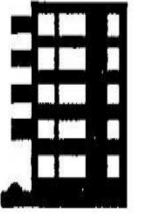




# Housing Authority City of Kennewick

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## **Request for Proposals**

For Public Housing Authority  
Project-Based Section 8 Units

RFP Submission Deadline: Thursday  
August 15, 2024, at 11:59 pm

1915 West 4<sup>th</sup> Place  
Kennewick, WA 99336  
509-586-8576 ext. 103  
[mtruman@kennewickha.org](mailto:mtruman@kennewickha.org)

**A. GENERAL AGENCY INFORMATION:**

The Housing Authority City of Kennewick (KHA) is seeking proposals from property owners and developers for the Project-Based Voucher (PBV) Program. The PBV program is designed to conform to the Project-Based Voucher Program Final Rule, 24 CFR Part 983 and PIH 2017-21, Project-Based Voucher (PBV) Guidance which clarifies many of the elements of the PBV program and clarifies applicability of previous notices. A HUD checklist for the PBV voucher program is attached to this RFP. Responses to this RFP can be brief, in letter form, but must address all major elements of the proposal as set forth in: F. Proposal Evaluation Criteria/Application Panel Review. A Part 58 Environmental review must be completed prior to the execution of a Housing Assistance Payments Contract.

Up to fifty (50) Project-Based Vouchers may be awarded under this RFP to be placed in new housing development projects not yet complete or utilized in existing housing in one or more housing communities in Kennewick or Richland, Washington. The cap for the number of units in a housing community is 25% of the total number of units in the community. Persons with disabilities and persons who are elderly and are receiving support services (i.e. meal service, housekeeping aid, personal assistance, transportation services, health-related services, case management, child care, educational and employment services, job training, counseling or other services designed to help the recipient live in the community as independently as possible) do not count toward that cap and awards can exceed 25% of the community's unit count. KHA seeks to meet the goal of deconcentrating poverty and expanding housing opportunities with the award of these project-based vouchers. All proposers will need to complete a Part 58 Environmental Review process prior to final voucher award and execution of an Agreement to Enter into a Housing Assistance Payments contract and/or subsequent Housing Assistance Payments contract. A subsidy layering review may be required prior to AHAP and HAP contact execution.

The purpose of KHA is to engage in the development, acquisition, leasing and administration of low-rent housing programs. KHA was incorporated as a public housing authority by the City of Kennewick in 1946. Authority-owned properties and programs are as follows:

- 190 units of conventional public housing at two sites; Sunnyslope Homes, a family development comprised of 124 duplex units and Keewaydin Plaza, a 66 unit, seven-story high rise building for seniors and persons with disabilities.
- Mitchell Manor, 6 units of affordable housing for persons with disabilities; six project-based vouchers are assigned to these units to enhance affordability for families
- D House; 2 units of affordable housing for families who have been victims of domestic violence; these units have recently transitioned to permanent housing.
- Sixty (60) tax credit units, at Nueva Vista and Nueva Vista II
- Lilac Homes, 16 tiny house units designated for individuals and/or families coming out of homelessness.

KHA administers a number of other programs which include:

- An allocation of over 1,000 Housing Choice Vouchers (Section 8) for tenant-based rental assistance throughout the Richland-Kennewick-Pasco MSA
- A family self-sufficiency program for housing choice voucher holders which encourages self-sufficiency and goal setting.

KHA's administrative offices are located at 1915 West 4<sup>th</sup> Place, Kennewick, WA. Twenty-three employees are employed by the Housing Authority City of Kennewick.

**B. GENERAL PROPOSAL REQUIREMENTS:**

KHA is requesting proposals for project-based rental assistance units beginning early calendar year of 2025. PBV assistance will cover a twenty-year Housing Assistance Payments (HAP) Contract, renewable for a second 20-year timeframe, subject to acceptable performance and available funding through HUD.

To be considered, copies of a proposal must be received via e-mail to [mtruman@kennewickha.org](mailto:mtruman@kennewickha.org) by **11:59 pm, Thursday August 15, 2024**. Submissions must arrive at KHA's in-box on or before the deadline. Email submissions are limited in size to 10MB; supplemental information may be submitted in a second e-mail. Late proposals will not be accepted. Submission subject line: **KHA-PBV RFP Response**.

The Evaluation Committee will review the proposals received and, based on evaluation criteria as outlined below, make a decision. Firms responding to this RFP will be issued a Notice of Intent to Award on or before August 29, 2024, unless otherwise notified. The selected firm(s) will interface with the KHA Executive Director who provides authorization for PBV placement.

**C. DESCRIPTION OF PBV PROGRAM/SCOPE OF WORK:**

Through the PBV program, KHA will enter into an Agreement to Enter into a Housing Payments Assistance Contract (AHAP) and/or a Housing Assistance Payments (HAP) contract with the selected property owner(s) for designated rental units for a term of up to twenty years subject to funding availability through HUD and acceptable performance. Housing assistance subsidies will be provided while eligible families occupy the rental housing units and the units meet other program standards. KHA will maintain a PBV waiting list and refer clients to the project owner in order to fill vacant units. KHA's subsidy standards will determine the appropriate unit size for the family size and composition.

Under the PBV regulations, Project-Based Vouchers can be attached to KHA-owned units, including units owned by KHA subsidiaries; however all proposals submitted for units where KHA has an "identity interest" must be approved by KHA's HUD-approved independent entity.

Certain types of housing units and/or developments are not eligible for PBV assistance including:

- Shared housing;
- Units on the grounds of a penal, reformatory, medical, or similar public or private institution;
- Nursing homes or facilities providing continuous psychiatric, medical, nursing service, board and care, or intermediate care;
- Units that are owned or controlled by an educational institution or its affiliate and designed for occupancy by the students of the institution;
- Manufactured homes;
- Cooperative housing;
- Transitional housing;
- Owner-occupied housing units;
- Units occupied by an ineligible family at the time or prior to the execution of the Housing Assistance Payment (HAP) contract; and
- Subsidized housing unit types that are determined ineligible in accordance with HUD regulations. These include but are not limited to: public housing units; units subsidized with any of form of Section 8 assistance; units subsidized with any governmental subsidy that covers all or part of the operating costs of the housing; units subsidized with rental assistance under Section 236, Section 5021 or Section 101; units subsidized under 811; units subsidized with any form of tenant-based rental assistance as defined at 24 CFR 982.1(b)(2) including units subsidized with such assistance under the HOME program; and, units with any other duplicative federal, state or local housing subsidy as determined by HUD or KHA.

The number of PBV-assisted units in a complex cannot generally exceed 25 percent (25%) of the total number of dwelling units in the building, except as provided in regulation.

Sites selected for PBV assistance must be:

- Consistent with the goal of de-concentrating poverty and expanding housing and economic opportunities, consistent with KHA's PHA Plan and Administrative Plan. Specific factors are discussed at 24 CFR 983.57;
- In full compliance with the applicable laws regarding nondiscrimination and accessibility requirements;
- Meet Housing Quality Standards (HQS) site standards until October of 2025 and subsequent REAC Inspection Standards after October of 2025; and
- Must meet HUD regulations for site and neighborhood standards. The site selected must: a) be adequate in size, exposure and contour to accommodate the number and type of units proposed, and adequate utilities and streets must be available to the site; b) promote greater choice of housing opportunities and avoid undue concentration of assisted persons in areas containing a high proportion of low-income persons; c) be accessible to social, recreational, educational, commercial and health facilities and services that are at least equivalent to those typically found in neighborhoods consistent largely of unassisted, standard housing of similar market rents; and, d) be located within reasonable travel times and cost via public transportation or private auto to places of employment.

- Activities under the PBV program are subject to HUD environmental regulations and may be subject to review under the National Environmental/Policy Act by local authorities.

KHA will enter into a Housing Assistance Payments (HAP) contract with the owner selected and approved for PBV assistance for a period of twenty years (20 years) subject to funding availability and acceptable performance and the contract may be extended for a second 20-year period subject to HUD funding availability and acceptable performance. KHA will make housing assistance payments to the owner in accordance with the HAP contract for those contract units leased and occupied by eligible families during the HAP contract term. No HAP will be paid during periods of unit vacancy unless otherwise specified within the contract.

The owner is responsible for screening and selection of applicants to occupy the owner’s units based on their tenancy histories. Tenants will also need apply for a PBV voucher, be screened by KHA, and determined to be eligible for inclusion in the Section 8 program.

During the course of the tenant’s lease, the owner may not terminate the lease without good cause. “Good cause” does not include a business or economic reason or desire to use the unit for an individual, family or non-residential rental purpose. Upon expiration of the lease the owner may renew the lease or refuse to renew the lease for good cause.

The amount of the rent to owner is determined in accordance with HUD regulations. Except for certain tax credit units, the rent to owner including utility allowances must not exceed the lowest of:

- The KHA Payment Standard, an amount determined by KHA not to exceed 120 percent of the applicable (October 1, 2023) fair market rents (FMR) for the unit bedroom size including any applicable tenant-paid utility allowance effective January 1, 2024; Subject to change in January 2025 to 110 percent.
- The reasonable rent; or
- The rent requested by the owner.

Current 2024 Fair Market rents and Payment Standards effective January 1, 2024, are:

<b>Unit Size (Number of Bedrooms)</b>	<b>2024 Fair Market Rent</b>	<b>Area Payment Standard</b>
0	1,052	1,262
1	1,206	1,447
2	1,485	1,782
3	1,960	2,352
4	2,361	2,833

The total rent to owner for PBV-assisted units consists of the total tenant payment (TTP) and the rental assistance paid by KHA in accordance with the contract with the owner. KHA determines the tenant rent in accordance with HUD requirements.

**D. ADDITIONAL REQUIREMENTS AND RESTRICTIONS:**

1) Information concerning your agency and the name of the staff person(s) who would likely be assigned to oversee the units and work directly with tenants. Indicate the applicable experience of these persons and/or management entity, specifically including their experience working with public housing authorities and/or other affordable housing entities.

2) A description of insurance coverage maintained by your company. Successful proposal will need to provide a copy of the declaration page from current policies for Worker's Compensation, General Commercial Liability and Professional Liability, Malpractice and Errors and Omissions insurance coverage.

3) Certification that your firm is in compliance with the Equal Employment Opportunity requirements.

4) Description of how awardee will make units available for individuals/families with project-based vouchers if the current occupant in the proposed affordable unit does not qualify for the Section 8 program.

4) KHA also requires that any company commit to retaining of work papers to which the KHA or other governmental units may have access for a period of five years after the termination of the Housing Assistance Payments (HAP) contract. The completed response to the request for proposal will be included as an addendum to the signed engagement letter executed with the successful entity.

5) No member, officer, or delegate to the Congress of the United States of America or Commissioner shall be admitted to any share or part of this contract or to any benefit to arise therefrom; but this provision shall not be construed to extend to this contract if made with a corporation for its general benefit. No members, officers, or employees of the Authority, no member of the governing body of the Authority, and no other public official of such locality or localities who exercise any functions or responsibilities with respect to the Housing Authority shall during his tenure, or for one year thereafter, have an interest, direct or indirect, in this contract or the proceeds thereof.

6) Consistent with Presidential Executive Orders 11625, 12138, and 12432, and Section 3 of the HUD Act of 1968, all feasible efforts shall be made to ensure that small and minority-owned businesses, women's business enterprises, and other individuals or firms are provided with an opportunity to submit a proposal.

7) A Contract Award cannot be made to parties listed on the government-wide Excluded Parties List System in the System for Award Management (SAM) in accordance with OMB

Guidelines and Executive Orders with regard to debarment and suspension. The Excluded Parties List in SAM will be checked and parties who are debarred, suspended, or otherwise excluded or subject to limited participation will not be eligible for award under this RFP.

**E. RFP CONTACT PERSON:**

Lona Hammer, Executive Director, or designee, will be the contact person for all questions with regard to this RFP and the agency liaison during the period of engagement. Phone: 509-586-8576, ext. 103; email address: [lhammer@kennewickha.org](mailto:lhammer@kennewickha.org)

**F. PROPOSAL EVALUATION CRITERIA/APPLICATION PANEL REVIEW:**

**1) Mandatory Requirements (20 points)**

- a. The company is independent and licensed to practice in the state of Washington.
- b. Firm is not currently debarred or subject to limited participation by HUD on the SAM System.
- c. References from other PHA's or letters of support are included within packet.

**2) Technical Requirements (20 points)**

- a. Expertise and experience working directly with Public Housing Authorities including KHA or with other affordable housing entities or tax credit or bond programs
- b. Organization, size and structure of firm
- c. Professional staff members are identified who will be working directly with tenants and have experience in affordable housing, including training in fair housing, the Americans with Disabilities Act, and WA state Landlord Tenant Act.
- d. If new housing construction or rehabilitation, expertise with Davis-Bacon or State Prevailing Wage regulations.

**3) MBE/WBE/Section 3 (5 points)**

- a. Firms identified as a Minority Owned Business or Women's Business Enterprise as defined by HUD or firms who can demonstrate that they provide opportunities for training and employment opportunities for low income residents

**4) Application Review (55 points)**

The evaluation and selection of a PBV unit provider will be based on the information submitted within the proposal, references obtained, and KHA's prior experience with the company. Failure to respond to each of the requirements in the RFP may be the basis for rejecting a proposal. If contract negotiations cannot be concluded successfully with an entity or entities who best meet the needs of the agency, KHA may negotiate with the second choice. KHA may choose to award more than one entity an allocation of project-based vouchers. The

request for proposals and the completed response to the request for proposals will be an addendum to the executed contract.

KHA will review all applications. KHA reserves the right to reject any or all proposals, to waive any informality in the RFP process, or to terminate the RFP process at any time, if deemed by KHA to be in its best interest. KHA reserves the right to reject and not consider any proposal that does not meet the requirements of this RFP, including but not necessarily limited to incomplete proposals and/or proposals offering alternate or non-requested services. KHA reserves the right to award fewer than the number of vouchers requested, if the requester agrees to accept a lower number of PBV units. KHA shall have no obligation to compensate an applicant for costs incurred in responding to this RFP. Before selecting units KHA will determine that each application is responsive to and in compliance with KHA's written selection criteria and procedures below and in conformity with HUD program regulations and requirements.

- Evidence of site control;
- Existing housing units must, at the time of KHA's selection, substantially comply with Housing Quality Standards or subsequent REAC Inspection Standards.
- Proposed initial gross rents (rent + utilities) must not exceed 120% FMR which is KHA's Payment Standard after January 1, 2024; subject to change in 2025.
- Property must meet eligibility requirements under 24 CFR 983.7 (Eligible and Ineligible Properties and KHA-owned units); 24 CFR 983.11 (Other Federal Requirements), and 24 CFR 983.6 (Site and Neighborhood Standards).
- Owner has completed HUD Part 58 Environmental Review and if required, a Subsidy Layering Review.

Proposals may be withdrawn by written request prior to the deadline set for acceptance of proposals. Proposals may not be revoked or withdrawn after December 4, 2023, and shall remain open for acceptance for a period of ninety (90) days following such time.

**G. SUBMISSION REQUIREMENTS:**

Submit your response to KHA's Request for Proposals by 11:59 pm, Thursday, August 15, 2024, to [mtruman@kennewickha.org](mailto:mtruman@kennewickha.org)

Note in subject line of online submission: **KHA-PBV RFP Response**

All submissions must be received on or before the deadline established above.

**H. APPEALS AND REMEDIES:**

KHA's policy is to resolve contractual issues informally without litigation. KHA will adopt an informal appeals procedure for contracts anticipated to be \$75,000 or less per year. Any applicant may protest the award of the PBV contract for good cause. Any protest against the award must be received within ten (10) calendar days after the proposer



receives notice of an award. The Executive Director and/or designee will review the appeal protest and issue a written decision on the matter within fifteen (15) calendars of receipt.

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