

CITY OF HOUSTON
HOUSING AND COMMUNITY DEVELOPMENT DEPARTMENT (HCD)
MULTIFAMILY PROGRAM
INFORMAL PROCUREMENT - CONSULTING SERVICES
SOLICITATION NO.: WS1370754269

Date Issued: **November 27, 2024**

Pre-Bid Conference: **December 18, 2024, 11am**
<https://bit.ly/MultifamilyConsultingServicesPre-Bid>
Meeting ID: 214 513 924 456
Passcode: qD6Cg6Ka

Or call in (audio only)
+1 936-755-1521 Phone Conference ID: 131695484#

**Pre-Application Questions
Deadline:** **December 30, 2024, 5pm**

Solicitation Due Date: **January 10, 2025, 5pm**

Solicitation Contact Person: Tywana Rhone
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Project Summary

The City of Houston Housing and Community Development Department seeks to procure a financial advisory firm with experience working with municipalities and/ or consulting firm that performs economic and fiscal impact studies to develop a modeling tool to assist in evaluating the impact of a tax exemption against the benefits of tax-exempt multifamily affordable housing developments. The tool will be used to evaluate projects submitted by Public Finance Corporations (PFCs), Housing Finance Corporations (HFCs), and agencies that utilize low- income housing tax credit (LIHTC).

The tool must be able to provide insight into the fiscal and economic impacts of a tax exemption and must include a meaningful public benefits test. City of Houston envisions the tool to be a protected spreadsheet or computerized model that allows data entry by staff and produces graphic reports for use by Department Senior Leadership and City Council.

NIGP Code: Consulting Services 91800, Professional Services/Contract Sponsorships 96939, Accounting Services 94611, Spread Sheet Software 20985, Application Software 20912, Application Service Provider 92003, Applications Software for Microcomputer Systems 92007.

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PART I: GENERAL INFORMATION

Introduction

The City of Houston (City) is the fourth largest city in the United States and is composed of 23 departments with multiple physical locations throughout the geographical boundaries of the City. The City has approximately 23,000 employees with approximately 500 employees involved in the procurement and/or contracting process. Contracts where the City must pay in excess of \$50,000 are routed to City Council for approval. The annual volume of contracts and purchase orders issued by the City in the last five years has ranged from 19,000 to 23,000.

PART II: SCOPE OF WORK

Description | Purpose

Develop a tool that will generate a 1-to-2-page report that clearly outlines the fiscal impact, economic impact, meaningful public benefits test, as well as important deal points for tax-exempt multiple family housing projects. The tool should provide both important numerical analysis and ratios as well as graphics for each of the analyses. The tool's reports will become part HCDD's City Council packets that will advise Council on the impact and benefits of tax-exempt multifamily housing developments.

Report/Tool Minimum Requirements: The report/tool must provide and have the below capability.

- Evaluate the number of housing units at each level of housing affordability (or market rate) by area median household income.
- Evaluate the number of income restricted units at each unit size.
- Testing to ensure that required (by state law, funding requirements, HUD, etc.) affordability levels by area medium income are met.
- Evaluation of projected rents in each AMI category versus the market rates for rents in each AMI category. High focus on whether projected 80% AMI rents are affordable.
- Testing the "but for" requirement: Would this development be feasible without a tax exemption? What is the financial gap the tax exemption covering?
- Analysis of break-even year (month/year when the financial gap is covered). Indicate the estimated timeframe of when the project could pay taxes (including but not limited to city, school and community college). This information is helpful for discussing potential payment in lieu of taxes (PILOT).
- Fiscal impact analysis that includes the impact of tax exemptions for affordable housing with and without the Houston tax cap for city government, school districts, community college districts, tax increment reinvestment zones (TIRZ) and municipal utility districts (MUDs).
- Affordable housing economic multiplier that includes jobs created, sales taxes generated, or property taxes generated by increasing property values in the surrounding area.
- Analysis of meaningful benefit test showing what percentage of the tax exemption benefit is going toward reducing rents on income restricted units versus what percentage of the tax exemption is going to developer and partners.
- Analysis of any payments or fees going to the developer, City, Housing Authority, or HFC when acting as a partner in the development.

PART III: PROPOSAL REQUIREMENTS

The proposal will be no longer than 20 pages and include the information outlined in the points below. The proposal should be organized into the following sections:

- Executive Summary
- Firm and Project Team Overview
 - Narrative describing the roles, responsibilities, depth of experience, and size of each firm
 - Key personnel assigned to the project, including relevant experience
 - Identification of the individuals and position titles who will be responsible for working on the project on a day-to-day basis
- Related Experience and Prior Projects: Description of experience demonstrating the capacity to complete the project, discussion of prior projects, and explaining your team's experience in:
 - Financial and Fiscal Analysis of affordable housing developments
 - Underwriting complex affordable housing developments
 - Providing support to Texas housing agencies/department
 - Working with City staff
 - Educating elected officials in complex financial tools relating to affordable housing development
- Project Understanding: Explanation demonstrating understanding of the project deliverables
- Tentative project plan, including tasks and dates
- Budget
 - Indicate labor hours and associated cost
 - Indicate any travel expenses

PART IV: EVALUATION

Evaluation Criteria

The vendor will be chosen based on the best value. The vendor will be evaluated using the below criteria.

No.	Criteria	Maximum Points
1	Firm and Project Team Experience	40
2	Prior Projects	20
3	Project Understanding	15
4	Project Plan	15
5	Budget	10

PART V: MILESTONES AND PROJECT DELIVERABLES

Delivery Date	Task
Within 60 days of signed award	Modeling Tool
Within 30 days of accepted final model	Training Document

PART VI: OTHER INFORMATION

Additional Information and Changes

Requests for additional information and questions should be addressed to the Housing and Community Development Department, Finance Division, HCD Procurement Staff at HCD_Procurement@houstontx.gov **no later than 5:00 PM, December 30, 2024**. The City of Houston shall provide written responses to all questions received in writing before the submittal deadline. Applicant(s) shall be notified in writing of any changes.

Letter(s) of Clarification

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. Only information supplied by the City in writing or in this solicitation should be used in preparing bids/proposals. The City does not assume responsibility for the receipt of any Letters of Clarification sent to Applicant(s).

Examination of Documents and Requirements

Each vendor shall carefully examine all documents and familiarize themselves with all requirements prior to submitting an application to ensure that the vendor meets the intent of this solicitation.

Before submitting a bid, each vendor shall be responsible for making all investigations and examinations that are necessary to ascertain conditions and affecting the requirements of this solicitation. Failure to make such investigations and examinations shall not relieve the vendor from obligation to comply, in every detail, with all provisions and requirements of this solicitation.

The City shall bear no responsibility for submitting a bid on behalf of any vendor. Vendor (s) may submit their bid any time prior to the solicitation due date. The vendor remains responsible for ensuring that its bid is received by the solicitation due date. The City assumes no responsibility for any bid not received, regardless of whether the delay is caused by some other act or circumstance.

Vendors shall hold the pricing in the bid for a minimum of 180 days.

Post-Application Discussions with Vendor(s)

It is the City's intent to commence final negotiation with the vendor(s) deemed most advantageous to the City. The City reserves the right to conduct post-application discussions with any vendor(s).

PART VII: SPECIAL CONDITIONS

No Contact Period

Neither Applicant(s) nor any person acting on Applicant(s)'s behalf shall attempt to influence the outcome of the award by the offer, presentation or promise of gratuities, favors, or anything of value to any appointed or elected official or employee of the City, their families or staff members. All inquiries regarding the Application are to be directed to the designated City Representative identified on the first page of the informal procurement document.

With the exception of Applicant's formal response to the Application and written requests for clarification during the period officially designated for such purpose by the City Representative, neither Applicant(s) nor persons acting on their behalf shall communicate with any appointed or elected official or employee of the City, their families, or staff through written or oral means in an attempt to persuade or attempt to persuade or influence the outcome of the award or to obtain or deliver information intended to or which could reasonably result in an advantage to any Applicant from the time of issuance of the Application through the pre-award phase and up to the date the City Secretary publicly posts notice of any City Council agenda containing the applicable award. However, nothing in this paragraph shall prevent an Applicant from making public statements to the City Council convened for a regularly scheduled session after the official selection has been made and placed on the City Council agenda for action, or to a City Council committee convened to discuss a recommendation regarding the Application.

Cancellation

The City has sole discretion and reserves the right to cancel this solicitation, or to reject any or all proposals received prior to contract award.

Executive Order 1-56 Zero Tolerance for Human Trafficking in City Service Contracts and Purchasing

The City has a zero tolerance for human trafficking, and, per Executive Order 1-56, City funds shall not be used to promote human trafficking. The Applicant is expected to comply with this Executive Order and notify the City's Chief Procurement Officer of any information regarding possible violation by the Applicant or its subcontractors providing services or goods to the City. The Executive Order is available on the City's website: www.houstontx.gov/execorders/1-56.pdf

Preservation of Contracting Information

The requirements of Subchapter J, Chapter 552, Texas Government Code, may apply to this Application and the Applicant agrees that the contract can be terminated if the Applicant knowingly or intentionally fails to comply with a requirement of that subchapter.

Drug Abuse Detection and Deterrence

It is the policy of the City to achieve a drug-free workforce and workplace. The manufacture, distribution, dispensation, possession, sale, or use of illegal drugs or alcohol by contractors while on City Premises is prohibited. Contractor shall comply with all the requirements and procedures set forth in the Mayor's Drug Abuse Detection and Deterrence Procedures for Contractors, Executive Order No. 1-31.

The Executive Order is available on the City's website: <https://www.houstontx.gov/execorders/1-31.pdf>

Compliance With Certain State Law Requirements

Anti-Boycott of Israel. Applicant certifies that Applicant is not currently engaged in, and agrees for the duration of this Agreement not to engage in, the boycott of Israel as defined by Section 808.001 of the Texas Government Code.

Anti-Boycott of Energy Companies. Applicant certifies that Vendor is not currently engaged in and agrees for the duration of this Agreement not to engage in, the boycott of energy companies as defined by Section 809.001 of the Texas Government Code.

Anti-Boycott of Firearm Entities or Firearm Trade Associations. Applicant certifies that Applicant does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association or will not discriminate against a firearm entity or firearm trade association for the duration of this Agreement, as defined by Section 2274.001 of the Texas Government Code.

Certification of No Business with Foreign Terrorist Organizations. For purposes of Section 2252.152 of the Texas Government Code, Applicant certifies that, at the time of this Agreement neither Applicant nor any wholly owned subsidiary, majority-owned subsidiary, parent company or affiliate of Applicant, is a company listed by the Texas Comptroller of Public Accounts under Sections 2252.153 or 2270.0201 of the Texas Government Code as a company known to have contracts with or provide supplies to a foreign terrorist organization.

Texas Public Information Act

All information submitted to the City is subject to the provisions of the Texas Public Information Act (TPIA), located in Chapter 552 of the Texas Government Code. Proposers may mark any information submitted, including their financial information, as confidential, trade secret, proprietary, or any other designation of choice. The City will notify any proposer should their information be requested under the TPIA and proposers will have an opportunity to assert their own arguments to the Texas Attorney General as to why their information should be excepted from public disclosure.

Conflicts Of Interest

In addition to conflict of interest requirements in 24 CFR 84, which now codifies OMB Circular A-110, no person who is an employee, agent, consultant, officer, or an elected or appointed official of the City, state recipient or nonprofit recipient (or any designated public agency) that receives CDBG grant amounts and who exercises or has exercised any functions or responsibilities with respect to assisted activities or who is in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a personal or financial interest or benefit from the activity, or have an interest in any contract, subcontract or agreement with respect thereto, or the proceeds there under, either for him or herself or those with whom he or she has family or business ties, during his or her tenure or for one year thereafter.

Per HCD Policy 01-40, Subrecipients of HCDD are required to maintain their own Non-Procurement Conflict of Interest Policy (or similar) and provide a copy of the document to HCDD upon request. If a subrecipient detects a potential conflict of interest and decides it wants to pursue a waiver, the subrecipient must refer the file to the respective Program Staff. If a subrecipient detects a potential conflict of interest and decides it does not want to pursue a waiver, the subrecipient must disclose the occurrence to HCDD.

Applicable laws:

An Applicant selected to receive CDBG funds must comply with all applicable state and federal laws and regulations, including but not limited to the requirements set out in specified Exhibit, and the City Charter and Code of Ordinances in its performance under this Agreement.

EXHIBIT 1
CERTIFICATION REGARDING DEBARMENT, SUSPENSION AND OTHER
RESPONSIBILITY MATTERS - PRIMARY COVERED TRANSACTIONS

This Agreement is a covered transaction for purposes of the debarment and suspension regulations implementing Executive Order 12549, *Debarment and Suspension* (1986) and Executive Order 12689, *Debarment and Suspension* (1989) at 2 C.F.R. Part 3000 (Non- procurement Debarment and Suspension) and, if applicable, 45 C.F.R. § 75.213. As such, Subrecipient is required to confirm that none of the Subrecipient, its principals (defined at 2 C.F.R. § 180.995), or its affiliates (defined at 2 C.F.R. § 180.905) are excluded (defined at 2 C.F.R. § 180.940) or disqualified (defined at 2 C.F.R. § 180.935).

INSTRUCTIONS FOR CERTIFICATION

- 1) By signing this Agreement, Subrecipient, also sometimes referred to herein as a prospective primary participant, is providing the certification set out below.
- 2) The inability of a Subrecipient to provide the certification required below will not necessarily result in denial of participation in the covered transaction. The prospective participant shall submit an explanation of why it cannot provide the certification set out below. The certification or explanation will be considered in connection with the City's determination whether to enter this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.
- 3) The certification in this clause is a material representation of fact upon which reliance was placed when the City determined to enter this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the City, the City may terminate this transaction for cause or default.
- 4) The prospective primary participant shall provide immediate written notice to the City if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
- 5) The terms covered transaction, debarred, suspended, ineligible, lower tier covered transaction, participant, person, primary covered transaction, principal, proposal and voluntarily excluded, as used in this certification, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549.
- 6) The prospective primary participant agrees by signing the Agreement that it shall not knowingly enter any lower tier covered transactions with a person who is proposed for debarment under 48 C.F.R. part 9, subpart 9.4, debarred, suspended, declared ineligible or voluntarily excluded from participation in this covered transaction. If it is later determined that the prospective primary participant knowingly entered such a transaction, in addition to other remedies available to the City, the City may terminate this transaction for cause or default.
- 7) The prospective primary participant further agrees by signing this Agreement that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion - Lower Tier Covered Transaction," as available through the United States Department of Homeland Security, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.
- 8) A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under 48 C.F.R. part 9, subpart 9.4, debarred, suspended, ineligible or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its

principals. Each participant may, but is not required to, check the List of Parties Excluded from Federal Procurement and Non-procurement Programs.

- 9) Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

CERTIFICATION

- 1) The prospective primary participant certifies to the best of its knowledge and belief that it and its principals:
- (a) Are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded by any Federal department or agency;
 - (b) Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements or receiving stolen property;
 - (c) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and
 - (d) Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State, or local) terminated for cause or default.
- 2) Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

Company Name

Name and Title

Signature

Date