

The Housing Authority of the County of Hidalgo (Texas)

**Request for Applications or Proposals for Assistance
Under the Section 8 Project-Based Voucher Program for Substantial
Rehabilitation or New Construction of Housing Units**

RFP-001-2023-PBV

Issued January 26, 2023

I. Overview

The Housing Authority of the County of Hidalgo ("*HACH*") is accepting proposals from property owner(s) and/or developer(s) to provide assistance under the Section 8 Project-Based Voucher ("*PBV*") program. HACH may use up to 20% of its budget for project-based assistance. HACH estimates that it will be able to provide up to 8 project-based assistance for up to approximately 48 units of housing at a single location for families and individuals under the PBV program to support the preservation of affordable housing opportunities in Hidalgo County. HACH reserves the right to award multiple contracts as deemed to be in the best interest of HACH. HACH may award all or none of the vouchers applied for to the property. The award, to be clear, shall be for Project Based Vouchers and as such the vouchers will be with the property and specifically with the legal entity that controls the property.

PBVs are a component of HACH's PBV Program. HACH will attach voucher assistance to specific housing units in the property if the owner agrees to set aside a portion of the units in a substantially rehabilitated or newly constructed development. All units must meet U.S. Department of Housing and Urban Development ("**HUD**") housing quality standards (HQS) and all rent must be considered reasonable by HACH.

II. Definitions and Conditions

For definitions applicable to this RFP, please see HACH's HCV Administrative Plan ("**Admin Plan**"), a copy of which is available with this RFP. Specifically, see Chapter 24 of the Admin Plan.

For purposes of this RFP, the term **substantial rehabilitation** is defined as: Housing units that exist on the application selection date, that are in need of substantial rehabilitation, and are rehabilitated, pursuant to an agreement between the HACH and owner, for use under the PBV program. The intent is to rehabilitate existing property(s) within the County of Hidalgo.

For purposes of this RFP, the term **new construction** should be given its ordinary meaning, but specifically applies to units that are proposed, under construction, or to be completed within a year.

Applicants should be aware of the following conditions:

1. All required land use approvals must be obtained. Any award of vouchers is contingent upon receiving all required land use approvals.
2. The Project must meet all applicable requirements of the HUD Project-Based and Housing Choice Voucher program regulations (24 CFR 983.51 and HACH's Section 8 Housing Choice Voucher, Chapter 24 of HACH's HCV Administrative Plan).
3. The project will be subject to a HUD subsidy layering review, in accordance with HUD subsidy layering regulations (24 CFR 4.13) to prevent excess subsidy. Successful applicants will be required to submit a list of documents to HACH which will then be submitted to HUD for review.
4. The housing project must comply with design and construction requirements of the Fair Housing Amendments Act of 1988 and implementing regulations at 24 CFR 100.205, as applicable, and accessibility requirements of section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794) and implementing regulations at 24 CFR Part 8.
5. An Environmental Review and/or Assessment will be required. If an Assessment is required, the cost will be charged to the applicant.
6. Due to the above conditions and requirements, applicants should be aware of the significant lead time necessary to secure all required approvals prior to commencement of construction.
7. Execution of an Agreement to enter into a Housing Assistance Payments Contract ("**AHAP**") is contingent upon completion of all of the above requirements which must be signed before construction of the proposed development or rehabilitation begins. Upon final inspection of the work, the applicant and HACH will execute a Housing Assistance Payments Contract.
8. Applicants should note that upon execution of the AHAP, the applicant will be required to comply with Federal requirements imposed by the AHAP, including the use of the Federal Davis-Bacon construction wage guidelines, participation of Section 3 and minority-owned and women-owned business enterprise businesses, and the need to obtain National Environmental Policy Act environmental clearance. A copy of the AHAP may be requested from HACH prior to the submission of applications.
9. Any award is contingent upon receipt of adequate funding and necessary approvals by HUD.

III. General Eligibility for Applicants

The following applicants are eligible to submit a proposal under this RFP: Developers or owners proposing to substantially rehabilitate housing that will be for low or moderate income and/or homeless families and individuals in Hidalgo County, Texas.

For your information, the following housing types are not eligible for PBV awards under this RFP:

1. Shared housing units;
2. Units on the grounds of a penal, reformatory, medical, mental, or similar public or private institution;
3. Nursing homes or facilities providing continuous psychiatric, medical, nursing services, board and care, or intermediate care (however, PBV assistance may be provided in assisted living facilities);
4. Units that are owned or controlled by an educational institution or its affiliate and are designated for occupancy by students;
5. Manufactured homes;
6. Cooperative housing;
7. Transitional Housing;
8. High-rise elevator project for families with children;
9. Units occupied by an owner of the housing; or
10. Units occupied by a family ineligible for participation in the PBV program.

In addition, PBV assistance will not be provided to:

1. A public housing unit;
2. A unit subsidized with any other form of Section 8 assistance;
3. A unit subsidized with any governmental rent subsidy;
4. A unit subsidized with any governmental subsidy that covers all or any part of the operating costs of the housing;

5. A unit subsidized with Section 236 rental assistance payments (12 U.S.C. 1715z-1) (except that HACH may attach assistance to a unit subsidized with Section 236 interest reduction payments);
6. A unit subsidized with rental assistance payments under Section 521 of the Housing Act of 1949, 42 U.S.C. 1490a (a Rural Housing Service Program);
7. Section 202 project for non-elderly persons with disabilities (assistance under Section 162 of the Housing and Community Development Act of 1987, 12 U.S.C. 1701q note);
8. Section 811 project-based supportive housing for persons with disabilities (42 U.S.C. 8013);
9. Section 202 supportive housing for the elderly (12 U.S.C. 1701q);
10. A Section 101 rent supplement project (12 U.S.C. 1701s);
11. A unit subsidized with any form of tenant-based rental assistance (as defined at 24 CFR 982.1(b) (2)) (*e.g.*, a unit subsidized with tenant-based rental assistance under the HOME program, 42 U.S.C. 12701 *et seq.*); or
12. A unit with any other duplicative federal, state, or local housing subsidy, as determined by HUD or by HACH in accordance with HUD requirements. For this purpose, "housing subsidy" does not include the housing component of a welfare payment; a social security payment; or a federal, state, or local tax concession (such as relief from local real property taxes).

IV. Threshold Eligibility Requirements for Properties and Applicants Receiving Project-Based Vouchers from HACH

1. The property must be located in County of Hidalgo, Texas;
2. The applicant must prove ownership of the site or control of proposed site by purchase contract or purchase option, where such control extends through the proposed date for acquiring title to the site;
3. The applicant must be incorporated, formed or organized in the State of Texas;
4. The applicant must have policies and procedures including admission policies, rules for resident behavior, procedures for involuntary discharge and a complaint procedure;

5. The applicant must be annually audited by a certified public accounting firm and the results must be provided to the local governments. **The latest audit must be part of the applicant's proposal submission;**
6. The applicant must have in place the following insurance which shall be written by companies authorized to do business in the state of Texas and acceptable to the HACH:
 - a. Comprehensive general liability insurance at limits not less than One Million Dollars (\$1,000,000.00) combined single limits;
 - b. Commercial general liability insurance including contractual liability coverages in the amount not less than One Million Dollars (\$1,000,000.00) combined single limits;
 - c. Employee dishonesty bond at limits not less than One Million Dollars (\$1,000,000.00); and
 - d. Workers Compensation Insurance that meets the requirement of a subscriber plan under Texas law.
7. The applicant must comply with all the laws and regulations of the County of Hidalgo, including but not limited to laws involving the use, maintenance and operation of structures, including building permits, zoning, code enforcement and rental certificates of compliance;
8. The applicant must not be involved in any current litigation or contractual dispute with HACH, the County of Hidalgo, or any municipality in Hidalgo County;
9. The applicant must designate a point of contact for HACH staff;
10. The applicant must provide to HACH, HUD or its agents reports, financial and other information as requested that may be needed to ensure compliance with local, state and federal laws and regulations; and
12. Applicants must be able to enter into an AHAP designating the property and start the project for which PBVs have been requested within a 24-month period after the announcement of award of PBVs or HACH reserves the right withdraw the award.

V. Specific Requirements

- **Resident Choice and Continued Assistance.** When a family moves out of a unit with PBV assistance, it must be replaced by a family that is referred from HACH's waiting list. This will ensure that the specified number of subsidies continue to be used at the development throughout the term of HACH's contract with the owner.
- **HAP Contract.** A form HAP is included and made a part hereof as Attachment A.
- **Contract Term and Extension.** HACH has the discretion to set the initial contract term for any period of time up to a maximum of twenty years, subject to the availability of adequate annual appropriations. The initial contract may be extended for a period of up to twenty years if the HACH considers such extension appropriate to achieve long-term affordability or to expand housing opportunities. At HACH's option, the initial contract may bind the owner to accept extensions offered by HACH.
- **HQS and Inspections.** Each unit identified to receive project-based assistance must pass a Housing Quality Standards ("HQS") inspection before a HAP contract may be signed. Project-based voucher contracts are subject to the same annual/biennial inspection requirements as regular vouchers.
- **Rent.** HACH's contract with the property owner, typically a partnership with HACH included as the General Partner, sets the rent for each unit with PBV assistance. The amount of the rent may not exceed the lower of the applicable maximum level, as explained below, or the "reasonable" rent in light of the rents charged for comparable unassisted units in the area. The applicable maximum is the maximum voucher payment standard which is 110 percent of the HUD-determined fair market rent ("FMR"). Up to this maximum, the rent for a unit is allowed as long as the rent is reasonable. In some cases, HUD may approve at their discretion exception rents for as much as 120 percent of the HUD-determined FMR. An independent reasonable rent study in accordance with HUD requirements will be prepared to determine the initial contract rent. The total rent to the property owner for PBV assisted units consists of the tenant rent (the portion of the rent to owner paid by the family) and the rental assistance paid by HACH in accordance with the HAP contract.
- **Rent Increases.** Rent increases during the term of the contract may be approved by HACH so long as the increased rents do not exceed the above rent limits and are reasonable. HUD's annual adjustment factors do not apply.
- **Individual or Family Share of the Rent.** Individuals or families with PBVs pay 30 percent of their adjusted income for rent and utilities.
- **Waiting List.** HACH will maintain a separate waiting list for each project eligible for PBV assistance. Property owners are responsible for selecting tenants for units assisted with PBVs from among the persons or families referred by HACH from its waiting list. An owner

may refer persons or families that apply directly to the development to HACH to be placed on the waiting list. No person or family is required to accept PBV assistance; persons or families that reject an offer of PBV assistance or are rejected by the property owner and are on the tenant-based voucher waiting list retain their place on that list.

- **Targeting.** The income of persons or families selected for PBV units is considered in determining whether HACH has complied with the requirement that at least 75 percent of new admissions to the voucher program each year must have incomes at or below 30 percent of the area median income.
- **Feasibility.** Proposed developments must be substantial rehabilitation, financially feasible and operationally viable, as demonstrated via submission of development and operating pro-formas.
- **Location.** HACH will provide PBV assistance to the property with the goal of expanding housing and economic opportunities to the maximum extent feasible. Proposed developments located in close proximity to social, recreational, educational, commercial, and health facilities and other municipal facilities and services, either on site or off-site, including those that may be geared toward elderly residents.

It is HACH's goal to select sites for PBV assistance that provide for deconcentrating poverty and expanding housing and economic opportunities. In complying with this goal, HACH will limit approval of sites for PBV assistance in census tracts that demonstrate a current poverty concentration of 20 percent or less. However, HACH will grant exceptions to the 20 percent standard where HACH determines that the project-based assistance will complement other local redevelopment activities designed to deconcentrate poverty and expand housing and economic opportunities in census tracts with poverty concentrations greater than 20 percent, such as sites in:

- A census tract in which the proposed development will be located in a HUD-designated Enterprise Zone, Economic Community, or Renewal Community;
- A census tract where the concentration of assisted units will be or has decreased as a result of public housing demolition and HOPE VI redevelopment;
- A census tract in which the proposed development will be located is undergoing significant revitalization as a result of state, local, or federal dollars invested in the area;
- A census tract where new market rate units are being developed where such market rate units will positively impact the poverty rate in the area;
- A census tract where there has been an overall decline in the poverty rate within the past five years; or
- A census tract where there are meaningful opportunities for educational economic advancement.

- Supportive Services. The project must make supportive services available to all **families** receiving PBV assistance in the project, but the family is not required to or is it mandatory to accept and receive supportive services for the exception to apply to the unit, although the family must be eligible to receive the supportive services. It is not necessary that the services be provided at or by the project, but must be reasonably available to families receiving PBV assistance at the project and designed to help families in the project achieve self-sufficiency or live in the community as independently as possible. A PHA may not require participation in the supportive service as a condition of living in the excepted unit, although such services may be offered. Supportive Services that must be provided:
 - Substance Abuse Counseling
 - Clinical Services for Non-Disabled Participants
 - Non-Disabled Mental Health Services
 - Non-Disabled Behavioral Support Services
 - Linkages to Medical Providers for Non-Disabled Tenants
 - Self –Sufficiency Counseling
 - Job Training/Career Counseling
 - Money Management Counseling
 - Youth Services – Child Care, After School Programs
 - Housing Retention
 - Section 8 FSS Participation
 - Self-Sufficiency
 - Weekday character building program at least once a month for youth
 - Health and Wellness
 - Bi-annual Health fair
 - Quarterly health or nutritional courses
 - Weekly exercise classes
 - Bi-monthly arts, crafts, and other recreational activities such as Book Clubs and creative writing classes

NOTE: Clinical Services, except for drug and alcohol treatment, cannot be used to meet the minimum required services for Excepted Units.

HACH may not enter into an AHAP for rehabilitated housing until it has determined that the site complies with the HUD required site and neighborhood standards set forth at 24 CFR 983.57(d), for substantial rehabilitation developments, and 24 CFR 983.57(e), for new construction developments, as applicable. Upon completion of construction and issuance of a certificate of occupancy, and provided that all other requirements under this RFP have been met, HACH will enter into a HAP with the owner for the site selected and approved for PBV assistance. HACH will make housing assistance payments to the property owner in accordance with the HAP for those contract units leased and occupied by eligible families during the HAP contract term.

VI. Application Instructions

Proposers may obtain proposal documents beginning Thursday, January 26, 2023 during regular business hours from the Housing Authority of the County of Hidalgo's Main Office, 1800 N. Texas Blvd., Weslaco, Texas 78599 or requesting an electronic copy by emailing doram@hidalgocha.org.

Any questions regarding the application must be submitted in writing no later than **5:00 p.m. February 2, 2023**. Questions are to be directed to Mike Lopez, Executive Director, via e-mail at doram@hidalgocha.org, or delivered to the Housing Authority Administrative Office, 1800 N. Texas Blvd., Weslaco, Texas 78599.

**DUE TO COVID19 PANDEMIC- NO PRE-SUBMISSION CONFERENCE WILL BE HELD
ALL QUESTIONS MUST BE SUBMITTED IN WRITTEN FORM AND TIMELY AS NOTED ABOVE**

Applications are due **by 10:00 a.m., Central Time, on February 24, 2023** and must be received by HACH by 10:00 a.m., CST, at the Main office of HACH and labeled:

Housing Authority of the County of Hidalgo
Attn: Mike Lopez
RFP-001-2023-PBV
1800 N. Texas Blvd.
Weslaco, Texas 78599

Responses will not be read aloud. Late responses will not be accepted. Fax responses will not be accepted.

Only applications submitted in response to this RFP will be considered. Submitted applications must respond to all requirements as outlined in this RFP; incomplete applications will not be reviewed.

No application shall be withdrawn for a minimum period of 90 days following the application deadline without the consent of HACH.

Minority-owned and women-owned business enterprise businesses are encouraged to respond to this solicitation.

Please tab your application as required (see Application Contents below). Also, submit two copies of your application. Copies must be packaged in sealed envelopes marked with the following:

- Title: Request for Applications or Qualifications for Assistance Under the Section 8 Project-Based Voucher Program

- Applicant's Name and Address

VII. Application Contents

Omission of any of the following information, documents or certifications will render the application non-responsive. All applications shall contain the following:

Tab 1 Threshold Application Requirements:

1. **Letter of Interest.** Applicant's submittals shall be accompanied by a Letter of Interest on the Applicant's letterhead. The letter should state Applicant's understanding of the engagement, the commitment to perform the work, if any, expeditiously, a brief statement indicating why the Applicant believes itself to be best qualified to perform the engagement, and a statement that the response is firm and irrevocable for 90 days.
2. **Proven Property Ownership or Control of Property Proposed for Project-Based Assistance.**
3. **Compliance with Fair Housing and Civil Rights Laws.** (Use enclosed form --- Certification of Previous Compliance with Fair Housing and Civil Rights Laws.)

All applicants and their employees must comply with all Fair Housing and civil rights laws, statutes, regulations and executive orders as enumerated in 24 CFR 5.105(a).

The applicant will not be eligible for consideration if the applicant—

- Has been charged with a systemic violation of the Fair Housing Act by HUD alleging ongoing discrimination;
- Is a defendant in a Fair Housing Act lawsuit filed by the Department of Justice alleging an ongoing pattern or practice of discrimination; or
- Has received a letter of noncompliance findings under Title VI, Section 504, or Section 109

HACH will not rate or rank an application if the charge, lawsuit, or letter of findings has not been resolved to the satisfaction of HACH before the application deadline stated in this RFP. HACH's decision regarding whether a charge, lawsuit, or a letter of findings has been satisfactorily resolved will be based upon whether appropriate actions have been taken to address

allegations of ongoing discrimination in the policies or practices involved in the charge, lawsuit, or letter of findings.

4. **Certification that the applicant has not been deemed ineligible for participation in Federal and HUD programs.** (Use enclosed form --- Certification of Eligibility for Participation in Federal and HUD Programs.)

The applicant will not be eligible for consideration if the applicant:

- Has had its participation in Federal programs limited;
- Has been debarred from participation in Federal programs;
- Has been charged with fraud or abuse of a Section 8 program;
- Is a defendant in a fraud or abuse lawsuit filed by the Department of Justice, HUD or HACH alleging fraud or abuse; or
- Has received a letter from the Department of Justice, HUD or HACH alleging fraud or abuse.

HACH will not rate or rank an application if the charge, lawsuit, or letter of findings has not been resolved to the satisfaction of HACH before the application deadline stated in this RFP. HACH's decision regarding whether a charge, lawsuit, or a letter of findings has been satisfactorily resolved will be based upon whether appropriate actions have been taken to address allegations of fraud or abuse in the policies or practices involved in the charge, lawsuit, or letter of findings.

Tab 2 Property Requirements:

1. The application for project-based assistance must provide a schedule of buildings indicating that the units proposed for participation in the project-based program are either (a) equal to or less than 25 percent of the units in any one building, (b) excepted units in a multifamily building because they are specifically made available for elderly or disabled families or families receiving supportive services (also known as qualifying families), (c) the unit(s) are in a single-family dwelling, defined as 1–4 family dwellings per building, or (d) the proposed project will be for families and will provide resident services for all residents (Use enclosed form --- Application Form and Schedule of Buildings Proposed for Assistance)
2. The applicant must submit development and operating pro-formas evidencing the financial feasibility and operation viability of the proposed new construction or substantial rehabilitation development.

3. The applicant must provide evidence that the proposed substantial rehabilitation development is permitted by applicable zoning ordinances, or evidence to indicate that any rezoning or relief required would likely occur and not delay the development.
4. A letter signed by the applicant must be submitted that assistance will not be attached to a unit that is occupied by the applicant.
5. **Proposed Development Methods and Strategy:** Provide a narrative description of the applicant's methods and strategy to develop this new construction or substantial rehabilitation project. Illustrate this approach with descriptions of at least three such developments in which the proposer participated, including one well established development and one recently completed development.

Tab3

Management Capability:

The Applicant shall submit the following information regarding its qualifications:

1. **Organizational Structure and Staffing.** Provide a detailed description of the organizational structure and staffing of the applicant. List the members of the applicant's team; indicate their areas of specialization and specific contribution to the team. Provide a brief description of previous collaboration among the members of the applicant's team. Additionally, for each discipline represented on the applicant's team, indicate if familiarity with state or local rules, practices or conditions is important to the effective accomplishment of the development and, if so, indicate the extent of and basis for the team's familiarity.
2. **Profile of Principals and Key Staff.** Provide profiles of the principals and key staff to be involved in the development effort. This information should specify their roles, their existing time commitments, their previous similar development experience, and whether the staff will be locally based. Identify the individual who will serve as the project manager and who will direct and coordinate the development project to completion.
3. **Termination.** Indicate whether the applicant or any applicant team member has been terminated from a contract, and if so, describe the circumstances and outcome.
4. **Litigation.** Indicate whether the applicant or any applicant team member has ever sued or been sued by a public agency, and if so, describe the circumstances and outcome.

5. **Previous Housing Development Experience.** Provide information on all residential (rental or homeownership) development projects in which the applicant has participated. This information should list the location, size, ownership type, public programs utilized, income levels served (very low, moderate, market rate, or mixed), type of development (high, mid or low-rise, walk-ups, townhouses, etc.), extent of community and/or resident participation, extent and nature of resident services programs, and development cost.
6. **Capacity.** Applicant shall certify that the applicant and all team members are available to start immediately. The applicant should describe any existing time commitments of the proposed team members or their proposed staff which would impair the applicant's ability to proceed expeditiously.
7. **References.** Provide the name, mailing address and telephone number of two community partner references, two housing authority references (if developer has housing authority experience and if not, provide 2 others), two tax credit investor references, and at least one housing finance agency reference.
8. **Section 3 Compliance.** The applicant must comply with the requirements set forth on Attachment B. Respondent must execute the Assurance of Compliance and complete the Certification of Business Concerns if seeking Section 3 Preference.
9. **Understanding Local Requirements.** Demonstrate that the applicant possesses an understanding of local requirements and procedures that will enable the effort to be efficiently completed.

Applicants may submit as much information as necessary to prove the above. The rating of the applicant and the applicant's company and staff, for technical merit or threshold compliance will include any agents, consultants, and members of boards of directors.

The proof submitted may take a variety of forms including experience statements, resumes of staff in key management positions, operating and maintenance procedures, staffing patterns, etc.

Please remember that only those applicants determined by HACH to have management capability will be selected for participation.

Financial Responsibility.

Provide current financial statements consisting of an audit of the applicant prepared by a Certified Public Accountant.

Tab4

Other submission requirements:

In addition to the above, the applicant must submit the following certifications:

- a. Non-Collusive Affidavit and Certificate of Non-Organizational Conflict of Interest (enclosed)
- b. Certification of Applicant Regarding Debarment, Suspension and Other Responsibility Matters (enclosed)
- c. Certification Regarding Lobbying (enclosed)

VIII. Scoring Criteria for Construction of Units:

1. **Rating Panels.** To review and rate applications, HACH will establish a rating panel or contract with an independent third party (or HUD) to conduct the scoring. This panel may include persons not currently employed by HACH.
2. **Threshold Requirements.** HACH or the independent third party evaluator will review each application to determine whether it meets all of the threshold requirements. If the application does not meet the threshold requirements, it will not be rated or ranked.
3. **Rating.** HACH or the independent third party evaluator will evaluate and rate all applications for assistance that meet the threshold requirements according to the rating factors below. The rating of the applications for technical merit or threshold compliance will include any owners, employees, agents, consultants, and members of boards of directors.
4. **Ranking.** HACH or the independent third party evaluator will rank all applicants who meet the threshold requirements by assigning points to each of the rating criteria requirements. Ranking will be given with those applicants by points assigned.
5. **Negotiations.** Negotiations shall be conducted with applicants who submit proposals determined to have a reasonable chance of being selected for award,

based on evaluation against the factors as specified in the RFP. Such applicants shall be accorded fair and equal treatment with respect to any opportunity for negotiation and revision of proposals. The purpose of negotiations shall be to seek clarification with regard to and advise applicants of the deficiencies in both the technical and price aspects of their proposals so as to assure full understanding of and conformance to the solicitation requirements. No applicant shall be provided information about any other applicant's proposal, and no applicant shall be assisted in bringing its proposal up to the level of any other proposal. A common deadline shall be established for receipt of proposal revisions based on negotiations.

6. **Award.** After evaluation of proposal revisions, if any, the contract shall be awarded to the responsible firm(s) whose qualification, price and other factors considered, are the most advantageous to HACH. Within 5 business days of HACH making the selection, HACH will notify the selected applicant in writing of the applicant's selection for the PBV program under this RFP. HACH will also notify in writing all applicants that submitted applications that were not selected and advise such owners of the name of the selected owner. In addition, HACH will publish its notice for selection of PBV applications for two consecutive days in the same newspapers and trade journals the HACH used to solicit the applications. The announcement will include the name of the applicant that was selected for the PBV program under this RFP. HACH will also post the notice of applicant selection on its website.
7. **Right to Award Multiple Contracts.** HACH reserves the right to award multiple contracts under this procurement as deemed to be in the best interest of HACH.
8. **Factors For Award Used To Evaluate and Rate Applications.** The points awarded for the base rating factors total [100].

Criteria	Points
Base Factors	
Property Requirements	
1. Extent to which proposed development will further HACH goal of expanding housing and economic opportunities	[20]
2. Extent to which services will be provided on site or in the immediate area, including social, recreational, educational, commercial, and health facilities and services and other municipal facilities and services	[20]
3. The application for project-based assistance must provide a schedule of buildings indicating that the units proposed for participation in the project-based program are either (a) equal to or less than 25 percent of the units in any one building, (b) excepted units in a multifamily building because they	[20]

are specifically made available for elderly or disabled families or families receiving supportive services (also known as qualifying families), (c) the unit(s) are in a single-family dwelling, defined as 1–4 family dwellings per building, or (d) the proposed project will be for families and will provide resident services for all residents	
Management and Financial Capability	
1. The applicant has adequate experience and capability to build new construction or substantially rehabilitated housing and meet the requirements of this RFP	[20]
2. Proposed building(s) must be financially feasible and operationally viable, as demonstrated by submission of development and operating pro-formas	[20]

IX. APPLICATION FORMS ENCLOSED

1. Application Form and Schedule of Buildings Proposed for Assistance;
2. Certification of Previous Compliance with Fair Housing and Civil Rights Laws;
3. Certification of Eligibility for Participation in Federal and HACH Programs;
4. Non-Collusive Affidavit and Certificate of Non-Organizational Conflict of Interest;
5. Certification of Applicant Regarding Debarment, Suspension and Other Responsibility Matters; and
6. Certification Regarding Lobbying.

APPLICATION FORM AND SCHEDULE OF BUILDINGS PROPOSED FOR ASSISTANCE

Property Owner's Legal Name: _____

Address: _____

Contact Name and Telephone Number: _____

Employer Identification Number: _____

1. OWNERSHIP

A. Property Owner: _____

Entity Type: _____

Mailing Address: _____

Telephone: _____

B. Site Control

(Please check the appropriate response and attach one of the following documents as evidence of site control).

_____ Deed _____ Contract of Sale _____ Option to Purchase

_____ Pre-Lease Agreement _____ Long-term Lease Agreement

Property Address: _____

C. Does the proposed new construction or substantial rehabilitation comply with local zoning and building codes?

Yes _____ No _____ If no, please explain:

2. BUILDING CHARACTERISTICS

If submission includes more than one building, complete this section for each.

Type of Building: _____

Number of Stories: _____

Available Parking: _____ Off-Street _____ On-Street _____

Units to Receive Project Based Assistance:

1-Bedroom _____

2-Bedroom _____

3-Bedroom _____

4-Bedroom _____

Other (describe) _____

Amenities and Services:

Total Number of Units in Building to Receive Project Based Assistance: _____

Total Number of Units in Building: ____

If no, are the Units:

(a) Excepted units in a multifamily building because they are specifically made available for elderly or disabled families or families receiving supportive services (also known as qualifying families)? _____ If yes, please explain the type of excepted unit and how many such excepted units? _____

(b) Located in a single-family dwelling (defined as 1–4 family dwellings per building)? _____

3. GENERAL LIVING QUALITY

Please provide detailed information about proximity to social, recreational, educational, commercial, and health facilities and services and other municipal facilities and services, either on site or off-site, including those that may be geared toward elderly or family residents.

[Remainder of page intentionally left blank.]

CERTIFICATION OF PREVIOUS COMPLIANCE WITH FAIR HOUSING AND CIVIL RIGHTS LAWS ASSISTANCE

Property Owner's Legal Name: _____

Address: _____

Contact Name and Telephone Number: _____

Employer Identification Number: _____

This is to certify that the above-named property owner, its directors, and employees are in full compliance with all Fair Housing and civil rights laws, statutes, regulations and executive orders as enumerated in 24 CFR 5.105(a).

The above-named property owner, its directors, and employees also understand that they will not be eligible for consideration as an applicant for assistance for existing units under the PBV program if any one of the following is true —

- Has been charged with a systemic violation of the Fair Housing Act by HUD alleging ongoing discrimination;
- Is a defendant in a Fair Housing Act lawsuit filed by the Department of Justice alleging an ongoing pattern or practice of discrimination; or
- Has received a letter of noncompliance findings under Title VI, Section 504, or Section 109.

Additionally, the above named property owner, its directors, and employees also understand that HACH will not rate and rank an application if the charge, lawsuit, or letter of findings has not been resolved to the satisfaction of HACH before the application deadline stated in the Request for Applications or Qualifications for Assistance Under the Section 8 Project-Based Voucher Program for Substantial Rehabilitation or New Construction Housing Units. HACH's decision regarding whether a charge, lawsuit, or a letter of findings has been satisfactorily resolved will be based upon whether appropriate actions have been taken to address allegations of ongoing discrimination in the policies or practices involved in the charge, lawsuit, or letter of findings.

TO THE BEST OF MY KNOWLEDGE AND BELIEF, ALL INFORMATION IN THIS APPLICATION IS TRUE AND CORRECT.

Signature

Name of Owner or Authorized Agent

Date

CERTIFICATION OF ELIGIBILITY FOR PARTICIPATION IN FEDERAL AND HACH PROGRAMS

Property Owner's Legal Name: _____

Address: _____

Contact Name and Telephone Number: _____

Employer Identification Number: _____

This is to certify that the above named property owner, its directors, and employees have not had participation in Federal programs limited; have not been debarred from participation in Federal programs; have not been charged with fraud or abuse of a Section 8 program; is not a defendant in a fraud or abuse lawsuit filed by the Department of Justice, HUD or the HACH alleging fraud or abuse; or have not received a letter from the Department of Justice, HUD or the HACH alleging fraud or abuse in any Federally-funded program, and that the occurrence of such would render the property owner, its directors, and employees ineligible for consideration as an applicant for assistance for existing units under the PBV program.

Additionally, it is understood that the HACH will not rate and rank an application if the charge, lawsuit, or letter of findings has not been resolved to the satisfaction of the HACH before the application deadline stated in the Request for Applications or Qualifications for Assistance Under the Section 8 Project-Based Voucher Program for Substantial Rehabilitation or New Construction Housing Units. The HACH's decision regarding whether a charge, lawsuit, or a letter of findings has been satisfactorily resolved will be based upon whether appropriate actions have been taken to address allegations of fraud or abuse in the policies or practices involved in the charge, lawsuit, or letter of findings.

Definition of Fraud and/or Program Abuse

"Fraud" and "abuse" mean a single act or pattern of actions made with the intent to deceive or mislead, constituting a false statement, omission, or concealment of a substantive fact. Fraud and abuse result in the payment of housing choice voucher program funds in violation of program requirements.

TO THE BEST OF MY KNOWLEDGE AND BELIEF, ALL INFORMATION IN THIS APPLICATION IS TRUE AND CORRECT.

Signature

Name of Owner or Authorized Agent

Date

ATTACHMENT

A

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

**SECTION 8 PROJECT-BASED VOUCHER PROGRAM
HOUSING ASSISTANCE PAYMENTS CONTRACT**

NEW CONSTRUCTION OR REHABILITATION

PART 1 OF HAP CONTRACT

Public reporting burden for this collection of information is estimated to average 2 hours. This includes the time for collecting, reviewing and reporting the data. The information is being collected as required by 24 CFR 983.202, which requires the PHA to enter into a HAP contract with the owner to provide housing assistance payments for eligible families. This agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless that collection displays a valid OMB control number. Assurances of confidentiality are not provided under this collection.

Privacy Act Statement. HUD is committed to protecting the privacy of individuals' information stored electronically or in paper form, in accordance with federal privacy laws, guidance, and best practices. HUD expects its third-party business partners, including Public Housing Authorities, who collect, use maintain, or disseminate HUD information to protect the privacy of that information in accordance with applicable law.

1. CONTRACT INFORMATION

a. Parties

This housing assistance payments (HAP) contract is entered into between:

_____ (PHA) and
_____ (owner).

b. Contents of contract

The HAP contract consists of Part 1, Part 2, and the contract exhibits listed in paragraph c.

c. Contract exhibits

The HAP contract includes the following exhibits:

EXHIBIT A: TOTAL NUMBER OF UNITS IN PROJECT COVERED BY

THIS HAP CONTRACT; INITIAL RENT TO OWNER; AND DESCRIPTION OF THE CONTRACT UNITS. (See 24 CFR 983.203 for required items.) If this is a multi-stage project, this exhibit must include a description of the units in each completed phase.

EXHIBIT B: SERVICES, MAINTENANCE AND EQUIPMENT TO BE PROVIDED BY THE OWNER WITHOUT CHARGES IN ADDITION TO RENT TO OWNER

EXHIBIT C: UTILITIES AVAILABLE IN THE CONTRACT UNITS, INCLUDING A LISTING OF UTILITY SERVICES TO BE PAID BY THE OWNER (WITHOUT CHARGES IN ADDITION TO RENT TO OWNER) AND UTILITIES TO BE PAID BY THE TENANTS

EXHIBIT D: FEATURES PROVIDED TO COMPLY WITH PROGRAM ACCESSIBILITY FEATURES OF SECTION 504 OF THE REHABILITATION ACT OF 1973

ADDITIONAL EXHIBITS

d. **Single-Stage and Multi-Stage Contracts (place a check mark in front of the applicable project description).**

Single-Stage Project

This is a single-stage project. For all contract units, the effective date of the HAP contract is: _____ .

Multi-Stage Project

This is a multi-stage project. The units in each completed stage are designated in Exhibit A.

The PHA enters the effective date for each stage after completion and PHA acceptance of all units in that stage. The PHA enters the effective date for each stage in the "Execution of HAP contract for contract units completed and accepted in stages" (starting on page 10).

The annual anniversary date of the HAP contract for all contract units in this multi-stage project is the anniversary of the effective date of the HAP

contract for the contract units included in the first stage. The expiration date of the HAP contract for all of the contract units completed in stages must be concurrent with the end of the HAP contract term for the units included in the first stage (see 24 CFR 983.206(c)).

e. Term of the HAP contract

1. Beginning of term

The PHA may not enter into a HAP contract for any contract unit until the PHA (or an independent entity, as applicable) has determined that the unit meets PBV inspection requirements. The term of the HAP contract for any unit begins on the effective date of the HAP contract.

2. Length of initial term

- a. Subject to paragraph 2.b, the initial term of the HAP contract for any contract units is: _____.
- b. The initial term of the HAP contract for any unit may not be less than one year, nor more than twenty years.

3. Extension of term

The PHA and owner may agree to enter into an extension of the HAP contract at the time of initial HAP contract execution, or any time prior to expiration of the contract. Any extension, including the term of such extension, must be in accordance with HUD requirements. A PHA must determine that any extension is appropriate to achieve long-term affordability of the housing or expand housing opportunities.

4. Requirement for sufficient appropriated funding

- a. The length of the initial term and any extension term shall be subject to availability, as determined by HUD, or by the PHA in accordance with HUD requirements, of sufficient appropriated funding (budget authority), as provided in appropriations acts and in the PHA's annual contributions contract (ACC) with HUD, to make full payment of housing assistance payments due to the owner for any contract year in accordance with the HAP contract.

- b. The availability of sufficient funding must be determined by HUD or by the PHA in accordance with HUD requirements. If it is determined that there may not be sufficient funding to continue housing assistance payments for all contract units and for the full term of the HAP contract, the PHA has the right to terminate the HAP contract by notice to the owner for all or any of the contract units. Such action by the PHA shall be implemented in accordance with HUD requirements.

f. Occupancy and payment

1. Payment for occupied unit

During the term of the HAP contract, the PHA shall make housing assistance payments to the owner for the months during which a contract unit is leased to and occupied by an eligible family. If an assisted family moves out of a contract unit, the owner may keep the housing assistance payment for the calendar month when the family moves out (“move-out month”). However, the owner may not keep the payment if the PHA determines that the vacancy is the owner’s fault.

2. Vacancy payment

THE PHA HAS DISCRETION WHETHER TO INCLUDE THE VACANCY PAYMENT PROVISION (PARAGRAPH e.2), OR TO STRIKE THIS PROVISION FROM THE HAP CONTRACT FORM.

- a. If an assisted family moves out of a contract unit, the PHA may provide vacancy payments to the owner for a PHA-determined vacancy period extending from the beginning of the first calendar month after the move-out month for a period not exceeding two full months following the move-out month.
- b. The vacancy payment to the owner for each month of the maximum two-month period will be determined by the PHA, and cannot exceed the monthly rent to owner under the assisted lease, minus any portion of the rental payment received by the owner (including amounts available from the tenant’s security deposit). Any vacancy payment may cover only the period the unit remains vacant.

- c. The PHA may make vacancy payments to the owner only if:
 - 1. The owner gives the PHA prompt, written notice certifying that the family has vacated the unit and the date when the family moved out (to the best of the owner's knowledge and belief);
 - 2. The owner certifies that the vacancy is not the fault of the owner and that the unit was vacant during the period for which payment is claimed;
 - 3. The owner certifies that it has taken every reasonable action to minimize the likelihood and length of vacancy; and
 - 4. The owner provides any additional information required and requested by the PHA to verify that the owner is entitled to the vacancy payment.
- d. The PHA must take every reasonable action to minimize the likelihood and length of vacancy.
- e. The owner may refer families to the PHA and recommend selection of such families from the PHA waiting list for occupancy of vacant units.
- f. The owner must submit a request for vacancy payments in the form and manner required by the PHA and must provide any information or substantiation required by the PHA to determine the amount of any vacancy payments.

3. PHA is not responsible for family damage or debt to owner

Except as provided in this paragraph e (Occupancy and Payment), the PHA will not make any other payment to the owner under the HAP contract. The PHA will not make any payment to the owner for any damages to the unit, or for any other amounts owed by a family under the family's lease.

g. Income-mixing requirement

- 1. Except as provided in paragraphs f.2 through f.5 below, the PHA will not

make housing assistance payments under the HAP contract for more than the greater of 25 units or 25 percent of the total number of dwelling units (assisted or unassisted) in any project. The term “project” means a single building, multiple contiguous buildings, or multiple buildings on contiguous parcels of land assisted under this HAP contract.

2. The limitation in paragraph f.1 does not apply to single-family buildings.
3. In referring eligible families to the owner for admission to the number of contract units in any project exceeding the 25 unit or 25 percent limitation under paragraph f.1, the PHA shall give preference to elderly families or to families eligible for supportive services, for the number of contract units designated for occupancy by such families. The owner shall rent the designated number of contract units to such families referred by the PHA from the PHA waiting list.
4. Up to the greater of 25 units or 40 percent of units (instead of the greater of 25 units or 25 percent of units) in a project may be project-based if the project is located in a census tract with a poverty rate of 20 percent or less.
5. Units that were previously subject to certain federal rent restrictions or receiving another type of long-term housing subsidy provided by HUD do not count toward the income-mixing requirement if, in the five years prior to issuance of the Request for Proposal or notice of owner selection (for projects selected based on a prior competition or without competition), the unit received one of the forms of HUD assistance or was under a federal rent restriction as described in f.6 and f.7, below.
6. The following specifies the number of contract units (if any) that received one of the following forms of HUD assistance (enter the number of contract units in front of the applicable form of assistance):
 - ___ Public Housing or Operating Funds;
 - ___ Project-Based Rental Assistance (including Mod Rehab and Mod Rehab Single-Room Occupancy);
 - ___ Housing for the Elderly (Section 202 or the Housing Act of 1959);
 - ___ Housing for Persons with Disabilities (Section 811 of the Cranston-Gonzalez Affordable Housing Act);

- Rent Supplement Program;
- Rental Assistance Program;
- Flexible Subsidy Program.

The following total number of contract units received a form of HUD assistance listed above: 0. If all of the units in the project received such assistance, you may skip sections g.7 and g.8, below.

7. The following specifies the number of contract units (if any) that were under any of the following federal rent restrictions (enter the number of contract units in front of the applicable type of federal rent restriction):

- Section 236;
- Section 221(d)(3) or (d)(4) BMIR (below-market interest rate);
- Housing for the Elderly (Section 202 or the Housing Act of 1959);
- Housing for Persons with Disabilities (Section 811 of the Cranston-Gonzalez Affordable Housing Act);
- Flexible Subsidy Program.

The following total number of contract units were subject to a federal rent restriction listed above: 0. If all of the units in the project were subject to a federal rent restriction, you may skip section g.8, below.

8. The following specifies the number of contract units (if any) designated for occupancy by elderly families or by families eligible for supportive services:

- a Place a check mark here if any contract units are designated for occupancy by elderly families; The following number of contract units shall be rented to elderly families:

_____.

- b Place a check mark here if any contract units are designated for occupancy by families eligible for supportive services. The

following number of contract units shall be rented to families
eligible for supportive services:

_____.

9. The PHA and owner must comply with all HUD requirements regarding income mixing.

EXECUTION OF HAP CONTRACT FOR SINGLE-STAGE PROJECT

PUBLIC HOUSING AGENCY (PHA) Name of PHA (Print)
By:
Signature of authorized representative
Name and official title (Print)
Date
OWNER Name of Owner (Print)
By:
Signature of authorized representative
Name and official title (Print)
Date

**EXECUTION OF HAP CONTRACT FOR CONTRACT UNITS COMPLETED
AND ACCEPTED IN STAGES**

(For multi-stage projects, at acceptance of each stage, the PHA and the owner sign the HAP contract execution for the completed stage.)

STAGE NO. 1: The Contract is hereby executed for the contract units in this stage. STAGE EFFECTIVE DATE: The effective date of the Contract for this stage is:
Date
PUBLIC HOUSING AGENCY (PHA) Name of PHA (Print)
By: Signature of authorized representative
Name and official title (Print)
Date
OWNER Name of Owner (Print)
By: Signature of authorized representative
Name and official title (Print)
Date

STAGE NO. 2: The Contract is hereby executed for the contract units in this stage.
STAGE EFFECTIVE DATE: The effective date of the Contract for this stage is:
Date
PUBLIC HOUSING AGENCY (PHA) Name of PHA (Print)
By:
Signature of authorized representative
Name and official title (Print)
Date
OWNER Name of Owner (Print)
By:
Signature of authorized representative
Name and official title (Print)
Date

STAGE NO. 3: The Contract is hereby executed for the contract units in this stage. STAGE EFFECTIVE DATE: The effective date of the Contract for this stage is:
Date
PUBLIC HOUSING AGENCY (PHA) Name of PHA (Print)
By:
Signature of authorized representative
Name and official title (Print)
Date
OWNER Name of Owner (Print)
By:
Signature of authorized representative
Name and official title (Print)
Date

STAGE NO. __: The Contract is hereby executed for the contract units in this stage.
STAGE EFFECTIVE DATE: The effective date of the Contract for this stage is:
Date
PUBLIC HOUSING AGENCY (PHA) Name of PHA (Print)
By:
Signature of authorized representative
Name and official title (Print)
Date
OWNER Name of Owner (Print)
By:
Signature of authorized representative
Name and official title (Print)
Date

ATTACHMENT

B

Attachment B

SECTION 3 OF THE HOUSING AND URBAN DEVELOPMENT ACT OF 1968 (CFR PART 135)

MEMORANDUM

TO: All Respondents

SUBJECT: Section 3 of the Housing and Urban Development Act of 1968 (CFR Part 135)
RFP 02-2014

In accordance with U.S. Department of HUD and the McAllen Housing Authority, any potential subcontractor shall abide by the Section 3 HUD ACT of 1968 for this project.

ASSURANCE OF COMPLIANCE

All respondents shall submit an executed ASSURANCE OF COMPLIANCE for the section 3 requirements with their solicitation response. Successful Contractor and potential subcontractor shall be required to, but not limited to, executing a Contractor/Subcontractor Certification regarding Section 3 and Segregated Facilities, execute and abide by a Section 3 Plan, and submit Monthly Compliance, Utilization Reports and Employee Data and Certifications as part of contract award.

CONTRACTING PREFERENCE

Hidalgo County Housing Authority has established a preference for Section 3 Business concerns in contracting opportunities. A business seeking to qualify for a section 3 contracting preference shall certify and submit evidence as required within Section 3 PREFERENCE FORM, with their solicitation response under Tab 11, that the business concern is a section 3 business concern, as defined:

1. That is 51 percent or more owned by Section 3 resident; or
2. Whose permanent, full-time employees include persons, at least 30 percent of whom are currently Section 3 residents, or within three years of the date of first employment with the business concern were Section 3 residents; or
3. That provides evidence of a commitment to subcontract in excess of 25 percent of the dollar award of all subcontractors to be awarded to business concerns that meet the qualifications set forth in paragraphs 1 or 2 above.

SECTION 3 CLAUSE

All Section 3 covered contracts for contractors and subcontractors shall include the following clause (referred to as the Section 3 Clause):

A. The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low-and very low-income persons, particularly persons who are recipients of HUD assistance for housing.

B. The parties to this contract agree to comply with HUD's regulations in 24 CFR Part 135, which implement Section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual or other impediment that would prevent them from complying with the part 135 regulations.

C. The contractor agrees to send to each labor organization or representative or workers with which the contractor has a collective bargaining agreement or other understanding, if any a notice advising the labor organization or workers' representative of the contractor's commitments under the Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.

D. The contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR Part 135.

E. The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR part 135.

F. Noncompliance with HUD's regulations in 24 CFR part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.

G. With respect to work performed in connection with Section 3 covered Indian housing assistance, section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provisions of Section 3 and section 7(b) agree to comply with section 3 to the maximum extent feasible, but not in derogation of compliance with section 7(b).

END OF MEMORANDUM

ASSURANCE OF COMPLIANCE (Section 3, HUD Act of 1968)

TRAINING, EMPLOYMENT, AND CONTRACTING OPPORTUNITIES FOR BUSINESS AND LOWER INCOME PERSONS

- A. The project assisted under this (contract) (agreement) is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 170U. Section 3 requires that the greatest extent feasible opportunities for training and employment be given to lower income residents of the project area and contracts for work in connection with the project be awarded to business concerns which are located in or owned in substantial part by persons residing in the area of the project.

- B. Notwithstanding any other provision of this (contract) (agreement), the (applicant) (recipient) shall carry out the provisions of said Section 3 and the regulations issued pursuant thereto by the Secretary set forth in 24 CFR Part 135 (published in 38 Federal Register 29220, October 23, 1973), and all applicable rules and orders of the Secretary issued thereunder prior to the execution of this (contract) (agreement). The requirements of said regulations include but are not limited to development and implementation of an affirmative action plan for utilizing business concerns located within or owned in substantial part by persons residing in the area of the project; the making of a good faith effort, as defined by the regulation, to provide training, employment and business opportunities required by Section 3; and incorporation of the "Section 3 Clause" specified by Section 135.38 of the regulation in all contracts for work in connection with the project. The (applicant) (recipient) certifies and agrees that it is under no contractual or other disability which would prevent it from complying with these requirements.

- C. Compliance with the provision of Section 3, the regulations set forth in 24 CFR Part 135, and all applicable rules and orders of the Secretary issued thereunder prior to approval by the Government of the application for this (contract) (agreement), shall be a condition of the Federal financial assistance provided to the project, binding upon the (applicant) (recipient), its successors and assigns. Failure to fulfill these requirements shall subject the (applicant) (recipient), its contractors and subcontractors, its successors, and assigns to the sanctions specified by the (contract) (agreement), and to such sanctions as are specified by 24 CFR 135.38 (f).

APPLICANT: _____

SIGNATURE: _____

COMPANY: _____

DATE: _____

CERTIFICATION FOR SECTION 3 BUSINESS CONCERNS

The HCHA has established the following priority for preference when providing contracting opportunities to Section 3 Business Concerns:

- PRIORITY I: *Category 1 Businesses:* Business concerns that are fifty one percent (51%) or more owned by residents of the housing development(s) of the Hidalgo County Housing Authority (HCHA) for which the section 3 covered assistance is expended, or whose full-time, permanent workforce includes thirty percent (30%) of residents of the housing development(s) for which the section 3 covered assistance is expended, or within three (3) years of the date of first employment with the business concern, were residents of the Section 3-covered housing development
- PRIORITY II: *Category 2 Businesses:* Business concerns that are fifty one percent (51%) or more owned by residents of other housing developments(s) managed by the HCHA, or whose full-time, permanent workforce includes thirty percent (30%) of residents of other housing developments(s) managed by the PHA; or within three (3) years of first employment with the business concern, were residents of the Section 3-covered housing development
- PRIORITY III: *Category 3 Businesses:* HUD Youthbuild programs being carried out in the metropolitan area (or nonmetropolitan county) in which the section 3 covered assistance is expended.
- PRIORITY IV: *Category 4 Businesses:* Business concerns that are fifty one percent (51%) or more owned by section 3 residents, or whose permanent, full time workforce includes no less than thirty percent (30%) section 3 residents, or that subcontract in excess of twenty five percent (25%) of the total amount of subcontract to the business concerns identified as category 1 and 2 businesses).

Eligibility for preference

A business seeking to qualify for a section 3 contracting preference shall certify and submit evidence that the business concern is a section 3 business concern, as defined. ***Respondent shall complete the Certification for Business Concerns Seeking Section 3 Preference in Contracting and Demonstration of Capacity.***

Eligibility for contract award

A section 3 business concern seeking a contract or a subcontract shall submit evidence to the MCHA, contractor, or subcontractor, as applicable, sufficient to demonstrate to the satisfaction of the party awarding the contract that the business concern is responsible and has the ability to perform successfully under the terms and conditions of the proposed contract. It shall require consideration, among other factors, the potential contractor's record in complying with public policy requirements, and compliance with section 3 requirements.

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

Name of Business _____

Address of Business _____

Type of Business/Trade/Profession _____

Type of Business: Corporation Partnership Sole Proprietorship Joint
Venture

Attached is the following documentation as evidence of status:

For Business claiming status as a Section 3 resident-owned enterprise:

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

For Business entity as applicable:

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

For Business claiming Section 3 status by subcontracting 25 percent of dollar awarded to qualified Section 3 business:

- List of subcontracted Section 3 business(es) and subcontract amount

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

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

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

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

Corporate Seal

Authorizing Name and Signature

Notary

Title

My term expires:

Date

SUGGESTED PRELIMINARY WORKFORCE STATEMENT
Section 3 Plan for Utilization of Section 3 Residents as Regular, Permanent Employees, Trainees, Apprentices.

ESTIMATED WORKFORCE BREAKDOWN

Name of Company: _____

Address: _____

Project: _____

Job Category	Specific Job Title	Total Estimate Positions	Present Permanent Employees (At time of contract signing)	Workforce Projection (Section 3 Residents)	Total projected Workforce Increase
Officers/Supervisors					
Professionals					
Technicians					
Housing Sales/Rental Management					
Office/Clerical					
Service Workers					
Others:					

Trade:					
Journeyman					
Common Laborers					
Apprentices					
Maximum No. of Trainees					

Trade:					
Journeyman					
Common Laborers					
Apprentices					
Maximum No. of Trainees					

Authorized Signature

Date

Printed Name