



**Hawaii Public Housing Authority  
State of Hawaii**

**RFP PMB-2011-01**

**Request for Proposals to Issue Section 8 Project Based Housing  
Choice Vouchers to a Qualified Firm or Organization in Honolulu,  
Hawaii**

*Note: If this Request for Proposals (RFP) was downloaded from the Hawaii Public Housing Authority's website, each interested offeror must provide the necessary contact information to the listed RFP Coordinator to be notified of any changes. For your convenience, you may download the RFP Sign-In, complete and email, fax or mail to the RFP Coordinator. The HPHA shall not be responsible for any missing addenda, clarifications, attachments or other information regarding this RFP if a proposal is submitted from an incomplete RFP.*

Issued January 3, 2011



## **Notice to Offerors**

(Chapter 103D, Hawaii Revised Statutes)

### REQUEST FOR PROPOSALS (RFP) NO. RFP PMB-2011-01

Notice is hereby given that pursuant to Chapter 103D, Hawaii Revised Statutes (“HRS”), the Hawaii Public Housing Authority (“HPHA”), will be accepting sealed proposals from qualified firms and/or individuals for the Section 8 Project Based Voucher Program.

The Request for Proposals may be picked up at the HPHA’s Contract and Procurement Office on Oahu located at 1002 North School Street, Building D, Honolulu, Hawaii 96817 beginning on January 3, 2011.

The HPHA will conduct a Pre-Proposal Conference from 9:00 a.m. to 10:00 a.m. Hawaii Standard Time (HST) at the HPHA Building E Conference Room, 1002 North School Street, Honolulu, HI 96817 on Monday, January 10, 2011. The HPHA strongly recommends that all interested offerors attend in person or via teleconference. For teleconference information, please email the HPHA’s Contract and Procurement Office at [rick.t.sogawa@hawaii.gov](mailto:rick.t.sogawa@hawaii.gov).

Sealed proposals will be received at the HPHA’s Central Files Office at 1002 N. School Street, Bldg D, Honolulu, Hawaii 96817 until 12:00 p.m. HST on Thursday, February 3, 2011. Electronic mail and facsimile transmissions **shall not** be accepted. The official time shall be recorded on the time stamp clock of the HPHA for hand-delivered proposals. Deliveries by private mail services, such as Federal Express, shall be considered hand deliveries. All mail-in proposals delivered/postmarked by the United States Postal Service **must be received no later than 12:00 p.m. Hawaii Standard Time (HST) on Thursday, February 3, 2011.**

The HPHA reserves the right to reject any or all proposals and to accept the proposals in whole or part in the best interest of the State. Questions relating to this solicitation shall be directed to Mr. Rick Sogawa at (808) 832-6038.

HAWAII PUBLIC HOUSING AUTHORITY

Denise M. Wise  
Executive Director



## **EXECUTIVE SUMMARY**

The Hawaii Public Housing Authority (HPHA) is requesting proposals from property owners and prospective owners for the Project-Based Housing Choice Voucher Program. Qualified projects may be awarded 1 to 15-year contracts renewable for up to 15 years to receive Section 8 project based subsidy for up to 30% of the units in a family development. Benefits to the property owner include increased and stabilized income and occupancy for the contract period.

The Project-Based Voucher Program was enacted in 1998 as part of the Quality Housing and Work Responsibility Act (QHWRA), with substantial revisions under the FY 2001 Appropriations Act. Based on a proposed rule and public comment, HUD published the Final Rule on November 14, 2005 (24 CFR 983). The Program allows up to 20 percent of the current HPHA Housing Choice Voucher allocation to be applied to a 1 to 15- year renewable contract with property owners for project-based assistance. The actual number of units to be awarded will be determined after responses are reviewed and evaluated with consideration of the HPHA HCV budget.

The following Request for Proposals details the goals, eligibility requirements, proposal submission contents and instructions, and reporting requirements for program participation.

Questions regarding the Request for Proposals should be addressed in writing to Rick Sogawa, by no later than Friday, January 14, 2011. **Proposals are due at 12 noon on February 3, 2011.**

# REQUEST FOR PROPOSALS FOR PROJECT-BASED HOUSING CHOICE VOUCHER PROGRAM

## Introduction Administrative Overview

### I. Authority

The Hawaii State Legislature established the Hawaii Public Housing Authority (hereinafter “HPHA”) under Chapter 356D, Hawaii Revised Statutes. The HPHA consolidates all low income housing and section 8 functions and is administratively attached to the Department of Human Services. The HPHA is a public body and a body corporate and politic. The HPHA’s role is to address the housing needs of low income individuals and families in Hawaii.

The HPHA is requesting proposals from qualified firms and/or individuals through this announcement for up to 150 Project-based Vouchers from owners for its Project-Based Section 8 Voucher Program. HPHA seeks to partner with an owner/developer to preserve the supply of affordable housing on the island of Oahu.

A determination has been made that the HPHA is unable to secure services through a low bid process. Factors include in the determination were 1) price is not the primary consideration in determining an award; 2) the specifications for the services cannot be sufficiently described through a low bid process; 3) oral or written discussions may need to be conducted with interested offerors concerning their proposals; 4) interested offerors may need to revise their proposals; and 5) the award needs to be based on an evaluation of all criteria in order to determine the most advantageous offering to the State. To that end, a low bid process is not practicable for the HPHA to secure a qualified firm and/or individual to participate in the HPHA’s project-based voucher program.

This Request For Proposals (hereinafter “RFP”) is issued under the provisions of Chapter 103D, Hawaii Revised Statutes, the related administrative rules, and the United States Department of Housing and Urban Development’s (hereinafter “HUD”) regulations. Interested offerors are charged with presumptive knowledge of all requirements of the cited authorities. Submission of a valid executed proposal by any interested offeror shall constitute admission of such knowledge on the part of such interested offeror.

### II. Contracting Office

The Contracting Office is responsible for overseeing the procurement and the Contract resulting from this RFP. The Contracting Office is:

Hawaii Public Housing Authority

Contract and Procurement Office  
1002 North School Street, Bldg. D  
Honolulu, Hawaii 96817

Telephone: (808) 832-6038

For the purpose of this solicitation, the RFP Coordinator or his/her designated representative is listed below:

Mr. Rick Sogawa  
Hawaii Public Housing Authority  
Contract and Procurement Office  
1002 North School Street, Bldg. D  
Honolulu, Hawaii 96817

Telephone: (808) 832-6038

Fax: (808) 832-6039

The HPHA reserves the right to change the RFP Coordinator without prior written notice.

For the purpose of this solicitation, the Contract Administrator or his/her designated representative is responsible for monitoring the activities performed under the Contract and is listed as follows:

Ms. Barbara E. Arashiro  
Hawaii Public Housing Authority  
Office of the Executive Director  
1002 North School Street, Bldg. E  
Honolulu, Hawaii 96817

Telephone: (808) 832-4696

Any changes to the Contract Administrator or his/her designated representative shall be provided in writing to the Successful Offeror. The HPHA reserves the right to make changes to the Contract Administrator. Once a Contract has been executed, all communications regarding approvals, reports, and requests will be directed to the Contract Administrator. No change to the contract shall be valid without a supplemental contract fully executed by the HPHA.

### **III. Procurement Timeline**

<u>Activity</u>	<u>Scheduled Dates</u>
Public notice announcing RFP	January 3, 2011
Distribution of proposal form	January 3, 2011
Pre-Proposal Conference	January 10, 2011
Written inquiries due to HPHA	January 14, 2011
State response to written inquires	January 21, 2011
Proposal submittal deadline	February 3, 2011
Proposal review	February 3-February 7, 2011

Notice of award	February 7, 2011
Contract execution	February 24, 2011
Start of contract	February 24, 2011

The HPHA reserves the right to amend or revise the timetable without prior written notice when it is in the best interests of the State.

#### **IV. Pre-Proposal Conference**

The HPHA will conduct a Pre-Proposal Conference from 9:00 a.m. to 10:00 a.m. Hawaii Standard Time (HST) on January 10, 2011 at the HPHA, 1002 North School Street, Building E Conference Room, Honolulu, Hawaii 96817. The HPHA strongly recommends that all interested offerors attend or participate via teleconference.

Impromptu questions will be permitted at the Pre-Proposal Conference and informal answers provided at the HPHA's discretion. Verbal answers provided at the Pre-Proposal Conference are only intended as general direction. Formal official responses to substantive questions will be provided in writing to each interested offeror. No additional compensation will be allowed by reason of any misunderstanding or error regarding project layout or work to be performed.

#### **V. Submission of Questions**

Interested offerors may submit questions to the RFP Coordinator identified in the Introduction – Administrative Overview, item II. of this RFP. The deadline for submission of written questions is 4:00 p.m. HST, January 14, 2011. All written questions will receive a written response from the HPHA. The HPHA does not guarantee receipt of questions submitted via electronic mail. The HPHA's responses to interested offeror's written questions will be sent as soon as practicable.

#### **VI. Submission of Sealed Proposals**

- A. **Forms/Formats** –Proposal forms and formats are included in the attachment section of this RFP.
- B. **Proposal Submittal** – Proposals must be postmarked by the United States Postal Service (USPS) or hand delivered by the date and time designated in this RFP. Any proposals post-marked or received after the designated date and time shall be rejected. **Electronic submissions of the initial proposal, such as electronic mail and facsimile transmissions, shall not be accepted.**

Requests for clarification and/or best and final offer shall be submitted in a manner as requested by the HPHA in the request.

The register of proposals and proposals shall be open to public inspection after the award of the Contract.

- C. **Pre-opening Modification or Withdrawal** – Proposals may be modified or withdrawn prior to the deadline for submittal of proposals by submitting a written letter to modify or withdraw the proposal. A facsimile or electronic notice accompanying the actual modification submitted either by facsimile machine; electronic mail shall be accepted subject to the interested offeror submitting the actual written notice and modification within three (3) working days of receipt of the facsimile or the electronic transmittal.

The written request must be submitted to the HPHA, Contract and Procurement Office, 1002 North School Street, Bldg D, Honolulu, Hawaii 96817 and time stamped by the HPHA. All requests for modifications shall be accompanied by the actual modifications to the proposals and signed by an authorized representative. Modifications and/or withdrawals shall be clearly marked and must be received by the HPHA no later than 4:00 p.m. HST on February 2, 2011.

- D. **Wages and Labor Law Compliance** – Prior to entering into a Contract in excess of \$25,000, an interested offeror shall certify that it complies with section 103-55, Hawaii Revised Statutes (HRS), Wages, hours, and working conditions of employees of contractors performing services. Section 103-55, HRS provides that the services to be performed shall be performed by employees paid at wages not less than wages paid to public officers and employees for similar work. Interested offerors are further advised that in the event of an increase in wages for public employees performing similar work during the period of the Contract, the Contractor shall be obligated to provide wages not less than those increased wages.

Interested offerors shall complete and submit the attached Wage Certification certifying that the services required will be performed pursuant to section 103-55, HRS.

The Contractor shall be further obligated to notify his employees performing work under this Contract of the provisions of section 103-55, HRS, and of the current wage rates for public employees performing similar work. The Contractor may meet this obligation by posting a notice to this effect in the Contractor's place of business in an area accessible to all employees.

- E. **Confidential Information** – If an interested offeror believes that any portion of a proposal contains information that should be withheld as confidential, the interested offeror shall request in writing nondisclosure of

designated proprietary data to be confidential, and provide justification to support confidentiality. Such data shall accompany the proposal, be clearly marked, and shall be readily separable from the proposal documents to facilitate eventual public inspection of the non-confidential sections of the proposal documents. Note that **price and the provision of the minimum required services is not considered confidential**, and will not be withheld.

Interested offerors that chose to identify portions of their proposal as confidential shall be responsible to ensure that the minimum services are not included. The HPHA will not make any determination of confidentiality for the interested offeror.

If a proposal is marked confidential in its entirety, the HPHA will not make a determination of confidentiality and will refer the request for information to the State's Office of Information Practices. The decision of the Office of Information Practices shall be used by the HPHA in its response to the request for information.

- F. **Exceptions** – Interested offerors shall list any exceptions taken to the terms, conditions, specifications, or other requirements listed herein. Interested offerors must reference the RFP section where the exception is taken, a description of the exception taken, and the proposed alternative, if any.

## **VII. Discussion with Offerors Prior to Proposal Submission**

Discussions may be conducted with interested offerors to promote understanding of the HPHA's requirements.

## **VIII. Opening of Proposals**

Upon receipt of proposals by the HPHA at the designated location, proposals, modifications to proposals, and withdrawals of proposals shall be date-stamped, and when possible, time-stamped. All documents so received shall be held in a secure place by the state purchasing agency, and shall not be examined for evaluation purposes until the submittal deadline. Procurement files shall be open to public inspection after a contract has been awarded and executed by all parties. Sealed proposals shall not be opened at a public proposal opening.

## **IX. Additional Materials and Documentation**

Proposal samples or descriptive literature may be submitted in response to this RFP. Any documentation, literature, samples, or brochures will be examined, but will not be tested, and will not be deemed to vary any of the provisions of this RFP.

**X. RFP Amendments**

The HPHA reserves the right to amend this RFP at any time prior to the closing date for the final revised proposals. Interested offerors will be notified of the availability of amendments through verbal or written communication. It is the responsibility of the offeror to provide the HPHA with accurate contact information so that they can receive any amendments issued.

**XI. Additional Terms and Conditions**

The HPHA reserves the right to add terms and conditions during contract negotiations and discussions. These terms and conditions may be within the scope of the RFP and will not affect the proposal evaluation.

**XII. Cancellation of the Request for Proposals**

The RFP may be canceled and any or all proposals may be rejected in whole or in part, when it is determined to be in the best interests of the State.

**XIII. Costs for Proposal Preparation**

Any costs incurred by interested offerors in preparing or submitting a proposal are the interested offeror's sole responsibility. Any costs incurred by the Successful Offeror prior to the execution of a Contract are not eligible for reimbursement.

Costs incurred in connection with the review, inspection and verification of information provided in the RFP shall be the interested offeror's sole responsibility.

**Interested offerors shall ensure that the HPHA is provided with the written authorization(s) necessary to verify information provided in the interested offeror's proposal.**

**XIV. Mistakes in Proposals**

While interested offerors are bound by their proposals, circumstances may arise where a correction or withdrawal of proposals is proper. An obvious mistake in a proposal may be corrected or withdrawn, or waived by the interested offeror to the extent that it is not contrary to the best interest of the HPHA or to the fair treatment of other interested offerors. Mistakes in proposals shall be handled as provided for in section 3-122, Hawaii Administrative Rules ("HAR").

## **XV. Rejection of Proposals**

The HPHA reserves the right to consider as acceptable only those proposals submitted in accordance with the requirements set forth in this RFP and which demonstrate an understanding of the service specifications.

Pursuant to section 3-122-97, HAR, any proposal offering may be rejected without further notice if it is:

1. Determined to be unreasonable in price, including not only the total price of the proposal, but the prices for individual items as well; or
2. Determined to offer a set of terms or conditions that are contradictory to the minimum requirements included in this RFP.

## **XVI. Notice of Award**

Any Contract arising out of this solicitation is subject to the approval of the Department of the Attorney General as to form, and to all further approvals, including the approval as required by statute, regulation, rule, order or other directive.

The Successful Offeror shall receive a Notice of Award, which will indicate that the Successful Offeror has been selected to provide assessment services under this RFP.

The Successful Offeror shall not undertake any work prior to the Contract commencement date. The HPHA is not liable for any work, contract, costs, expenses, loss of profits, or any damages whatsoever incurred by the Successful Offeror prior to the Contract starting date.

Interested offerors shall produce documents to the procurement officer to demonstrate compliance with section 3-122-112, HAR.

The Successful Offeror receiving award shall be required to enter into a formal written contract. The general conditions of the contract are attached and minimum service specifications are included herein.

## **XVII. Protests**

Pursuant to HRS §103D-71, an actual or prospective offeror who is aggrieved in connection with the solicitation or award of a contract may submit a protest. An interested offeror may protest the solicitation or award of services only for a serious violation of procurement policies and operational procedures. Only the following matters may be protested:

- (1) A state purchasing agency's failure to follow procedures established by Chapter 103D, HRS;
- (2) A state purchasing agency's failure to follow any rule established by Chapter 103D, HRS; or
- (3) A state purchasing agency's failure to follow any procedure, requirement, or evaluation criterion in a request for proposals issued by the state purchasing agency.

The Notice of Protest shall be mailed by USPS or hand delivered to the head of the State Contracting Office conducting the protested procurement and the Procurement Officer who is conducting the procurement (as indicated below) within five (5) working days of the postmark of the Notice of Non-Award sent to the protestor; provided that a protest based upon the content of the solicitation shall be submitted in writing prior to the date set for receipt of offers; and provided that a protest of an award or proposed award shall be submitted within five (5) working days after the posting of award of the Contract. Delivery by services other than USPS shall be considered hand deliveries and considered submitted on the date of actual receipt by the State Contracting Office.

<b>Head of State Contracting Office</b>		<b>Procurement Officer</b>	
Name:	Denise M. Wise	Name:	Rick T. Sogawa
Title:	Executive Director	Title:	Acting Procurement Officer
Mailing Address:	P.O. Box 17907 Honolulu, Hawaii 96817	Mailing Address:	P.O. Box 17907 Honolulu, Hawaii 96817
Business Address:	1002 N. School St, Bldg E Honolulu, Hawaii 96817	Business Address:	1002 N. School St, D Honolulu, Hawaii 96817

**XVIII. Availability of Funds**

The award of a Contract and any allowed renewal or extension is subject to allocation of funds made by the Director of Finance, State of Hawaii, pursuant to Chapter 37, HRS, and subject to the availability of State and/or Federal funds.

**XIX. Monitoring and Evaluation**

The Successful Offeror's performance under the Contract will be monitored and evaluated by the Contract Administrator or his/her designated representative, the HPHA's auditors, and/or other designated representatives.

Failure to comply with all material terms of the Contract may be cause for suspension or termination, as provided in the general conditions. The Successful Offeror may be required to submit additional written reports, including a corrective action plan, in response to monitoring conducted by the HPHA. These

additional reports shall not be considered a change to the scope of work and shall continue for a duration of time as deemed necessary by the HPHA.

**XX. General and Special Conditions of Contract**

The general conditions that will be imposed contractually are included as an attachment. The State's General Conditions may be found on the State Procurement Offices' (SPO) website at [www.hawaii.gov/dags/spo](http://www.hawaii.gov/dags/spo).

Special conditions may also be imposed contractually by the HPHA, as deemed necessary. The HPHA reserves the right to make small or major modifications to the quantity of items or reporting requirements contingent upon conditions that it is unable to anticipate now.

**XXI. Cost Principles**

The HPHA shall utilize standard cost principles at section 3-123 HAR which are available on the State Procurement Office website. Nothing in this section shall be construed to create an exemption from any cost principle arising under federal law.

(END OF SECTION)

## **SECTION 1**

### **INTRODUCTION AND GOALS**

#### **1.1 Goals of the Program**

The Hawaii Public Housing Authority (HPHA) is soliciting proposals through this announcement for up to 150 Project-based Vouchers from owners for its Project-Based Section 8 Voucher Program. HPHA seeks to partner with an owner/developer to preserve the supply of affordable housing on the island of Oahu. Specifically, the HPHA will give priority to developments which:

- Serves households with incomes at or below 30% of area median income
- Require significant rehabilitation which the provision of vouchers will support
- Provide housing for low income disabled families, seniors, or families with a disabled member requiring accessible units
- Provides on-site services and amenities for the tenant population
- Will have a significant revitalization impact in neighborhoods undergoing substantial rehabilitation as a part of a comprehensive neighborhood revitalization strategy
- Demonstrate a significant commitment to including minority contractors, hiring disadvantaged residents from the neighborhood, or have a significant proportion of minority ownership.
- Project is located in a mixed income project
- Project maximizes and leverages the use of other funding sources

The HPHA will enter into a 1 to 15-year Housing Assistance Payment (HAP) contract with the owner(s) of existing housing, selected under the Program criteria. The contract is renewable for up to a 15-year term. The HPHA is looking for projects that are existing housing and that will be ready to lease up beginning in early 2011.

#### **1.2 Threshold Requirements**

All proposals must meet the following threshold requirements:

- Experience. Proposals must provide evidence acceptable to the HPHA of the proposed owner's experience with similar projects.
- Schedule. Proposals must include an acceptable and reasonable schedule for leasing the units.
- Financial Commitments. Proposals must include evidence of site control and financial commitments sufficient to pay any acquisition costs and for all necessary costs to make the units compliant with HUD Housing Quality Standards (HQS).

- Same Census Tract. Each proposal submitted in response to this RFP must be for units that are in the same census tract. If a proposal contains units in multiple census tracts, it will not be considered.

### **1.3 Eligible Properties**

Multi-family, high rise rental sites of 500 or more dwelling units are eligible for submission. Only properties that qualify as “existing housing” shall be eligible for assistance under this RFP. To qualify as “existing housing” all units proposed to receive project-based voucher assistance must substantially comply with Housing Quality Standards (HQS) (as listed in Appendix A) at the time of proposal selection, and must fully comply with HQS and local building codes upon execution of a HAP Contract. All units must be available for occupancy within 12 months of the proposal selection.

All projects are subject to a rent reasonableness determination and unit rents must meet HPHA Rent Reasonableness standards in place at the time of contract execution.

### **1.4 Award and Use of Subsidy**

Based on funding availability and project need, the HPHA will offer project-based subsidy on a one to 15 year contract basis, renewable for an additional 15 years. Owners must sign a HAP contract. The HAP Contract will be in a form approved by HUD and will specify the location, size, and configuration of the contract units, initial contract rents, schedule for leasing of the units, and initial term of the contract.

The reservation of an allocation of rental assistance will be held for a maximum of 12 months. If the units have not been occupied by the end of the reservation period the allocation will be rescinded and the owner will be required to compete in a new round of Request for Proposals if additional allocation is available.

Once the units are approved for occupancy by Housing Choice Voucher recipients, the HPHA will enter into a HAP contract with the property owner. Rents will be approved based on a rent comparability study and local rent reasonableness standards. At no time will rents be greater than the current Fair Market Rents (FMRs) at the time of contract execution as they are set annually by HUD. The current FMRs are included in *Appendix B*. Proposed HAP contract rents cannot exceed market rate rents for comparable units in the area.

The HPHA is required to consider location, quality, size, unit type, age, amenities, housing services, maintenance and utilities in the determination of rent. The FMRs included in *Appendix B* of the RFP do not include utility allowances. However, utility allowances are included in the calculation of tenant-paid rent (see *Appendix B*). Any utilities provided by the owner will be a consideration in the determination of rent to owner and from the tenant.

## **1.5 Section 8 Subsidy Level**

Housing Choice Voucher subsidies will be provided at a rate not to exceed the HPHA established rent reasonableness standards for the neighborhood in which the project is located. Standards will be verified by a rent reasonableness determination. Generally rents will be less than 100% of current HUD Fair Market Rents as adjusted for location, unit type and size, amenities, and owner-paid utilities. HUD publishes FMRs and rent adjustment factors annually.

Housing Choice Voucher funding is subject to Congressional approval. In the event of future reductions in funding which might result in an insufficient allocation to maintain contract rents, either the HPHA or the property owner may terminate the project-based Contract.

## **1.6 Maximum Subsidy Available per Project**

Except in the case of units to be provided for low-income elderly, disabled residents or participants requiring supportive services, for which 100 percent of the units in a building are eligible, subsidy will be awarded for no more than 25 percent of the total units in a development. The remaining units must be made available without Project-Based Housing Choice Voucher subsidy. For purposes of this RFP, the HPHA will only consider applications that request subsidy for 25-30% of units within the proposed development. Accordingly all proposals are required to provide supportive services to a portion of units or reserve a portion of units for elderly or disabled families.

## **1.7 Eligible Tenants and Tenant Selection**

Tenants for units subsidized through the Project-Based Housing Choice Voucher Program will be selected from the Section 8 waiting list maintained by HPHA. To qualify for the program, existing households must make, on average, no more than 30% of area median income. Future applicant households at the project of a successful offeror must make no more than 80% of area median income, as set in the Section 8 program regulations. Existing households will receive a preference for in place families in accordance with 24 CFR 983, provided that such household is otherwise eligible for the Section 8 program. In addition, future eligible applicants are entitled to receive preference in selection for assisted units of the appropriate size if they meet certain local preferences. These include the following in order of priority:

1. Working Head-of-Household, or elderly or disabled households;
2. Training Program and/or Housing Factors (e.g. homelessness); and
3. Non-local Preference

Preferences #1 and #2 are weighted equally for the Section 8 Program. Within each Local Preference Category, applicants will be ranked by the date and time of the application. Applicants on the current Section 8 waiting lists will be given the opportunity to choose to be put on the Project-Based list. When a HPHA subsidized unit

becomes vacant at a Project-Based HAP contract property, the property manager will notify the HPHA who will refer the next applicant on the site-based waiting list for that property to the management office for screening by the property manager. The property manager may refer interested applicants to the HPHA to apply for the property's site-based waiting list. Qualified referrals will be placed on the waiting list in order based on the date and time of application and other preferences established in the HPHA Housing Choice Voucher Administrative Plan. All Project-Based Housing Choice Voucher applicants will be subject to the standard eligibility tests and procedures currently used in the HPHA Section 8 Tenant Based and Public Housing programs. The owner/landlord has the responsibility to screen the tenant for suitable tenancy. This may include screening for criminal background, housekeeping, and payment of utility bills and rent on a timely basis. A complete listing of the owner/landlord's responsibilities is listed in *Appendix E*.

## **SECTION 2**

### **INELIGIBLE PROJECTS**

In accordance with guidelines published by the U.S. Department of Housing and Urban Development (HUD) the following projects or units are not eligible for project-based Voucher assistance:

1. Units in a project proposed for assistance under this program that are occupied by the owner of the property. Cooperatives are considered to be rental housing.
2. Units owned in whole or in part by state or local governments (other than the HPHA), unless the HUD field office approves the site in advance and the government entity agrees to sell the unit to another owner prior to execution of the agreement.
3. Units owned by the HPHA board members, officers and employees; members of a local governing body and other officials.
4. Project cannot be in a flood zone area unless the local community is participating in the National Insurance Program and the HPHA can assure HUD that flood insurance will be obtained. (24 CFR 983.7)
5. Shared housing; nursing homes; and facilities providing continual psychiatric care, medical nursing services, board and care or intermediate care. However, HPHA may attach PBV assistance for a dwelling unit in an independent living facility that provides home health care services such as nursing and therapy for the residents.
6. Units within the grounds of penal reformatory, medical, mental, and similar public or private institutions.
7. College or other school dormitories.
8. Mobile homes.
9. Manufactured homes.
10. Transitional housing.
11. Units subsidized with any other project-based Federal, State or local rent subsidy.

12. Units subsidized with tenant-based assistance under the HOME program or any other duplicative Federal, State or local housing subsidy. This does not include the housing component of a welfare payment, a social security payment or a rent reduction because of a tax credit.

### **SECTION 3**

#### **PROJECT THRESHOLDS**

The HPHA has determined that for any project to be eligible for a HAP contract it must meet the criteria listed below. Any project that does not meet these criteria will be rejected without further consideration in the competitive ranking process.

1. The project must be located in Honolulu, Hawaii.
2. The proposal may request project-based assistance for more than 25% of the units in the project if the project serves elderly or disabled families, or provides a substantial level of on-site supportive services.
3. Properties that propose rehabilitation during the term of the HAP must meet or be proposed for renovation to meet the HQS property standards set forth in *Appendix A*.
4. The project-based units will be expected to be occupied within 12 months from the date of award of the HAP contract. In cases where the allotted time has expired prior to utilization of funding, owners may reapply for subsidy.
5. The project must be financially feasible. This must be demonstrated by a 10-year operating pro-forma and commitments for all sources of equity, funding and financing as specified in Section 4, Exhibit VI of this RFP.
6. Evidence of ownership or site control must be provided with the application. The form of such evidence is provided in Section 4, Exhibit X of this RFP.
7. In properties with four (4) or more units for which the construction or rehabilitation is planned at the time of the submission of a proposal under this RFP, at least five percent (5%) of the units to be assisted must meet accessibility standards of Section 504 of the Rehabilitation Act of 1973 and the Fair Housing Amendments Act of 1988, or be slated for rehabilitation to meet accessibility standards
8. In properties of nine (9) or more units that require rehabilitation during the term of the HAP Contract, the owner must certify that their contractors and subcontractors will pay Davis-Bacon wages to those employed in construction on the site, and certify that the project will comply with Section 3 of the Housing and Urban Development Act of 1968.
9. The PBV program is subject to HUD environmental regulations in 24 CFR parts 50 and 58. All projects selected for the program are subject to environmental review unless the State of Hawaii determines that an existing development is exempt from review.
10. The proposed project shall meet Site and Neighborhood Standards set forth in *Appendix D*.

11. The owner must be prepared to provide all existing households, which do not qualify for Section 8 assistance, and will be displaced as a result of the HAP contract, with relocation assistance at the levels described in, and in accordance with the requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (URA) (42 U.S.C. 4201-4655) and implementing regulations at 49 CFR part 24. The cost of required relocation assistance may be paid with funds provided by the owner, or with other public or private funds, however, no funding is available through this program for relocation purposes.

## **SECTION 4**

### **PROPOSAL REQUIREMENTS**

The proposal must be organized as indicated below. The information provided in the following exhibits will be used to competitively score the proposal in accordance with the criteria listed in Section 5.

#### **Cover Letter**

Each proposal must be accompanied by a cover letter that identifies the property, location, number of units, and the number of bedrooms per unit for which project-based assistance is requested. The current condition of the proposed units and the status of current or planned construction or rehabilitation should be described. The cover letter must identify and describe the owner(s) and project principals, shareholders, investors, and others with substantial interest in the project. Amounts, sources, and status of financing commitments should be specified. The proposal should also state the proposed term of the Housing Assistance Program (HAP) contract (the initial contract will be for a one to 15-year term, but may be subsequently renewed for a subsequent fifteen-year term) and the projected date on which the units proposed for project-based assistance will be made available for occupancy.

#### **EXHIBIT I: Ownership/Management Team Experience**

The ownership and management team must have demonstrated experience and current capacity in owning and managing rental properties. The proposal must describe the experience of the ownership team over the past five (5) years in building, rehabilitating, owning, managing and financing rental units. Proposals should describe other residential rental properties owned or managed by the owner and/or management team. See item “D” of this section, *Housing Management Experience*.

Proposals should also include descriptions of the following:

- A. **Team Structure.** Provide a statement on the composition of the ownership team, including all materially participating parties. The statement must set out the anticipated relationship of the team members and their roles. Information

concerning any participant who is not known at the time of the owner's submission must be provided to the HPHA as soon as the participant is known.

- B. Profile of Principals and Staff. Provide profiles of the key principals and key staff; including the project manager. This information should specify their roles and their previous experience with housing developments of the size and scope being proposed for this RFP.
- C. Housing Experience. For the owner and property manager, a statement of previous experience must be submitted. This information should focus on projects of the size and scope being proposed for this RFP. Specific experience with subsidized properties should be identified. Indicate income levels served (very low, moderate, market rate or mixes) and the current status of the property owned or managed. Please provide three (3) references.

List properties developed, owned and or managed by the offeror or pertinent team members on the table in *Appendix C*. Indicate as appropriate in *Appendix C*, Section II the number of units in each property that will provide assisted housing and identify the type of assistance provided in a footnote. Include any units currently occupied by Section 8 Voucher holders.

For each project listed, the statement must disclose and explain:

1. Current financial default of more than 60 days duration.
2. Mortgage assignment or workout arrangement.
3. Foreclosure and/or bankruptcy.
4. Litigation relating to financing or construction of the project, which is pending or which was adjudicated within the past 5 years with a finding against the owner.
5. Real estate tax delinquencies.
6. Litigation by residents and/or tenants, both residential and commercial.

- D. Housing Management Experience Describe the experience of the proposed management company over the past five (5) years, included in the table in *Appendix C*. Identify key personnel, including site manager, and any specific experience these personnel or the management company may have with subsidized properties. Indicate the income levels served (very low, moderate, market rate or mixed) and the current status of the property. If any management contract has been terminated within the past 5 years, show when and explain the reasons for termination. Describe in detail the property(ies) with management challenges similar to those that might occur in this initiative.

## **EXHIBIT II: Description of the Project**

Complete *Appendix C*, Project Description

### **EXHIBIT III: Project Occupants and Relocation anticipated**

On a separate page, describe the following:

- A. If there are any non-residential units, e.g., commercial space, include total square footage and percent of total space in the project. Will any of these businesses be relocated in the development process?
- B. Describe the amenities available to the tenants, i.e., club house, laundry room, etc.
- C. Provide the number of persons (households and individuals) occupying the property on the date of submission. Give a preliminary estimation of the income levels of the households occupying units proposed for project based assistance. Identify the number of persons/households to be displaced or temporarily relocated, or permanently moved within the building or complex. If there will not be displacement, please make a statement to that effect.
- D. Provide and estimate the cost of relocation payments and services, and sources of funding.
- E. Identify the organization that will carry out the relocation activities.

### **EXHIBIT IV: Neighborhood Description**

The proposal must provide information about the neighborhood in which the property is located that indicates how the property meets HUD Site and Neighborhood Standards described in *Appendix D.*, and how the project supports one (1) or more of the goals of the program, i.e.,

- Where subsidies are needed to reduce displacement as a result of redevelopment;
- Provide housing for low income disabled families and senior households requiring accessible or supported living environments;
- Will have a significant revitalization impact in poverty-impacted neighborhoods undergoing major rehabilitation as a part of a comprehensive neighborhood revitalization strategy; or,
- Have been developed in close cooperation with other city or state government agencies;
- Which demonstrate a significant commitment to including minority contractors, hiring disadvantaged residents from the neighborhood, or have a significant proportion of minority ownership

For properties ready for occupancy, the offeror must attach rent schedules for at least three comparable properties with similar unit sizes and amenities in the neighborhood of the project proposed. These comparables will document the reasonableness of the proposed Section 8 contract rents itemized in Section D, item 4. *If the project is to be leased up from a predominantly vacant condition (40 percent or more), or if the rents in the non-subsidized units are to increase by more than 15%, the proposal must be accompanied by a market study and marketing plan.*

#### **EXHIBIT V: Site Plans**

Provide a site plan and describe property “as is” and the rehabilitation, if any, to be performed. Any proposed changes in the site plan must be clearly presented in the narrative and/or graphically.

#### **EXHIBIT VI: Project Operating Proforma**

For existing developments and sites to be rehabilitated, provide a 12-year operating proforma. The first two (2) years of the 12 year proforma will reflect actual expenses for the past two (2) years (the most recent fiscal years where applicable) to illustrate the current financial condition of the development. Indicate the fiscal year and provide details on rents collected by unit size. The remaining 10 years in the proforma should reflect operations assuming award of the project-based assistance and any improvements, if applicable, to the property. Provide details on the proposed rents on each unit type, indicating which are proposed for project-based assistance. Indicate separately the (a) amount of outstanding debt currently on the property and the loan terms, (b) any liens on the property other than mortgage loans reflected above. The proforma should provide sufficient detail to enable reviewers to determine the major categories of expenses and revenue sources (e.g., separate project-based revenue from other rental income), as well as the assumptions for year-to-year increases, and the capitalization and disbursement of operating and maintenance reserves.

#### **EXHIBIT VII: Site Control**

Provide evidence of site control. This may be a warranty deed, an option to purchase or letter of intent that extends through the anticipated date of financial closing, or a lease that gives the applicant long-term (at least 15 years) rights to own the improvements and operate the property.

#### **EXHIBIT VIII: Evidence of Zoning**

Provide evidence that the proposed use is permitted by current zoning, in accordance with current ordinances or regulations, or provide evidence to indicate that the needed rezoning is likely and will not delay the project.

#### **EXHIBIT IX: Financial Information**

Provide a current financial statement for the ownership and management entities, or in the case of a newly formed entity, of the general partnership or corporate affiliates of the owner entity that has been prepared by a Certified Public Accountant along with the most recent audit of such parties. The statement should show assets, liabilities and net worth of the entity(ies).

## **EXHIBIT X: Certifications**

- A. The owner must be able to certify that any tenant that has moved within the 12 months preceding submission of the proposal was not required to move except for good cause. "Good Cause" includes tenant non-compliance with the lease and/or failure to carry out tenant obligations under any state and local landlord-tenant law. This information should be submitted with the proposal.

If the owner submitting the proposal has not owned the property for the last 12 months, this certification may be limited to this person's actions during ownership and with respect to acquiring the property.

- B. Provide a Certification Statement showing that the project principals, shareholders, investors and others with substantial interest in the project are not on the U.S. General Services Administration list of parties excluded from Federal Procurement and non-procurement program.
- C. Disclosure of any possible conflict of interest by any of the parties identified as the project team or as having a financial interest in this project that would be a violation of the rental assistance subsidy contract.
- D. Other certifications may be required by Federal law prior to award of the Contract.

## **EXHIBIT XIV: Management Plan and Agreement**

A detailed property management plan with policy statements regarding marketing, screening, leasing, lease enforcement, property maintenance, reserves administration, financial management, and fair housing should be submitted. The management plan should be an exhibit to an executed agreement with the proposed management entity.

## **EXHIBIT XV: Environmental Status**

Provide a concise narrative specifying the environmental history of the site including past environmental hazards and abatement measures, current environmental hazards present, if any; results of any previous Phase I and Phase II Environmental Assessments, or plans/contracts for assessments and abatement during the development period.

## **SECTION 5**

### **I. Evaluation Criteria**

A committee approved by the Executive Director will evaluate the proposals. The evaluation will be based solely on the evaluation criteria set out in this RFP. The evaluation committee's primary responsibility shall be to review the technical

aspects of the proposals submitted. The financial review will be conducted by the evaluation committee's chairperson.

## **PROJECT SELECTION FACTORS**

All submissions will be scored and competitively ranked according to the following rating factors:

1. **The extent to which the project contributes to neighborhood/property diversity and prevents displacement - 15 Points**

The evaluation committee will consider the income of the neighborhood in which the property is located. Projects in poverty or racially impacted neighborhoods undergoing substantial rehabilitation, as a part of a comprehensive neighborhood revitalization strategy in which subsidies are required to reduce displacement will be rated higher. Developments offering more project-based units, not to exceed 30%, will be rated more highly. Projects preventing displacement by allowing current residents to remain in a neighborhood of rapidly increasing rents will be rated more highly.

2. **Speed with which the units can be brought to occupancy - 15 Points**

The evaluation committee will review the project schedule and overall plan for development to determine the feasibility of completing the project and achieving occupancy as proposed. In order to retain a reservation letter, a project must be occupied within 12 months from date of award in order to meet the threshold and be evaluated under these selection criteria. However, those projects that demonstrate the likelihood of achieving occupancy on the earliest possible date will be given greater consideration under this factor.

3. **Qualifications and experience of the proposed development team - 20 Points**

This factor will consider the qualifications and experience of the owner, contractor, and the management team. Owners and management teams with more experience in owning, managing and financing affordable low-income rental housing, especially those with federal or local rental assistance, will be given greater consideration.

4. **The extent to which the Project contributes to the preservation or supply of affordable housing - 20 Points**

Proposals outlining a strategy to acquire and properly rehabilitate properties that would otherwise remain sub-standard housing or be closed or remain closed due to significant code violations will be rated highly under this criterion.

5. **Unit Configuration - 15 Points**

This factor will consider the weighted average bedroom count for the project-based units proposed. The HPHA will rate projects higher with a greater average number of bedrooms per unit. Unit Square footage will also be a negative or positive scoring factor if it is significantly lesser or greater than comparable units in the area market and affects the livability of the unit.

6. **The Quality of the Proposed Development - 15 Points**

Careful evaluation of the design, development and operating budgets, amenities, management plan, and the proximity of the development to transportation, jobs, and services will be made to determine the quality of life for project residents. Projects which are attractive and competitive with the current market, which respond to anticipated additional rapid transit development, and which offer more amenities and services will be rated more highly.

## **SECTION 6**

### **SELECTION PROCESS**

An evaluation committee convened by the HPHA will review, evaluate and rate each responsive submission utilizing the evaluation criteria listed in Section 5 above. The HPHA will determine a competitive range for submissions based on the established criteria and point system. Each project that falls within the competitive range will be considered eligible for a HAP contract subject to confirmation of project information, project completion, and a HQS inspection. After completion of project reviews, the evaluation panel will recommend proposals to the Executive Director.

The HPHA will accept and evaluate proposals for projects that are owned or ground leased by the HPHA. However, in no event shall any employee involved in such a proposed project sit on the evaluation panel or participate in the evaluation of any proposals received.

The HPHA will consider as “non-responsive” any submission for which critical information is lacking, or any submission which represents a major deviation from the RFP. Minor omissions may, at the sole option and discretion of HPHA, be corrected within five (5) business days of the submission due date.

The HPHA reserves the right to request additional information from any respondent after the submission deadline. The HPHA also reserves the right to reject any and all, or parts of any and all proposals; to not award a contract; to re-advertise this RFP; postpone or cancel at any time the RFP process; to waive any irregularities in this RFP or in the proposals received as a result of the RFP, to undertake further negotiations with the finalists, and to request a “best and final offer” from the finalists.

Respondents are notified that all information submitted as part of, or in support of their response to this RFP will be available for public inspection (except by competing respondents, and only after official request is made in writing to the HPHA) in compliance with HUD, State, and local laws.

## SECTION 7

### CONDITIONS PRECEDENT TO AWARD OF CONTRACT AFTER NOTICE OF AWARD

1. The Successful Offeror must have no outstanding balances owing to the HPHA. Exceptions may be granted by the Executive Director of the HPHA for debts recently acquired and for debts which have a repayment plan approved by the Executive Director of the HPHA.
2. Interested offerors are advised that if awarded a Contract, the Successful Offeror must furnish proof of compliance with the requirements of section 3-122-112, HAR:
  - Chapter 237, HRS, tax clearance;
  - Chapter 383, HRS, unemployment insurance;
  - Chapter 386, HRS, workers' compensation;
  - Chapter 392, HRS, temporary disability insurance;
  - Chapter 393, HRS, prepaid health care; and
  - One of the following:
    - i. Be registered and incorporated or organized under the laws of the State of Hawaii (hereinafter referred to as a "Hawaii business");

**Hawaii business.** A business entity referred to as a "Hawaii business" is registered and incorporated or organized under the laws of the State of Hawaii. As evidence of compliance, the interested offeror shall submit a CERTIFICATE OF GOOD STANDING issued by the Department of Commerce and Consumer Affairs Business Registration Division (BREG). A Hawaii business that is a sole proprietorship, however, is not required to register with the BREG, and therefore not required to submit the certificate. A Successful Offeror's status as sole proprietor or other business entity and its business street address indicated on the Successful Offeror's form page 1 will be used to confirm that the Successful Offeror is a Hawaii business.

OR,

- ii. Be registered to do business in the State of Hawaii (hereinafter referred to as a “compliant non-Hawaii business”).

**Compliant non-Hawaii business.** A business entity referred to as a “compliant non-Hawaii business,” is not incorporated or organized under the laws of the State of Hawaii but is registered to do business in the State. As evidence of compliance, the interested offeror shall submit a *CERTIFICATE OF GOOD STANDING*.

The above certificates should be applied for and submitted with the interested offeror’s proposal to the HPHA. If a valid certificate is not submitted on a timely basis for award of a Contract, a proposal otherwise responsive and responsible may not receive the award.

#### 5. **Business Office**

The Successful Offeror shall have, at a minimum, a telephone number and email address from which he/she conducts business and is accessible by telephone from 7:45 a.m. to 4:30 p.m. HST for concerns or requests that need immediate attention. An answering service is not acceptable. An office location and phone number shall be stated in the interested offeror’s proposal.

#### 6. **Certifications of Eligibility**

Prior to award of a Contract, the Successful Offeror is required to submit the following documents to the HPHA to demonstrate compliance with Hawaii State laws:

1. Tax Clearance, Form A-6;
2. Department of Labor and Industrial Relations, Application for Certificate of Compliance, Form LIR #27; and
3. Certificate of Good Standing issued by the Department of Commerce and Consumer Affairs Business Registration Division (BREG).

Alternately, instead of separately applying for these (paper) certificates at the various state/federal agencies, the applicant may choose to use the Hawaii Compliance Express (HCE), which allows business to register online through a simple wizard interface at:

<http://vendors.ehawaii.gov/hce/splash/welcome.html>

The HCE provides the applicant with a “Certificate of Vendor Compliance” with current compliance status as of the issuance date, accepted for both contracting purposes and final payment. Vendors that elect to use the new HCE services will be required to pay any annual fee of \$12.00 to the Hawaii Information Consortium, LLC (HIC).

**7. Insurance Requirements**

Prior to the execution of a Contract, the Successful Offeror shall furnish to the Contracting Officer certificate(s) of insurance as evidence of the existence of the following insurance coverage in amounts not less than the amounts specified. This insurance must be maintained during the entire performance period.

The Successful Offeror shall defend, indemnify, and hold harmless the State of Hawaii, the HPHA, its elected and appointed officials, officers, and employees from and against all liability, loss, damage, cost, and expense, including all attorneys’ fees, and all claims, suits, and demands therefore, arising out of or resulting from the acts or omissions of the Successful Offeror or the Successful Offeror’s officers, employees, agents or subcontractors.

i. Workers’ Compensation

The Successful Offeror shall carry Workers’ Compensation insurance in such form and amount to satisfy, the applicable the State Workers’ Compensation Law. Workers’ Compensation must be issued by an admitted carrier authorized to do business in the State of Hawaii.

ii. Liability Insurance

The Successful Offeror shall maintain the following minimum insurance limits and coverage:

<u>Coverages</u>	<u>Limits</u>
Commercial General Liability	\$2,000,000 single limits per occurrence for bodily injury and personal property damage
Personal Injury Liability	\$1,000,000.00 single limits per occurrence. \$2,000,000.00 for general aggregate

Automobile Insurance	Bodily injury liability limits of \$1,000,000.00 each person and \$1,000,000.00 per accident and property damage liability limits of \$1,000,000.00 per accident OR \$2,000,000.00 combined single limit
Professional Liability	\$1,000,000

A certificate of insurance evidencing such insurance is required prior to commencement of services. The insurance policy required by this Contract shall contain the following clauses:

- (a) “This insurance shall not be canceled, limited in scope of coverage or non-renewed until after 30 days written notice has been given to the State of Hawaii, Hawaii Public Housing Authority (HPHA), 1002 N. School Street, Bldg E, Honolulu, Hawaii 96817.”
- (b) “The State of Hawaii, the HPHA, its elected and appointed officials, officers and employees” are added as additional insured with respect to operations performed for the State of Hawaii and the HPHA.”
- (c) “It is agreed that any insurance maintained by the State of Hawaii will apply in excess of, and not contribute with, insurance provided by this policy.”

The minimum insurance required shall be in full compliance with the Hawaii Insurance Code throughout the entire term of the Contract, including all Supplemental Contracts.

Upon execution of the Contract, the Successful Offeror agrees to deposit with the HPHA, certificate(s) of insurance necessary to satisfy the HPHA that the insurance provisions of this Contract have been complied with and to keep such insurance in effect and the certificate(s) therefore on deposit with the HPHA during the entire term of this Contract. Upon request of the HPHA, the Successful Offeror shall be responsible for furnishing a copy of the policy or policies.

Failure of the Successful Offeror to provide and keep in force such insurance shall be regarded as material default under this Contract,

entitling the HPHA to exercise any or all of the remedies provided in this Contract for default of the Successful Offeror.

The procuring of such required insurance shall not be construed to limit the Successful Offeror's liability hereunder, nor to fulfill the indemnification provisions and requirements of this Contract. Notwithstanding said policy or policies of insurance, the Successful Offeror shall be obligated for the full and total amount of any damage, injury, or loss caused by negligence or neglect connected with this Contract.

iv. Other Additional Insurance

The Successful Offeror may, at its own expense, place additional insurance coverage for protection risks not insured by the HPHA subject to the HPHA's approval. Request for approval will include a description of the additional insurance coverage, premium and justification.

## **SECTION 8**

### **PROPOSAL SUBMISSION INSTRUCTIONS AND DEADLINE**

Please submit **FOUR (4) copies** of your proposal to:

**Mr. Rick T. Sogawa  
Hawaii Public Housing Authority  
1002 North School Street, Building D  
Honolulu, Hawaii 96817**

Proposals shall be prepared on standard 8½" x 11" letter-size paper, single-sided, bound on the long side, and tabbed to separate sections. Page numbering of the proposal should be consecutive, beginning with page one (1) and continuing through the complete proposal. A proposal security deposit is not required for this RFP.

**Proposals must be received at the HPHA's Central Files Office on or before 12:00 p.m. February 3, 2011.** Each response to this RFP must include four (4) copies. The outer envelope or packaging of the proposal shall be sealed and clearly marked with the RFP number and title, along with the interested offeror's name, address, telephone and fax numbers. All submissions must be clearly identified as "RFP-PMB-2011-01, Response to the RFP for Section 8 Project-Based Housing Choice Vouchers". Submissions may be hand-delivered or mailed for receipt prior to the established deadline, however, these submissions will not be opened and evaluated until after the closing date. For those submissions that are to be mailed, respondents are cautioned to allow adequate time for postal processing and delivery. Any submission received by the HPHA later than the

designated time and date specified in this RFP shall be considered non-responsive and will be disqualified from consideration. All such submissions will be returned to the respondent unopened, by U.S. Mail. Facsimile submissions will not be accepted. All submissions including attachments are retained for the HPHA procurement files and cannot be returned.

## APPENDIX A

### Housing Quality Standards

To ensure that the housing choice voucher program meets the goal of providing “decent, safe and sanitary” housing at an affordable cost to low-income families, basic Housing Quality Standards (HQS) must be met before assistance can be paid on behalf of a family and at least annually reviewed through the term of the assisted tenancy. Housing Quality Standards (HQS) defines “standard housing” and establishes the minimum criteria necessary for the health and safety of program participants.

HQS regulations provide performance requirements and acceptability criteria necessary for a unit to pass a physical inspection. These requirements are quite lengthy and are established by HUD and local codes. Units passing these requirements should assure that you have a decent, safe, and sanitary unit. The Housing Authority only has jurisdiction over HQS items. In all cases, the unit must pass the Housing Authority’s HQS inspection prior to the execution of the contract.

#### HQS Performance Requirements

At least annually, it is the responsibility of the Public Housing Authority to conduct inspections of units to determine compliance with HQS prior to the execution of the entire term of the assisted lease. HQS consists of the following thirteen performance requirements:

1. Sanitary facilities
  - The dwelling unit must include sanitary facilities within the unit.
  - The sanitary facilities must be in proper operating condition and adequate for personal
  - Cleanliness and disposal of human waste.
  - The sanitary facilities must be usable in privacy.
2. Food preparation and refuse disposal
  - The dwelling unit must have suitable space and equipment to store, prepare, and serve food in a sanitary manner.
3. Space and security
  - The dwelling unit must provide adequate space and security for the family.
4. Thermal environment
  - The dwelling unit must be able to provide a thermal environment that is healthy for the human body.
5. Illumination and electricity
  - Each room must have adequate natural or artificial illumination to permit normal indoor activities and to support the health and safety of occupants.

- The dwelling unit must have sufficient electrical sources so occupants can use essential electrical appliances.
  - Electrical fixtures and wiring must not pose a fire hazard.
6. Structure and materials
- The dwelling unit must be structurally sound.
  - The structure must not present any threat to the health and safety of the occupants and must protect the occupants from the environment.
7. Interior air quality
- The dwelling unit must be free of air pollutant levels that threaten the occupants' health.
8. Water supply
- The water supply must be free of contamination.
9. Lead-based paint
- The Lead-Based Paint Poisoning Prevention Act as amended (42 U.S.C. 4821 - 4846) and the Residential Lead-Based Paint Hazard Reduction Act of 1992 and implementing regulations 24 CFR Part 35 Subparts A, B, M, and R apply to the housing choice voucher program.
10. Access
- Use and maintenance of the unit must be possible without unauthorized use of other private properties.
  - The building must provide an alternate means of exit in case of fire.
11. Site and neighborhood
- The site and neighborhood must be reasonably free from disturbing noises and reverberations or other dangers to the health, safety, and general welfare of the occupants.
12. Sanitary condition
- The dwelling unit and its equipment must be in sanitary condition.
13. Smoke Detectors
- On each level of the dwelling unit including basements, but excluding spaces and unfinished attics at least one battery-operated or hard-wired smoke detector in proper operating condition must be present.
  - Smoke detectors must be installed in accordance with and meet the requirements of the National Fire Protection Association Standards (NFPA) 74 or its successor standards.
  - If a hearing-impaired person is occupying the dwelling unit, the smoke detectors must have an alarm system designed for hearing-impaired persons as specified in NFPA 74.

## **ASBESTOS REMEDIATION**

In projects proposing the rehabilitation of an existing building, all asbestos removal must be completed according to environmental clearance guidelines specified by the Environmental Protection Agency and the Department of Housing and Urban Development.

## **LEAD BASE PAINT REVIEW**

Many houses and apartments built before 1978 have paint that may contain harmful levels of lead. The presence of lead can pose serious health hazards particularly to children. Lead can be found in paint, paint chips and paint dust.

Federal law requires that owners be notified that they must disclose known information on lead-based paint hazards to tenants before leases take effect. Occupant protection is a required element of all federally-assisted rehabilitation projects covered under Subpart J of the HUD regulation, stated under lead-safe work practices (see CFR 35.1350 (b) and 24 CFR 35.1345). Standards for abatement are specified by regulation and enforced by the State Department of Health.

**APPENDIX B**

**Fair Market Rents  
For  
Honolulu, Hawaii**

**2011  
By Bedroom Size**

	<b>0-BR</b>	<b>1-BR</b>	<b>2-BR</b>	<b>3-BR</b>	<b>4-BR</b>
HUD Approved 2011 Fair Market Rents	\$850	\$1020	\$1145	\$1614	\$1769

## APPENDIX C

### I. Housing Management Experience

Property Name	Address	Building Type	Number of Stories	Income levels served	Key Personnel on site

(If more space is needed, use a separate page.)

### II. Description of Subject Development

\_\_\_\_\_  
No. Buildings

\_\_\_\_\_  
Are there  
Elevator(s)

\_\_\_\_\_  
Age of Building(s)

Complete the following table for the property

Building Number or Address	Number of bedrooms per unit						Total
	0	1	2	3	4	5+	
<b>Bldg #</b> _____							
Total Number of Units							
Total Number of Units now Vacant *							
# Current Sec 8 Units							
# Proposed Project-based units							
<b>Bldg #</b> _____							
Total Number of Units							

# Current Sec 8 Units							
# Proposed Project-based units							
Total Number of Units now Vacant *							
<b>Bldg # _____</b>							
Total Number of Units							
Total Number of Units now Vacant *							
# Current Sec 8 Units							
# Proposed Project-based units							
<b>Bldg # _____</b>							
Total Number of Units							
Total Number of Units now Vacant *							
# Current Sec 8 Units							
# Proposed Project-based units							

\*If any unit were vacant during the past 18 months for more than two months, explain on a separate sheet of paper.

### III. Current and Proposed Contract Rents

For each unit size proposed to receive Project-Based Assistance, provide the square footage, current and proposed rents. If the proposed contract rent is more than 15 percent greater than the current rent, provide a market study and marketing plan to support the higher rents. Copy this table and attach it to this document if more space is needed.

Building Number or Address	Number of bedrooms per unit					
	0	1	2	3	4	5+
<b>Bldg # _____</b>						
Square Feet						
Current Rents						
Proposed Rents						

Bldg # _____						
Square Feet						
Current Rents						
Proposed Rents						
Bldg # _____						
Square Feet						
Current Rents						
Proposed Rents						
Bldg # _____						
Square Feet						
Current Rents						
Proposed Rents						

1. Which utilities will be paid by the tenant directly? Provide the estimated monthly cost for each.

Electricity \_\_\_ \$ \_\_\_\_\_                      Gas \_\_\_ \$ \_\_\_\_\_  
 Water \_\_\_ \$ \_\_\_\_\_                      Hot Water \_\_\_ \$ \_\_\_\_\_  
 Garbage \_\_\_ \$ \_\_\_\_\_

2. For utilities paid by the tenant, indicate "g" for Gas, "e" for electricity.

Heating \_\_\_    Cooking \_\_\_    Hot Water \_\_\_

3. Which utilities will be paid by the owner?

Electricity \_\_\_                      Gas \_\_\_  
 Water \_\_\_                      Hot Water \_\_\_  
 Garbage \_\_\_

4. How many units will provide handicapped accessibility?

\_\_\_\_\_    \_\_\_\_\_    \_\_\_\_\_    \_\_\_\_\_    \_\_\_\_\_  
 0- Bedroom    1-bedroom    2-bedroom    3-bedroom`    4-bedroom



## APPENDIX D

### Site and Neighborhood Standards

1. Project-based assistance for housing at the selected site shall be consistent with the goal of expanding housing and economic opportunities. HPHA will also consider the following:
  - (a) Whether the census tract in which the proposed PBV development will be located is in a HUD-designated Enterprise Zone, Economic Community, or Renewal Community;
  - (b) Whether a PBV development will be located in a census tract where the concentration of assisted units will be or has decreased as a result of public housing demolition;
  - (c) Whether the census tract in which the proposed PBV development will be located is undergoing significant revitalization;
  - (d) Whether state, local, or federal dollars have been invested in the area that has assisted in the achievement of the statutory requirement;
  - (e) If the poverty rate in the area where the proposed PBV development will be located is greater than 20 percent, HPHA will consider whether in the past five years there has been an overall decline in the poverty rate;
  - (f) Whether there are meaningful opportunities for educational and economic advancement in the census tract where the proposed PBV development will be located.
2. The site and neighborhood must be suitable from the standpoint of facilitating and furthering full compliance with the applicable provisions of title VI of the Civil Rights Act of 1964, the Fair Housing Act, Executive Order 11063, and implementing HUD regulations.
3. The site shall meet Housing Quality Standards (HQS) habitability standards.
4. *Existing and rehabilitated housing site and neighborhood standards.*  
A site for existing or rehabilitated housing must meet the following site and neighborhood standards. The site must:
  - a. Be adequate in size, exposure, and contour to accommodate the number and type of units proposed, and adequate utilities and streets must be available to service the site. (The existence of a private disposal system and private sanitary water supply for the site, approved in accordance with law, may be considered adequate utilities.)
  - b. Promote greater choice of housing opportunities and avoid undue concentration of assisted persons in areas containing a high proportion of low-income persons.
  - c. Be accessible to social, recreational, educational, commercial, and health facilities and services and other municipal facilities and services that are at least equivalent to those typically found in neighborhoods consisting largely of unassisted, standard housing of similar market rents.

- d. Be so located that travel time and cost via public transportation or private automobile from the neighborhood to places of employment providing a range of jobs for lower-income workers is not excessive. While it is important that housing for the elderly not be totally isolated from employment opportunities, this requirement need not be adhered to rigidly for such projects.
5. *New construction site and neighborhood standards.* A site for newly constructed housing must meet the following site and neighborhood standards:
- a. Be adequate in size, exposure, and contour to accommodate the number and type of units proposed, and adequate utilities and streets must be available to service the site.
  - b. The site must not be located in an area of minority concentration, except as permitted under paragraph (5) (c) of this section, and must not be located in a racially mixed area if the project will cause a significant increase in the proportion of minority to non-minority residents in the area.
  - c. A project may be located in an area of minority concentration only if:
    - i) Sufficient, comparable opportunities exist for housing for minority families, in the income range to be served by the proposed project, outside areas of minority concentration (see paragraph (5)(c)(iii), (iv), and (v) of this section for further guidance on this criterion); or
    - ii) The project is necessary to meet overriding housing needs that cannot be met in that housing market area (see paragraph (5) (c) (vi) of this section for further guidance on this criterion).
    - iii) As used in paragraph (5) (c) (i) of this section, “sufficient” does not require that in every locality there be an equal number of assisted units within and outside of areas of minority concentration. Rather, application of this standard should produce a reasonable distribution of assisted units each year that over a period of several years will approach an appropriate balance of housing choices within and outside areas of minority concentration. An appropriate balance in any jurisdiction must be determined in light of local conditions affecting the range of housing choices available for low-income minority families and in relation to the racial mix of the locality’s population.
    - iv) Units may be considered “comparable opportunities,” as used in paragraph (5) (c) (i) if they have the same household type (elderly, disabled, family, large family) and tenure type (owner/renter); require approximately the same tenant contribution towards rent; serve the same income group; are located in the same housing market; and are in standard condition.
    - v) Application of this sufficient, comparable opportunities standard involves assessing the overall impact of HUD-assisted housing on the availability of housing choices for low-income minority families in and outside areas of

minority concentration, and must take into account the extent to which the following factors are present, along with other factors relevant to housing choice:

- (A) A significant number of assisted housing units are available outside areas of minority concentration.
  - (B) There is significant integration of assisted housing projects constructed or rehabilitated in the past 10 years, relative to the racial mix of the eligible population.
  - (C) There are racially integrated neighborhoods in the locality.
  - (D) Programs are operated by the locality to assist minority families that wish to find housing outside areas of minority concentration.
  - (E) Minority families have benefited from local activities (e.g., acquisition and write-down of sites, tax relief programs for homeowners, acquisitions of units for use as assisted housing units) undertaken to expand choice for minority families outside of areas of minority concentration.
  - (F) A significant proportion of minority households have been successful in finding units in non-minority areas under the Section 8 certificate and voucher programs.
  - (G) Comparable housing opportunities have been made available outside areas of minority concentration through other programs.
- vi) Application of the “overriding housing needs” criterion, for example, permits approval of sites that are an integral part of an overall local strategy for the preservation or restoration of the immediate neighborhood and of sites in a neighborhood experiencing significant private investment that is demonstrably changing the economic character of the area (a “revitalizing”). An “overriding housing need,” however, may not serve as the basis for determining that a site is acceptable if the only reason the need cannot otherwise be feasibly met is that discrimination on the basis of race, color, religion, sex, national origin, age, familial status or disability renders sites outside area of minority concentration unavailable or if the use of this standard in recent years has had the effect of circumventing the obligation to provide housing choice.

## APPENDIX E

### Section 8 Owner Responsibilities

The owner/landlord has the following major responsibilities:

1. Tenant selection and leasing
  - a. Screening the family's background and/or suitability for tenancy.
  - b. Owners are permitted to screen based on a family's tenancy history.
  - c. Owner may consider a family's background regarding factors such as:
    - Payment of rent and utility bills
    - Caring for a unit/premises
    - Respecting other's rights for peaceful enjoyment of their housing
    - Drug-related criminal activity or other criminal activity that is a threat to life, safety or property of others
    - Compliance with other essential conditions of tenancy
2. Compliance with the Voucher Subsidy Contract and/or Housing Assistance Payments (HAP) Contract.
3. Normal landlord functions during the lease term (e.g., maintenance, rent collection, issuing of lease violations, and evictions).
4. Compliance with program lease.
5. Owner responsibilities are further defined in the HAP Contract or Subsidy Contract, the Lease, Federal Regulations and State and local City Law (Missouri Landlord/Tenant Law).
6. The owner must maintain the unit to Housing Quality Standards. If the owner fails to do so, the Housing Authority may terminate, suspend, or reduce housing assistance payments and terminate the HAP Contract.
7. The owner is not responsible for a breach of the Housing Quality Standards (HQS) for which the family is responsible.
8. The owner must adhere to provisions on modifications for reasonable accommodations to a dwelling unit occupied or to be occupied by a disabled person in accordance with the Americans with Disabilities Act of 1992.

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