities, completion of HUD Form 4128 Part A may be required; completion of Part B is not required.

- Applications for new construction and some projects involving major rehabilitation are not CENST or CEST and will require a full Environmental Assessment (24 CFR Subpart E).
- Applications for project based voucher and operating subsidy for existing housing are covered by 24 CFR 50.20(a)(4) and may be excluded from review under other Federal laws and authorities, if approved by the HUD Field Office.

Environmental Assessment (“EA”) (24 CFR Subpart E)

If a project is not CENST or CEST, the completion of an *Environmental Assessment* is required. The purpose of the EA is to determine the significance of environmental effects and, if necessary, require modifications in order to reduce the environmental impact. If significant impacts are anticipated with no reasonable means of mitigation apparent, the RE may reject the project or complete an Environmental Impact Statement (EIS).

Use of Prior Environmental Assessment (24 CFR 50.35)

An activity may be approved based on a prior environmental assessment review conducted for the project by another state or local authority.

Statutory Checklist Laws and Related Authorities

HUD has established an environmental form called the HUD-4128 “Environmental Assessment and Compliance Finding for Related Laws” that documents compliance with NEPA, and other environmental Federal laws, authorities, Executive Orders, and HUD standards.

All applicants should review this form and be prepared to submit the documentation required by the level of review for the activity.

Certain of the other Federal laws and authorities may be especially time consuming and applicants must anticipate this process for the timing of the project. Historic Preservation review can be especially time-consuming for certain projects. A summary of the process is detailed below:

Historic Properties (16 USC 470 Section 106)

1. HUD must follow the procedures implementing the National Historic Preservation Act (16 U.S.C. 470 et seq.) with regulations found at 36 CFR Part 800. All applications for new construction and some projects involving rehabilitation are considered “federal undertakings” which require HUD to make a determination of no effect, no adverse effect, or adverse effect upon historic properties. An historic property means any prehistoric or historic district, site, building, structure, or object included in, or eligible for inclusion in, the National Register of Historic Places maintained by the Secretary of the Interior. HUD must consider the area of potential effect, regardless of whether the property is on vacant land, is a rehabilitation of an older property, or is located in an historic district.

2. HUD will notify the State Historic Preservation Officer (SHPO) on the proposed activity. The SHPO is allowed 30 days (from the receipt of sufficient information from HUD) to reply to requests for consultation. If there is no reply within that time, and if there is no reason to believe that historic properties will be affected, HUD may make a determination of no effect, and the environment clearance may be issued. When a project affects an historic property or historic district, the result of the consultation may be design change, research and preservation, salvage, or in rare cases, rejection of the application. Consultation for these procedures may take considerable time before a commitment can be issued.

Certification Required – 24 CFR 50.3(h)

All applicants must certify to PHA that they will not acquire, rehabilitate, convert, lease, repair or construct property, nor commit or expend federal or local funds for these program activities with respect to any eligible property, until environmental review approval of the project is received.

Conclusion

This document provides an overview of the environmental review process. It is not meant as a comprehensive or exhaustive analysis of NEPA and other related statutes or regulations.

Applicants should be aware that there is no waiver available to preclude a project from environmental review; this process is required for all applications requesting federal money.

I. CERTIFICATIONS AND REPRESENTATIONS OF OFFERORS
RFQ Number P-004440
Unit-Based Operating Subsidy Program

1. Offeror's Certification Of Eligibility

- (a) By the submission of this proposal, the offeror certifies that to the best of its knowledge and belief:
- (i) Neither the offeror, nor any person or firm which has an interest in the proposal or the offeror's firm, is ineligible to be awarded contracts by any agency of the United States Government, HUD, or the State in which this Contract is to be performed;
 - (ii) Neither the offeror, nor any person or firm which has an interest in the proposal or the offeror's firm, is ineligible to participate in HUD programs pursuant to 24 CFR Part 24;
 - (iii) Neither the offeror, nor any person or firm which has an interest in the proposal or the offeror's firm, has been suspended, debarred or otherwise restricted by any Department or Agency of the Federal Government or of any State Government or of the City of Philadelphia or the Philadelphia Housing Authority from doing business with such Department or Agency for the period beginning 5 years prior to the date of this certification;
 - (iv) Neither the offeror, nor any person or firm which has an interest in the proposal or the offeror's firm, has experienced default or noncompliance under any contract for the U.S. Department of Housing and Urban Development, or any other governmental agency with which it has contracts for the period beginning 10 years prior to the date of this certification;
 - (v) Neither the offeror, nor any person or firm which has an interest in the proposal or the offeror's firm, has unresolved findings raised as a result of HUD audits, management reviews or any other Governmental investigations concerning the offeror or any person or firm which has an interest in the offeror's firm under any of the offeror's contracts;
 - (vi) There has not been a suspension or termination of payments under any HUD contract in which the offeror has a legal or beneficial interest attributable to the offeror's fault or negligence;
 - (vii) Neither the offeror, nor any person or firm which has an interest in the proposal or the offeror's firm, has defaulted on an

obligation covered by a bond and have not been the subject of a claim under any fidelity bond.

- (viii) Neither the offeror, nor any person or firm which has an interest in the proposal or the offeror's firm, has been found by HUD or the Commonwealth of Pennsylvania to be in noncompliance with any applicable civil rights laws.
 - (ix) Neither the offeror, nor any person or firm which has an interest in the proposal or the offeror's firm, is a Member of Congress or a Resident Commissioner or otherwise prohibited or limited by law from contracting with the Philadelphia Housing Authority.
 - (x) Neither the offeror, nor any person or firm which has an interest in the proposal or the offeror's firm is an officer or employee or commissioner of the Philadelphia Housing Authority who is prohibited or limited by law from contracting with the PHA.
 - (xi) Neither the offeror, nor any person or firm which has an interest in the proposal or the offeror's firm, has been convicted of a felony and are not presently the subject of a complaint or indictment charging a felony. (A felony is any offense punishable by imprisonment for more than one year, but does not include any offense classified as a misdemeanor under the laws of a State and punishable by imprisonment of two years or less.)
- (b) Statements above to which the offeror cannot certify (if any) have been deleted by striking through the words with a pen. The offeror has initialed each deletion (if any) and has attached a true and accurate signed statement (if applicable) to explain the facts and circumstances which qualify the offeror as a responsible offeror for participation in this project.
 - (c) The certification in paragraph (a) above is a material representation of fact upon which reliance was placed when making the award. If it is later determined that the offeror knowingly rendered an erroneous certification, the Contract may be terminated for default, and the offeror may be debarred or suspended from participation in HUD and PHA programs and other Federal contract programs.

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

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

- (a) [] is, [] is not a small business concern. "Small business concern," as used in this provision, means a concern, including its affiliates, that is independently owned and operated, not dominant in the field of operation in

which it is bidding, and qualified as a small business under the criteria and size standards in 13 CFR 121.

- (b) is, is not a women-owned small business concern. "Women-owned," as used in this provision, means a small business that is at least 51 percent owned by a woman or women who are U.S. citizens and who also control and operate the business.

Certifying Agency & Certification Number (if applicable):

- (c) is, is not a minority enterprise which, pursuant to Executive Order 11625, is defined as a business which is at least 51 percent owned by one or more minority group members or, in the case of a publicly owned business, at least 51 percent of its voting stock is owned by one or more minority group members, and whose management and daily operations are controlled by one or more such individuals.

- (i) For the purpose of this definition, minority group members are:
(check the block applicable to you)

Black Americans Asian Pacific Americans
 Hispanic Americans Asian Indian Americans
 Native Americans Hasidic Jewish Americans

- (ii) Certifying Agency & Certification Number (if applicable):
-

3. Conflict of Interest

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

4. Contingent Fee Representation and Agreement

- (a) The offeror represents and certifies as part of its offer that, except for full-time bona fide employees working solely for the offeror, the offeror:
- (i) has, has not employed or retained any person or company to solicit or obtain this Contract; and
- (ii) has, has not paid or agreed to pay to any person or company employed or retained to solicit or obtain this Contract any commission, percentage, brokerage, or other fee contingent upon or resulting from the award of this Contract.

- (b) If the answer to either (a)(1) or (a) (2) above is affirmative, the offeror shall make an immediate and full written disclosure to the PHA Contracting Officer.
- (c) Any misrepresentation by the offeror shall give the PHA the right to (1) terminate the resultant contract; (2) at its discretion, to deduct from Contract payments the amount of any commission, percentage, brokerage, or other contingent fee; or (3) take other remedy pursuant to the Contract.

5. Certificate of Independent Price Determination

- (a) The offeror certifies that –
 - (i) The prices in this offer have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other offeror or competitor relating to (i) those prices, (ii) the intention to submit a offer, or (iii) the methods or factors used to calculate the prices offered;
 - (ii) The prices in this offer have not been and will not be knowingly disclosed by the offeror, directly or indirectly, to any other offeror or competitor before bid opening (in the case of a sealed bid solicitation) or contract award (in the case of a negotiated solicitation) unless otherwise required by law; and
 - (iii) No attempt has been made or will be made by the offeror to induce any other concern to submit or not to submit an offer for the purpose of restricting competition.
- (b) Each signature on the offer is considered to be a certification by the signatory that the signatory:
 - (i) Is the person in the offeror’s organization responsible for determining the prices being offered in this bid or proposal, and that the signatory has not participated and will not participate in any action contrary to subparagraphs (a)(i) through (a)(iii) above; or
 - (ii)
 - (1) Has been authorized, in writing, to act as agent for the following principals in certifying that those principals have not participated, and will not participate in any action contrary to subparagraphs (a)(i) through (a)(iii) above (insert full name of person(s) in the offeror’s organization responsible for determining the prices offered in this bid or proposal, and the title of his or her position in the offeror’s organization):

- (2) As an authorized agent, does certify that the principals named in subdivision (b)(2)(i) above have not participated, and will not participate, in any action contrary to subparagraphs (a)(i) through (a)(iii) above; and
 - (3) As an agent, has not personally participated, and will not participate in any action contrary to subparagraphs (a)(i) through (a)(iii) above.
- (c) If the offeror deletes or modifies subparagraph (a)2 above, the bidder/offeror must furnish with its offer a signed statement setting forth in detail the circumstances of the disclosure.
 - (d) The offeror further certifies that he/she has not been convicted or found liable for any act prohibited by state or federal law involving conspiracy or collusion with respect to proposing or bidding on any public contract within the last three years. Such act or conviction does not automatically disqualify an offeror, but may be grounds for administrative suspension or grounds for consideration by PHA as to whether PHA should decline to award a contract to such an offeror on the basis of a lack of responsibility. If offeror has been convicted of any act prohibited by State or Federal law involving collusion with respect to proposing or bidding on any public contract within the past three years, offeror should attach an explanation of the circumstances surrounding that conviction.
 - (e) [check if following paragraph is applicable]

Non-collusive affidavit. (applicable to contracts for construction and equipment exceeding \$50,000)

- (i) Each bidder shall execute, in the form provided by the PHA/IHA, an affidavit to the effect that he/she has not colluded with any other person, firm or corporation in regard to any bid submitted in response to this solicitation. If the successful bidder did not submit the affidavit with his/her bid, he/she must submit it within three (3) working days of bid opening. Failure to submit the affidavit by that date may render the bid nonresponsive. No contract award will be made without a properly executed affidavit.

- (ii) A fully executed "Non-collusive Affidavit" [] is, [] is not included with the bid. (See page I-12 for Affidavit form).

6. Certification And Disclosure Regarding Payments To Influence Certain Federal Transactions (applicable to contracts exceeding \$100,000)

- (a) The definitions and prohibitions contained in Section 1352 of title 31, United States Code, are hereby incorporated by reference in paragraph (b) of this certification.
- (b) The offeror, by signing its proposal, hereby certifies to the best of his or her knowledge and belief as of _____, 20___, that:
 - (i) No Federal appropriated funds have been paid or will be paid to 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 on his or her behalf in connection with the awarding of a contract resulting from this solicitation;
 - (ii) If any funds other than Federal appropriated funds (including profit or fee received under a covered Federal transaction) have been paid, or will be paid, to 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 on his or her behalf in connection with this solicitation, the proposer shall complete and submit, with its proposal, OMB standard form LLL, "Disclosure of Lobbying Activities;" and
 - (iii) He or she will include the language of this certification in all subcontracts at any tier and require that all recipients of subcontract awards in excess of \$100,000 shall certify and disclose accordingly.
 - (iv) Submission of this certification and disclosure is a prerequisite for making or entering into this Contract imposed by section 1352, title 31, United States Code. Any person who makes an expenditure prohibited under this provision or who fails to file or amend the disclosure form to be filed or amended by this provision, shall be subject to a civil penalty of not less than \$10,000, and not more than \$100,000, for each such failure.

7. Certification Of Nonsegregated Facilities (applicable to contracts exceeding \$10,000)

- (a) The offeror's attention is called to the clause entitled "Equal Employment Opportunity" of Section I of the Terms and Conditions of the Contract.

- (b) “Segregated facilities,” as used in this provision, means any waiting rooms, work areas, rest rooms and wash rooms, restaurants and other eating areas, time clocks, locker rooms and other storage or dressing areas, parking lots, drinking fountains, recreation or entertainment areas, transportation, and housing facilities provided for employees, that are segregated by explicit directive or are in fact segregated on the basis of race, color, religion, or national origin because of habit, local custom, or otherwise.
- (c) By the submission of this proposal, the offeror certifies that it does not and will not maintain or provide for its employees any segregated facilities at any of its establishments, and that it does not and will not permit its employees to perform their services at any location under its control where segregated facilities are maintained. The offeror agrees that a breach of this certification is a violation of the Equal Employment Opportunity clause in the Contract.
- (d) The offeror further agrees that (except where it has obtained identical certifications from proposed subcontractors for specific time periods) prior to entering into subcontracts which exceed \$10,000 and are not exempt from the requirements of the Equal Employment Opportunity clause, it will-
 - (i) Obtain identical certifications from the proposed subcontractors;
 - (ii) Retain the certifications in its files; and
 - (iii) Forward the following notice to the proposed subcontractors (except if the proposed subcontractors have submitted identical certifications for specific time periods):

**NOTICE TO PROSPECTIVE SUBCONTRACTORS OF
REQUIREMENT FOR CERTIFICATIONS OF NONSEGREGATED
FACILITIES.**

A Certification of Non-segregated Facilities must be submitted before the award of a subcontract exceeding \$10,000 which is not exempt from the provisions of the Equal Employment Opportunity clause of the prime contract. The certification may be submitted either for each subcontract or for all subcontracts during a period (i.e., quarterly, semiannually, or annually).

NOTE: The penalty for making false statements in bids is prescribed in 18 U.S.C. 1001.

8. Clean Air And Water Certification (applicable to contracts exceeding \$100,000)

The offeror certifies that (check the block applicable):

- (a) Any facility to be used in the performance of this Contract [] is [] is not listed on the Environmental Protection Agency List of Violating Facilities:
- (b) The offeror will immediately notify the PHA Contracting Officer, before award, of the receipt of any communication from the Administrator, or a designee, of the Environmental Protection Agency, indicating that any facility that the offeror proposes to use for the performance of the Contract is under consideration to be listed on the EPA List of Violating Facilities; and,
- (c) The offeror will include a certification substantially the same as this certification, including this paragraph (c), in every nonexempt subcontract.

9. Drug-Free Workplace Certification

By submission of its offer, the offeror, if other than an individual, who is making an offer that equals or exceeds \$10,000, certifies and agrees, that with respect to all employees of the offeror to be employed under a contract resulting from this solicitation, other than a contract for the procurement of commercial items, it will - no later than 30 calendar days after contract award (unless a longer period is agreed to in writing), for contracts of 30 calendar days or more performance duration; or as soon as possible for contracts of less than 30 calendar days performance duration, but in any case, by a date prior to when performance is expected to be completed -

- (a) Publish a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the Contractor's workplace and specifying the actions that will be taken against employees for violations of such prohibition;
- (b) Establish an ongoing drug-free awareness program to inform such employees about:
 - (i) The dangers of drug abuse in the workplace;
 - (ii) The Contractor's policy of maintaining a drug-free workplace;
 - (iii) Any available drug counseling, rehabilitation, and employee assistance programs; and
 - (iv) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
- (c) Provide all employees engaged in the performance of the Contract with a copy of the statement required by subparagraph (a) of this provision;
- (d) Notify such employees in writing in the statement required by subparagraph (a) of this provision that, as a condition of continued employment on the Contract resulting from this solicitation, the employee will:

- (i) Abide by the terms of the statement; and
- (ii) Notify the employer in writing of the employee's conviction under a criminal drug statute for a violation occurring in the workplace no later than five (5) calendar days after such conviction;
- (iii) Notify the Contracting Officer in writing within ten (10) calendar days after receiving notice under Subdivision (d)(2) of this provision, from an employee or otherwise receiving actual notice of such conviction. The notice shall include the position title of the employee; and
- (iv) Within thirty (30) calendar days after receiving notice under subdivision (d)(2) of this provision of a conviction, take one of the following actions with respect to any employee who is convicted of a drug abuse violation occurring in the workplace:
 - (1) Take appropriate personnel action against such employee, up to and including termination; or
 - (2) Require such employee to satisfactorily participate in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State or local health, law enforcement, or other appropriate agency.
- (e) Make a good faith effort to maintain a drug-free workplace through implementation of subparagraphs (a) through (d) of this provision.
- (f) By submission of its offer, the offeror, if an individual who is making an offer of any dollar value, certifies and agrees that the offeror will not engage in the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance in the performance of the contract resulting from this solicitation.
- (g) In addition to other remedies available to the PHA, the certifications required by this provision concern a matter within the jurisdiction of an agency of the United States and the making of a false, fictitious, or fraudulent certification may render the maker subject to prosecution under title 18, United States Code, section 1001.

10. PHA Fraud Policy

The offeror certifies that he/she has read the following PHA Fraud Policy, will adhere to it, and is aware of the penalties for failure to comply:

- (a) For purposes of this policy, and in concurrence with the PHA Office of Inspector General's (OIG) mandate, "fraud" includes: fraudulent activity by any person employed by or contracting with the PHA; bribery and official

corruption; theft of PHA funds, property or benefits; and serious breaches of integrity. Some examples of activities covered include: extortion/extortion attempts by PHA employees or officials; acceptance or solicitation of bribes; submission of fraudulent documents; employee collusion with contractors or vendors; material misstatements of facts in contracts or documents, relating to services performed or materials provided; bid rigging; and disclosure of confidential information.

(b) Covered Parties

- (i) All PHA employees and officials.
- (ii) All contractors, subcontractors, vendors and consultants doing business with the PHA -

NOTE: Contractors are responsible for compliance with this Fraud Policy by their subcontractors.

- (iii) All owners of housing who receive subsidies from PHA.
- (iv) Any other individual or entity doing business with or seeking to do business with the PHA.

(c) Responsibilities

- (i) All “covered” parties” must report any type of fraud when they become aware of such activity, and they must cooperate fully with the OIG in any ensuing investigation.
- (ii) “Fraud” must be reported to a representative of the PHA’s OIG, 1101 Market Street, Suite 1320, Philadelphia, PA 19107, (215) 684-8300.
- (iii) Management officials will support the Fraud Policy and ensure compliance with this policy by persons they supervise, and/or individuals and business entities that they deal with.

(d) Penalties For Failure To Report Fraud

Penalties for failure to timely report fraud can include: loss of contract and/or debarment from future contracts by contractors, subcontractors, vendors, and any other individual or entity doing business with the PHA; and other action deemed appropriate by PHA officials.

(e) Confidentiality

All information reported to the OIG is confidential, and the identity of those reporting information to the OIG will be protected.

(f) Whistle Blower Protection

- (i) Anyone who provides information to the OIG may not be discharged, demoted or otherwise subject to any adverse action as a result of reporting wrongdoing. Any person who retaliates against someone for reporting wrongdoing may be subject to civil liabilities and penalties.
- (ii) PHA Management supports the position that “whistle blowers” will be protected and commended for their honesty and dedication to the PHA.

(g) Authorized Negotiators

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

11. Offeror’s Signature

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the information contained in the foregoing certifications and representations is true and correct.

Signature & Date

Typed or Printed Name

Title

NON-COLLUSIVE AFFIDAVIT
(required if Certification & Representation Clause 5(e) is selected)

State of _____

County of _____

_____, being first sworn, deposes and

says: That he/she is _____ (president, sole owner, partner,

etc.) of _____ (firm name) the party making the forgoing proposal or bid, that such proposal or bid is genuine and not collusive or sham; that no one conspired, connived or agreed, directly or indirectly, with any bidder or person, to put in a sham bid or to refrain from bidding, and has not in any manner, directly or indirectly sought by agreement or collusion, or communication or conference, with any person, to fix the bid price of the affiant or of any other bidder, or to fix any overhead, profit or cost element of said bid price, to secure any advantage against the Philadelphia Housing Authority or any person interested in the proposed contract: and that all statements in said proposal or bid are true.

By _____

Title _____
(Affix Corporate Seal if required)

Subscribed and sworn to before me
this _____ day of _____, 20__.

My commission expires _____

(Notary Seal Required)



October 7, 2014

TO: ALL POTENTIAL OFFERORS

RE: ADDENDUM NO. 1 for Solicitation P-004440, "Unit-Based Operating Subsidy Program"

Dear Sir/Madam:

Attached is Addendum No. 1 dated October 7, 2014 in regard to the above referenced solicitation. This addendum shall be attached to the noted solicitation and take precedence over the same.

All offerors must acknowledge receipt of this addendum on page H-3 of their solicitation packages.

If you should have any questions, please contact William Cook at (215) 684-4223.

Sincerely,
Philadelphia Housing Authority

William Cook
Senior Sourcing Manager - Procurement

Attachment: Addendum No. 1

cc: File P-004440



THE PHILADELPHIA HOUSING AUTHORITY
3100 Penrose Ferry Road, Philadelphia, PA 19145
ADDENDUM NO. 1
Dated October 7, 2014 for
Solicitation No. P-004440
“Unit-Based Operating Subsidy Program”

This addendum shall be attached to the noted solicitation and shall take precedence over the same and previous addenda. Any items not mentioned herein nor affected hereby shall be performed strictly in accordance with the original specifications, drawings, and previous addenda thereto.

ITEM 1: Sections: A, B, D, E, F H, J and K have been omitted from this solicitation.

ITEM 2:

The initial award that will be provided under this RFP is a Letter of Commitment to enter into negotiations for a Mixed Finance Transaction to provide public housing operating subsidy to all or a portion of the units in the proposed development. A Mixed Finance Transaction consists of the negotiation and execution of a Regulatory and Operating Agreement and other documents as required by PHA and/or HUD, and is subject to HUD approval. The Letter of Commitment is further subject to the development receiving an award of four or nine percent tax credits from the Pennsylvania Housing Finance Agency, further due diligence by PHA and approval by the Board of Commissioners.

End of Addendum