



**CITY OF HOUSTON, TEXAS**  
**NOTICE OF REQUEST FOR PROPOSAL (RFP)**  
**SOLICITATION NO.: T24039**

**HCDD RETAIL DIVISION**  
**SINGLE FAMILY HOME**  
**REPAIR PROGRAM**  
**"PARTNERING TO**  
**BETTER SERVE**  
**HOUSTON"**

**NIGP CODE:** 909-62

**SOLICITATION DUE DATE/TIME:** November 26, 2012 at 2:00 P.M., CST

**SUBMITTAL LOCATION:** Housing and Community Development Department  
 601 Sawyer, 4th floor  
 Houston, Texas 77007

**DESCRIPTION:** Housing & Community Development Neighborhood Stabilization Program: Single Family Acquisition and Development Activity

In accordance with T.L.G.C. § Chapter 252, competitive sealed Proposals for the services specified will be received by the City Secretary's Office of the City of Houston at the above specified location, until the time and date cited. Offers must be in the actual possession of the City Secretary's Office on or prior to the time and date, and at the location indicated above. Late offers will not be considered.

Offers must be submitted in a sealed envelope or package with the Solicitation Number and the Offeror's name and address clearly indicated on the envelope or package. All offers must be completed in ink or typewritten. Additional instructions for preparing an offer are included in this Solicitation.

**OFFERORS ARE STRONGLY ENCOURAGED TO CAREFULLY READ THE ENTIRE SOLICITATION**

**Solicitation Contact Person:**  
**Derrick McClendon**

\_\_\_\_\_  
 Name

**Derrick.McClendon@houstontx.gov**

\_\_\_\_\_  
 E-Mail Address

  
 \_\_\_\_\_  
 Housing & Community Development  
 Director

11-5-12

\_\_\_\_\_  
 Date

**SPECIAL INSTRUCTION TO OFFEROR(S)  
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**1.0 INTRODUCTION:**

- 1.1** The City of Houston, Housing and Community Development Department (HCCD) is seeking a Developer or developers, as defined under the NSP program and the definitions section of this RFP (see page 16) and that is a for profit and not-for-profit entity to purchase and rehabilitate homes and residential properties that have been abandoned or foreclosed upon, in order to sell, rent, or redevelop such homes and properties.
- 1.2** The Housing & Community Development Department (HCDD) is seeking "Proposals" from companies that are capable and desirous of serving as a Developer as defined herein. Company(s) selected as the Developer through this "Request for Proposal" solicitation process will have shown documented success in rehabbing and /or constructing of new homes and placing low-income families into permanent owner-occupied housing.

**2.0 SUBMITTAL PROCEDURE:**

- 2.1** Five (5) hardcopies of the Proposals, including one (1) printed original signed in BLUE ink (clearly marked "Original"), four (4) copies (clearly marked "Copy"), and one (1) additional electronic CD or flash drive copies are to be submitted in a sealed envelopes/boxes bearing the assigned Solicitation Number, located on the first page of the RFP document to:

Housing and Community Development Department  
4th floor  
601 Sawyer  
Houston, Texas 77007

- 2.2** The deadline for the submittal of the Proposals to the City Secretary's Office is no later than the date and time as indicated on the first page of the RFP document. Failure to submit the required number of copies as stated above may be subject for disqualification from the RFP process.
- 2.3** Respondents may elect to either mail or personally deliver their Proposals to the City Secretary's Office.
- 2.4** The City of Houston shall bear no responsibility for submitting responses on behalf of any Developer. Developer may submit their Proposals to the City Secretary's Office any time prior to the stated deadline.

**3.0 PROPOSAL FORMAT:**

- 3.1** The Proposal should be electronically generated, and the printed original signed in ink. They should not be submitted in elaborate or expensive binders. Legibility, clarity, and completeness are important and essential.
- 3.2** The Proposal must be signed by an individual(s) legally authorized to bind the Developer, and must contain a statement that the Proposal and the prices contained therein shall remain firm for a period of one hundred-eighty (180) days.

**4.0 PRE-PROPOSAL CONFERENCE:**

- 4.1** The interested Developer should plan to attend. It will be assumed that the potential Developer attending this meeting has reviewed the RFP in detail, and are prepared to bring up any questions not already addressed by the City. The pre-proposal conference will be held on November 14, 2012 at 10:00 am. Location will be at the Housing and Community Development Department, 601 Sawyer, Houston, Texas 77007- 1<sup>st</sup> floor conference room.

**5.0 ADDITIONAL INFORMATION AND SPECIFICATION CHANGES:**

- 5.1** Requests for additional information and questions should be addressed to the Housing and Community Development Department, Procurement Division, Senior Procurement Specialist, Derrick McClendon, telephone: 713.868.8369, fax: 713.868. 8306, or e-mail (preferred method to): Derrick.McClendon@houstontx.gov, no later than Tuesday Nov 19, 2012 at 1:00 p.m. CST. The City of Houston shall provide written response to all

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questions received in writing before the submittal deadline. Questions received from the Developer shall be answered and sent to all Developers who are listed as having obtained the RFP. The Developers shall be notified in writing of any changes in the specifications contained in this RFP.

**6.0 LETTER(S) OF CLARIFICATION:**

- 6.1 All Letters of Clarification and interpretations to this Solicitation shall be in writing. Any Letter of Clarification(s) or interpretation that is not in writing shall not legally bind the City of Houston. Only information supplied by the City of Houston in writing or in this RFP should be used in preparing Proposal responses.
- 6.2 The City does not assume responsibility for the receipt of any Letters of Clarification sent to the Developers.

**7.0 EXAMINATION OF DOCUMENTS AND REQUIREMENTS:**

- 7.1 Each Developer shall carefully examine all RFP documents and thoroughly familiarize themselves with all requirements prior to submitting a Proposal to ensure that the Proposal meets the intent of this RFP.
- 7.2 Before submitting a Proposal, each Developer shall be responsible for making all investigations and examinations that are necessary to ascertain conditions and requirements affecting the requirements of this RFP. Failure to make such investigations and examinations shall not relieve the Developer from obligation to comply, in every detail, with all provisions and requirements of the RFP.

**8.0 EXCEPTIONS TO TERMS AND CONDITIONS:**

- 8.1 All exceptions included with the Proposal shall be submitted in a clearly identified separate section of the Proposal in which the Developer clearly cites the specific paragraphs within the RFP where the Exceptions occur. Any Exceptions not included in such a section shall be without force and effect in any resulting contract unless such Exception is specifically referenced by the City Attorney, Director(s) or designee in a written statement. The Developer's preprinted or standard terms will not be considered by the City as a part of any resulting contract.
- 8.2 All Exceptions that are contained in the Proposal may negatively affect the City's Proposal evaluation based on the evaluation criteria as stated in the RFP, or result in possible rejection of Proposal.

**9.0 POST-QUALIFICATION DISCUSSIONS WITH DEVELOPER:**

- 9.1 It is the City's intent to commence final negotiation with the Developer deemed most advantageous to the City. The City reserves the right to conduct Post-Proposal discussions with any Developer.

**10.0 PROTEST:**

- 10.1 A protest shall comply with and be resolved, according to the City of Houston Municipal Code, Chapter 15, Article 1 and rules adopted thereunder. Protests shall be submitted in writing and filed with both the City Secretary and the HCDD Director.
- 10.2 A protest shall include the following:
  - 10.2.1 The name, address, e-mail, and telephone number of the protester;
  - 10.2.2 The signature of the protester or its representative who has the delegated authority to legally bind its company;
  - 10.2.3 Identification of the RFP description and the RFP or contract number;
  - 10.2.4 A detailed written statement of the legal and factual grounds of the protest, including copies of relevant documents, etc.; and
  - 10.2.5 The desired form of relief or outcome, which the protester is seeking.

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**10.3 TYPES OF PROTEST:**

10.4 Protest Regarding RFP Solicitation

10.4.1 All pre-award protest regarding the RFP solicitation must be filed no later than ten (10) days prior to the deadline to submit offers.

10.4.2 This type of protest includes a claim that the RFP solicitation contained exclusionary or discriminatory specifications, or a claim that the qualification documents or the qualifications process violate a federal, state or local law, or that the City failed to follow its own regulations.

10.5 Protest Regarding the Evaluation of the Developer

10.5.1 Any protest regarding the evaluation of proposals must be filed no later than ten (10) days from the day that the City Council announces a final decision regarding the approval of contract award. Any protest filed after such date will not be considered as a valid protest, but may be considered by the City if deemed advantageous to the City.

10.5.2 This type of protest challenges the determination of the City's responsiveness of any offer or the responsibility of any Developer, or errors in calculation of the evaluation, or challenges that the City's evaluation process violated a federal, state or local law or its own regulations.

10.6 Response to a Protest by the HCDD Director

10.6.1 When the HCDD Director deems any protest received to be valid, pursuant to the provisions of Section 10.0 "PROTEST" cited above, the HCDD Director will notify the protestor in writing within ten (10) business days of making such determination. The HCDD Director may, where appropriate, request that the protestor furnish additional information regarding the protest. The HCDD Director may, at its sole discretion, meet with the protestor to review the issues raised in the protest.

10.6.2 Except as otherwise provided in the Section 10.10 "DECISIONS BY THE CITY", consideration of the protest, will be in accordance with the provisions presented below.

10.7 RFP Solicitation Protests

10.7.1 Upon receipt of a valid protest regarding RFP solicitation, the City may at its sole discretion, postpone the deadline for submission of contract award until resolution of the protest. If the protest regarding the RFP solicitation includes a claim of unduly restrictive or exclusionary specifications, in considering the protest, the City will, review both the specific needs of the City for the feature or item challenged and any effect on competition of including the specification regarding that feature or item. If the City determines that such feature or item was included in the specification in order to meet a legitimate need and that it is not unduly restrictive of competition or designed to exclude a particular competitor, then the City will deny the protest.

10.8 Protest Regarding Evaluation of Developer

10.8.1 Upon receipt of a valid protest regarding the evaluation of a Developer, the City may suspend its evaluation of any or all Developers until resolution of the protest. Unless the City determines that the protestor has established that there are reasonable doubts regarding the responsiveness or the responsibility of a Developer or it determines that the evaluation process is not in compliance with federal or state law or its regulations, then the protest will be denied.

10.9 Post-Award Protest

10.9.1 Upon receipt of a timely, valid, protest regarding the approval/award of the contract, the City may issue a stop work order, if necessary, until the resolution of the protest. Unless the City determines that the protestor has established a prima facie case that the qualifications agreement was approved/awarded fraudulently or in violation of a federal, state or local law or its regulations, then the protest will be denied.

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10.10 Decision by the City

10.10.1 As indicated above, in some instances, the City may suspend the contract award action upon receipt of a valid protest. However, the City reserves the right, notwithstanding the presence of a protest, to proceed with the appropriate action in the contract award process in the following instances:

10.10.2 A. when failing to fulfill the need for the items or services would cause irreparable harm

10.10.3 B. when it is determined that the protest is vexatious or frivolous; or

10.10.4 C. when delivery or performance will be unduly delayed or other undue harm would occur by delaying the selection of qualified vendors

10.10.5 After review of a protest submitted under these provisions, the City will issue a written decision on the basis of the information provided by the protestor, the result of any meetings with the protestor, and the City's independent investigation of the matter. If the protest is upheld, the City will take appropriate action to correct the procurement to protect the rights of the protestor, including, but not limited to, reissuance of the solicitation, revised evaluation of the Developer or the City conclusion of the evaluation of the offers, or termination of the qualifications agreement. If the protest is denied, the City will terminate the suspension of the any procurement activity that was imposed during the consideration of the protest and will proceed with the contract award.

**11.0 DEBRIEFINGS:**

11.1 The purpose of a debriefing is to allow the City to explain to the Developer why his/her proposal was not selected. Debriefings will only be provided if they are requested by an unsuccessful Developer. Debriefing request shall be submitted in writing and filed with both, the HCDD Director and the Solicitation contact person as identified on the first page of the RFP. Debriefings must be filed no later than ten (10) days from the day that the City announces a final decision regarding contract award(s).

11.2 A debriefing shall include the following:

11.2.1 The name, address, e-mail, and telephone number of the Developer;

11.2.2 The signature of the Developer or its representative who has the delegated authority to legally bind its company;

11.2.3 Identification of the RFP description and the RFP number;

11.2.4 The Developer must submit a list of questions in advance of any debriefing.

11.2.5 The Developer's questions can only be about his/her proposal, the RFP, the Developer's response and/or evaluated score. The City will confine its answers to only these questions in the debriefing. The debriefing will not discuss how the Developer compares to other responding Developers.

11.2.6 After the City receives the formal debriefing request and questions from the Developer, the HCDD Director or designee will meet with the City Evaluation Committee to discuss and prepare responses to the questions; the Developer's debriefing will be scheduled at the convenience of the HCDD Director or designee.

11.2.7 The Developer will be notified by the City if any of the questions do not fit within the scope of the debriefing and/or will not be answered.

11.2.8 The debriefing meeting will last no longer than one hour (or some other time limit as determined by the HCDD Director or Designee).

11.2.9 The Developer will need to provide in advance a list of the attendees, the company they represent, titles and functional roles. If the Developer is bringing an attorney, then a Legal representative from the City will attend. If the Developer brings an unannounced attorney, the debriefing will be re-scheduled to allow the City ample time to

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have Legal representative available.

11.2.10 The HCDD Director or Designee will only address the questions submitted in writing beforehand.

**12.0 CERTIFICATION REGARDING DEBARMENT, SUSPENSION INELIGIBILITY, AND VOLUNTARY EXCLUSION:**

12.1 By submission of its Proposals, the Developer certifies that neither it nor its subcontractors are ineligible for participation in Federal or State assistance program under Executive Order 12549, "Debarment and Suspension." Proposer further agrees to require and include this certification in all contracts between itself and any subcontractors in connection with services performed under this contract. Proposer also certifies that it shall notify the City in writing immediately if contractor is not in compliance with Executive Order 12549 during the term of the contract. Proposer agrees that it shall refund the City for any payments made to it while ineligible.

## UNIFORM INSTRUCTIONS TO OFFEROR(S)

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- 1.0 This RFP does not commit the City of Houston to award a contract, issue a purchase order, or to pay any costs incurred in the preparation of a Proposal in response to this request.
- 2.0 The Proposals will become part of the City's official files without any obligation on the City's part. All Responses shall be held confidential from all parties other than the City until after the contract is awarded. Afterward, the Proposals shall be available to the public.
- 3.0 The City of Houston shall not be held accountable if materials from the responses are obtained without the written consent of the Developer by parties other than the City, at any time during the Proposal evaluation process.
- 4.0 In the event a Developer submits trade secret information to the City, the information must be clearly labeled as a "**Trade Secret.**" The City will maintain the confidentiality of such trade secrets to the extent provided by law.
- 5.0 The Developer shall not offer any gratuities, favors, or anything of monetary value to any official or employee of the City of Houston (including any and all members of Proposal evaluation committees).
- 6.0 The Developer shall not collude in any manner, or engage in any practices, with any other Developer, which may restrict or eliminate competition, or otherwise restrain trade. This is not intended to preclude subcontracts and joint ventures for the purposes of: a) responding to this RFP; or b) establishing a project team with the required experience and/or capability to provide the goods or services specified herein. Conversely, the City can combine or consolidate Proposals, or portions thereof, for the purposes mentioned above.
- 7.0 All Proposals submitted must be the original work product of the Developer. The copying or paraphrasing of the work product of another Developer is not permitted.
- 8.0 The RFP and the related responses of the selected Developer will by reference (within either a contract or purchase order) become part of any formal Agreement between the selected Developer and the City. The City and the selected Developer may negotiate a Contract or contracts for submission to City Council for consideration and approval. In the event an Agreement cannot be reached with the selected Developer, the City reserves the right to select an alternative Developer. The City reserves the right to negotiate with a alternative Developer the exact terms and conditions of the contract.
- 9.0 The Developer, their authorized representatives and their agents are responsible for obtaining, and will be deemed to have, full knowledge of the conditions, requirements, and specifications of the RFP at the time a Proposal is submitted to the City.
- 10.0 After the execution of a contract with a developer, the City of Houston reserves the option of extending the Agreement(s) on an annual basis for one (1) additional one-year terms, or portions thereof.
- 11.0 If necessary for the completion of tasks required under the project, the City will provide reasonable working space to the Developer.
- 12.0 Clerical support and reproduction of documentation costs shall be the responsibility of the Developer. If required, such support and costs shall be defined in the negotiated Agreement.
- 13.0 Developer personnel essential to the continuity, and the successful and timely completion of the project should be available for the duration of the project unless substitutions are approved in writing by the City Project Director or Designee.
- 14.0 The Developer will be expected to adhere to all standard contractual requirements of the City which shall include, but are not limited to, provisions for: Time Extensions; Appropriation of Available Funds; Approvals; Term and Termination; Independent Contractor; Business Structure and Assignments; Subcontractors; Parties in

Interest; Non-Waiver; Applicable Laws; Notices; Use of Work Products; Equal Employment Opportunity; Force Majeure; and Inspections and Audits.

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- 15.0 The City may terminate its performance under a contract in the event of a default by the Developer and a failure to cure such default after receiving notice of default from the City. Default may result from the Developer's failure to perform under the terms of the contract or from the Developer becoming insolvent, having a substantial portion of its assets assessed for the benefit of creditors, or having a receiver or trustee appointed.
- 16.0 Developer must promptly report to the City Project Director or Designee any conditions, transactions, situation, or circumstances encountered by the Developer which would impede or impair the proper and timely performance of the contract.
- 17.0 The City of Houston has sole discretion and reserves the right to cancel this RFP; or to reject any or all Proposals received prior to contract award.
- 18.0 The City reserves the right to waive any minor informality concerning this RFP, or to reject any or all Proposals or any part thereof.
- 19.0 The City reserves the right to request clarity of any Proposal after they have been received.
- 20.0 The City reserves the right to select elements from different individual Proposals and to combine and consolidate them in any way that best serves the City's interest. The City reserves the right to reduce the scope of the project and evaluate only the remaining elements from all Proposals. The City reserves the right to reject specific elements contained in all Proposals and to complete the evaluation process based only on the remaining items.
- 21.0 After contract execution, the successful Developer shall be the Prime Contractor and responsible party for contracting and communicating the work to be performed to subcontractors, and for channeling other information between the City and subcontractors. Any subcontracting must be specified in the Proposal. Any subcontracting not specified in the Proposal will need prior written approval from the City Project Director or Designee.
- 22.0 The Developer assumes total responsibility for the quality and quantity of all work performed, whether it is undertaken by the Prime Contractor or is subcontracted to another organization.
- 23.0 If subcontractor involvement is required in the use of license, patent, or proprietary process, the Developer is responsible for obtaining written authorization from the subcontractor to use the process, or provide another process comparable to that which is required and which is acceptable to the City, all at no additional cost or liability to the City.

**GENERAL TERMS AND CONDITIONS**  
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**1.0 INDEMNITY AND RELEASE:**

**1.1 RELEASE**

PRIME CONTRACTOR/SUPPLIER AGREES TO AND SHALL RELEASE THE CITY, ITS AGENTS, EMPLOYEES, OFFICERS, AND LEGAL REPRESENTATIVES (COLLECTIVELY THE "CITY") FROM ALL LIABILITY FOR INJURY, DEATH, DAMAGE, OR LOSS TO PERSONS OR PROPERTY SUSTAINED IN CONNECTION WITH OR INCIDENTAL TO PERFORMANCE UNDER THIS AGREEMENT, EVEN IF THE INJURY, DEATH, DAMAGE, OR LOSS IS CAUSED BY THE CITY'S SOLE OR CONCURRENT NEGLIGENCE AND/OR THE CITY'S STRICT PRODUCTS LIABILITY OR STRICT STATUTORY LIABILITY.

**1.2 INDEMNIFICATION**

PRIME CONTRACTOR/SUPPLIER AGREES TO AND SHALL DEFEND, INDEMNIFY, AND HOLD THE CITY, ITS AGENTS, EMPLOYEES, OFFICERS, AND LEGAL REPRESENTATIVES (COLLECTIVELY THE "CITY") HARMLESS FOR ALL CLAIMS, CAUSES OF ACTION, LIABILITIES, FINES, AND EXPENSES (INCLUDING, WITHOUT LIMITATION, ATTORNEYS' FEES, COURT COSTS, AND ALL OTHER DEFENSE COSTS AND INTEREST) FOR INJURY, DEATH, DAMAGE, OR LOSS TO PERSONS OR PROPERTY SUSTAINED IN CONNECTION WITH OR INCIDENTAL TO PERFORMANCE UNDER THIS AGREEMENT INCLUDING, WITHOUT LIMITATION, THOSE CAUSED BY:

- 1.2.1 PRIME CONTRACTOR/SUPPLIERS AND/OR ITS AGENTS', EMPLOYEES', OFFICERS', DIRECTORS', CONTRACTORS', OR SUBCONTRACTORS' (COLLECTIVELY IN NUMBERED PARAGRAPHS 1.1-1.3, "PRIME CONTRACTOR/SUPPLIER") ACTUAL OR ALLEGED NEGLIGENCE OR INTENTIONAL ACTS OR OMISSIONS;
- 1.2.2 THE CITY'S AND PRIME CONTRACTOR/SUPPLIER'S ACTUAL OR ALLEGED CONCURRENT NEGLIGENCE, WHETHER PRIME CONTRACTOR/SUPPLIER IS IMMUNE FROM LIABILITY OR NOT; AND
- 1.2.3 THE CITY'S AND PRIME CONTRACTOR/SUPPLIER'S ACTUAL OR ALLEGED STRICT PRODUCTS LIABILITY OR STRICT STATUTORY LIABILITY, WHETHER PRIME CONTRACTOR/SUPPLIER IS IMMUNE FROM LIABILITY OR NOT.
- 1.2.4 PRIME CONTRACTOR/SUPPLIER SHALL DEFEND, INDEMNIFY, AND HOLD THE CITY HARMLESS DURING THE TERM OF THIS AGREEMENT AND FOR FOUR YEARS AFTER THE AGREEMENT TERMINATES. PRIME CONTRACTOR/SUPPLIER'S INDEMNIFICATION IS LIMITED TO \$500,000 PER OCCURRENCE. PRIME CONTRACTOR/SUPPLIER SHALL NOT INDEMNIFY THE CITY FOR THE CITY'S SOLE NEGLIGENCE.
- 1.2.5 PRIME CONTRACTOR AGREES TO AND SHALL DEFEND, INDEMNIFY, AND HOLD HARMLESS THE CITY, ITS AGENTS, EMPLOYEES, OFFICERS, AND LEGAL REPRESENTATIVES (COLLECTIVELY THE CITY) FROM ALL CLAIMS OR CAUSES OF ACTION BROUGHT AGAINST THE CITY ALLEGING THAT THE CITY'S USE OF ANY EQUIPMENT, SOFTWARE, PROCESS, OR DOCUMENTS CONTRACTOR FURNISHES DURING THE TERM OF THIS AGREEMENT INFRINGES ON A PATENT, COPYRIGHT, OR TRADEMARK, OR MISAPPROPRIATES A TRADE SECRET. CONTRACTOR SHALL PAY ALL COSTS (INCLUDING, WITHOUT LIMITATION, ATTORNEYS' FEES, COURT COSTS, AND ALL OTHER DEFENSE COSTS, AND INTEREST) AND DAMAGES AWARDED. CONTRACTOR SHALL NOT SETTLE ANY CLAIM ON TERMS WHICH PREVENT THE CITY FROM USING THE EQUIPMENT, SOFTWARE, PROCESS, AND DOCUMENTS WITHOUT THE CITY'S PRIOR WRITTEN CONSENT. WITHIN 60 DAYS AFTER BEING NOTIFIED OF THE CLAIM, CONTRACTOR SHALL, AT ITS OWN EXPENSE, EITHER (1) OBTAIN FOR THE CITY THE RIGHT TO CONTINUE USING THE EQUIPMENT, SOFTWARE, PROCESS, AND DOCUMENTS OR, (2) IF BOTH PARTIES AGREE, REPLACE OR MODIFY THEM WITH COMPATIBLE AND FUNCTIONALLY EQUIVALENT PRODUCTS. IF NONE OF THESE ALTERNATIVES IS REASONABLY AVAILABLE, THE CITY MAY RETURN THE EQUIPMENT, SOFTWARE, OR DOCUMENTS, OR DISCONTINUE THE PROCESS, AND CONTRACTOR SHALL REFUND THE PURCHASE PRICE.

# GENERAL TERMS AND CONDITIONS

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### 1.3 INDEMNIFICATION-SUBCONTRACTOR'S INDEMNITY

1.3.1 CONTRACTOR SHALL REQUIRE ALL OF ITS SUBCONTRACTORS (AND THEIR SUBCONTRACTORS) TO RELEASE AND INDEMNIFY THE CITY TO THE SAME EXTENT AND IN SUBSTANTIALLY THE SAME FORM AS ITS RELEASE AND INDEMNITY TO THE CITY.

### 2.0 INDEMNIFICATION PROCEDURES:

2.1 Notice of Claims. If the City or Prime Contractor receives notice of any claim or circumstances which could give rise to an indemnified loss, the receiving party shall give written notice to the other party within 30 days. The notice must include the following:

2.1.1 a description of the indemnification event in reasonable detail,

2.1.2 the basis on which indemnification may be due, and

2.1.3 the anticipated amount of the indemnified loss.

2.2 This notice does not stop or prevent the City from later asserting a different basis for indemnification or a different amount of indemnified loss than that indicated in the initial notice. If the City does not provide this notice within the 30-day period, it does not waive any right to indemnification except to the extent that Prime Contractor/Supplier is prejudiced, suffers loss, or incurs expense because of the delay.

2.3 Defense of Claims.

2.3.1 Assumption of Defense. Prime Contractor may assume the defense of the claim at its own expense with counsel chosen by it that is reasonably satisfactory to the City. Prime Contractor/Supplier shall then control the defense and any negotiations to settle the claim. Within 10 days after receiving written notice of the indemnification request, Prime Contractor must advise the City as to whether or not it will defend the claim. If Prime Contractor does not assume the defense, the City shall assume and control the defense, and all defense expenses constitute an indemnification loss.

2.3.2 Continued Participation. If Prime Contractor elects to defend the claim, the City may retain separate counsel to participate in (but not control) the defense and to participate in (but not control) any settlement negotiations. Prime Contractor may settle the claim without the consent or agreement of the City, unless it (i) would result in injunctive relief or other equitable remedies or otherwise require the City to comply with restrictions or limitations that adversely affect the City, (ii) would require the City to pay amounts that Prime Contractor does not fund in full, (iii) would not result in the City's full and complete release from all liability to the plaintiffs or claimants who are parties to or otherwise bound by the settlement.

### 3.0 INSURANCE REQUIREMENTS:

3.1 The Developer shall obtain and maintain in effect during the term of this Agreement, insurance coverage as set forth below and shall furnish certificates of insurance showing the City as an additional insured, in duplicate form, prior to the beginning of the Contract. The City shall be named as an additional insured on all such policies except Professional Liability and Workers' Compensation, must contain an endorsement that the policy is primary to any other insurance available to the Additional Insured with respect to claims arising under the Agreement. **The issuer of any policy shall have a Certificate of Authority to transact insurance business in the State of Texas or have a Best's rating of at least B+ and a Best's Financial Size Category of Class VI or better, according to the most current edition of Best's Key Rating Guide, Property-Casualty United States.**

3.2 Comprehensive General Liability including Contractual Liability and Automobile Liability insurance shall be in at least the following amounts:

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- 3.2.1 Commercial General Liability Insurance including Contractual Liability:
  - 3.2.1.1 \$1,000,000 per occurrence
  - 3.2.1.2 \$2,000,000 aggregate, (defense costs excluded from face value of the policy)
  - 3.2.1.3 Products and completed operations, \$1,000,000 aggregate
- 3.2.2 Workers' Compensation:
  - 3.2.2.1 Amount shall be statutory amount
  - 3.2.2.2 **Employer's Liability cannot be used as a substitute for Workers' Compensation**
- 3.2.3 Automobile Liability (See Note Below):
  - \$1,000,000 Combined Single Limit per occurrence
  - Defense costs are excluded from the face amount of the policy. Aggregate Limits are per 12-month policy period unless otherwise indicated.
- 3.2.4 Employer's Liability:
  - 3.2.4.1 Bodily injury by accident \$100,000 (each accident)
  - 3.2.4.2 Bodily injury by disease \$100,000 (policy limit)
  - 3.2.4.3 Bodily injury by disease \$100,000 (each employee)
- 3.3 Automobile liability insurance for autos furnished or used in the course of performance of this contract including Owned, Non-owned and Hired Auto coverage (Any Auto coverage may be substituted for Owned, Non-owned and Hired Auto coverage.) If no autos are owned by the Contractor, coverage may be limited to Non-owned and Hired Autos. If Owned Auto coverage cannot be purchased by Contractor, Scheduled Auto coverage may be substituted for Owned Auto coverage. EACH AUTO USED IN PERFORMANCE OF THIS CONTRACT MUST BE COVERED IN THE LIMITS SPECIFIED.
- 3.4 If the City of Houston requires you to maintain in effect insurance coverage during the term of a contract resulting from the City's acceptance of your response to this request for proposal ("potential contract"), all of your insurance policies must require on their face, or by endorsement, that your insurance carrier waives any rights of subrogation against the City of Houston except for Professional Liability insurance. You must give 30-days' written notice to the City Purchasing Agent if any of your insurance policies are to be cancelled, materially changed, or not renewed. Within this 30-day period, you shall provide other suitable policies in lieu of those about to be canceled, materially changed, or not renewed so as to maintain in effect the required coverage. If you do not comply with this requirement, the Purchasing Agent, at his or her sole discretion, may: (1) immediately suspend you from any further performance under the potential contract and begin procedures to terminate for default, or (2) purchase the required insurance with City funds and deduct the cost of the premiums from amounts due to you under the potential contract.
- 3.5 If any part of the work is sublet, similar insurance shall be provided by or in behalf of the Subcontractor to cover their operations, and the Contractor shall furnish evidence of such insurance, satisfactory to the City. In the event a Subcontractor is unable to furnish insurance in the limits required under the contract, the Contractor shall endorse the Subcontractor as an Additional Insured on their policies excluding Workers' Compensation and Employer's Liability.
  - 3.5.1 (See Insurance Requirements Exhibit IV for a sample insurance certificate format.)

# GENERAL TERMS AND CONDITIONS

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- 3.5.2 Only unaltered original insurance certificates endorsed by the underwriter are acceptable. Photocopies are unacceptable.
- 3.6 Developer shall maintain in effect certain insurance coverage, which is described as follows:
- 3.6.1 Form of Policies: The Director may approve the form of the insurance policies, but nothing the Director does or fails to do relieves Developer from its duties to provide the required coverage under this Agreement. The Director's actions or in-actions do not waive the City's right under this Agreement.
- 3.6.2 Issuers of Policies: The issuer of any policy shall have a Certificate of Authority to transact insurance business in Texas or have a Best's rating of at least B+ and a Best's Financial Size Category of Class VI or better, according to the most current edition Best's Key Rating Guide, Property-Casualty United States.
- 3.6.3 Insured Parties: Each policy, except those for Workers Compensation, Employer's Liability, and Professional Liability, must name the City (and its officers, agents, and employees) as Additional Insured parties on the original policy and all renewals or replacements.
- 3.6.4 Deductibles: Developer shall be responsible for and bear any claims or losses to the extent of any deductible amounts and waives any claim it may have for the same against the City, its officers, agents, or employees.
- 3.6.5 Cancellation: Each policy must state that it may not be canceled, materially modified, or non-renewed unless the contractor gives the Director 30 days' advance written notice. The Developer shall give written notice to the Director within five days of the date on which total claims by any party against the Developer reduce the aggregate amount of coverage below the amounts required by this Agreement. In the alternative, the policy may contain an endorsement establishing a policy aggregate for the particular project or location subject to this Agreement.
- 3.6.6 Subrogation: Each policy must contain an endorsement to the effect that the issuer waives any claim or right of subrogation to recover against the City, its officers, agents, or employees, except for Professional Liability insurance.
- 3.6.7 Endorsement of Primary Insurance: Each policy, except Worker's Compensation and Professional Liability (if any), must contain an endorsement that the policy is primary to any other insurance available to the Additional Insured with respect to claims arising under this Agreement.
- 3.6.8 Liability for Premium: Developer shall pay all insurance premiums, and the City shall not be obligated to pay any premiums.
- 3.6.9 Subcontractors: Developer shall require all subcontractors to carry insurance naming the City as an additional insured and meeting all of the above requirements except amount. The amount must be commensurate with the amount of the subcontract, but in no case less than \$500,000 per occurrence. Developer shall provide copies of insurance certificates to the Director.
- 3.6.10 Proof of Insurance: On the effective date and at any time during the Term of this Agreement, Developer shall furnish the Director with Certificates of Insurance, along with an Affidavit from Developer confirming that the Certificates accurately reflect the insurance coverage maintained. If requested in writing by the Director, Developer shall furnish the City with certified copies of Developer's actual insurance policies.
- 3.6.10.1 Developer shall continuously and without interruption, maintain in force the required insurance coverage's specified in this Section. If Developer does not comply with this requirement, the Director, at his or her sole discretion, may immediately suspend Developer from any further performance under this Agreement and begin procedures to terminate for default, or
- 3.6.10.2 Purchase the required insurance with City funds and deducts the cost of the premiums from amounts due to Developer under this Agreement.

# GENERAL TERMS AND CONDITIONS

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3.6.10.3 The City shall never waive or be stopped to assert its right to terminate this Agreement because of its acts or omissions regarding its review of insurance documents.

3.6.11 Other Insurance: If requested by the Director, Developer shall furnish adequate evidence of Social Security and Unemployment Compensation Insurance, to the extent applicable to Developer's operations under this Agreement.

3.7 Hazards and All Risks Property Insurance on any NSP assisted property for the full development cost of the property from the time of acquisition to the time of sale to a qualified buyer with the City as Additional Insured with respect to claims arising under the policy during the above period.

#### **4.0 DEVELOPER PERFORMANCE LANGUAGE:**

4.1 Developer should make citizen satisfaction a priority in providing services under this contract. Developer's employees should be trained to be customer-service oriented and to positively and politely interact with citizens when performing contract services. Developer's employees should be clean, courteous, efficient and neat in appearance at all times and committed to offering the highest degree of service to the public. If, in the Director's determination, the Developer is not interacting in a positive and polite manner with citizens, the Developer shall take all remedial steps to conform to the standards set by this contract and is subject to termination for breach of contract.

#### **5.0 INSPECTIONS AND AUDITS:**

5.1 City representatives may have the right to perform, or have performed, (1) audits of Developer's books and records, and (2) inspections of all places where work is undertaken in connection with this Agreement. Developer shall keep its books and records available for this purpose for at least three (5) years after this Agreement terminates. This provision does not affect the applicable statute of limitations.

#### **6.0 INTERPRETING SPECIFICATIONS:**

6.1 *The specifications and product references contained herein are intended to be descriptive rather than restrictive. The City is soliciting Proposals to provide a complete product and service package, which meets its overall requirements. Specific equipment and system references may be included in this RFP for guidance, but they are not intended to preclude Offeror(s) from recommending alternative solutions offering comparable or better performance or value to the City. Unless specifically stated otherwise with regard to a specific item of equipment, it should be assumed that the City requires all equipment proposed for this project to be supported by a manufacturer's warranty, which is equal to or better than the prevailing standard in the industry.*

6.2 Changes in the specifications, terms and conditions of this RFP will be made in writing by the City prior to the Proposal due date. Results of informal meetings or discussions between a potential Offeror(s) and a City of Houston official or employee may not be used as a basis for deviations from the requirements contained in this RFP.

#### **7.0 DEVELOPER DEBT:**

7.1 **IF DEVELOPER, AT ANY TIME DURING THE TERM OF THIS AGREEMENT, INCURS A DEBT, AS THE WORD IS DEFINED IN SECTION 15-122 OF THE HOUSTON CITY CODE OF ORDINANCES, IT SHALL IMMEDIATELY NOTIFY THE CITY CONTROLLER IN WRITING. IF THE CITY CONTROLLER BECOMES AWARE THAT DEVELOPER HAS INCURRED A DEBT, HE SHALL IMMEDIATELY NOTIFY DEVELOPER IN WRITING. IF DEVELOPER DOES NOT PAY THE DEBT WITHIN 30 DAYS OF EITHER SUCH NOTIFICATION, THE CITY CONTROLLER MAY DEDUCT FUNDS IN AN AMOUNT EQUAL TO THE DEBT FROM ANY PAYMENTS OWED TO DEVELOPER UNDER THIS AGREEMENT, AND DEVELOPER WAIVES ANY RECOURSE THEREFOR.**

**SPECIAL TERMS AND CONDITIONS**  
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**1.0 LOCAL MINORITY/WOMEN BUSINESS ENTERPRISE PARTICIPATION:**

- 1.1 Developer shall comply with the City's Minority and Women Business Enterprise ("M/WBE") programs as set out in Chapter 15, Article V of the City of Houston Code of Ordinances. Developer shall make good faith efforts to award subcontracts or Supply Agreements in at least 10% of the value of this Agreement to M/WBEs. Developer acknowledges that it has reviewed the requirements for good faith efforts on file with the City's Office of Business Opportunity ("OBO") and will comply with them.
- 1.2 Developer shall require written subcontracts with all M/WBE subcontractors and shall submit all disputes with M/WBEs to binding arbitration to be conducted in Houston, Texas if directed to do so by the OBO Director. M/WBE subcontracts must contain the Terms set out in **Exhibit II**.

**2.0 FAIR HOUSING:**

- 2.1 City of Houston follows Fair Housing Act and similar legislation regarding all tenants regulations.

**3.0 CITY CONTRACTOR OWNERSHIP DISCLOSURE ORDINANCE:**

- 3.1 City Council requires knowledge of the identities of the owners of entities seeking to contract with the City in order to review their indebtedness to the City prior to entering into contracts. Therefore, all respondents to this RFP must comply with Houston Code of Ordinances Chapter 15, as amended (Sections 15-122 through 15-126) relating to the disclosure of owners of entities bidding on, proposing for or receiving City contracts.
- 3.2 Completion of Exhibit VI – "Affidavit of Ownership or Control" will satisfy this requirement. Failure to provide this information may be just cause for rejection of your Bid or Proposal.

**4.0 CITY OF HOUSTON FAIR CAMPAIGN ORDINANCE:**

- 4.1 The City of Houston Fair Campaign Ordinance makes it unlawful for a Developer to offer any contribution to a candidate for City elective office. For purposes of this ordinance a contract is defined as any contract for goods or services having a value in excess of \$30,000 or more, regardless of the way by which it was solicited or awarded. **Exhibit V** of this RFP describes the contract and documentation requirements relating to this Ordinance.

**5.0 DRUG DETECTION AND DETERRENCE PROCEDURES FOR CONTRACTORS:**

- 5.1 It is the policy of the City to achieve a drug-free workforce and to provide a workplace that is free from the use of illegal drugs and alcohol. It is also the policy of the City that the manufacture, distribution, dispensation, possession, sale or use of illegal drugs or alcohol by Developers while on City premises is prohibited. Accordingly, effective September 1, 1994, and pursuant to the Mayor's Executive Order 1-31, as a condition to the award of any contract for labor or services, a successful Offeror(s) must certify to its compliance with this policy. **EXHIBIT VII** contains the standard language, which will be used in each contract for labor or services, as well as the Executive Order 1-31 disclosure and compliance forms (Attachments A, B, and C). These forms must be completed and returned prior to award.

**7.0 PERFORMANCE AND PAYMENT BOND(S):**

- 7.1 The successful Developer shall be required to provide a Performance and Payment Bond in the total amount (100%) of each construction contract award.
- 7.2 The Performance and/or Payment Bond shall be in the same form as that distributed by the City, and attached hereto, **EXHIBIT XI**, all duly executed by this Developer (as "Principal") and by an incorporated surety company licensed to do business in the State of Texas. If the amount of the bond is greater than \$100,000.00 the surety must hold a certificate of authority from the United States Secretary of the Treasury.
- 7.3 The Developer(s) shall be required to provide a Performance and/or Payment Bond as outlined above, which will be delivered to the HCDD Director or designee of the City, on or before the tenth (10th) day following the day the Developer receives notice from the City.

**SPECIAL TERMS AND CONDITIONS**  
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**8.0 PROJECT ADMINISTRATION:**

8.1 Questions regarding the scope of the project, technical specifications, proposed applications, etc., may be addressed to the project manager at the Pre-Proposal conference.

**9.0 PROCUREMENT TIMELINE/SCHEDULE:**

9.1 Listed below are the important and estimated completions dates and times for this Request for Proposal (RFP).

<b>EVENT</b>	<b>DATE</b>
Date of RFP Issued	November 7, 2012
Pre-Proposal Meeting	November 14, 2012
Questions from Proposers Due to City	November 19, 2012
Proposals Due from Offeror(s)	November 26, 2012
Notification of Intent to Award ( <i>Estimated</i> )	December 10, 2012
Council Agenda Date ( <i>Estimated</i> )	December 18, 2012
Contract Start Date ( <i>Estimated</i> )	January 1, 2013

# SPECIFICATIONS / SCOPE OF WORK

## SOLICITATION NO.: T24039

### 1.0 DEFINITIONS

#### A. ACRONYMS:

- 1.1 HCDD – Director
- 1.2 NSP – Neighborhood Stabilization Program
- 1.3 HCDD – Housing & Community Development Department
- 1.4 HUD – U.S. Department of Housing and Urban Development
- 1.5 CFR – Code of Federal Regulations
- 1.6 HCD-MPS – Housing and Community Development Single family Minimum Property Standards (City of Houston's Building / Inspection Codes based on this)
- 1.7 RCA – Request for Council Action
- 1.8 RFP - Request for Proposal
- 1.9 AMI – Area Median Income
- 1.10 UFAS – Uniform Federal Accessibility Standards
- 1.11 URA – Uniform Relocation Act
- 1.12 UCC – Uniform Commercial Code

#### B. KEY TERMS

**Abandoned:** A home or residential property is abandoned if either a) mortgage, tribal leasehold, or tax payments are at least 90 days delinquent, or b) a code enforcement inspection has determined that the property is not habitable and the owner has taken no corrective actions within 90 days of notification of the deficiencies, or c) the property is subject to a court-ordered receivership or nuisance abatement related to abandonment pursuant to state or local law or otherwise meets a state definition of an abandoned home or residential property.

**Applicant:** A person or persons who have applied to Developer for approval of an NSP home purchase and mortgage assistance.

**Blighted:** A structure is blighted when it exhibits interior and/or exterior signs of deterioration sufficient to constitute a threat to human health, safety, and public welfare. To be considered blighted under the terms of this agreement, the appropriate public entity with jurisdiction must declare the structure blighted. A definition of blight as defined in the City of Houston's ordinances can be found at the following link:

[http://library.municode.com/HTML/10123/level3/COOR\\_CH10BUNEPR\\_ARTXIVABUNVIBL.html](http://library.municode.com/HTML/10123/level3/COOR_CH10BUNEPR_ARTXIVABUNVIBL.html)

In accordance with requirements above, a developer may demolish structures as a part of rehabilitation.

**Bona Fide lease or tenancy:** A lease or tenancy shall be considered bona *fide* only if: (i) the mortgagor under the contract is not the tenant; (ii) the lease or tenancy was the result of an arm's-length transaction; and (iii) the lease or tenancy requires the receipt of rent that is not substantially less than fair market rent for the property. A "lease" does not have to be written, but either the lease or tenancy must meet the requirements of the Recovery Act.

**Developer:** A for-profit or private nonprofit individual or entity that the City of Houston provides NSP assistance to for the purpose of (1) acquiring homes and residential properties to rehabilitate for use or resale for residential purposes and (2) constructing new housing in connection with the redevelopment of demolished or vacant properties. In order to be a NSP

# SPECIFICATIONS / SCOPE OF WORK

## SOLICITATION NO.: T24039

developer, the entity must take ownership of the NSP assisted properties and must have some of the risk of development as determined by the City. Under the NSP regulations, a developer is not required to competitively procure a general contractor or subcontractors.

**Foreclosed:** A home or residential property has been foreclosed upon if any of the following conditions apply: a) the property's current delinquency status is at least 60 days delinquent under the Mortgage Bankers of America delinquency calculation and the owner has been notified of this delinquency, or b) the property owner is 90 days or more delinquent on tax payments, or c) under state, local, or tribal law, foreclosure proceedings have been initiated or completed, or d) foreclosure proceedings have been completed and title has been transferred to an intermediary aggregator or servicer that is not an NSP grantee, contractor, developer, or end user.

**Grantee:** A local city, county or state recipient of NSP funding. For the purposes of this Program the grantee is the City of Houston, Texas.

**Homes:** Any type of permanent residential dwelling unit, including detached single family structures, townhouses, condominium units, multifamily rental apartments (covering the entire property), and manufactured homes where treated under state law as real estate (not as personal property).

**Low- Moderate- and Middle- Income:** Refers to households whose incomes are at or below one hundred twenty percent (120%) of area median income as determined by US HUD annually and certified as such no more than 60 days prior to purchase of an NSP home.

**NSP:** The Department of Housing and Urban Development (HUD)'s Neighborhood Stabilization Program, established by the Housing and Economic Recovery Act of 2008 to stabilize neighborhoods whose viability has been and continues to be damaged by the economic effects of properties that have been foreclosed upon and abandoned. For more information, see the NSP website: <http://hud.gov/offices/cpd/communitydevelopment/programs/neighborhoodspg/>

**NSP Agreement:** An agreement entered into by the City of Houston and Developer for the purpose of funding and carrying out NSP-eligible activities on one or more NSP-eligible properties.

**NSP Buyer:** The buyer of an NSP Home.

**NSP Property:** A property that is acquired, rehabilitated, newly constructed, or reconstructed pursuant to Developer's agreement with the City of Houston.

**NSP Home:** An NSP property that is being sold to an owner-occupant through a warranty deed or a lease-purchase arrangement or in the event that the unit is rented to an income eligible tenant.

**Project Funding:** Any and all governmental and private funds, including Developer's cash, used to pay for the costs to carry out the redevelopment of a single NSP-assisted property.

**Project Budget:** A budget for all acquisition, rehab/construction and soft costs for a home that a Developer must submit to the City of Houston prior to committing to purchase any property for use in the NSP program.

**Residential properties:** Includes all of the above plus vacant land that is currently designated for residential use, e.g. through zoning.

**Vacant:** A vacant property is defined as one that has been unoccupied for at least 90 days and has no bona fide tenant with rights of occupancy as defined above or any other city or state definition of vacant.

**Very Low Income:** Refers to households whose income are at or below fifty percent (50%) of area median income as determined by US HUD annually and certified as such no more than 60 days prior to purchase of an NSP home.

## **2.0 REFERENCES:**

- 2.1 Executive Order 12549, "Debarment and Suspension"
- 2.2 24 CFR Part 570,
- 2.3 Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. Sec. 1701u)

# SPECIFICATIONS / SCOPE OF WORK

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- 2.4 Section 302 of the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. Sec. 4831 (b)) and the procedures established by the Department there under Environmental Review Procedures for Recipients assuming HUD Environmental
- 2.5 Responsibilities,” 24 CFR 58, and the laws and authorities specified at 24 CFR Sections 58.5 and 58.6
- 2.6 The Hatch Act (5 U.S.C. 1501-1508 and 7324 – 7328) – which limits the potential activities of employees whose principal employment activities are funded in whole or in part with federal funds in the performance of the work
- 2.7 International Residential Code and International Building Code, Texas Government Code 2306.514, “Construction Requirements for Single Family Affordable Housing”; if applicable, Texas Law 2306.5014- Requires “Accessibility Standards” for all homes that receive federal money
- 2.8 24 CFR, Part 813.102 – “Dependents of the head of household”
- 2.9 The Wall Street Reform and Consumer Protection Act of 2012 (Section 1497 of Public Law 111-203), supplementing the original Neighborhood Stabilization Program 1 under the Housing and Economic Recovery Act of 2008 Public Law 110-289 as amended.

### **3.0 OBJECTIVE:**

- 3.1 The City of Houston, Housing and Community Development Department (HCCD) seeks a Developer or developers as defined under the NSP regulations that are for profit and not-for-profit to purchase and rehabilitate homes and residential properties that have been abandoned or foreclosed upon, in order to sell, rent, or redevelop such homes and properties. Those Developers that are for profit will be assessed a five hundred dollar (\$500.00) fee and Developers that are for non-profit fees will be waived. (Rent does not apply)
- 3.2 The Housing & Community Development Department (HCDD) is seeking “Proposals” from companies that are capable and desirous of serving as a NSP Developer. Company(s) selected as Developer through this “Request for Proposal” solicitation process will have shown documented success in using NSP funds for rehabbing and /or constructing of new homes and placing low-income families into permanent owner-occupied housing.
- 3.3 HCDD anticipates approximately \$2,051,035 will be available under this program. HCDD will provide a NSP funds to successful applicants to enable the Developer (s) to acquire abandoned or foreclosed properties within one of the three Target Zones as identified on the attached map and made a part of this RFP as exhibit. Developer will construct the houses in compliance with HCD’s Minimum Property and Rehabilitation Standards. (These standards are posted on the HCD website at: <http://www.houstontx.gov/housing/rfp.html>).
- 3.4 Developer will then sell completed properties to income-qualified households earning 120% of AMI or less with at least 50% of the funding spent on housing for persons with income at 50% of AMI (Area Medium Income) or less. Developers must affirmatively seek such household for participation in this program. Housing units must be sold at or below cost of acquisition and rehabilitation.
- 3.5 Homebuyers will be required to take an 8-hour training course in home ownership to qualify for purchasing one of these homes. Developer is not required to offer this course itself, but should identify resources in the application demonstrating that Applicants prospective buyers will have ample direction in obtaining such training. The 8-hour course must be provided by a HUD certified housing counseling agency.

### **4.0 SCOPE OF SERVICES:**

- 4.1 This Request for Proposals (“RFP”) is designed to establish a procurement vehicle pursuant to which the City may select a Developer (s) responding to this RFP who may be deemed most responsive and responsible and otherwise qualified and capable of being awarded The Neighborhood Stabilization Program Contracts and serving as a Developer. After conclusion of the evaluations, and any necessary negotiations regarding a “Contract Price”

## **SPECIFICATIONS / SCOPE OF WORK**

### **SOLICITATION NO.: T24039**

for each and every contract awarded under this RFP, the highest ranked Developer will be recommended by the HCDD Director to City Council for contract award for the specific projects pertaining to this RFP.

- 4.2 The selected Developer must oversee any demolition work needed in connection with the redevelopment of foreclosed and abandoned properties. Developer will be responsible for ensuring the performance of any and all appropriate lead based paint hazard and/ or asbestos hazard testing and will be responsible for ensuring the legal containment, abatement and/or removal of lead paint hazards and/ or asbestos hazard materials as conditions may require at any individual property address covered under this RFP, as necessary. Developer will also be responsible for ensuring that the foregoing work is carried out by appropriately licensed and skilled individuals and entities and all required safe work practices are followed. Note that for any property completed constructed prior to 1978, a lead assessment must be completed by a firm licensed by the state of Texas.
- 4.3 NSP3 Funds under this RFP funds may be used for hard and soft costs including but not limited to: property acquisition and related costs, demolition, construction, engineering, architectural and planning services, permitting fees, impact fees, and reasonable developer fees.
- 4.4 Houses developed under this RFP must be within the geographical boundaries of the NSP3 designated areas and must be abandoned or foreclosed.
- 4.5 HUD requires that all foreclosed properties acquired with NSP3 funds must be purchased at a minimum discount of 1% below the current appraised value based on a NSP compliant appraisal. If purchase price will be under \$25,000, an appraisal is not required and value can be determined by a professional qualified to do so such as a broker's price opinion.
- 4.6 Applicants must show proof that they have developed an acquisition strategy to ensure that they can locate and are able to acquire NSP eligible properties in a timely manner. Such a strategy may include registration under the FHA First Look program. Please note that for-profit developers are not eligible to acquire properties under the FHA First Look program.
- 4.7 Applicants must show proof that they have a pipeline of buyers in various stages of mortgage and credit approval.
- 4.8 Since time is of the essence with the expenditure of NSP3 funding, Applicants must show proof that they have the ability to expend 50% of the allocated funding by February 28, 2013 and 100% by January 2014.

#### **5.0 THRESHOLD REQUIREMENTS:**

- 5.1 Under this RFP, "Housing Neighborhood Stabilization Program" is defined as a diverse scope of work needing Developers to acquire and redevelop those properties deemed to be vacant, foreclosed and abandoned properties as well be responsible for the legal containment, abatement and/or removal of lead paint hazards and/ or asbestos hazard materials.
  - 5.1.1 Developer will assure the demolition and clearance work shall be carried out in compliance with all local, state and federal statutes and regulations governing such work.
- 5.2 If non-profit entity, the Developer must provide evidence of IRS tax-exempt status, such as a letter from the IRS, plus a certificate of good standing from the Secretary of State of the State of Texas. For-profit entities must provide a certificate of good standing from the Secretary of State.
- 5.3 Developer and Developer's team members must be in good standing with HCDD on all previous loans or loan commitments. There may be no defaults or negative collection actions. Note that for any property completed

# SPECIFICATIONS / SCOPE OF WORK

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construction prior to 1978, a lead assessment must be completed by a firm licensed by the state of Texas. No team members may be “debarred.” Debarred as is defined in federal rules related to use of HUD and/or other funds.

- 5.4 Developer must be current on City of Houston Property Tax on all properties owned by developer.
- 6.7 Developer must document at least five years of experience in the rehabilitating housing and /or constructing units and selling such units to low-income households and at least two years in working with NSP funding for the same purpose.
- 6.8 Developer will have a minimum credit line of \$100,000 or the ability to float at least one draw for 5 houses being constructed at any one time. The City has the ability to request a higher or lower amount.
- 6.9 Developer must comply with all pertinent federal regulations. This includes the Environmental regulations enforced by HUD.
- 6.10 The Developer must obtain all permits that are required to perform the authorized scope of work. The Developer must comply with all the regulations governing the issuance and inspections of any Work permitted. Furthermore, the Developer and his / her subcontractors must possess trade or other professional licenses as may be required by the State of Texas and the City in order to perform such functions that are subject to licensing.

### **7.0 FINANCING TERMS AND LOAN LIMITS:**

#### **A. Loan Amounts**

Developer request to the City should be for a specific number of homes and a specific amount of NSP3 funds. The request should relate to the Applicant’s intended Plan of Action.

NSP3 funding per unit: As a guideline, HCDD projects an average up to \$145,000 per home to acquire, demolish, rehabilitate and/or construct a housing unit including eligible soft costs, carrying costs and a developer fee. Notwithstanding the above amounts, NSP requires that all costs must be reasonable.

#### **B. Loan Limits**

Developer will not be eligible to receive funding if applicant’s total related party loans from the HCDD portfolio would exceed 10% of the total outstanding portfolio of HCDD.

#### **C. Terms**

Draws from NSP funds will be made from time to time, as suitable housing or lots are selected, acquired, rehabilitated, and/or constructed. Prior to acquiring a specific unit or lot, the Developer will verify that it is NOT within the 100-year flood plain, and will obtain a Phase I Environmental Site Assessment ( and obtain approval from HCDD and HUD to proceed with that unit, as detailed later in this RFP. Developer will comply with HUD’s regulations as established in 24 CFR 58. Work may not begin unless a “Notice to Proceed” is obtained.

HCDD will review detailed project scope and budget projections per unit. For properties built before 1978, lead-based paint hazard reduction should be budgeted to comply with 24CFR 92.355. Funding will be promptly provided on approved projects at least monthly, based upon work in place.

Properties must be acquired within 45 days and complete within 60 days.

Developer will have to obtain a letter from their bank regarding the capability of providing mortgages for their buyers per this program.

#### **D. Repayment**

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HCDD reserves the right to retract any funding commitment from a Developer that appears to abuse this willingness to completed properties to income-qualified households earning 120% of AMI or less with at least 50% of the funding spent on housing for persons with income at 50% of AMI (Area Medium Income) or less. Loans are not transferable and are payable in full in the event of noncompliance or default that is not remedied by the borrower.

E. **Interest Rate:** Zero percent (0%) interest will be charged.

**F. Affordability Covenants:**

All units developed under this program are subject to affordability restrictions which limit homebuyer's incomes based on levels of Adjusted Median Income (AMI) established annually by HUD. This RFP envisions the provision of housing units for sale to income-qualified households earning 120% of AMI or less with at least 50% of the funding spent on housing for persons with income at 50% of AMI (Area Medium Income) or less., as adjusted for family size. Information on allowable income: <http://www.hud.gov>

**G. Lien Security**

For each housing unit or lot acquired by Developer under this program, HCDD will require a deed of trust, promissory note, Uniform Commercial Code [UCC] financing statement, assignment of all contracts, leases and rents, and only during the development period. As soon as the NSP assisted house is sold to a qualified buyer, then the land use restriction agreement will be replaced with a mortgage and note to the buyer.

NO subsequent liens against a property either in priority or subordinate to City's lien are permitted. No additional debt is allowed without prior written approval by the Director of HCDD.

Title Insurance will be required at acquisition.

**H. Other Items:**

Loan commitments and loans are not transferable.

**Other NSP Requirements**

**NSP Target Areas** – NSP funds can only be spent in target neighborhoods identified as being areas of greatest need. Target neighborhoods in which properties are eligible for NSP assistance under this RFP are as follows:

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The City is:

Considering only developer qualifications at this time, with properties to be identified by the City or the Developer after approval.

## SPECIFICATIONS / SCOPE OF WORK

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- **Purchase Discount** – Any foreclosed upon residential property acquired with NSP funds must be at a discount of at least 1 percent below current appraised market value, based on an independent appraisal.
- **Limitation on Demolition** -- Primary structures on properties acquired or contributed may not be demolished with NSP funds, unless they are declared as blighted in a written notice provided by Grantee.
- **Relocation** -- All homes acquired or rehabilitated with NSP funds should be vacant prior to initiation of the project and prior to the City's funding commitment. If occupied, the developer **must** adhere to federal requirements related to acquisition, displacement and relocation found at 49 CFR Part 24 (the Uniform Relocation Assistance and Real Property Acquisition Act) and 24 CFR Part 570 (the Community Development Block Grant Program.) Developers should consult with the City for approval of any purchase agreements that involve occupied properties.
- **Sale Price Limitation** – Per the HERA statute, the price for selling homes to assisted households under NSP cannot exceed the cost to acquire and redevelop/rehabilitate the home plus related costs. In determining the sale price, maintenance costs, such as boarding up units, lawn mowing etc, cannot be included.
- **Buyer Requirements** – The following requirements pertain to the sale of the homes to eligible buyers:
  - **Occupancy by Low Moderate Middle Income Households** – All units assisted with NSP funds must serve households with incomes at or below 120 percent of the AMI. If checked above, a minimum of 50 percent of the NSP units must serve households with incomes at or below 50 percent of the AMI.
  - **Buyer Note and Mortgage** – All NSP funds will be secured by a mortgage and note and will be provided in the form of a zero interest deferred loan consistent with the Affordability Period requirements listed below.
  - **Primary Residence** -- Homes acquired, rehabilitated and sold under this RFP must be used as the buyer's primary residence.
  - **Homebuyer Counseling** – All homebuyers that are assisted through NSP funds must be provided at least 8 hours of homebuyer counseling through a HUD-certified homebuyer counseling organization. Potential homebuyers must provide a copy of the Homebuyer Education Certificate of Completion, prior to closing.
  - **Affordability Period (Recapture Approach)**– The City of Houston through HCDD is required to ensure continued affordability for NSP-assisted housing in compliance with the affordability requirements of the HOME program at 24 CFR 92.252(a), (c), (e), and (f) (homeownership). Upon completion of the NSP assisted house, the developer must sell the unit to NSP income eligible household who agrees to occupy the housing unit as their principal residence. The date of completion shall mean when the project has received the certificate of occupancy and the unit is occupied by an eligible buyer for a period of 5-15 years depending on the amount of NSP assistance provided to the buyer and not the amount of NSP funds invested in the house.

**SPECIFICATIONS / SCOPE OF WORK**  
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The City shall use the Recapture approach for this program and the affordability period is determined by the amount of NSP assistance provided directly to a homebuyer as follows:

- Less than \$15,000 – a minimum of 5 years
- \$15,000 to \$40,000 – a minimum of 10 years
- Over \$40,000 – a minimum of 15 years

The City shall enforce this requirement by a second mortgage and promissory note that liens the property for the applicable affordability period. The NSP second mortgage shall be subordinate to any private sector mortgage. If the homebuyer(s) sells, transfers, or ceases to occupy the property as his or her principal residence before the expiration of the affordability period, they will be required to repay to the City of Houston an amount as calculated under the terms of the applicable Promissory Note. The NSP assistance that is subject to recapture is based on the amount of NSP assistance that enabled the purchase of the property that has not been forgiven per the term of the homebuyer’s Promissory Note, subject to net proceeds. The level of assistance to the homebuyer is determined by the difference between the sum of the homebuyer down payment and first mortgage provided by a private sector lender and the sales price of the NSP assisted unit. The net proceeds are the sales price minus loan repayments (other than NSP funds), the buyer’s contribution, documented capital improvements and closing costs.

Unlike the “resale” approach, the developer is not required to sell the property to another NSP eligible that is in the same income category as the initial buyer. The house may be sold to any buyer as long the homebuyer assistance is recaptured from net sales proceeds. The City may choose to use forgiveness provisions with a portion of the homebuyer assistance forgiven for each year that the initial buyer occupies the house as their principal residence.

The following describes how to calculate developer and homebuyer subsidies for City of Houston’s NSP homeownership projects.

**Example of an NSP Assisted House Sold Using the Recapture Approach:**

<b>Assumptions</b>	<b>\$</b>
Total Development Cost (TDC) - NSP funds invested for acquisition, rehab/construction, soft costs, program delivery costs and related expenses	150,000
Sales price*/Market Value (upon rehab/construction completion)	80,000
Development subsidy** (Total Development Cost less Market Value)	70,000
Homebuyer’s Contribution (cash plus mortgage(s))	50,000
Homebuyer subsidy*** (Market Value less Homebuyer’s Contribution)- “Recapture”	30,000

**SPECIFICATIONS / SCOPE OF WORK**  
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Net Sales Proceeds becomes Program Income if returned to the City of Houston	50,000
--	--------

**Assumptions**

\* Sales price must be the lesser of TDC less the costs of boarding up and maintenance while the property is in a static condition.

**\*\*Development Subsidy**

- Equals Total Development Costs (hard, soft and program delivery cost) plus real estate commission fees less sale price.

+ Hard cost	+ Total Development Cost
+ Soft Cost	- <u>Market Value Upon Completion</u>
+ Program Delivery costs	Development Subsidy
<u>+Real Estate Commission Fees</u>	
Total Development Cost	

- Note that Homebuyer Education fees are not included in the calculation for determining Total Development Costs.
- Developer will obtain an after-construction/rehab appraisal. This appraised value will be the asking price for the home unless it is higher than the estimated total development cost of the home, in which case the price will be the same amount as the total development cost.
- When development costs exceed market value, the portion of NSP funds advanced to the project that is above the market value becomes a development subsidy to the project. Neither the developer nor the homebuyer is required to repay NSP funds used for an approved development subsidy.

**\*\* Homebuyer Subsidy**

- Equals assistance provided on behalf of the homebuyer to bridge the gap between the house’s market value and the homebuyer’s contribution. This may be provided in the form of one or more of the following: all or part of the closing costs, a contribution towards the down payment, a direct write-down of the market value in establishing the selling price, or the amount of funds owed by the homebuyer to the Developer through a second mortgage on the property. Note that NSP funds may not be used to finance more than one half of the required down payment.
- The portion of this subsidy provided with NSP funds is subject to recapture if the homebuyer sells or otherwise disposes of the home during the NSP Affordability Period.

When NSP homebuyers sell their house during the affordability period, then homebuyer subsidy will be recaptured, subject to available net proceeds and the Affordability Period schedule above. The following calculation is made to determine how much of the homebuyer subsidy is to be recaptured upon resale of the property by the initial buyer:

+Sales price for the house

## SPECIFICATIONS / SCOPE OF WORK

### SOLICITATION NO.: T24039

-Mortgage principal repaid to lender

-Seller's closing costs

-Seller's real estate sales commission

Seller's net proceeds from sale

-Cost of any capital improvements to the property paid by the homeowner

-Down payment paid out of pocket when the house was initially purchased

Amount subject to recapture

If the homebuyer subsidy to be repaid is greater than the amount subject to recapture, then the seller only needs to repay the amount that is available.

If the homebuyer subsidy is provided using funds from another federal program in addition to NSP, and such other funds are designated as positioned either ahead or behind NSP, then the allocation of the funds recaptured between NSP and the other program(s) must reflect the relative position of each such program funds.

The City of Houston will be solely responsible for enforcing the provisions of mortgage and promissory note that shall be required to maintain the long-term affordability of a Property.

- **Deadlines** – Developers that receive NSP3 funds must take title (in the case of acquisition) or have a fully executed construction contract (in the case of rehabilitation) for funded properties in such a manner that the developer will have expended at least 50% of the allocated funds by February 28, 2012. Projects must demonstrate progress toward this deadline by reaching milestones in an approved schedule.
- **Reporting** – Each funded applicant will be expected to collect and report information about the uses of funds at least monthly, including, but not limited to:
  - Property location & activity
  - Funds budgeted and expended (NSP and all funding sources)
  - Beginning and ending dates of activities
  - Purchase price, appraisal and discount amount for each property acquired
  - Sales price & NSP buyer subsidy amount for each property
  - Other data needed to support HUD reporting requirements and performance measures
  - Buyer income, family composition & other information required to document eligibility
- Other program requirements and restrictions included in Title III of the Housing and Economic Recovery Act of 2008 and HUD regulations related to the NSP to be found at:  
<http://www.hud.gov/offices/cpd/communitydevelopment/programs/neighborhoodspg/nspnotice.pdf>

**SPECIFICATIONS / SCOPE OF WORK**  
**SOLICITATION NO.: T24039**

**Eligible Costs**

NSP funds are available for use as noted below (checked item(s) only):

- NSP funds may be used by developers for the costs of acquisition and development (as described above, subject to the following limits: up to \$145,000 per unit.

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

- NSP funds may be used for subsidies to homebuyers, subject to the following limits.  
\_\_No more than \$50,000 perunit.\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

If NSP funds are noted above to be available for project-related hard costs and soft costs of the developer, the following list defines the types of project costs that are eligible for NSP funding, subject to the approval of the City:

- **Acquisition of existing property or vacant land** -- Acquisition of existing property, in need of rehabilitation, and acquisition of vacant land for redevelopment is eligible. Acquisition of foreclosed upon residential properties is subject to the purchase discount limitation noted above. All properties acquired must be vacant; occupied properties require the prior approval of the City to ensure that relocation rules are followed.
- **Demolition.** Written advance permission of Grantee must be obtained before offers may be made on properties on which the primary structure is blighted or beyond repair and therefore requires demolition. Deteriorated accessory buildings that may require demolition must be included in the work write-up and cost. Upon Grantee approval of project work write-ups or plans and specifications, the accessory buildings may be demolished. Demolition of a blighted structure may be approved only if the building is blighted, there is a plan for immediate or future redevelopment, and the City approves the Developer's plan to ensure compliance with all Federal relocation requirements, if applicable.
- **New construction.** Any project that includes the addition of dwelling units outside the existing walls of a structure is considered new construction for NSP Program purposes.
- **Rehabilitation.** Rehabilitation includes the alteration, improvement, or modification of an existing structure. It also includes moving an existing structure to a foundation constructed with NSP funds. Rehabilitation may include adding rooms outside the existing walls of a structure; however, adding a housing unit is considered new construction.
- **Reconstruction** – Reconstruction refers to rebuilding a structure on the same lot where housing is standing at the time of project commitment. NSP funds may be used to build a new foundation or repair an existing foundation. During reconstruction, the number of rooms per unit may change, but the number of units may not.
- **Eligible soft costs** – NSP funds can be used to cover the soft costs associated with a project as long as they are reasonable and necessary to the project. The following list defines the type of project related

## SPECIFICATIONS / SCOPE OF WORK

### SOLICITATION NO.: T24039

soft costs that are eligible under the NSP program. Please note that funding for soft costs is only eligible in collaboration with an eligible hard cost, and must be approved by the City.

- Financing fees and other finance-related costs
- Title binders and insurance
- Recordation fees and transaction taxes
- Legal and accounting fees related to the project
- Surety fees
- Environmental reviews
- Homebuyer education
- Property appraisals
- Architectural, engineering
- Construction management and related professional services
- Builders and developers fees
- Realtor fees (3% for one broker/agent and 6% for two broker/agents)
- **Developer fees** – Developer fees, along with any other fees earned by the Developer or affiliated entities, including contractor and realty fees, must be approved by the City, and will not exceed 15%. Costs included in the developer fee must be distinguished from costs billed separately to the City.
- **Excess proceeds of sale** – In order to avoid undue enrichment, as required by program rules, excess proceeds from the sale of units, after all approved costs and approved developer fees are paid, shall be returned to the City, unless such proceeds are approved for use in the production of additional units under the Developer Agreement.

# **PROPOSAL OUTLINE AND MINIMUM CONTENT REQUIREMENTS**

## **SOLICITATION NO.: T24039**

To simplify the review process and to obtain the maximum degree of comparability, the Proposal must follow the outline as set forth below and, at a minimum, contain the information as requested. Developer are encouraged to include additional relevant information.

### **1.0 TITLE PAGE:**

- 1.1 The title page should include the title and number of the RFP, name and address of the Offeror(s), and the date of the Proposal.

### **2.0 OFFER & SUBMITTAL FORM:**

- 2.1 PROPOSAL MUST BE SIGNED AND NOTORIZED BY AN AUTHORIZED REPRESENTATIVE(S) OF THE PROPOSER, WHICH MUST BE THE ACTUAL LEGAL ENTITY THAT WILL PERFORM THE CONTRACT IF AWARDED AND THE TOTAL FIXED PRICE CONTAINED THEREIN SHALL REMAIN FIRM FOR A PERIOD OF ONE-HUNDRED EIGHTY (180) DAYS.

### **3.0 LETTER OF TRANSMITTAL:**

- 3.1 A letter of transmittal shall include the following:
  - 3.1.1 The names, titles, addresses, and telephone numbers of the individuals who are authorized to make representation on behalf of the Developer.
  - 3.1.2 A statement that the per-unit proposed price and/or lump sum (if prices are proposed) is the total fixed price for the materials and services enumerated.
  - 3.1.3 A statement that the person signing the letter of transmittal is authorized to legally bind the Developer; that the Proposal and the total fixed price contained therein shall remain firm for a period of one hundred-eighty (180) days, and that the Proposal will comply with the requirements and arrangements stated in the RFP.

### **REQUIREMENTS/SELECTION CRITERIAS:**

#### **4.0 EXPERTISE/EXPERIENCE/QUALIFICATIONS/PERSONNEL**

- 4.1 The City believes that capacity is built incrementally. Accordingly, the City will look at the total number of successful NSP assisted single-family residential acquisition, rehabilitation or reconstruction and resale projects an Applicant has completed and sold to qualified low-income households, and the Applicant's success in keeping these households in the housing sold to them (foreclosure rate).
- 4.2 HCCD will look for evidence of successful budgeting and delivery of prior projects. Applicants should, in the application, provide data supporting their capacity to undertake the proposed project.
- 4.3 HCCD will evaluate the narrative plan of action Applicant intends to take to implement the program. The Applicant's timetable for accomplishing the program, intended zone or zones for work, budget details provided, and other related information will be considered. The scale of action to be taken will be an important factor .
- 4.4 Provide a brief written statement describing the number of new construction, demolition, housing reconstruction or other construction industry contracts completed by the Developer under his/her present company name. Please be advised that reconstruction contracts to satisfy this criteria must have been undertaken by building permits obtained under the Developer's present company name.
- 4.5 Provide a brief written statement describing the number of years the Developer has been in business under his/her current name working with federal, state or locally sponsored or funded programs, particularly those in Southeast Texas as it pertains to the following: new construction, demolition, housing reconstruction or other

# **PROPOSAL OUTLINE AND MINIMUM CONTENT REQUIREMENTS**

## **SOLICITATION NO.: T24039**

construction industry projects. Additionally, please describe any/or all experience relative to complying with the Davis-Bacon Act and Section 3 and any related Laws in the performance of the work to meet all requirements for active monitoring and documentation.

- 4.6 Provide an organizational chart of proposed team or staff that will be utilized for HCDD projects, inclusive of all proposed sub-contractor(s).
- 4.7 Provide resumes, titles and functions of key personnel whom will be responsible for the delivery of development, property management and disposition services for the acquisition, rehabilitation and resale of NSP eligible single family houses; inclusive of all proposed sub-contractor(s) and supplier(s).
- 4.8 Provide copies of key personnel certifications and/or licenses as applicable to the reconstruction projects specialty (i.e. electrical or plumbing etc.); inclusive of all proposed sub-contractor(s)
- 4.9 Applicants must show proof that they have developed an acquisition strategy to ensure that they can locate and are able to acquire NSP eligible properties in a timely manner. Such a strategy may include registration under the FHA First Look program. Please note that for-profit developers are not eligible to acquire properties under the FHA First Look program.
- 4.10 Applicants must show proof that they have a pipeline of buyers in various stages of mortgage and credit approval.
- 4.11 Since time is of the essence with the expenditure of NSP3 funding, Applicants must show proof that they have the ability to expend 50% of the allocated funding by February 28, 2013 and 100% by January 2014

### **5.0 WORK QUALITY:**

- 5.1 Provide a sample of the Developer's written warranty that is compliant with the applicable Texas State law, and guarantee's the Developer's work for the durations after the completion required by all regulations, which will be provided to the homeowner under this program. If warranty is to be provided by a third party insurer, provide information regarding the insurer's status as an eligible insurer in the State of Texas.
- 5.2 Provide a written copy of the Developer's Quality Control Program that describes his/her approach to quality control, and a copy of the Developer's Safety Program and Experience Modification Rate values. The Developer shall provide his/her procedures for inspection of all items of work and his/her procedures for addressing punch list items.
- 5.3 Provide four (4) references including addresses from municipal or corporate clients who received development or related construction services from the Developer performed under building permits obtained by the Developer.
- 5.4 Provide three (3) letters of references from subcontractors who have performed work for the Developer on new housing construction or other construction related projects.
- 5.5 Provide before and after photographs of new housing construction work, demolition work or other related construction work performed under building permits obtained by the Developer.
- 5.6 Provide samples of floor plans and drawings as outlined in Section 6.3 of the SPECIFICATIONS/SCOPE OF WORK.
- 5.7 Provide an Affidavit from the Developer listing any and all claims, litigation or arbitration actions related to contracts entered into by the Developer and any contracted party. (The City reserves the right to independently investigate the Developer reporting in this area).

### **6.0 FINANCIAL STATEMENTS/BONDING CAPACITY:**

# PROPOSAL OUTLINE AND MINIMUM CONTENT REQUIREMENTS

## SOLICITATION NO.: T24039

- 6.1 Submit Developer audited annual financial statements, in accordance with and as defined in the Financial Accounting Standards Board (FASB) regulation(s) for the past two years. In addition, include your and Dunn & Bradstreet Report or Federal Tax Forms Filed to the Internal Revenue Service (IRS) for the past two years.
- 6.2 Submit a letter from the Insurance provider stating the Developer's ability in obtaining insurance to meet the City's minimum insurance requirements (as stated in the GENERAL TERMS, SECTION 3.0) and Insurance providers A.M. Best rating.
- 6.3 Submit a detailed list of all available funds/credit amounts and from source (Developer will have a minimum credit line of \$100,000 or the ability to float at least one draw for 5 houses being constructed at any one time. The City has the ability to request a higher or lower amount. Please attach all Bank Statements and/or Credit Lines/Letters or Documents.
- 7.0 HOUSING UNIT PRODUCTION CAPACITY/PROPOSED OPERATIONS PLAN/EQUIPMENT LIST/ASSETS:**
- 7.1 The Developer must demonstrate a capacity to simultaneously start and complete all contracts (listed by property address) included under this RFP. Provide a detailed description and methodology of a proposed plan, on how the Developer intends to complete the reconstruction of the homes identified within this RFP, which should include, but not be limited to the following:
- 7.1.1 A brief statement of the Developer understanding of the work to be done; and
- 7.1.2 A detailed description that clearly defines the method of approach that the Developer will utilize in the successful achievement/delivery of the RFP's intended Scope of Work; inclusive of timelines and schedules
- 7.1.3 Provide a brief statement of the maximum number of single-family homes that the Developer can develop simultaneously, while still maintaining a high quality of service delivery under each awarded project.
- 7.1.4 Provide a brief statement of the willingness and demonstrated capacity of the Developer to undertake housing development projects at any location within "geographic work area" as defined in paragraph 3.6 SPECIFICATION/SCOPE OF WORK.
- 7.1.5 Provide a list of all construction trade affiliations and relationships the Developer presently maintains with as subcontractors and building construction materials suppliers who will be used in connection with completing "The Work" required under this RFP.
- 7.1.6 Provide a list of assets/equipment the Developer presently possess via demonstrated ownership, control or leasehold of heavy equipment (i.e. trucks, backhoes, cement mixers, trailers, etc.), which he/she currently utilize to undertake new housing construction and/or demolition work.
- 7.1.7 Provide a detail logistical operational plan on how the Developer will perform all required tasks as it pertains to addressing housing development if he/she were the awarded the contracts under this RFP. The highest quality Logistical Operations Plan shall outline the Developer's ability as follows:
- 7.1.7.1 Developer ability to manage multiple housing development work sites;
- 7.1.7.2 Developer ability to schedule development work for individual houses to ensure timely work completion;
- 7.1.7.3 Developer ability to mobilize work crews and subcontractors needed to complete work;
- 7.1.7.4 Developer method by which he/she will track work progress on individual projects, to ensure the timely completion of the work specified under each contract.
- 7.1.7.5 Provide a list of current development projects that the Applicant is working on including the type of project (single family, multi-family, rehabilitation, new construction) and the projected completion date of the projects to measure that the Applicant has adequate resources and time to focus on the project under this RFP.

# **PROPOSAL OUTLINE AND MINIMUM CONTENT REQUIREMENTS**

## **SOLICITATION NO.: T24039**

7.1.7.6 Provide a pipeline of prospective buyers who are being processed for sale of the completed NSP assisted houses.

7.1.7.7 Provide a plan for how the abandoned and foreclosed units will be acquired in a timely manner.

### **8.0 PERMITS, REGISTRATIONS, & CERTIFICATIONS:**

8.1 Provide copies of permits, registrations, and certifications pertaining to conducting business in the State of Texas. Specific submittals include, but are not limited to the following:

8.1.1 Letter of existence/registration issued by the Texas Secretary of State, indicating that the if the Developer Company is a Corporation, either Texas or foreign that is authorized to do business in the State of Texas

8.1.2 Certificate of Account Status issued by the Texas Comptroller of Public Accounts, establishing that the Developer firm is current with any and all taxes, if any, due to the state of Texas.

8.1.3 A notarized statement that the Developer is not debarred, suspended, or an ineligible Contractor according to HUD's "Consolidated List of Debarred, Suspended and Ineligible Contractors" and the US General Services Administration's "Consolidated List of Debarred and Suspended Contractors"

8.1.4 The Developer acknowledges and certifies that a) his/her company and its subcontractors has the capacity and technical ability to perform the range of services stated in the scope of work; and b) that the Developer and its subcontractors have the experienced personnel to perform the range of services stated in the scope of work.

8.1.5 The Developer acknowledges and certifies that: his/her company will comply with provisions of the Hatch Act (5 U.S.C. 1501-1508 and 7324-7328), which limit the potential activities of employees whose principal employment activities are funded in whole or in part with federal funds, related to work under this RFP.

8.1.6 The Developer acknowledges and certifies that: the Developer Company in the performance of the Work, and to the extent applicable, will comply with all federal Laws and policies relating to the CDBG including but not limited to those set forth below, which are incorporated by reference:

8.1.6.1 24 CFR Part 570,

8.1.6.2 48 CFR, Part 31 regarding the allow ability of costs;

8.1.6.3 Section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. Section 1701u);

8.1.6.4 Section 302 of the Lead-Based Paint Poisoning Prevention Act (42 U. S. C. Section 4831 (b)) and the procedures established by the Department thereunder; and

8.1.6.5 "Environmental Review Procedures for Recipients assuming HUD Environmental Responsibilities," 24 CFR 58, and the laws and authorities specified at 24 CFR Sections 58.5 and 58.6

### **9.0 CONTENTS:**

9.1 The contents should be identified by section, description, page number, and should include, at a minimum, the following sections:

9.1.1 Title Page

9.1.2 Signed and Notarized Offer and Submittal Form (Exhibit I)

9.1.3 Letter of Transmittal

**PROPOSAL OUTLINE AND MINIMUM CONTENT REQUIREMENTS**  
**SOLICITATION NO.: T24039**

- 9.1.4 Expertise/Experience/Reliability Statement (Items 4.1 – 4.6)
- 9.1.5 Organizational Chart, Resumes and Certifications/Licenses of Proposed Key Personnel
- 9.1.6 Work Quality (Items 5.1 – 5.7)
- 9.1.7 Financial Statement/Bonding Capacity (Items 6.1 – 6.4)
- 9.1.8 Housing Unit Production Capacity/Proposed Operations Plan/Equipment List/Assets (Items 7.1 – 7.1.7.4)
- 9.1.9 Permits, Registrations & Certifications (Items 8.1 – 8.1.6.8)
- 9.1.10 List of References and List of Proposed Subcontractors (Exhibit I)
- 9.1.11 Signed M/WBE Forms: Attachment “A” Schedule of M/WBE Participation, and Attachment “B” Letter of Intent (Exhibit II)
- 9.1.12 Pricing Form/Fee Schedule (Exhibit III)
- 9.1.13 Fair Campaign Ordinance Form “A” (Exhibit V)
- 9.1.14 Affidavit of Ownership or Control (Exhibit VI)
- 9.1.15 Drug Compliance Agreement Attachment “A” and Contractor’s Certification of No Safety Impact Positions Attachment “C” (Exhibit VII)
- 9.1.16 Anti-Collusion Statement (Exhibit VIII)
- 9.1.17 Conflict of Interest Questionnaire (Exhibit IX)
- 9.1.18 Bid Bond \$10,000.00 (Exhibit X)
- 9.1.19 Requested Information Outlined in the Scope of Work and Other Additional Relevant/Supporting Information or Alternate Proposals
- 9.1.20 Seller’s Occupancy Certification Under The Protecting Tenants At Foreclosure Act Form (Exhibit XIII)
- 9.1.21 NSP Voluntary Acquisition of Foreclosed Property Guide Form (Exhibit XIV)
- 9.1.22 U.S. Department of Housing and Urban Development (HUD), Certificate of Appraiser Sample (Exhibit XV)
- 9.1.23 Addendum For Seller’s Disclosure Of Information On-Lead Based Paint and Lead-Based Paint Hazards (Exhibit XV)
- 9.1.24 NSP-3 Map of Target Zone (Exhibit XVI)

**EVALUATION AND SELECTION PROCESS**  
**SOLICITATION NO.: T24039**

**1.0 EVALUATION SUMMARY:**

1.1 An evaluation committee will develop a short list of Developer based upon the initial review of each Proposal received. The short listed Developer may be scheduled for a structured oral presentation, demonstration and/or interview. Such presentations will be at no cost to the City of Houston. At the end of the oral presentation, demonstration and/or interview, the evaluation of the short listed Developer will be completed. However, the evaluation committee reserves the right to issue letter(s) of clarity when deemed necessary to any or all Developer. The oral presentations, demonstrations and/or interview may be recorded and/or videotaped.

**2.0 SELECTION PROCESS:**

2.1 The award of this contract(s) will be made to the Developer or developers offering the response which best meets the needs of the City. The City may make investigations, as it deems necessary, to determine the capabilities of the Developer to create, modify and implement the required application modules. The Developer shall furnish to the City such data as the City may request for this purpose. The City reserves the right to reject any offer if the evidence submitted by or the investigation of the Developer fails to satisfy the City or the Developer is deemed unqualified to provide the services contemplated. Each Proposal will be evaluated on the basis of the following evaluation criteria that are listed in order of importance below:

2.1.1	Expertise/NSP Experience/Qualifications/Personnel	35 points
2.1.2	Work Quality	20 points
2.1.3	Financial Statements/Bonding Capacity -Contributing Sources, Leveraging of Funds	15 points
2.1.4	Housing Unit Production Capacity/Proposed Operations/Equipment List/Assets	20 points
2.1.5	Realistic and detailed Plan for meeting NSP3 Expenditure deadlines	10 points
	<b>Total points</b>	<b>100</b>

**3.0 RFP SCORING MATRIX:**

3.1 An individual "Scoring Matrix" has been provided for the "Housing Reconstruction" that will be used to select the best respondent under this RFP. Using the Selection Criteria outlined immediately above, the scoring matrix takes into account the experience and capabilities of each Developer firm to perform the scope of work required for the project activity as described in this RFP. The Scoring Matrix is attached to this RFP document on the SPD Website: <http://purchasing.houstontx.gov/>

3.1.1 "HOUSING RECONSTRUCTION CONTRACTS SCORING MATRIX".

**EXHIBIT I – OFFER AND SUBMITTAL, REFERENCES,  
PROPOSED SUBCONTRACTORS  
SOLICITATION NO.: T24039**

**EXHIBIT I – REFERENCES**  
**SOLICITATION NO.: T24039**

NOTE: PROPOSAL MUST BE SIGNED AND NOTORIZED BY AN AUTHORIZED REPRESENTATIVE(S) OF THE PROPOSER, WHICH MUST BE THE ACTUAL LEGAL ENTITY THAT WILL PERFORM THE CONTRACT IF AWARDED AND THE TOTAL FIXED PRICE CONTAINED THEREIN SHALL REMAIN FIRM FOR A PERIOD OF ONE-HUNDRED EIGHTY (180) DAYS.

"THE RESPONDENT WARRANTS THAT NO PERSON OR SELLING AGENCY HAS BEEN EMPLOYED OR RETAINED TO SOLICIT OR SECURE THIS CONTRACT UPON AN AGREEMENT OR UNDERSTANDING FOR A COMMISSION, PERCENTAGE, BROKERAGE, OR CONTINGENT FEE, EXCEPTING BONA FIDE EMPLOYEES. FOR BREACH OR VIOLATION OF THIS WARRANTY, THE CITY SHALL HAVE THE RIGHT TO ANNUL THIS AGREEMENT WITHOUT LIABILITY OR, AT ITS DISCRETION, TO DEDUCT FROM THE CONTRACT PRICES OR CONSIDERATION, OR OTHERWISE RECOVER THE FULL AMOUNT OF SUCH COMMISSION, PERCENTAGE, BROKERAGE OR CONTINGENT FEE."

Respectfully Submitted:

\_\_\_\_\_  
(Print or Type Name of Developer – Full Company Name)

City of Houston Vendor No. (If already doing business with City): \_\_\_\_\_

Federal Identification Number: \_\_\_\_\_

By: \_\_\_\_\_  
(Signature of Authorized Officer or Agent)

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Address of Developer: \_\_\_\_\_  
Street Address or P.O. Box

\_\_\_\_\_  
City – State – Zip Code

Telephone No. of Developer: (\_\_\_\_) \_\_\_\_\_

Signature, Name and title of Affiant: \_\_\_\_\_

\_\_\_\_\_  
(Notary Public in and for)

\_\_\_\_\_  
County, Texas

My Commission Expires: \_\_\_\_\_ day of \_\_\_\_\_ 20\_\_\_\_\_

**EXHIBIT I – REFERENCES**

**SOLICITATION NO.: T24039**

**LIST OF PREVIOUS CUSTOMERS**

1. Name: \_\_\_\_\_ Phone No.: \_\_\_\_\_  
Address: \_\_\_\_\_  
Contract Award Date: \_\_\_\_\_ Contract Completion Date: \_\_\_\_\_  
Contract Name/Title: \_\_\_\_\_  
System Description: \_\_\_\_\_  
\_\_\_\_\_

2. Name: \_\_\_\_\_ Phone No.: \_\_\_\_\_  
Address: \_\_\_\_\_  
Contract Award Date: \_\_\_\_\_ Contract Completion Date: \_\_\_\_\_  
Contract Name/Title: \_\_\_\_\_  
System Description: \_\_\_\_\_  
\_\_\_\_\_

3. Name: \_\_\_\_\_ Phone No.: \_\_\_\_\_  
Address: \_\_\_\_\_  
Contract Award Date: \_\_\_\_\_ Contract Completion Date: \_\_\_\_\_  
Contract Name/Title: \_\_\_\_\_  
System Description: \_\_\_\_\_  
\_\_\_\_\_

4. Name: \_\_\_\_\_ Phone No.: \_\_\_\_\_  
Address: \_\_\_\_\_  
Contract Award Date: \_\_\_\_\_ Contract Completion Date: \_\_\_\_\_  
Contract Name/Title: \_\_\_\_\_  
System Description: \_\_\_\_\_  
\_\_\_\_\_



**EXHIBIT II – MINORITY/WOMEN BUSINESS ENTERPRISES  
CONTRACT REQUIREMENTS  
SOLICITATION NO.: T24039**

**EXHIBIT II – ATTACHMENT “A”: SCHEDULE OF M/WBE PARTICIPATION**

SOLICITATION NO.: T24039

DATE OF REPORT: \_\_\_\_\_

BID NO.: \_\_\_\_\_

FORMAL BID TITLE: \_\_\_\_\_

NAME OF MINORITY/WOMEN SUBCONTRACTOR	OFFICE OF BUSINESS OPPORTUNITY CERTIFICATION NO.	STREET ADDRESS AND CITY, STATE, ZIP CODE	TELEPHONE NO.	SCOPE OF WORK	AGREE PRICE

TOTAL..... \$ \_\_\_\_\_

M/WBE PARTICIPATION AMOUNT..... \$ \_\_\_\_\_ %

TOTAL BID AMOUNT ..... \$ \_\_\_\_\_

**EXHIBIT II – ATTACHMENT “A” (CONTINUED): SCHEDULE OF M/WBE PARTICIPATION**

**SOLICITATION NO.: T24039**

IF YOU HAVE USED YOUR BEST EFFORTS TO CARRY OUT THE CITY'S M/WBE POLICY BY SEEKING SUBCONTRACTS AND SUPPLY AGREEMENTS WITH MINORITY AND WOMEN BUSINESS ENTERPRISES, YET FAILED TO MEET THE STATED PERCENTAGE GOAL OF THIS BID DOCUMENT, LIST BELOW YOUR GOOD FAITH EFFORTS FOR COMPLIANCE (DEFINITION OF REQUIREMENTS CAN BE OBTAINED THROUGH OBO AT (713) 837-9000).


THE UNDERSIGNED WILL ENTER INTO A FORMAL AGREEMENT WITH THE MINORITY AND/OR WOMEN SUBCONTRACTORS AND SUPPLIERS LISTED IN THIS SCHEDULE CONDITIONED UPON AWARD OF A CONTRACT FROM THE CITY.

**NOTE:**

**ALL FIRMS LISTED ABOVE MUST BE CERTIFIED (OR ELIGIBLE FOR CERTIFICATION) BY THE OBO. THIS SCHEDULE OF M/WBE PARTICIPATION SHOULD BE RETURNED, IN DUPLICATE, WITH THE BID FORM.**

\_\_\_\_\_  
**BIDDER COMPANY NAME**

\_\_\_\_\_  
**SIGNATURE OF AUTHORIZED OFFICER OR AGENT OF BIDDER**

\_\_\_\_\_  
**NAME (TYPE OR PRINT)**

\_\_\_\_\_  
**TITLE**

**EXHIBIT II – ATTACHMENT “B”: M/WBE LETTER OF INTENT  
SOLICITATION NO.: T24039**

THIS AGREEMENT IS SUBJECT TO BINDING ARBITRATION ACCORDING TO THE TEXAS GENERAL ARBITRATION ACT.

TO: **City of Houston  
City Purchasing Agent**

**MINORITY/WOMEN BUSINESS ENTERPRISE (M/WBE) AND SUPPLIER**

**LETTER OF INTENT**

Contract Bid Number: \_\_\_\_\_

Bid Title: \_\_\_\_\_

Bid Amount: \_\_\_\_\_

M/WBE Participation Amount: \$ \_\_\_\_\_ **M/WBE GOAL** \_\_\_\_\_%

1. \_\_\_\_\_ agrees to perform work/supply goods and/or  
**(Name of Minority/Women Business Enterprise)**  
Services in connection with the above-named contract and \_\_\_\_\_ as:  
**Name of Prime Contractor**
  - (a) \_\_\_\_\_ An Individual
  - (b) \_\_\_\_\_ A Partnership
  - (c) \_\_\_\_\_ A Corporation
  - (d) \_\_\_\_\_ A Joint Venture
  
2. \_\_\_\_\_ status is confirmed by M/WBE Directory made  
**(Name of Minority/Women Business Enterprise)**  
available through the City of Houston Office of Business Opportunity. Certificate No.: \_\_\_\_\_.
  
3. \_\_\_\_\_ and \_\_\_\_\_  
**(Name of Prime Contractor (** **Minority/Women Business Enterprise)**  
intend to work on the above-named contract in accordance with the M/WBE Participation Section of the  
City of Houston Contract Bid Provision.

The Terms & Conditions of Attachment “C” attached hereto are incorporated into this Letter of Intent for all purposes.

\_\_\_\_\_  
(Signed -- Prime Contractor)

\_\_\_\_\_  
(Signed -- Minority/Women Business Enterprise)

\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Title)

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Date)

**EXHIBIT II – ATTACHMENT “C”: CERTIFIED M/WBE SUBCONTRACT TERMS  
SOLICITATION NO.: T24039**

Contractor shall insure that all subcontracts with M/WBE subcontractors and suppliers are clearly labeled “**THIS CONTRACT IS SUBJECT TO BINDING ARBITRATION ACCORDING TO THE TEXAS GENERAL ARBITRATION ACT**” and contain the following terms:

1. \_\_\_\_\_ (M/WBE subcontractor) shall not delegate or subcontract more than 50% of the work under this subcontract to any other subcontractor or supplier without the express written consent of the City of Houston's OBO (“the Director”).
2. \_\_\_\_\_ (M/WBE subcontractor) shall permit representatives of the City of Houston, at all reasonable times, to perform 1) audits of the books and records of the subcontractor, and 2) inspections of all places where work is to be undertaken in connection with this subcontract. Subcontractor shall keep such books and records available for such purpose for at least four (4) years after the end of its performance under this subcontract. Nothing in this provision shall affect the time for bringing a cause of action nor the applicable statute of limitations.
3. Within five (5) business days of execution of this subcontract, Contractor (prime contractor) and Subcontractor shall designate in writing to the Director an agent for receiving any notice required or permitted to be given pursuant to Chapter 15 of the Houston City Code of Ordinances, along with the street and mailing address and phone number of such agent.
4. As conclude by the parties to this subcontract, and as evidenced by their signatures hereto, any controversy between the parties involving the construction or application of any of the terms, covenants or conditions of this subcontract shall, on the written request of one party served upon the other or upon notice by Director served on both parties, be submitted to binding arbitration, under the Texas General Arbitration Act (Tex. Civ. Prac. & Rem. Code Ann., Ch. 171 – “the Act”). Arbitration shall be conducted according to the following procedures:
  - a. Upon the decision of the Director or upon written notice to the Director form either party that a dispute has arisen, the Director shall notify all parties that they must resolve the dispute within thirty (30) days or the matter may be referred to arbitration.
  - b. If the dispute is not resolved within the time specified, any party or the Director may submit the matter to arbitration conducted by the American Arbitration Association under the rules of the American Arbitration Association, except as otherwise required by the City's contract with American Arbitration Association on file in the Office of the City's Affirmative Action Division.
  - c. Each party shall pay all fees required by the American Arbitration Association and sign a form releasing the American Arbitration Association and its arbitrators from liability for decisions reached in the arbitration.
  - d. In the event the American Arbitration Association no longer administers Affirmative Action arbitration for the City, the Director shall prescribe alternate procedures as necessary to provide arbitration by neutrals in accordance with the requirements of Chapter 15 of the Houston City Code of Ordinances.

These provisions apply to goal oriented contracts. A goal oriented contract means any contract for the supply of goods or non-personal or non-professional services in excess of \$100,000.00 for which competitive bids are required by law; not within the scope of the MBE/WBE program of the United States Environmental Protection Agency on the United States Department of Transportation; and ;, which the City Purchasing Agent has determined to have significant M/WBE subcontracting potential in fields which there are an adequate number on known MBE's and/or WBE's to compete for City contract.

The M/WBE policy of the City of Houston will discussed during the pre-bid. For information assistance, and/or to receive a copy of the City's Affirmative action policy and/or ordinance contact the Office of Business Opportunity at (713) 837-9000, 611 Walker, 20<sup>th</sup> Floor, Houston, Texas.

**EXHIBIT II – ATTACHMENT “D”: AFFIRMATIVE ACTION AND  
CONTRACT COMPLIANCE M/WBE UTILIZATION REPORT**  
SOLICITATION NO.: T24039

**Report Period:** \_\_\_\_\_

**PROJECT NAME & NUMBER:** \_\_\_\_\_

**AWARD DATE:** \_\_\_\_\_

**PRIME CONTRACTOR:** \_\_\_\_\_

**CONTRACT NO.:** \_\_\_\_\_

**ADDRESS:** \_\_\_\_\_

**CONTRACT AMOUNT:** \_\_\_\_\_

**LIAISON/PHONE NO.:** \_\_\_\_\_

**M/WBE GOAL:** \_\_\_\_\_

M/WBE SUB/VENDOR NAME	DATE OF A.A. CERTIFICATION	DATE OF SUBCONTRACT	SUBCONTRACT AMOUNT	% OF TOTAL CONTRACT	AMOUNT PAID TO DATE	% OF CONTRACT TO DATE

Use additional pages if needed. Submit by the 15th day of the following month.  
Provide support documentation on all revenues paid to end of the report period to:  
M/WBE's to reflect up/down variances on Contract amount.

Office of Business Opportunity  
ATTN: Director 713-837-9018  
611 Walker, 20<sup>th</sup> Floor  
Houston, Texas 77002

**EXHIBIT IV – INSURANCE REQUIREMENTS AND SAMPLE  
INSURANCE CERTIFICATE  
SOLICITATION NO.: T24039**

To comply with the Terms & Conditions for insurance in a City of Houston Service Contract, the Contractor's Insurance Certificate must be prepared as follows and shall meet the requirements set forth in this Solicitation:

- A. The City of Houston must be listed as an **additional insured** on the face of the Certificate, except those for Worker's Compensation and Employer's Liability.
- B. Each Policy must contain an endorsement to the effect that **the issuer waives any claim or right in the nature of subrogation** to recover against the City, its officers, agents or employees.
- C. The City of Houston must be included in the Insurer's Notification Requirement, which may be accomplished in one of the following ways:

- 1. By the Contractor's Insurance Agent revising the standard cancellation clause to read substantially as follows (all handwritten strike-outs, additions, and changes to the original text, must all be initialed by the Insurance Agent authorized to make such changes):

=====C A N C E L L A T I O N=====

J. D.

NON-RENEWED

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION

J. D.

DATE THEREOF, THE ISSUING COMPANY WILL ENDEAVOR TO MAIL 30 DAYS WRITTEN NOTICE OF SUCH CHANGE TO THE CERTIFICATE HOLDER NAMED (TO THE LEFT), ~~BUT FAILURE TO MAIL SUCH NOTICE SHALL IMPOSE NO OBLIGATION OR LIABILITY OF ANY KIND~~

J. D.

~~UPON THE COMPANY, ITS AGENTS OR REPRESENTATIVES.~~

=====

AUTHORIZED REPRESENTATIVE OF INSURER John Doe

=====

- O R -

- 2. By Attaching Endorsements in the form attached.
- D. Contractor shall require all subcontractors to carry insurance naming the City as an additional insured and meeting the all of the above requirements except as to amount. The amount shall be commensurate with the amount of the subcontract, but not in no case shall it be less than \$500,000 per occurrence.

**EXHIBIT IV – INSURANCE REQUIREMENTS AND SAMPLE  
INSURANCE CERTIFICATE  
SOLICITATION NO.: T24039**

Revised - 03/09/95

**CERTIFICATE OF INSURANCE EXPLANATIONS**

1. Certificate must not be more than 90 days old.
2. Name and Address of Producer writing coverage.
3. Name of each insurance company providing coverage (as listed in Best's Key Rating Guide or on company's Certificate of Authority on file with Texas Department of Insurance). Each company must have (1) a Certificate of Authority to transact insurance business in Texas or (2) be an eligible non-admitted insurer in the State of Texas and have a Best's rating of B+ or better and a Best's financial size category of class VI or better according to the most current edition Best's Key Rating Guide.
4. Name and address of Insured (as shown on policy)
5. Letter in the column must reference the insurer of the policy being described
6. Must be a policy number; no binders will be accepted
7. Date policy became effective
8. Expiration date must be at least **30** days from date of delivery of certificate
9. Name and file number of project
10. Name of project manager
11. Signature or facsimile signature of authorized representative of Producer (blue ink preferred)
12. All required endorsements must accompany the certificate

# EXHIBIT IV – SAMPLE INSURANCE CERTIFICATE FOR CONTRACT AWARD (\$50K OR MORE) SOLICITATION NO: T24039

## ACORD. CERTIFICATE OF INSURANCE Issue Date (MM/DD/YY)

PRODUCER

ISSUERS OF POLICIES: THE ISSUER SHALL HAVE A RATING OF AT LEAST B + AND FINANCIAL SIZE OF CLASS VI OR BETTER ACCORDING TO THE CURRENT YEAR'S BEST RATING.

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

INSURED

SAMPLE FORM

**COMPANIES AFFORDING COVERAGE**

- .....COMPANY A
- .....COMPANY B
- .....COMPANY C
- .....COMPANY D
- .....COMPANY E

**COVERAGE'S**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED, NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN. THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

CO LTR.	TYPE OF INSURANCE	POLICY NUMBER	EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION (MM/DD/YY)	POLICY LIMITS
A.	<b>General Liability</b> (X) Commercial General Liability Claims Made (X) Occur. Owners & Contractors Prot.			General Aggregate Products-Comp/Op Agg. Personal & Adv. Injury Each Occurrence Fire Damage (Any one fire) Med. Expense (Any one person)	\$1,000,000 \$1,000,000 \$1,000,000 \$ 500,000 \$ 50,000 \$ 5,000
A.	<b>Automobile Liability</b> (X) Any Auto (X) All Owned Autos ( ) Scheduled Autos ( ) Hired Autos ( ) Non-Owned Autos Garage Liability		Auto Liability Insurance for autos furnished or used in the course of performance of this Contract. Including Owned, Non-owned, and Hired Auto coverage. (Any Auto coverage may be substituted for Owned, Non-owned and Hired Auto Coverage.) If no autos are owned by Contractor, coverage may be limited to Non-owned and Hired Autos. If Owned Auto coverage cannot be purchased by Contractor, Scheduled Auto coverage may be substituted for Owned Auto coverage. EACH AUTO USED IN PERFORMANCE OF THIS CONTRACT SHALL BE COVERED IN THE LIMITS SPECIFIED.	Combined Single Limit Bodily Injury (Per person) Bodily Injury (Per Accident) Property Damage	\$1,000,000 \$ \$ \$
	<b>Excess Liability</b>			Each Occurrence Aggregate	\$ \$
	<b>Worker's Compensation and Employee Liability</b> Other	Statutory Limits	(X) <b>Statutory Limits</b>	Each Accident Disease - Policy Limit Disease - Each Employee	\$ 100,000 \$ 100,000 \$ 100,000

DESCRIPTION OF OPERATION/LOCATIONS/VEHICLES/SPECIAL ITEMS

City of Houston is named as additional insured on Auto and General Liability policies, and Waiver of Subrogation on Auto, General Liability, and Worker's Compensation.  
For (Project Name)

CERTIFICATE HOLDER

SHALL BE MODIFIED AS FOLLOWS: **CANCELLATION**  
SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED NON-RENEWED BEFORE THE EXPIRATION DATE THERE OF THE ISSUING COMPANY WILL MAIL THIRTY (30) DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT. CITY OF HOUSTON / FINANCE AND ADMINISTRATION

DEPARTMENT – STRATEGIC PURCHASING DIVISION

P.O. BOX 1562  
HOUSTON, TEXAS 77251

AUTHORIZED REPRESENTATIVE

**EXHIBIT V – FAIR CAMPAIGN ORDINANCE**  
**SOLICITATION NO.: T24039**

The City of Houston Fair Campaign Ordinance makes it unlawful for a Contractor to offer any contribution to a candidate for City elective office (including elected officers and officers-elect). All respondents to this invitation to bid must comply with Houston Code of Ordinances Chapter 18 as amended relating to the contribution and solicitation of funds for election campaigns. Provisions of this ordinance are provided in part in the paragraphs that follow. Complete copies may be obtained from the office of the City Secretary.

Candidates for city office may neither solicit nor receive contributions except during a period commencing 270 calendar days prior to an election date for which a person is a candidate for such office and ending 90 calendar days after the election date, including run off elections if such candidate is on the ballot.

Further, it shall be unlawful either for any person who submits a Bid or Proposal to contribute or offer any contribution to a candidate or for any candidate to solicit or accept any contribution from such person for a period commencing at the time of posting of the City Council Meeting Agenda including an item for the award of the Contract and ending upon the 30th day after the award of the Contract by City Council.

For the purposes of this Ordinance, a **Contract** is defined as each Contract having a value in excess of \$30,000 that is let by the City for professional services, personal services, or other goods or services of any other nature whether the Contract is awarded on a negotiated basis, request for Proposal basis, competitive Proposal basis or formal sealed competitive Bids. The term **Contractor** includes proprietors of proprietorships, partners having an equity interest of 10% of more of partnerships, (including limited liability partnerships and companies), all officers and directors of corporations (including limited liability corporations), and all holders of 10% or more of the outstanding shares of corporations.

**A STATEMENT DISCLOSING THE NAMES AND BUSINESS ADDRESSES EACH OF THOSE PERSONS WILL BE REQUIRED TO BE SUBMITTED WITH EACH BID OR PROPOSAL FOR A CITY CONTRACT.** Completion of the attached form entitled "**Contractor Submission List**" will satisfy this requirement. Failure to provide this information may be just cause for rejection of your Bid or Proposal.

**EXHIBIT V – FORM “A”: FAIR CAMPAIGN  
SOLICITATION NO.: T24039**

CITY OF HOUSTON FAIR CAMPAIGN ORDINANCE

The City of Houston Fair Campaign Ordinance makes it unlawful for a Contractor to offer any contribution to a candidate for City elective office (including elected officers-elect) during a certain period of time prior to and following the award of the Contract by the City Council. The term “Contractor” includes proprietors of proprietorships, partners or joint venture’s having an equity interest of 10 percent or more for the partnership or Joint venture, and officers, directors and holders of 10 percent or more of the outstanding shares of corporations. A statement disclosing the names and business addresses of each of those persons will be required to be submitted with each Bid or Proposal for a City Contract. See Chapter 18 of the Code of Ordinances, Houston, Texas, for further information.

This list is submitted under the Provisions of Section 18-36(b) of the Code of Ordinances, Houston, Texas, in connection with the attached Proposal, submission or bid of:

Firm or Company Name: \_\_\_\_\_

Firm or Company Address: \_\_\_\_\_

**The firm/company is organized as a (Check one as applicable) and attach additional pages if needed to supply the required names and addresses:**

**SOLE PROPRIETORSHIP**

Name \_\_\_\_\_ Address \_\_\_\_\_  
Proprietor

**A PARTNERSHIP**

**List each partner having equity interest of 10% or more of partnership (if none state “none”):**

Name \_\_\_\_\_ Address \_\_\_\_\_  
Partner

Name \_\_\_\_\_ Address \_\_\_\_\_  
Partner

**A CORPORATION**

**List all directors of the corporation (if none state “none”):**

Name \_\_\_\_\_ Address \_\_\_\_\_  
Director

Name \_\_\_\_\_ Address \_\_\_\_\_  
Director

Name \_\_\_\_\_ Address \_\_\_\_\_  
Director

**EXHIBIT V – FORM “A”: FAIR CAMPAIGN**  
**SOLICITATION NO.: T24039**

List all officers of the corporation (if none state none”):

Name _____ Officer	_____
	Address
Name _____ Officer	_____
	Address
Name _____ Officer	_____
	Address

List all individuals owning 10% or more of outstanding shares of stock of the corporation (if none state “none”):

Name _____	_____
	Address
Name _____	_____
	Address
Name _____	_____
	Address

I certify that I am duly authorized to submit this list on behalf of the firm, that I am associated with the firm in the capacity noted below and that I have personal knowledge of the accuracy of the information provided herein.

\_\_\_\_\_  
Preparer

\_\_\_\_\_  
Printed Name

\_\_\_\_\_  
Title

Note: This list constitutes a **government record** as defined by § 37.01 of the Texas Penal Code.

8/23/01

**EXHIBIT VI: CONTRACTOR OWNERSHIP  
DISCLOSURE ORDINANCE  
SOLICITATION NO.: T24039**

City Council requires knowledge of the identities of the owners of entities seeking to Contract with the City in order to review their indebtedness to the City prior to entering Contracts. Therefore, all respondents to this Invitation to Bid must comply with Houston Code of Ordinances Chapter 15, as amended (Sections 15-122 through 15-126) relating to the disclosure of owners of entities bidding on, proposing for or receiving City contracts. Provisions of this ordinance are provided in part in the paragraphs that follow. Complete copies may be obtained from the office of the City Secretary.

Contracting entity means a sole proprietorship, corporation, non-profit corporation, partnership, joint venture, limited liability company, or other entity that seeks to enter into a contract requiring approval by the Council but excluding governmental entities.

A contracting entity must submit at the time of its Bid or Proposal, an affidavit listing the full names and the business and residence addresses of all persons owning five percent or more of a contracting entity or, where a contracting entity is a non-profit corporation, the full names and the business and residence addresses of all officers of the non-profit corporation.

Completion of the "**Affidavit of Ownership or Control**," included herein, and submitted with the Official Bid or Proposal Form will satisfy this requirement. Failure to provide this information may be just cause for rejection of your Bid or Proposal.



**EXHIBIT VI: AFFIDAVIT OF OWNERSHIP OR CONTROL**  
**SOLICITATION NO.: T24039**

**5.** The information shown below is true and correct for the Contracting Entity and all owners of 5% or more of the Contracting Entity and, where the Contracting Entity is a non-profit entity, the required information has been shown for each officer, *i.e.*, president, vice-president, secretary, treasurer, etc. **[NOTE: IN ALL CASES, USE FULL NAMES, LOCAL BUSINESS AND RESIDENCE ADDRESSES AND TELEPHONE NUMBERS. DO NOT USE POST OFFICE BOXES FOR ANY ADDRESS. INCLUSION OF E-MAIL ADDRESSES IS OPTIONAL, BUT RECOMMENDED. ATTACH ADDITIONAL SHEETS AS NEEDED.]**

**Contracting Entity**

Name: \_\_\_\_\_

Business Address **[No./STREET]** \_\_\_\_\_

**[CITY/STATE/ZIP CODE]** \_\_\_\_\_

Telephone Number (\_\_\_\_\_) \_\_\_\_\_

Email Address **[OPTIONAL]** \_\_\_\_\_

Residence Address **[No./STREET]** \_\_\_\_\_

**[CITY/STATE/ZIP CODE]** \_\_\_\_\_

Telephone Number (\_\_\_\_\_) \_\_\_\_\_

Email Address **[OPTIONAL]** \_\_\_\_\_

**5% Owner(s) or More (IF NONE, STATE "NONE.")**

Name: \_\_\_\_\_

Business Address **[No./STREET]** \_\_\_\_\_

**[CITY/STATE/ZIP CODE]** \_\_\_\_\_

Telephone Number (\_\_\_\_\_) \_\_\_\_\_

Email Address **[OPTIONAL]** \_\_\_\_\_

Residence Address **[No./STREET]** \_\_\_\_\_

**[CITY/STATE/ZIP CODE]** \_\_\_\_\_

Telephone Number (\_\_\_\_\_) \_\_\_\_\_

Email Address **[OPTIONAL]** \_\_\_\_\_

**EXHIBIT VI: AFFIDAVIT OF OWNERSHIP OR CONTROL**  
**SOLICITATION NO.: T24039**

**6. Optional Information**

Contracting Entity and/or \_\_\_\_\_ [NAME OF OWNER OR NON-PROFIT OFFICER] is actively protesting, challenging or appealing the accuracy and/or amount of taxes levied against \_\_\_\_\_ [CONTRACTING ENTITY, OWNER OR NON-PROFIT OFFICER] as follows:

Name of Debtor: \_\_\_\_\_  
Tax Account Nos. \_\_\_\_\_  
Case or File Nos. \_\_\_\_\_  
Attorney/Agent Name \_\_\_\_\_  
Attorney/Agent Phone No. (\_\_\_\_\_) \_\_\_\_\_  
Tax Years \_\_\_\_\_

Status of Appeal [DESCRIBE] \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Affiant certifies that he or she is duly authorized to submit the above information on behalf of the Contracting Entity, that Affiant is associated with the Contracting Entity in the capacity noted above and has personal knowledge of the accuracy of the information provided herein, and that the information provided herein is true and correct to the best of Affiant's knowledge and belief.

\_\_\_\_\_  
Affiant

**SWORN TO AND SUBSCRIBED** before me this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_\_.

(Seal)

\_\_\_\_\_  
Notary Public

**NOTE:**

This affidavit constitutes a **government record** as defined by Section 37.01 of the Texas Penal Code. Submission of a false government record is punishable as provided in Section 37.10 of the Texas Penal Code. Attach additional pages if needed to supply the required names and addresses.

**EXHIBIT VII: DRUG DETECTION AND DETERRENCE  
PROCEDURES FOR CONTRACTORS  
SOLICITATION NO.: T24039**

- (a) It is the policy of the City to achieve a drug-free workforce and to provide a workplace that is free from the use of illegal drugs and alcohol. It is also the policy of the City that the manufacture, distribution, dispensation, possession, sale or use of illegal drugs or alcohol by contractors while on City premises is prohibited. By executing this Contract, Contractor represents and certifies that it meets and shall comply with all the requirements and procedures set forth in the Mayor's Policy on Drug Detection and Deterrence, City Council Motion No. 92-1971 ("Mayor's Policy") and the Mayor's Drug Detection and Deterrence Procedures for Contractors, Executive Order No. 1-31 ("Executive Order"), both of which are on file in the Office of the City Secretary.
  
- (b) Confirming its compliance with the Mayor's Policy and Executive Order, Contractor, as a condition precedent to City's obligations under this Contract, will have filed with the Contract Compliance Officer for Drug Testing ("CCODT"), prior to execution of this Contract by the City, (i) a copy of its drug-free workplace policy, (ii) the Drug Policy Compliance Agreement substantially in the format set forth in Attachment "A" to the Executive Order, together with a written designation of all safety impact positions, and (iii) if applicable (e.g. no safety impact positions), the Certification of No Safety Impact Positions, substantially in the format set forth in Attachment "C" to the Executive Order. If Contractor files written designation of safety impact positions with its Drug Policy Compliance Agreement, it also shall file every six (6) months during the performance of this Contract or upon the completion of this Contract if performance is less than six (6) months, a Drug Policy Compliance Declaration in a form substantially similar to Attachment "B" to the Executive Order. The Drug Policy Compliance Declaration shall be submitted to the CCODT within thirty days of completion of this Contract. The first six (6) month period shall begin to run on the date City issues its notice to proceed hereunder or if no notice to proceed is issued, on the first day Contractor begins work under this Contract.
  
- (c) Contractor shall have the continuing obligation to file with the CCODT written designations of safety impact positions and Drug Policy Compliance Declarations at anytime during the performance of this Contract that safety impact positions are added if initially no safety impact positions were designated. Contractor also shall have the continuing obligation to file updated designations of safety impact positions with the CCODT when additional safety impact positions are added to Contractor's employee work force.
  
- (d) The failure of Contractor to comply with the above Sections shall be a breach of this Contract entitling City to terminate in accordance with Article IV.

**EXHIBIT VII – ATTACHMENT “A”  
 DRUG POLICY COMPLIANCE AGREEMENT  
 SOLICITATION NO.: T24039**

I, \_\_\_\_\_ as an owner or officer of  
 (Name) (Print/Type) (Title)  
 \_\_\_\_\_ (Contractor)  
 (Name of Company)

have authority to bind Contractor with respect to its bid, offer or performance of any and all contracts it may enter into with the City of Houston; and that by making this Agreement, I affirm that the Contractor is aware of and by the time the Contract is awarded will be bound by and agree to designate appropriate safety impact positions for company employee positions, and to comply with the following requirements before the City issues a notice to proceed.

1. Develop and implement a written Drug Free Workplace Policy and related drug testing procedures for the Contractor that meet the criteria and requirements established by the Mayor's Amended Policy on Drug Detection and Deterrence (Mayor's Drug Policy) and the Mayor's Drug Detection and Deterrence Procedures for Contractors (Executive Order No. 1-31).
2. Obtain a facility to collect urine samples consistent with Health and Human Services (HHS) guidelines and a HHS certified drug testing laboratory to perform the drug tests.
3. Monitor and keep records of drug tests given and the results; and upon request from the City of Houston, provide confirmation of such testing and results.
4. Submit semi-annual Drug Policy Compliance Declarations.

I affirm on behalf of the Contractor that full compliance with the Mayor's Drug Policy and Executive Order No. 1-31 is a material condition of the contract with the City of Houston.

I further acknowledge that falsification, failure to comply with or failure to timely submit declarations and/or documentation in compliance with the Mayor's Drug Policy and/or Executive Order No. 1-31 will be considered a breach of the contract with the City and may result in non-award or termination of the Contract by the City of Houston.

\_\_\_\_\_  
**Date**

\_\_\_\_\_  
**Contractor Name**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Title**



**EXHIBIT VII – ATTACHMENT “C” AND “D”  
 CONTRACTOR’S CERTIFICATION OF NO SAFETY IMPACT POSITIONS  
 SOLICITATION NO.: T24039**

I, \_\_\_\_\_  
 (Name) (Print/Type) (Title)

as an owner or officer of \_\_\_\_\_  
 (Contractor) have authority to bind the Contractor with respect to its bid, and I hereby certify that Contractor has no employee safety impact positions as defined in §5.18 of Executive Order No. 1-31 that will be involved in performing this City Contract. Contractor agrees and covenants that it shall immediately notify the City's Director of Personnel if any safety impact positions are established to provide services in performing this City Contract.

\_\_\_\_\_  
 Date Contractor Name

\_\_\_\_\_  
 Signature

\_\_\_\_\_  
 Title

**CONTRACTOR'S CERTIFICATION OF NON-APPLICATION OF  
 CITY OF HOUSTON DRUG DETECTION AND DETERRENCE PROCEDURES  
 FOR CONTRACTORS**

**ATTACHMENT “D”**

I \_\_\_\_\_ as an owner or officer of  
 (NAME) (PRINT/TYPE)

\_\_\_\_\_ (Contractor) have authority to bind the Contractor with respect to its bid, and I hereby certify that Contractor has fewer than fifteen (15) employees during any 20-week period during a calendar year and also certify that Contractor has no employee safety impact positions as defined in 5.18 of Executive Order No. 1-31 that will be involved in performing this City Contract. Safety impact position means a Contractor's employment position involving job duties that if performed with inattentiveness, errors in judgment, or diminished coordination, dexterity, or composure may result in mistakes that could present a real and/or imminent threat to the personal health or safety of the employee, co-workers, and/or the public.

\_\_\_\_\_  
**DATE** \_\_\_\_\_  
**CONTRACTOR'S NAME**

\_\_\_\_\_  
**SIGNATURE**

\_\_\_\_\_  
**TITLE**

**EXHIBIT VIII – ANTI-COLLUSION STATEMENT**  
**SOLICITATION NO.: T24039**

**Anti-Collusion Statement**

The undersigned, as Proposer, certifies that the only person or parties interested in this Proposal as principals are those named herein; that the Proposer has not, either directly or indirectly entered into any Agreement, participated in any collusion, or otherwise taken any action in restraint of free competitive bidding in connection with the award of this Contract.

\_\_\_\_\_

Date

\_\_\_\_\_

Proposer Signature

## **EXHIBIT IX – CONFLICT OF INTEREST QUESTIONNAIRE**

**SOLICITATION NO.: T24039**

Chapter 176 of the Local Government Code requires every Vendor or Contractor with the City of Houston (“City”) to file a Conflict of Interest Questionnaire with the City Secretary of the City of Houston by the **seventh** business day after:

- (1) any contract discussions or negotiations begin, or
- (2) submitting an application, responses to requests for proposals, bids, correspondence, or any writing related to a potential Agreement with the City.

The Conflict of Interest Questionnaire is available for downloading from the Texas Ethics Commission’s website at <http://www.ethics.state.tx.us/forms/CIQ.pdf>. The completed Conflict of Interest Questionnaires will be posted on the City Secretary’s website. There will also be a list of the City’s Local Government Officers on the City of Houston’s website.

Additionally, each Vendor or Contractor must file updated questionnaires no later than **September 1<sup>st</sup>** of each year that the Vendor or Contractor seeks to contract with the City, or the **seventh** business day after the date of an event that would render the questionnaire incomplete or inaccurate.

However, a Vendor or Contractor is not required to file a new questionnaire in any year if the vendor has completed a questionnaire between June 1<sup>st</sup> and September 1<sup>st</sup> of that year, unless the previous questionnaire is incomplete or inaccurate.

Original Conflict of Interest Questionnaire shall be filed with Houston’s Records Administrator (Ms. Anna Russell, City Secretary, 900 Bagby, First Floor, Houston, Texas 77002). Vendors and Contractors shall include a copy of the form that was submitted to the City Secretary as part of the Bid Package. Any questions about filling out this form should be directed to your attorney

Failure of any Vendor or Contractor to comply with this law is a Class-C misdemeanor.

# EXHIBIT IX – CONFLICT OF INTEREST QUESTIONNAIRE

## SOLICITATION NO.: T24039

### CONFLICT OF INTEREST QUESTIONNAIRE

For vendor or other person doing business with local governmental entity

**FORM CIQ**

This questionnaire reflects changes made to the law by H.B. 1491, 80th Leg., Regular Session. This questionnaire is being filed in accordance with Chapter 176, Local Government Code by a person who has a business relationship as defined by Section 176.001(1-a) with a local governmental entity and the person meets requirements under Section 176.006(a).  
 By law this questionnaire must be filed with the records administrator of the local governmental entity not later than the 7th business day after the date the person becomes aware of facts that require the statement to be filed. See Section 176.006, Local Government Code.  
 A person commits an offense if the person knowingly violates Section 176.006, Local Government Code. An offense under this section is a Class C misdemeanor.

**OFFICE USE ONLY**

Date Received

**1** Name of person who has a business relationship with local governmental entity.

**2**  Check this box if you are filing an update to a previously filed questionnaire.

(The law requires that you file an updated completed questionnaire with the appropriate filing authority not later than the 7th business day after the date the originally filed questionnaire becomes incomplete or inaccurate.)

**3** Name of local government officer with whom filer has employment or business relationship.

\_\_\_\_\_

Name of Officer

This section (item 3 including subparts A, B, C & D) must be completed for each officer with whom the filer has an employment or other business relationship as defined by Section 176.001(1-a), Local Government Code. Attach additional pages to this Form CIQ as necessary.

A. Is the local government officer named in this section receiving or likely to receive taxable income, other than investment income, from the filer of the questionnaire?

Yes       No

B. Is the filer of the questionnaire receiving or likely to receive taxable income, other than investment income, from or at the direction of the local government officer named in this section AND the taxable income is not received from the local governmental entity?

Yes       No

C. Is the filer of this questionnaire employed by a corporation or other business entity with respect to which the local government officer serves as an officer or director, or holds an ownership of 10 percent or more?

Yes       No

D. Describe each employment or business relationship with the local government officer named in this section.

**4**

\_\_\_\_\_  
Signature of person doing business with the governmental entity

\_\_\_\_\_  
Date



**EXHIBIT XI – SAMPLE PAYMENT & PERFORMANCE BOND  
SOLICITATION NO.: T24039**

**SAMPLE PERFORMANCE & PAYMENT BONDS CAN BE VIEWED AT THE FOLLOWING  
LINK:**

[http://purchasing.houstontx.gov/solicitation\\_forms.html](http://purchasing.houstontx.gov/solicitation_forms.html)

**PERFORMANCE AND PAYMENT BONDS ARE NOT REQUIRED TO BE SUBMITTED WITH  
QUALIFICATIONS PACKET PLEASE REFER TO SECTION 6.2 OF PROPOSALS OUTLINE  
AND MINIMUM CONTRACT REQUIREMENT**

**EXHIBIT XII – SELLER'S OCCUPANCY CERTIFICATION UNDER  
THE PROTECTION TENENATS AT FORECLOSURE ACT  
SOLICITATION NO.: T24039**

**SELLER'S OCCUPANCY CERTIFICATION UNDER  
THE PROTECTING TENANTS AT FORECLOSURE ACT**

(FOR VACANT PROPERTY ONLY)

\_\_\_\_\_  
Address of Property ("Property")

\_\_\_\_\_  
City, State Zip

The undersigned, Seller of the Property certifies to \_\_\_\_\_ (Buyer) that

1. Seller has complied with the provisions of the Protecting Tenants at Foreclosure Act, Title VII of the Helping Families Save Their Homes Act of 2009 ("PTFA") in connection with the Property, including any requirements of the giving of notice to vacate ("Notice") as required pursuant to PTFA to any bona fide tenant of the Property if any such tenant was in possession of the Property prior to Seller's notice of foreclosure; and

2. At the time of the acquisition of the Property by the buyer/grantee, the Property will be delivered vacant, unoccupied and without any party in possession or with a right to possession to the Property.

Further, if the Property is not occupied at this time, the Seller also certifies and agrees that it has not now and will not after the date hereof allow any person, including the former owner, to occupy the Property under a lease or any other agreement for possession of the Property either oral or written.

Signature of Seller

\_\_\_\_\_ Date: \_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_

**EXHIBIT XIII – GUIDE FORM NSP VOLUNTARY ACQUISITION OF  
FORECLOSED PROPERTY  
SOLICITATION NO.: T24039**

GUIDEFORM  
- NSP VOLUNTARY ACQUISITION OF FORECLOSED PROPERTY -  
- Informational Notice -  
(Agencies/Persons **Without** Eminent Domain Authority)  
Grantee or Agency Letterhead

(date)

Dear \_\_\_\_\_:

(Name of Agency/Person) \_\_\_\_\_, is interested in acquiring property you own at (address) \_\_\_\_\_ for a proposed project which may receive funding assistance from the U.S. Department of Housing and Urban Development (HUD) under the Neighborhood Stabilization Program (NSP).

Please be advised that (Name of Agency/Person) \_\_\_\_\_ does not have authority to acquire your property by eminent domain. In the event we cannot reach an amicable agreement for the purchase of your property, we will not pursue this proposed acquisition.

Under the NSP, we are required to purchase residential foreclosed properties (which may include certain residential properties in mortgage or tax default status that meet the NSP definition of "foreclosed") at a discount from their market appraised value.

The subject property is listed for purchase at \$ \_\_\_\_\_. (If currently listed)

Select one: a) We currently believe that the property's market value is \$ \_\_\_\_\_.  
We are prepared to purchase your property; however, depending on the results of the appraisal, our \_\_\_\_\_ written offer may differ from this amount.

b) Our appraisal indicates the property's market value is \$ \_\_\_\_\_.  
We are prepared to offer you \$ \_\_\_\_\_ to purchase your property.

Please contact us at your convenience, if you are interested in selling your property.

If your property is in default, but foreclosure proceedings have not been initiated/completed, and our offer is for less than the current balance of your mortgage loan(s), we suggest that you seek legal counsel or guidance. We cannot provide you with legal advice regarding any tax, credit, or deficiency judgment consequences to you related to the sale.

In accordance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA), owner-occupants who move as a result of a voluntary acquisition are not eligible for relocation assistance. A tenant-occupant who moves as a result of a

voluntary acquisition for a federally-assisted project may be eligible for relocation assistance as a displaced person. Such displaced persons may include not only current lawful occupants, but also former tenants required to move for any reason other than an eviction for cause in accordance with applicable federal, state, and local law. If your property is currently tenant-occupied or a tenant lawfully occupied your property within the past 3 months prior to our offer, we need to know immediately. Further, you should not order current occupant(s) to move, or fail to renew a lease, in order to sell the property to us as vacant.

If you have any questions about this notice or the proposed project, please contact  
(name) \_\_\_\_\_, (title) \_\_\_\_\_,  
(address) \_\_\_\_\_, (phone) \_\_\_\_\_.

**NOTES to NSP Voluntary Acquisition Notice (Agency/person without Eminent Domain authority).**

1. The case file must indicate the manner in which this notice was delivered (e.g., personally served or via certified mail, return receipt requested) and the date of delivery. (See 49 CFR 24.5 and Paragraph 2-3 J of Handbook 1378.)
2. Tenant-occupants displaced as a result of a voluntary acquisition may be entitled to URA relocation assistance and must be so informed per 49 CFR 24.2(a)(15)(iv) – Initiation of Negotiations (ION), and 49 CFR 24 Appendix A - 24.2(a)(15)(iv) and <http://www.hud.gov/offices/cpd/library/relocation/nsp/index.cfm>
3. See 49 CFR 24.206 regarding eviction for cause.
4. This guideform may only be used if all of the requirements of 49 CFR 24.101(b)(2)(i) and (ii) are met.
5. This is a guideform. It should be revised to reflect the circumstances. NSP defines “foreclosed” to include residential properties in which the property’s current delinquency status is at least 60 days delinquent under the Mortgage Bankers of America delinquency calculation and the owner has been notified of this delinquency, or (b) the property owner is 90 days or more delinquent on tax payments. While considered “foreclosed” for NSP purposes, such properties may still be owned by the mortgagor unless the State foreclosure process is complete and title to the property transferred. Short sales and other foreclosure alternatives are complex transactions involving coordination and cooperation among a number of parties (e.g., owners, lenders, servicers, investors).

# EXHIBIT XIV – (HUD) GUIDE FOR PREPARING AN APPRAISAL SCOPE OF WORK SOLICITATION NO.: T24039

## U.S. Department of Housing and Urban Development (HUD)

### Guide for Preparing An Appraisal Scope of Work

The Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA) and its implementing regulations (49 CFR Part 24) set forth minimum requirements for real property acquisition appraisals for Federal and federally-assisted programs. Appraisals subject to the URA must be prepared according to these requirements. The acquiring agency may also have additional supplemental appraisal requirements which may be attached.

The acquiring agency has a legitimate role in contributing to the appraisal process, especially in developing the scope of work and defining the appraisal problem. The scope of work and development of an appraisal under these requirements depends on the complexity of the appraisal problem

The scope of work is a written set of expectations that form an agreement or understanding between the appraiser and the agency as to the specific requirements of the appraisal, resulting in a report to be delivered to the agency by the appraiser. It includes identification of the intended use and intended user; definition of fair market value; statement of assumptions and limiting conditions; and certifications. It should specify performance requirements, or it should reference them from another source, such as the agency's appraisal procedural manual. The scope of work must address the unique, unusual and variable appraisal performance requirements of the appraisal. Either the appraiser or the agency may recommend modifications to the initial scope of work, but both parties must approve changes.

**SCOPE OF WORK:** The appraiser must, at a minimum:

1. Provide an appraisal meeting the definition of an appraisal found at 49 CFR 24.2(a)(3).
2. Afford the property owner or the owner's designated representative the opportunity to accompany the appraiser on the inspection of the property.
3. Perform an inspection of the subject property. The inspection should be appropriate for the appraisal problem, and the scope of work should address:
  - The extent of the inspection and description of the neighborhood and proposed project area,
  - The extent of the subject property inspection, including interior and exterior areas,
  - The level of detail of the description of the physical characteristics of the property being appraised (and, in the case of a partial acquisition, the remaining property),
4. In the appraisal report, include an adequate description of the physical characteristics of the property being appraised (i.e., sketch of the property and provide the location and dimensions of any improvements) and a description of comparable sales. The appraisal report should also include adequate photographs of the subject property and comparable sales, and provide location maps of the property and comparable sales

5. In the appraisal report, include items required by the acquiring agency, including but not limited to the following:

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- Property right(s) to be acquired, e.g., fee simple, easement, etc.,
- Value being appraised (usually fair market value), and its definition
- Appraised as if free and clear of contamination (or as specified),
- Date of the appraisal report and the date of valuation,
- A realty/personalty report as required by 49 CFR 24.103(a)(2)(i),
- Known and observed encumbrances, if any,
- Title information,
- Location,
- Zoning,
- Present use, and
- At least a 5-year sales history of the property.

6. In the appraisal report, identify the highest and best use. If highest and best use is in question or different from the existing use, provide an appropriate analysis identifying the market-based highest and best use.

7. Present and analyze relevant market information. (*Specific requirements for market information should be included in the agency's appraisal procedural manual and should include research, analysis, and verification of comparable sales. Inspection of the comparable sales should also be specified.*)

8. In developing and reporting the appraisal, disregard any decrease or increase in the fair market value of the real property caused by the project for which the property is to be acquired, or by the likelihood that the property would be acquired for the project. (*If necessary, the appraiser may cite the Jurisdictional Exception or Supplemental Standards Rules under USPAP to ensure compliance with USPAP while following this and other Uniform Act requirements.*)

9. Report his or her analysis, opinions, and conclusions in the appraisal report.

**ADDITIONAL REQUIREMENTS FOR A SCOPE OF WORK:**

**INTENDED USE:** This appraisal is to estimate the fair market value of the property, as of the specified date of valuation, for the proposed acquisition of the property rights specified (i.e., fee simple, etc.) for a Federally assisted project.

**INTENDED USER:** The intended user of this appraisal report is primarily the acquiring agency, but its funding partners may review the appraisal as part of their program oversight activities.

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**DEFINITION OF FAIR MARKET VALUE:** This is determined by State law. Fair market value, however, is generally defined as the price that a seller is willing to accept and a buyer is willing to pay on the open market in an arm's length transaction, and usually includes the following:

1. Buyer and seller are typically motivated;
2. Both parties are well informed or well advised, each acting in what he or she considers his or her own best interest;
3. A reasonable time is allowed for exposure in the open market;
4. Payment is made in terms of cash in U. S. dollars or in terms of financial arrangements comparable thereto; and
5. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

**CERTIFICATION:** The appraisal shall include a certification of the appraiser (see attached sample or insert agency's certification).

**ASSUMPTIONS AND LIMITING CONDITIONS:** The appraiser shall state all relevant assumptions and limiting conditions. In addition, the acquiring agency may provide other assumptions and conditions that may be required for the particular appraisal assignment, such as:

- The data search requirements and parameters that may be required for the project.
- Identification of the technology requirements, including approaches to value, to be used to analyze the data.
- Need for machinery and equipment appraisals, soil studies, potential zoning changes, etc.
- Instructions to the appraiser to appraise the property "As Is" or subject to repairs or corrective action
- As applicable include any information on property contamination to be provided and considered by the appraiser in making the appraisal.

## CERTIFICATE OF APPRAISER - SAMPLE

I hereby certify:

That on \_\_\_\_\_ date(s), I personally made a field inspection of the property herein appraised and have afforded the owner or a designated representative the opportunity to accompany me on this inspection. I have also personally made a field inspection of the comparable sales relied upon in making said appraisal. The property being appraised and the comparable sales relied upon in making this appraisal were as represented in the appraisal.

That to the best of my knowledge and belief the statements contained in the appraisal herein set forth are true, and the information upon which the opinions expressed therein are based is correct; subject to the limiting conditions therein set forth.

That I understand that such appraisal may be used in connection with the acquisition of property for a project utilizing U.S. Department of Housing and Urban Development funds.

That such appraisal has been made in conformity with appropriate laws, regulations, and policies and procedures applicable to appraisal of property for such purposes; and that to the best of my knowledge no portion of the value assigned to such property consists of items which are non-compensable under the established law of said State.

That any decrease or increase in the fair market value of real property prior to the date of valuation caused by the project for which such property is acquired, or by the likelihood that the property would be acquired for such project, other than that due to physical deterioration within the reasonable control of the owner, was disregarded in determining the compensation for the property.

That neither my employment nor my compensation for making this appraisal and report are in any way contingent upon the values reported herein.

That I have no direct or indirect present or contemplated future personal interest in such property or in any benefit from the acquisition of such property appraised.

That I have not revealed the findings and results of such appraisal to anyone other than the proper officials of the acquiring agency or officials of the U.S. Department of Housing and Urban Development and I will not do so until so authorized by said officials, or until I am required to do so by due process of law, or until I am released from this obligation by having publicly testified as to such findings.

That I have not given consideration to, or included in my appraisal, any allowance for relocation assistance benefits.

That my opinion of the fair market value of the property to be acquired as of the \_\_\_\_\_ day of \_\_\_\_\_ 20 \_\_\_\_\_ is \$ \_\_\_\_\_ based upon my independent appraisal and the exercise of my professional judgment.

Name \_\_\_\_\_ Signature \_\_\_\_\_  
Date \_\_\_\_\_

*(Note: Other statements, required by the regulations of an appraisal organization of which the appraiser is a member or by circumstances connected with the appraisal assignment or the preparation of the appraisal, may be inserted where appropriate.)*

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# EXHIBIT XV – ADDENDUM FOR SELLER'S DISCLOSURE OF INFORMATION ON LEAD-BASED PAINT AND LEAD-BASED PAINT HAZARDS

## SOLICITATION NO.: T24039



APPROVED BY THE TEXAS REAL ESTATE COMMISSION

10-10-11

### ADDENDUM FOR SELLER'S DISCLOSURE OF INFORMATION ON LEAD-BASED PAINT AND LEAD-BASED PAINT HAZARDS AS REQUIRED BY FEDERAL LAW

CONCERNING THE PROPERTY AT \_\_\_\_\_  
(Street Address and City)

**A. LEAD WARNING STATEMENT:** "Every purchaser of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller of any interest in residential real property is required to provide the buyer with any information on lead-based paint hazards from risk assessments or inspections in the seller's possession and notify the buyer of any known lead-based paint hazards. A risk assessment or inspection for possible lead-paint hazards is recommended prior to purchase."

**NOTICE:** Inspector must be properly certified as required by federal law.

**B. SELLER'S DISCLOSURE:**

1. PRESENCE OF LEAD-BASED PAINT AND/OR LEAD-BASED PAINT HAZARDS (check one box only):
  - (a) Known lead-based paint and/or lead-based paint hazards are present in the Property (explain): \_\_\_\_\_
  - (b) Seller has no actual knowledge of lead-based paint and/or lead-based paint hazards in the Property.
2. RECORDS AND REPORTS AVAILABLE TO SELLER (check one box only):
  - (a) Seller has provided the purchaser with all available records and reports pertaining to lead-based paint and/or lead-based paint hazards in the Property (list documents): \_\_\_\_\_
  - (b) Seller has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in the Property.

**C. BUYER'S RIGHTS** (check one box only):

1. Buyer waives the opportunity to conduct a risk assessment or inspection of the Property for the presence of lead-based paint or lead-based paint hazards.
2. Within ten days after the effective date of this contract, Buyer may have the Property inspected by inspectors selected by Buyer. If lead-based paint or lead-based paint hazards are present, Buyer may terminate this contract by giving Seller written notice within 14 days after the effective date of this contract, and the earnest money will be refunded to Buyer.

**D. BUYER'S ACKNOWLEDGMENT** (check applicable boxes):

1. Buyer has received copies of all information listed above.
2. Buyer has received the pamphlet *Protect Your Family from Lead in Your Home*.

**E. BROKERS' ACKNOWLEDGMENT:** Brokers have informed Seller of Seller's obligations under 42 U.S.C. 4852d to: (a) provide Buyer with the federally approved pamphlet on lead poisoning prevention; (b) complete this addendum; (c) disclose any known lead-based paint and/or lead-based paint hazards in the Property; (d) deliver all records and reports to Buyer pertaining to lead-based paint and/or lead-based paint hazards in the Property; (e) provide Buyer a period of up to 10 days to have the Property inspected; and (f) retain a completed copy of this addendum for at least 3 years following the sale. Brokers are aware of their responsibility to ensure compliance.

**F. CERTIFICATION OF ACCURACY:** The following persons have reviewed the information above and certify, to the best of their knowledge, that the information they have provided is true and accurate.

Buyer	Date	Seller	Date
Buyer	Date	Seller	Date
Other Broker	Date	Listing Broker	Date

The form of this addendum has been approved by the Texas Real Estate Commission for use only with similarly approved or promulgated forms of contracts. Such approval relates to this contract form only. TREC forms are intended for use only by trained real estate licensees. No representation is made as to the legal validity or adequacy of any provision in any specific transactions. It is not suitable for complex transactions. Texas Real Estate Commission, P.O. Box 12188, Austin, TX 78711-2188, 512-936-3000 (<http://www.trec.texas.gov>)

# EXHIBIT XVI – NSP-3 TARGET ZONES SOLICITATION NO.: T24039

