

Invitation for Submission of Applications: Contract Administrators for
Project-Based Section 8 Housing Assistance Payments (HAP) Contracts

United States Department of Housing and Urban Development

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1. INTRODUCTION

The U.S. Department of Housing and Urban Development (HUD), Office of Housing Assistance Contract Administration Oversight (HACAO), is issuing this “Invitation for Submission of Applications: Contract Administrators for Project-Based Section 8 Housing Assistance Payments (HAP) Contracts” (Invitation) for the purpose of receiving applications from Public Housing Agencies (PHA) to administer the Project Based Section 8 Housing Assistance Payments (HAP) Contracts as Performance-Based Contract Administrators (PBCA). The Invitation is issued pursuant to section 8 of the United States Housing Act of 1937 (1937 Act), 42 U.S.C. 1437f (Section 8). HUD will select one PBCA for each of the fifty United States, the District of Columbia, the United States Virgin Islands, and the Commonwealth of Puerto Rico (State). The successful applicant for each State, except for the State of California, will enter into a single Performance-Based Annual Contributions Contract (ACC) with HUD effective October 1, 2011, to administer HAP Contracts with owners of Section 8 projects in the State. The successful applicant for the State of California will enter into two ACCs: one for Northern California, which will be under the jurisdiction of the HUD San Francisco Hub Office, and one for Southern California, which will be under the jurisdiction of the HUD Los Angeles Hub Office. HUD will consider Applications submitted by joint ventures and other public/private partnerships between PHAs and other public or private for-profit or non-profit entities.

After execution of the ACC, HUD will assign existing HAP Contracts, as defined in the ACC, to the PBCA. Throughout the ACC term, HUD may make further assignments of HAP Contracts to the PBCA and may withdraw HAP Contracts as necessary.

HUD seeks through this Invitation to achieve three (3) programmatic and three (3) administrative objectives.

Programmatic objectives:

- Calculate and pay Section 8 rental subsidies correctly;
- Administer project-based Section 8 HAP Contracts consistently; and
- Take actions to ensure owners fulfill their obligations to provide decent, safe, and sanitary housing for eligible families.

Administrative objectives:

- Execute an ACC only with a PHA that has the qualifications and expertise to oversee and manage affordable housing, and that has the capacity and the necessary personnel and other resources to perform the required contract administration services;
- Obtain the best value for dollars spent for contract administration services; and

- Encourage the development of joint ventures and/or partnerships for contract administration services to obtain the benefit of the best practices of both public and private sectors.

2. OVERVIEW OF CONTRACT ADMINISTRATOR’S RESPONSIBILITIES

The PBCA will administer the HAP Contracts that HUD assigns during the ACC term. In the case of HAP Contracts that expire during the ACC term, the PBCA will enter into a renewal contract with Section 8 owners, as appropriate, in accordance with the Multifamily Assisted Housing Reform and Affordability Act of 1997 (“MAHRA”), HUD’s implementing regulations, and the provisions of the Section 8 Renewal Guide. The PBCA will monitor each property owner and ensure compliance with the terms of the HAP Contract. In discharging these and all other responsibilities under the ACC, the PBCA will comply, and will ensure compliance by owners, with Federal law, HUD’s implementing regulations, the Section 8 Renewal Guide, and all other requirements and guidance that HUD deems applicable, as they exist at the time of ACC execution and as amended from time to time during the ACC term.

The ACC will identify the State in which the PBCA is required to provide HAP Contract administration services. Exhibit B of the ACC will identify the HAP Contracts that HUD assigns to the PHA for servicing. HUD has the authority under the ACC unilaterally to amend Exhibit B of the ACC to add or withdraw HAP contracts from time to time that the PBCA is responsible for administering and, upon exercising this authority, will provide the PBCA with written notice of the revised Exhibit B.

Exhibit A of the ACC contains the Performance Based Tasks (PBTs) that the PHA must perform.

The principal tasks of the PHA under the ACC include, but are not limited to, the following:

- Monitoring compliance by project owners with their obligation to provide decent, safe, and sanitary housing to assisted residents;
- Paying property owners accurately and timely;
- Accurately and timely submitting required documents to HUD (or a HUD designated agent); and
- Complying with applicable Federal law and HUD regulations and requirements, as they exist at the time of ACC execution and as amended from time to time.

2.1 Reasoned Legal Opinion

HUD requires the submission of a Reasoned Legal Opinion (RLO) to determine whether an applicant is legally qualified under this Invitation to serve as PBCA. The RLO must state the full legal name of the applicant (i.e., the entity that, if selected, would enter into an ACC with HUD) and the type of PHA (see Section 2.3, “PHA Type”) that the entity purports to be. If an entity applies to serve as PBCA for more than one State, a separate RLO must be submitted in support

of each application. The RLO must state that the signatory is licensed to practice law in the State under the laws of which the PHA was formed. It should be succinct but must contain a reasoned (i.e., non-conclusory) analysis establishing that each of the applicable requirements in Section 2.1 through 2.6 of this Invitation is satisfied. It must include proper citation to any codified provisions on which the analysis relies. A legible copy of each such provision, other than any provision of the 1937 Act, must be included with the RLO.

HUD will respond in writing by indicating that it has determined that the applicant is legally qualified or, if not, by identifying any legal deficiencies in the RLO. The attorney representing the applicant will be permitted to submit a single Follow-Up Letter (FUL) to cure any such deficiencies. The attorney who signs the FUL may be a different attorney from the one who signs the RLO as long as he or she is licensed to practice law in the State under the laws of which the PHA was formed and the FUL states so. HUD must receive the FUL no later than seven (7) calendar days of the date of HUD's response. If HUD does not receive a FUL that cures all deficiencies by 5:00 p.m. Eastern Standard Time by the date on which it is due, the application will be disqualified.

If the applicant proposes to serve as PBCA in a State other than the State under the laws of which it was formed, a Supplemental Letter (SL) must be enclosed with the RLO. The SL must state that the signatory is licensed to practice law in the State in which the applicant proposes to serve as PBCA. It should be succinct but must contain a reasoned (i.e., non-conclusory) analysis establishing that the laws of the State in which the applicant proposes to serve as PBCA do not prohibit the applicant from acting as a PHA throughout the entire State. The SL must contain a clear statement that such laws neither explicitly nor implicitly prohibit the applicant from acting as a PHA throughout the entire State. See Section 2.6.

The RLO, any FUL, and any SL must conclude with a statement explicitly certifying that all representations that they contain are true and correct. If, at any time after execution of any ACC with the applicant, HUD determines that any material representation in the RLO, any FUL, and/or any SL on which HUD relied in evaluating the applicant's legal qualifications is false, such determination shall constitute a basis for HUD to rescind the ACC. It is therefore crucial that the RLO, any FUL, and any SL accurately and clearly represent the facts and the governing law and that the legal conclusions that they contain be sound.

All determinations regarding legal eligibility rest solely with HUD and are final.

2.2. Statutory Definition of "Public Housing Agency" and Related Statutory Definitions

A public housing agency is a creature of State law. Its authority and power to act derive from the State law(s) under which it was created. "Public housing agency" is also a defined term in the 1937 Act, which authorizes HUD to enter into ACCs with "public housing agencies," as "public housing agency" (PHA) is defined in section 3(b)(6)(A) of the 1937 Act, for the administration of Section 8 HAP Contracts. Before entering into an ACC for this purpose, HUD must ascertain that the entity satisfies the 1937 Act's definition of PHA. Section 3(b)(6)(A) of the 1937 Act, which applies to the project-based section 8 program, provides in relevant part, "the term 'public

housing agency’ means any State, county, municipality, or other governmental entity or public body (or agency or instrumentality thereof) which is authorized to engage in or assist in the development or operation of public housing.” The 1937 Act further defines terms that appear within the foregoing definition.

For example, section 3(b)(1) provides, “The term ‘public housing’ means low-income housing, and all necessary appurtenances thereto, assisted under this Act other than under section 8. The term ‘public housing’ includes dwelling units in a mixed finance project that are assisted by a public housing agency with capital or operating assistance.” Section 3(b)(1) further provides, “The term ‘low-income housing’ means decent, safe, and sanitary dwellings assisted under this Act.”

Section 3(c) provides as follows:

When used in reference to public housing:

(1) The term “development” means any or all undertakings necessary for planning, land acquisition, demolition, construction, or equipment, in connection with a low-income housing project . . .
[and]

(2) The term “operation” means any or all undertakings appropriate for management, operation, services, maintenance, security (including the cost of security personnel), or financing in connection with a low-income housing project. The term also means the financing of tenant programs and services for families residing in low-income housing projects, particularly where there is maximum feasible participation of the tenants in the development and operation of such tenant programs and services.

2.3. PHA Type

To qualify as a PHA that may enter into an ACC with HUD, the RLO must identify the entity as one of the following:

A general or special purpose governmental entity: Such governmental entities include a State, municipality, housing authority, or governmental public benefit corporation;

A multi-state, interstate or regional governmental entity; or

An instrumentality entity: An instrumentality entity must be created directly by “any State, county, municipality, or other governmental entity or public body.” Submission of an RLO on behalf of an entity that itself was created by one or more instrumentalities of a governmental entity or public body will result in the disqualification of the Application. The instrumentality entity may be a for-profit or a not-for-profit entity. An instrumentality entity must be fully formed and in legal existence under applicable laws

on the date on which the RLO is signed. A copy of the corporate charter and all other organizational documents in final form (e.g., duly executed and filed with all appropriate State and/or other authorities, as may be required by law) that meet all requirements of this Invitation must be enclosed with the RLO.

In concept, the required elements of the RLO are very similar whether the applicant is a governmental entity or an instrumentality entity. In practice, however, more steps are required to establish the legal eligibility of an instrumentality entity (see Section 2.5).

2.4 Required Elements of Reasoned Legal Opinion for a Governmental Entity

In the case of a governmental entity, the RLO must establish that the entity:

- (1) Was created under a statute that confers powers that qualify the entity as a PHA, as defined in the 1937 Act. Although the statute may not explicitly enumerate the power “to engage in or assist in the development or operation of public housing” within the meaning of section 3(b)(6)(A) of the 1937 Act, the attorney signing the RLO must conclude and state that such power is within the scope of powers explicitly conferred;
- (2) Was created under a statute that confers powers that include the power to administer project-based section 8 HAP Contracts, including the power to perform each of the eight PBTs identified in Exhibit A, Section 3, of the ACC. Although the statute may not explicitly enumerate such powers, the attorney signing the RLO must conclude and state that all such powers are within the scope of those explicitly conferred;
- (3) Was created under a statute that explicitly authorizes the entity to operate throughout the entire State in which the entity proposes to serve as PBCA or that evidences a legislative intent for such entity to have such authority; and
- (4) Has registered to do business in the State in which the entity proposes to serve as PBCA to the extent that the laws of such State require it to do so. If such laws do not require it to do so, the RLO must state this.

2.5 Required Elements of Reasoned Legal Opinion for an Instrumentality Entity

In the case of an instrumentality entity, the RLO must establish that:

- (1) The parent entity (or, in the case of multiple parent entities, each such entity) and the instrumentality entity were created under laws that confer powers that qualify the parent entity (or each such entity) and the instrumentality entity as a PHA, as defined in the 1937 Act. Specifically, the RLO must establish that:
 - (a) The parent entity (or each such entity) was created under a statute that confers powers that qualify the parent entity (or each such entity) as a PHA, as defined in the 1937 Act. Although the statute may not explicitly enumerate the power “to engage in or assist in the development or operation of public housing” within the meaning of

section 3(b)(6)(A) of the 1937 Act, the attorney signing the RLO must conclude and state that such power is within the scope of powers explicitly conferred; and

(b) The instrumentality entity was created under a statute (e.g., a State non-profit corporation law) that confers powers that qualify the instrumentality entity as a PHA, as defined in the 1937 Act. Although the statute may not explicitly enumerate the power “to engage in or assist in the development or operation of public housing” within the meaning of section 3(b)(6)(A) of the 1937 Act, the attorney signing the RLO must conclude and state that such power is within the scope of powers explicitly conferred;

(2) The corporate charter or other organizational documents of the instrumentality entity explicitly provide that it is authorized “to engage in or assist in the development or operation of public housing,” within the meaning of the definition of PHA in the 1937 Act, with citation to such specific provision(s);

(3) The corporate charter or other organizational documents of the instrumentality entity explicitly confer the right on the parent entity (or on each such entity) to:

(a) approve the corporate charter or other organizational documents of the instrumentality, including the right to approve any amendments, with citation to such specific provision(s);

(b) authorize the instrumentality entity to execute the ACC with HUD; with citation to such specific provision(s);

(c) control the operation of the instrumentality, with specific identification of the means by which the corporate charter or other organizational documents authorize the parent entity (or entities) to exert such control (e.g., by requiring that the Parent Entity hold a majority of the shares of the instrumentality entity, have a majority vote on the Board of Directors of the instrumentality entity, etc.), with citation to the specific provision(s) that confer such authority; and

(d) take title to all property, real and/or personal, held by the instrumentality entity upon dissolution or termination of the instrumentality entity, with citation to such specific provision(s);

(4) The instrumentality entity was created under a statute that confers powers that include the power to administer project-based section 8 HAP Contracts, including the power to perform each of the eight PBTs identified in Exhibit A, Section 3, of the ACC. Although the statute may not explicitly enumerate such powers, the attorney signing the RLO must conclude and state that all such powers are within the scope of those explicitly conferred;

(5) The corporate charter or other organizational documents explicitly authorize the instrumentality to administer project-based section 8 HAP Contracts, with citation to such specific provision(s);

(6) The instrumentality entity was created under a statute that explicitly authorizes entities created there under to operate throughout the entire State in which the entity proposes to serve as PBCA or that evidences a legislative intent for such entities to have such authority;

(7) The corporate charter or other organizational documents explicitly authorize the instrumentality entity to operate throughout the entire State in which the entity proposes to serve as PBCA, with citation to such specific provision(s); and

(8) The instrumentality entity has registered to do business in the State in which the entity proposes to serve as PBCA to the extent that the laws of such State require it to do so. If such laws do not require it to do so, the RLO must state this.

2.6 Entities Proposing to Serve as PBCA in a State Other than the State under the Laws of Which the Entity was Formed

As stated in Section 2.1, if an applicant proposes to serve as PBCA in a State other than the State under the laws of which it was formed, an SL must be enclosed with the RLO. The SL must state that the signatory is licensed to practice law in the State in which the applicant proposes to serve as PBCA. It should be succinct but must contain a reasoned (i.e., non-conclusory) analysis establishing that the laws of the State in which the applicant proposes to serve as PBCA do not prohibit it from acting as a PHA throughout the entire State. The SL must contain a clear statement that such laws neither explicitly nor implicitly prohibit the applicant from acting as a PHA throughout the entire State. A legible copy of any codified provision(s) on which the analysis in the SL relies, other than any provision of the 1937 Act, must be enclosed.

As noted in Section 2.1, any SL, like the RLO and any FUL, must conclude with a statement explicitly certifying that the representations that it contains are true and correct. If, at any time after execution of any ACC with the applicant, HUD determines that any material representation on which HUD relied in evaluating the legal qualifications of the applicant, including the representations that the SL contains, is false, such determination shall be the basis for HUD to rescind the ACC.

3. GUIDANCE FOR SUBMITTING APPLICATIONS

3.1. Service Area Designation

HUD will accept Applications to provide contract administration services by “State,” which is defined in the ACC as one of the fifty United States, the District of Columbia, the United States Virgin Islands, or the Commonwealth of Puerto Rico. Entities applying to serve as PBCA in more than one State must submit a separate Application for each State for which it applies.

3.2. Limitation on the Total Number of Covered Units Administered by the PHA and Serviced by Certain Subcontractors

A PHA may submit Applications for multiple States under this Invitation. The total number of Covered Units for all Applications submitted by a PHA shall not exceed thirty-three (33) percent

of the total number of units in the Portfolio of All Active Project-Based Section 8 Contracts as published by HUD at the following Uniform Record Locator (URL): <http://www.hud.gov/offices/hsg/mfh/rfp/sec8rfp.cfm>. If the sum of the total number of Covered Units for all Applications exceeds thirty-three (33) percent, all Applications submitted by the PHA will be rejected.

Certain sub-contractors may be engaged by PHAs to perform services under separate Applications to this Invitation where the sub-contractor provides fifty (50) percent or more of the full-time equivalent (FTE) employees required to perform PBT numbers one (1) through six (6) as specified in Exhibit A, Section 3, of the ACC. The total number of Covered Units for Applications for which such a sub-contractor is engaged shall not exceed thirty-three (33) percent of the total number of units in the Portfolio of All Active Project-Based Section 8 Contracts. If the sum of the total number of Covered Units for such a sub-contractor exceeds this unit limitation, the Applications for all PHAs engaging that sub-contractor will be rejected.

3.3. Application Contents, Organization, and Digital File Requirements

This section sets forth the contents of the application and the procedures applicants must follow to submit applications in response to this Invitation. Failure to comply with these procedures may result in the applicant being disqualified from award consideration.

Each application submitted in response to this Invitation shall include the following documents, each of which is described below.

1. Application Certifications, including Full-Time Equivalent Certification and, if applicable, Sub-Contractor Certification
2. Capability Statement
3. Technical Approach
4. Quality Control Plan
5. Reasoned Legal Opinion, including Supplemental Letter, if applicable
6. Disaster Plan, including Disaster Plan Certification

3.3.1. Application Certifications

The Application Certifications portion of the Application shall contain the information set forth in Section 3.3.1.1, PHA Certification; Section 3.3.1.2, Full-Time Equivalent (FTE) Certification; and 3.3.1.3, Sub-Contractor Certification, if the PHA has entered into an agreement with a sub-contractor for services that provide fifty (50) percent or more of the FTE employees required to perform PBTs one (1) through six (6) as detailed in the FTE Certification.

The Application Certifications portion of the Application shall be submitted as a Portable Document Format (PDF) file using this file name format: Two Letter State Postal Code_PHA Complete Name_APPCERT.

3.3.1.1. PHA Certification

The Executive Director of the PHA must certify that the information provided in the Application is true and correct. The PHA Certification portion shall be on PHA letterhead. Each page must be printed on a single side of an 8 1/2 x 11 sheet of paper using a standard 12-point font.

The PHA Certification shall include:

1. Name of Entity:
2. Street Address:
3. City, State, Zip Code:
4. Contact Name and Title:
5. Contact Telephone Number:
6. Contact E-mail Address:
7. This Application is for the State of:
8. The proposed Basic Administrative Fee Percentage for this State is (not to exceed 2.5%):
9. List all States, beginning with the State for which this Application is submitted, for which the PHA is submitting an Application under this Invitation. For each State, specify the number of units for active Section 8 Project-Based Contracts in each State, and the total number of units for active Section 8 Project Based Contracts for all listed States.
10. The percentage of total number of units from item nine (9) above divided by the total number of units for active Section 8 Project-Based Contracts in the Portfolio of Section 8 Project-Based Contracts (not to exceed 33%) is:

11. PHA Certification

I declare that the information in this Application is true and correct.

Signature: _____

Name of Official: _____

Title: _____

Date of Execution: _____

3.3.1.2. Full-Time Equivalent (FTE) Certification

The PHA shall submit a FTE Certification that identifies the FTEs required to perform PBTs numbers one (1) through six (6) as specified in Exhibit A of the ACC for the first twelve (12) month period of the ACC Term. For each PBT, identify the positions by title responsible for managing, supervision, and performing each PBT. Include the FTEs for PHA and sub-contractor employees. Only include sub-contractors that contract directly with the PHA. Do not include sub-contractors of sub-contractors. One (1.00) FTE is defined as 2,080 work hours per year. The FTE Certification shall be in the following format with the actual number of Sub-contractors, if any, included in the table:

Identify the Sub-contractor(s) enumerated in the columns:

Sub-contractor #1: Name of Sub-contractor

Sub-contractor #2: Name of Sub-contractor

Sub-contractor #3: Name of Sub-contractor

Sub-contractor #4: Name of Sub-contractor

Add additional Sub-contractors to list and add additional columns to the table as required.

Positions and Full-Time Equivalents (FTEs)	Total FTEs	PHA FTEs	Sub-contractor #1 FTEs	Sub-contractor #2 FTEs	Sub-contractor #3 FTEs	Sub-contractor #4 FTEs
PBT #1						
Management and Occupancy Reviews						
Position title 1	0.00	0.00	0.00	0.00	0.00	0.00
Position title 2	0.00	0.00	0.00	0.00	0.00	0.00
PBT #1 Total	0.00	0.00	0.00	0.00	0.00	0.00
PBT #2 Adjust Contract Rents						
Position title 1	0.00	0.00	0.00	0.00	0.00	0.00
Position title 2	0.00	0.00	0.00	0.00	0.00	0.00
PBT #2 Total	0.00	0.00	0.00	0.00	0.00	0.00

PBT #3 Review and
Pay Monthly
Vouchers

Position title 1	0.00	0.00	0.00	0.00	0.00	0.00
Position title 2	0.00	0.00	0.00	0.00	0.00	0.00
PBT #3 Total	0.00	0.00	0.00	0.00	0.00	0.00

PBT #4 Renew
HAP Contracts and
Process
Terminations or
Expirations

Position title 1	0.00	0.00	0.00	0.00	0.00	0.00
Position title 2	0.00	0.00	0.00	0.00	0.00	0.00
PBT #4 Total	0.00	0.00	0.00	0.00	0.00	0.00

PBT #5 Tenant
Health, Safety, and
Maintenance Issues

Position title 1	0.00	0.00	0.00	0.00	0.00	0.00
Position title 2	0.00	0.00	0.00	0.00	0.00	0.00
PBT #5 Total	0.00	0.00	0.00	0.00	0.00	0.00

PBT #6
Administration -
Monthly and
Quarterly Reports

Position title 1	0.00	0.00	0.00	0.00	0.00	0.00
Position title 2	0.00	0.00	0.00	0.00	0.00	0.00
PBT #6 Total	0.00	0.00	0.00	0.00	0.00	0.00

GRAND TOTAL

FTEs	00.00	0.00	0.00	0.00	0.00	0.00
------	-------	------	------	------	------	------

**PERCENTAGE OF
GRAND TOTAL**

FTEs	100.0%	0.0%	0.0%	0.0%	0.0%	0.0%
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3.3.1.3. Sub-Contractor Certification

If the PHA is contracting with a sub-contractor for services that provide fifty (50) percent or more of the FTEs employees required to perform PBTs Numbers one (1) through six (6) as detailed in the FTE Certification, an authorized officer of the sub-contractor must complete a Sub-Contractor Certification and certify that the information provided in this Application relative to its services and performance is true and correct. The Sub-Contractor Certification shall be on sub-contractor letterhead. Each page must be printed on a single side of an 8 1/2 x 11 sheet of paper using a standard 12-point font. The Sub-contractor Certification shall be enclosed in the

PHA's Application Certifications in one PDF file using the file name format specified in Section 3.3.1.

The Sub-Contractor Certification shall include:

1. Subcontractor Name:
2. Street Address:
3. City, State, Zip Code:
4. Contact Name and Title:
5. Contact Telephone Number:
6. Contact E-mail Address:
7. List all States, beginning with the State and PHA for which this Application is submitted, that the sub-contractor has entered into an agreement with a PHA submitting an Application to this Invitation to provide fifty (50) percent or more of the FTE employees required to perform Performance-Based Tasks one (1) through six (6) as specified in Exhibit A, Section 3, of the ACC. The list shall include the Name of the State, Name of PHA, number of active Section 8 Project-Based Contracts for each State and the total number units for all active Section 8 Project-Based Contracts for all listed States:
8. The percentage of total number of units for all States from item seven (7) above divided by the total number of units for active Section 8 Project-Based Contracts in the Portfolio of Section 8 Project-Based Contracts (not to exceed 33%) is:
9. Sub-Contractor Certification

I declare that the information in this Application related to sub-contractor services and performance is true and correct.

Signature: _____

Name of Official: _____

Title: _____

Date of Execution: _____

3.3.2. Capability Statement

The Capability Statement portion of the Application should exhibit the applicant’s capability to perform the ACC and the PBTs described in Exhibit A, Section 3, of the ACC. The Capability Statement is a factor for award. Section 4, Factors for Award, details the six (6) “Elements” that the applicant must address in the Capability Statement.

The applicant is to provide a narrative response for each of the elements. The applicant’s responses must be in the same order and numbered as the elements appear. Only information submitted for a specific element will be considered for the corresponding element for which it was written.

The Capability Statement portion of the application may not exceed ten (10) pages, excluding the cover sheet and contact information for the references identified in Element 2 and Element 3. Applicants exceeding the allowable page limits will only have the number of pages specified evaluated. The cover sheet shall specify the title of the document, identify the PHA submitting the document, and identify the State for which the document is being submitted. Each page must be printed on a single side of an 8 1/2 x 11 sheet of paper using a standard 12-point font.

One copy of the Capability Statement of the Application shall be submitted as aPDF file using this file name format: Two Letter State Postal Code_PHA Complete Name_CAPABILITY.

3.3.3. Technical Approach

The Technical Approach portion of the Application should exhibit the applicant’s technical ability to perform the ACC and the PBTs described in Exhibit A of the ACC. The Technical Approach is a factor for award. Section 4, Factors for Award, details the five (5) “Elements” that the applicant must address in the Technical Approach.

The applicant is to provide a narrative response for each of the elements. The applicant’s responses must be in the same order and numbered as the elements appear. Only information submitted for a specific element will be considered for the corresponding element for which it was written

The Technical Approach portion of the Application may not exceed thirty (30) pages, excluding a cover sheet and table of contents. Applicants exceeding the allowable page limits will only have the number of pages specified evaluated. The cover sheet shall specify the title of the document, identify the PHA submitting the document, and identify the State for which the document is being submitted. Each page must be printed on a single side of an 8 1/2 x 11 sheet of paper using a standard 12-point font.

One copy of the Technical Approach portion of the Application shall be submitted as a PDF file using this file name format: Two Letter State Postal Code_PHA Complete Name_TECHNICAL.

3.3.4. Quality Control Plan

The Quality Control Plan portion of the application should exhibit the applicant's ability to design, manage, and monitor the internal controls required to ensure quality performance of the ACC and the PBTs described in Exhibit A, Section 3, of the ACC. The Quality Control Plan is a factor for award. Section 4, Factors for Award, details the seven (7) "Elements" that the applicant must address in the Quality Control Plan.

The applicant is to provide a narrative response for each of the elements. The applicant's responses must be in the same order and numbered as the elements appear. Only information submitted for a specific element will be considered for the corresponding element for which it was written.

The Quality Control Plan portion of the application may not exceed twenty (20) pages, excluding a cover page and table of contents. Applicants exceeding the allowable page limits will only have the number of pages specified evaluated. The cover sheet shall specify the title of the document, identify the PHA submitting the document, and identify the State for which the document is being submitted. Each page must be printed on a single side of an 8 1/2 x 11 sheet of paper using a standard 12-point font.

One copy of the Quality Control Plan portion of the Application shall be submitted as a PDF file using this file name format: Two Letter State Postal Code_PHA Complete Name_QCP.

3.3.5. Reasoned Legal Opinion

The Reasoned Legal Opinion (RLO) portion of the application must establish the applicant's legal eligibility to perform as a contract administrator by submission of an RLO, any FUL that HUD requires after reviewing the RLO, and, if applicable, a SL, as provided in Sections 2.1 through 2.6. Applicants will not be ranked or rated based on submission of these documents. However, only those applicants that, in HUD's sole determination, meet the requirements of Section 2.1 through 2.6 will be eligible.

While not subject to any page limitation, the RLO, any FUL, and any SL should be succinct. The RLO shall have a cover sheet that specifies the title of the document, identifies the PHA submitting the document, and identifies the State for which the document is being submitted. Each page must be printed on a single side of an 8 1/2 x 11 sheet of paper using a standard 12-point font. One copy of the RLO, any FUL, and any SL shall be submitted as a PDF file using this file name format: Two Letter State Postal Code_PHA Complete Name_RLO.

3.3.6. Disaster Plan

The PHA shall provide HUD a PHA Disaster Plan that details how the PHA and, if applicable, subcontractors that perform services that provide fifty (50) percent or more of the full time equivalent (FTE) employees required to perform PBTs Numbers one (1) through six (6) as specified in Exhibit A, Section 3, of the ACC, in the event of a natural or human caused disaster.

The Disaster Plan portion of the Application is not subject to a page limitation but should be written in a concise manner. It must include a cover sheet specifying the title of the document and identifying the PHA submitting the document and the State for which the document is being submitted. Each page must be printed on a single side of an 8 1/2 x 11 sheet of paper using a standard 12-point font. One copy of the Disaster Plan portion of the Application shall be submitted as a PDF file using this file name format: Two Letter State Postal Code_PHA Complete Name_DISASTER.

The PHA Disaster Plan portion shall include:

- a. Incident Response Staff: The names, titles, incident response authority and responsibilities, and contact information for assigned staff.
- b. Communication Back-up Plans and Systems:
 - o Procedures and methods of notifying and updating owners, and residents regarding changes in service procedures and the resumption of routine operations.
 - o Procedures and methods of notifying in the event of an incident, updating HUD regarding changes in service procedures until the resumption of routine operations, the performance status of each PBT or, if any PBT is not being fully performed, actions being taken to restore full performance of each PBT.
- c. Operating and Management Back-Up Plans and Systems: Procedures to relocate functions and staff to alternative office locations and/or telework sites; ensure access to IT systems; maintain internal and external communication systems (telephone, fax, email); and maintain supervisory, accounting, financial, and human resource functions.
- d. Information Technology (IT) Back-up Plans and Systems: Procedures to maintain IT staff support and ensure operability, data protection and system security.
- e. Preparedness: Plan to provide annual training for employees and, if applicable, subcontractor employees, and annual testing of back-up plans and systems.

The PHA shall provide HUD a PHA Disaster Plan Certification, on PHA letterhead, executed by a Disaster Plan Coordinator who has the education and experience to develop, manage, and test disaster, continuity of operations, or emergency management plans. The Disaster Plan Coordinator must attach a qualifications statement or resume to the certification.

The Disaster Plan Certification shall include:

This is to certify that I have reviewed the disaster plan for this organization and, if applicable, subcontractors that perform services that provide fifty (50) percent or more of the full time equivalent (FTE) employees required to perform PBTs Numbers one (1) through six (6) as specified in Exhibit A, Section 3, of the ACC and to best of my knowledge and belief:

- (1) The disaster plan addresses each of the following topics:
 - a. Incident Response Staff
 - b. Communication Back-up Plans and Systems
 - c. Operating and Management Back-Up Plans and Systems
 - d. Information Technology (IT) Back-up Plans and Systems
 - e. Preparedness
- (2) All employees and, if applicable, sub-contractor employees will participate in disaster plan training within the next twelve (12) months.
- (3) All backup plans and systems identified in the disaster plan will be tested within in the next twelve (12) months.

3.4. Application Submission and Due Date

The Application PDF files must be submitted by email to PBCA_Invitation@hud.gov. The “Subject” of the email message must be the “Two Letter State Postal Code, PHA Complete Name, Application PBCA.” If more than one (1) email message is required to transmit the Application PDF files, the “Subject” of each email must indicate the number of each transmittal and the total number of transmittals, e.g., “Two Letter State Postal Code, PHA Complete Name, Application, Transmittal 1 of 2.” The complete Application must be submitted not later than 5:00 P.M. EDT, Friday, April 28, 2011.

The Department will not accept Applications that arrive after the due date and time.

4. FACTORS FOR AWARD AND FACTOR WEIGHTS

The Factors for Award and Factor Weights are:

1. Capability Statement 30%
2. Technical Approach 35%
3. Quality Control Plan 35%

Applicants will be rated and ranked based upon their response to the elements associated with each Factor. The point value associated with each element is the maximum value that it can be assigned.

4.1. Capability Statement

The applicant must submit a detailed Capability Statement that addresses each of the following Elements.

- Element 1: Describe the PHA's experience, within the last five (5) years, providing contract administration services for multifamily housing projects with project based Section 8 Housing Assistance Payments (HAP) contracts. Or, briefly describe the PHA's experience, within the last five (5) years, administering functions and processes strongly related to providing contract administration services for multifamily housing projects and rent subsidy programs. (10 Points)
- Element 2: Describe the PHA's experience, within the last five (5) years, working with three (3) private sector multifamily owners or management agents that have properties with project-based Section 8 HAP contracts. Or, describe the PHA's experience, within the last five (5) years, working with three (3) private sector multifamily owners or management agents that have properties with rental assistance for low- or moderate-income tenants. On a separate sheet of paper, not included in the page limitation, provide the project name and personal contact information for the three (3) owners or management agents described. It is the PHA's responsibility to notify each owner or management agent that HUD will make two (2) attempts to contact them for a brief telephone interview. (30 Points)
- Element 3: Describe the PHA's experience, within the last five (5) years, working with the Office of Multifamily Housing or other HUD Program Offices if the PHA has not worked with the Office of Multifamily Housing. On a separate sheet of paper, not included in the page limitation, provide contact information for two (2) front-line HUD staff persons at the State or Regional level with whom the PHA has worked on routine programmatic matters. For each HUD staff person, identify the HUD program and/or project names. HUD will contact them for a brief telephone interview. (20 Points)
- Element 4: Describe the PHA's experience, within the past five (5) years, managing and performing each of the PBTs described in Exhibit A, Section 3 of the ACC. Or,

briefly describe the PHA's experience managing and performing tasks that are strongly related to each of the PBTs. (20 Points)

- a. PBT #1 – Management and Occupancy Reviews.
- b. PBT #2 – Adjust Contract Rents
- c. PBT #3 – Review and Pay Monthly Vouchers
- d. PBT #4 – Renew HAP Contracts
- e. PBT #5 – Tenant Health, Safety, and Maintenance Issues
- f. PBT #6 – Administration – Monthly and Quarterly Reports
- g. PBT #7 – Administration – Annual Reports and Certifications
- h. PBT #8 – Annual Financial Reports – PHA Fiscal Year End

Element 5: Describe the PHA's experience, within the last five (5) years, recruiting, hiring, training, and evaluating personnel to ensure effective management and performance of the PBTs or tasks that are strongly related to the PBTs. (10 Points)

Element 6: Describe the PHA's experience, within the last five (5) years, monitoring federal statues, regulations, and program requirements, identifying and interpreting changes or additions, and implementing policies and procedures that ensured efficient, effective, and consistent compliance. (10 Points)

4.2. Technical Approach

The applicant must submit a detailed Technical Approach plan that addresses each of the following Elements.

Element 1: Applicant must demonstrate a sound technical approach to managing, performing, and measuring the AQL of each of the PBTs specified in Exhibit A, Section 3 of the ACC. The applicant's response shall begin with an Annual Work Plan that details the month-by-month activities required to fully perform all PBTs during the first twelve (12) month period of the ACC Term. (30 Points)

Element 2: Applicant must demonstrate their ability to administer the general administrative and operating requirements of the ACC. The description should include, but is not limited to: executive leadership and oversight; legal; financial; accounting; record keeping; reporting; equal opportunity; communication with HUD, owners, management agents, and tenants, especially those that are disabled. (10 Points)

- Element 3: Applicant must demonstrate a clear understanding of the processes required to ensure that property owners receive Section 8 HAP payments in a timely fashion. (30 Points)
- Element 4: Applicant must demonstrate a sound technical approach to information and information system access, management, and security for HUD Systems (i.e., Tenant Rental Assistance Certification System (TRACS), Integrated Real Estate Management System (iREMS), Enterprise Income Verification (EIV) system), non-HUD Information Technology Systems that contain program related data, and print-based program documents. (10 Points)
- Element 5: Applicant must demonstrate a sound technical approach to preparing to assume responsibility for administration of the ACC and performance of the PBTs beginning ninety (90) calendar days prior to the effective date of the ACC. The applicant's technical approach must include: (20 Points)
- a. A description of office facilities, communication systems, information technology systems and a time line from initiation to full readiness.
 - b. A description of financial and accounting systems; banking, insurance and fidelity bonding arrangements; and timeline from initiation to full readiness.
 - c. A description of recruiting, hiring, staffing, and training and a timeline from initiation to full readiness.

4.3. Quality Control Plan

The applicant must submit a detailed Quality Control Plan (QCP) that addresses each of the following Elements.

- Element 1: For each PBT specified in Exhibit A, Section 3 of the ACC, describe the internal control procedures that will be implemented to ensure that performance is maintained at the AQL specified in the PRS, Exhibit A, Section 5 of the ACC. (35 Points)
- Element 2: Describe the internal control procedures that will be implemented to ensure accountability and separation of duties to detect and prevent potential fraud, waste, and abuse of funds. (10 Points)
- Element 3: Identify internal control procedures to prevent, detect, and resolve actual or appearances of conflicts of interest as stipulated in Section 10, "Conflict of Interest," of the ACC. (10 Points)
- Element 4: Identify the internal control procedures to prevent, detect, record, and report information privacy breaches. (10 Points)

- Element 5: Describe the internal control procedures for information and information system access, management, and security for HUD systems; non-HUD systems that contain program related data, and print-based program documents. (15 Points)
- Element 6: Describe the internal control procedures for the initial and continuous training and cross training of staff to perform PBTs and comply with the requirements of the ACC and HUD. (10 Points)
- Element 7: Describe the methodology that will be used to review, analyze, and evaluate the effectiveness of QCP; and the date(s) scheduled for each QCP review. (10 Points)

5. APPLICATION EVALUATION

Successful applications are those that demonstrate an applicant's capability to comply with the requirements of the ACC and perform the PBTs. HUD will establish one or more technical evaluation panels to review the applications received. HUD will only evaluate, rate and rank applications that are:

- a. Submitted on or before the due date and time.
- b. Complete.
- c. PDF file format.
- d. PDF file names conform to requirements.
- e. PDF files are free of viruses or other corruptions and open normally.
- f. Comply with the Basic Administrative Fee limitation requirement.
- g. Comply with the unit limitation requirement for the PHA and/or the sub-contractor.

Each application will be evaluated and rated on its own merit by a team of evaluators. Upon completion of individual team member evaluations, the team will arrive at final rating for the Application. The final rating for the Application will be ranked against the final rating for all Applications for the State.

6. AMENDMENTS AND ADDITIONAL GUIDANCE

HUD may issue amendments to this Invitation. All amendments, or additional guidance and will be posted on HUD's website at <http://www.hud.gov/offices/hsg/mfh/rfp/sec8rfp.cfm>

Applicants should regularly check the website for any amendments to the Invitation.