



# **REQUEST FOR PROPOSAL – PC933**

## **PROPERTY MANAGEMENT SERVICES**

Housing Authority of the County of San Bernardino  
715 E. Brier Drive  
San Bernardino, CA 92408  
February 2017



## **I. INTRODUCTION**

The Housing Authority of the County of San Bernardino (HACSB) is one of the nation's most progressive and proactive housing authorities and the largest provider of affordable housing in the County. HACSB owns 2,514 affordable housing units located throughout the County of San Bernardino. We proudly serve in excess of 30,000 people, most of whom are seniors, disabled individuals, and children.

In 2008, the agency embarked on an agency wide strategic planning process with the following objectives: help clients achieve economic independence, ensure freedom of housing choice, and save tax payer dollars through efficient work. This has allowed us to enhance our work around our mission and service philosophy. Ultimately, our Mission of empowering all individuals and families in need to achieve an enriched quality of life by providing housing opportunities and resources throughout San Bernardino County is our top priority.

As we see the demand for affordable housing increase, the limited affordable housing supply we currently have available is not enough to house the thousands of families in need. As a developer of sustainable affordable and market rate housing, over the years we have expanded our housing stock in an attempt to meet the county's growing needs. Working diligently to acquire, build, and renovate properties, we incorporate the concept of mixed income communities, build utilizing green technology, and provide recreational and educational facilities for everyone's use.

Additionally, we are here as a stepping stone for families who need help building a foundation for a brighter future. Therefore, aside from providing housing, we assist our customers with ways of becoming economically independent. In collaboration with our partners, we provide: family/individual case management and counseling; career training and job placement; program integrity; homeownership assistance; college scholarships, to name a few.

We value our vendors and contractors as partners in our mission to empower all individuals and families in need to achieve an enriched quality of life by providing housing opportunities and resources throughout San Bernardino County.

## **II. PURPOSE**

HACSB Housing is soliciting proposals from qualified property management firms.

The Respondent(s) shall have a strong property management background and recent experience in the management of at least 300 housing units under programs such as include Low Income Tax Credit (LITC) property, Section 8 Housing Choice Voucher (HCV), HOME Program, Rental Housing Construction Program (RHCP), and Housing Choice Voucher Project Based.

HACSB reserves the right to add additional contractors, at HACSB's sole discretion, in cases where the currently listed contractors are of an insufficient number or skill-set to satisfy HACSB's needs or to ensure adequate competition on any project or task order work.

**A. Contact Information**

This RFP is being issued, as will any addenda by the HACSB. The contact person for the HACSB is:

Terri M. Sanchez, Director of Procurement and Contracts  
715 E. Brier Drive  
San Bernardino, CA 92408-2841  
(909) 890-0644  
(909) 915-1831 (FAX)  
[tsanchez@hacsb.com](mailto:tsanchez@hacsb.com)

Fax number and e-mail address may be used to submit questions only. Proposals will not be accepted by e-mail or facsimile. Proposals must be submitted three (3) copies (1- original/3 copies) with original signature on the original, and either mailed or hand-delivered to the address above.

**III. Contract Term**

The Contract period will be for a three (3) year period beginning approximately May 1, 2017 through April 30, 2020, with the option to extend one (1) additional two (2) year term.

**IV. Proposal Timeline**

Release of RFP	February 2017
Question Due	2:00 pm (Local Time) on Wednesday, March 8, 2017
Answers to Questions	2:00 pm (Local Time) on Wednesday, March 15, 2017
Proposals Due	2:00 pm (Local Time) on Monday, March 27, 2017
Evaluation Process	March/April 2017
Presentations	TBD
Award of Contract	April/May 2017

HACSB may insert elective choices such as site visit, oral interviews, presentations, demonstrations, shortlist, best and final offers, etc.

Questions regarding the contents of this RFP must be submitted in writing on or before time and date and directed to the RFP Contact listed in Section II, Paragraph A - Purpose. All questions submitted will be answered and posted on HACSB's website.

**V. PROPOSAL CONDITIONS**

**A. Authorized Signatures**

All proposals must be signed by an individual authorized to bind the Proposer to the provisions of the RFP.

**B. Term of Offer**

Proposals shall remain open, valid and subject to acceptance anytime within nine (9) months after the proposal opening.

**C. Required Review**

Proposers should carefully review this solicitation for defects and questionable or objectionable material. Comments concerning defects and objectionable material must be made in writing and received by the RFP contact at least ten days before the proposal opening. This will allow issuance of

any necessary amendments. It will also help prevent the opening of a defective solicitation and exposure of proposals upon which award could not be made. Protests based on any omission or error, in the content of this RFP, may be disallowed if not brought to the written attention of the RFP Contact in Section II, Paragraph A – Purpose, at least five days before the Deadline for Proposals.

#### **D. Incurred Costs**

HACSB is not obligated to pay any costs incurred by Proposer in the preparation of a proposal in response to this RFP. Proposers agree that all costs incurred in developing a proposal are the Proposer's responsibility.

#### **E. Amendments/Addenda to RFP**

HACSB reserves the right to issue addenda or amendments to this RFP if HACSB considers that changes are necessary or additional information is needed.

Changes to a proposal or withdrawal of proposals will only be allowed if acceptable requests are received prior to the deadline that is set for receipt of proposals. No amendments or withdrawals will be accepted after the deadline.

#### **F. Best Value Evaluation**

As established in this solicitation, HACSB realizes that criteria other than price are important and will award contract(s) based on the proposal that best meets the needs of HACSB. The optimal combination of quality, price, and various qualitative elements of required services will provide HACSB the greatest or best value for its money.

#### **G. Right of Rejection**

Offers must comply with all of the terms of the RFP, and all applicable local, state, and federal laws, codes, and regulations. HACSB may reject as non-responsive any proposal that does not comply with all of the material and substantial terms, conditions, and performance requirements of the RFP.

Proposers may not qualify the proposal nor restrict the rights of HACSB. If Proposer does so, the proposal may be determined to be a non-responsive counter-offer and the proposal may be rejected.

No proposal shall be rejected, however, if it contains a minor irregularity, defect or variation and if the irregularity, defect or variation is considered by HACSB to be immaterial or inconsequential, HACSB may choose to accept the proposal.

Minor informalities may be waived by the Director of Procurement and Contracts when they:

- Do not affect responsiveness;
- Are merely a matter of form or format;
- Do not change the relative standing or otherwise prejudice other offers;
- Do not change the meaning or scope of the RFP;
- Are trivial, negligible, or immaterial in nature;
- Do not reflect a material change in the work; or
- Do not constitute a substantial reservation against a requirement or provision;

In such cases the Proposer will be notified of the deficiency in the proposal and given an opportunity to correct the irregularity, defect or variation or HACSB may elect to waive the deficiency and accept the proposal.

This RFP does not commit HACSB to award a contract. HACSB reserves the right to reject any or all proposals if it is in the best interest of HACSB to do so. HACSB also reserves the right to terminate this RFP process at any time.

## **H. Clarification of Offers**

In order to determine if a proposal is reasonably acceptable for award, communications by the Facilitator for the Evaluation Panel are permitted with a Proposer to clarify uncertainties or eliminate confusion concerning the contents of a proposal. Clarifications may not result in a material or substantive change to the proposal. The evaluation by the Facilitator may be adjusted as a result of a clarification under this section.

## **I. Public Records Act**

All information submitted in the Proposal or in response to request for additional information is subject to disclosure under the provisions of the California Public Records Act (California Government Code section 6250, et seq.). Proposals may contain financial or other data that constitutes a trade secret. To protect such data from disclosure, Proposers should specifically identify the pages that contain confidential information by properly marking the applicable pages and inserting the following notice on the front of its response:

### **NOTICE**

The data on pages \_\_\_\_\_ of this Proposal response, identified by an asterisk (\*) or marked along the margin with a vertical line, contains information which are trade secrets. We request that such data be used only for the evaluation of our response, but understand that disclosure will be limited to the extent that the HACSB determines is proper under federal, state, and local law.

The proprietary or confidential data shall be readily separable from the Proposal in order to facilitate eventual public inspection of the non-confidential portion of the Proposal.

HACSB assumes no responsibility for disclosure or use of unmarked data for any purpose. In the event disclosure of properly marked data is requested, the Proposer will be advised of the request and may expeditiously submit to the HACSB a detailed statement indicating the reasons it has for believing that the information is exempt from disclosure under federal, state, and local law. This statement will be used by the HACSB in making its determination as to whether or not disclosure is proper under federal, state or local law. The HACSB will exercise care in applying this confidentiality standard but will not be held liable for any damage or injury, which may result from any disclosure that may occur.

## **J. Disclosure of Criminal and Civil Proceedings**

HACSB reserves the right to request the information described herein from the Proposer selected for contract award. Failure to provide the information may result in a disqualification from the selection process and no award of contract to the Proposer. HACSB also reserves the right to obtain the requested information by way of a background check performed by an investigative firm. The selected Proposer also may be requested to provide information to clarify initial responses. Negative information provided or discovered may result in disqualification from the selection process and no award of contract.

The selected Proposer may be asked to disclose whether the firm, or any of its partners, principals, members, associates or key employees (as that term is defined herein), within the last ten years, has been indicted on or had charges brought against it or them (if still pending) or convicted of any crime or offense arising directly or indirectly from the conduct of the firm's business, or whether the firm, or any of its partners, principals, members, associates or key employees, has within the last ten years, been indicted on or had charges brought against it or them (if still pending) or convicted of any crime or offense involving financial misconduct or fraud. If the response is affirmative, the Proposer will be asked to describe any such indictments or charges (and the status thereof), convictions and the surrounding circumstances in detail.

In addition, the selected Proposer may also be asked to disclose whether the firm, or any of its partners, principals, members, associates or key employees, within the last ten years, has been the subject of legal proceedings as defined herein arising directly from the provision of services by the firm or those individuals. "Legal proceedings" means any civil actions filed in a court of competent jurisdiction, or any matters filed by an administrative or regulatory body with jurisdiction over the firm or the individuals. If the response is affirmative, the Proposer will be asked to describe any such legal proceedings (and the status and disposition thereof) and the surrounding circumstances in detail.

For purposes of this provision "key employees" includes any individuals providing direct service to HACSB. "Key employees" do not include clerical personnel providing service at the firm's offices or locations.

#### **K. Debarment and Suspension**

Proposer certifies (using Exhibit D) that neither it nor its principals or subcontracts is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency as required by Executive Order 12549.

Further, Proposer affirms that it has no record of unsatisfactory performance with HACSB in the twenty-four (24) month period immediately preceding the date of issuance of this RFP.

#### **L. Board and Staff Communications**

Under no circumstances may any member of the HACSB or any staff member other than the contact specified in Section II – Paragraph A, be contacted during this RFP process, by any entity intending to submit a response to this RFP. Failure to comply with this request will result in disqualification.

#### **M. Final Authority to Award**

The final authority to award contracts as a result of this RFP rests solely with HACSB Board of Commissioners as delegated by the Board of Governors or based on award amount, by the Board of Governors.

### **VI. SCOPE OF WORK**

Refer to Exhibit A

### **VII PROPOSAL SUBMISSION REQUIREMENTS**

#### **A. General**

1. All interested and qualified Proposers are invited to submit a proposal for consideration. Submission of a proposal indicates that the Proposer has read and understands the entire RFP, to include all appendixes, attachments, exhibits, schedules, and addendum (as applicable) and all concerns regarding the RFP have been satisfied.
2. Proposals must be received by the designated date and time. Late or incomplete proposals will not be accepted.
3. Paper responses must be submitted, at the location identified in the solicitation, by mail or in person to the RFP Contact listed in Section II, Paragraph A – Purpose and will be time/date stamped when received and can be withdrawn at any time prior to the scheduled deadline for submission of the proposal.
4. Proposals must be submitted in the format described below. Proposals are to be prepared in such a way as to provide a straightforward, concise description of capabilities to satisfy the requirements of this RFP.

5. Proposals must be completed in all respects as required in this section. A proposal may not be considered if it is conditional or incomplete.

## **B. Proposal Format**

Response to this RFP must be in the form of a proposal package, which must be submitted in the following format:

### **1. Presentation**

All hard copies of proposal must be submitted on 8 ½ x 11 paper. Each page, including attachments, must be clearly and consecutively numbered.

Submit one (1) original and three (3) copies of the submitted proposal.

Hand carried proposals may be delivered to the RFP Contact identified in Section I between the hours of 8:00 a.m. and 4:00 p.m., Monday through Friday, excluding office closure days and holidays observed by HACSB. Proposers are responsible for informing any commercial delivery service, if used, of all delivery requirements, and for ensuring that the address information appears on the outer wrapper or envelope used by such service.

## **VIII. INFORMATION REQUESTED OF PROPOSERS**

### **a. Organizational and Personnel Background**

Provide an overview of your company, emphasizing its qualifications and major organizational strengths.

### **b. Experience**

Discuss your experience, in providing Property Management Services.

### **c. Miscellaneous Discussion Questions**

1. Identify the specific individuals who would be assigned to work with the HACSB and specify which person would be the primary contact person with the HACSB. .
2. All respondents must answer the Evaluation Questions below. Answer questions in the order presented

### **d. Management Fee**

Vendor payment for services will be determined by performance of the property portfolio under their management. The performance indicators and criteria are listed in the scope of work.

The Management fee for service will be equal to a percentage of gross collected rents. The default start is 5% of gross collected rents. The management fee is **decreased** on an incremental basis (if applicable) based on scores on performance indicators. See attached spreadsheet for details.

- Minimum management fee is 3.5%
- Maximum management fee is 5%

**e. Affirmative Action**

The HACSB requires that each respondent be an Equal Opportunity Employer: State that the respondent complies fully with all government regulations regarding nondiscriminatory employment practices.

**IX. COMPANY QUALIFICATIONS**

Proposals shall be considered from responsible organizations or individuals engaged in the performance of Property Management Services. Proposals must include information on competency in performing comparable on-site property management, demonstration of acceptable financial resources, and personnel staffing. The vendor shall furnish detailed information on references, as well as background and experience with projects of a similar type and scope to include as a minimum:

:

- a. Brief history of the Property Management Company. This should include any expertise with management of at least 300 units of housing in communities with programs such as Low Income Tax Credit (LITC) property, Section 8 Housing Choice Voucher (HCV), HOME Program, Rental Housing Construction Program (RHCP), and Section 8 Project Based
- b. A listing of five (5) references where similar services were performed. The client reference shall include the name of organization, contact person, address, and telephone numbers.
- c. Vendor shall describe their understanding of the project scope, their proposed approach to performing the services. Offerors shall include information on past experience with similar projects. Offerors shall describe how their organization can meet the requirements of this RFP and shall include the following:
  - The number of years the Offeror has provided these services; *and*
  - Provide the names and titles of the key management personnel directly involved with supervising the services rendered under this Contract along with their resumes.
  - Provide the name and resume of the Offeror's Contractor Representative who, if the Offeror is selected for award, would be responsible for the daily oversight of the Contract from the Contractor's perspective.

### III. RFP Evaluation Criteria

Proposals will be evaluated based on the selection factors listed below; the relative weight that each factor will receive in the evaluation is shown below. The answers to the written questions and answers to the questions posed at the interview will be used to determine the number of points each respondent receives for each factor

#### **Selection Factors:**

1. **Experience of the firm (30 points):** Including size of portfolio, number of years managing, amount, and length of experience working with affordable housing and specialized compliance areas, familiarity with area properties, and references regarding past performance. The HACSB reserves the right to contact any party that the Proposer has worked for in the past and to reject a Proposer based on past poor performance. (Questions 1, 5 and 7)
2. **Firm Capacity (55 points):** Training experience and longevity of staff; training programs; quality of operating policies and personnel procedures, financial stability, financial reporting, and accounting capabilities and cost management abilities. (Questions 2, 3 and 4)
3. **Furtherance of HACSB's mission (10 points):** Demonstrated ability and examples of how Proposer will work with the target resident populations, work in partnership with area service providers, and meet HACSB's target business development goals. (Question 6)
4. **Section 3 (5 points):** Describe your firm if qualified as a Section 3 Business concern based on the information on the program contained on pgs. 19-21. (Question 2)

### EVALUATION QUESTIONS

**Submit answers to the following in your proposal:**

1. **Management Specialty**
  - a) Describe your firm's level of experience with Low Income Housing Tax Credits, Home, Section 8(HCV), and tax-exempt bond financed properties.
2. **Personnel and Ownership**
  - a) Discuss your firm's approach to recruiting, hiring, training, and developing and retaining skilled staff.
  - b) Discuss your firm's policies and procedures regarding equal opportunity in employment, contracting, purchasing, etc.
  - c) Provide an outline of the job qualifications and experience of key employees in your organization.
  - d) Provide an organizational chart that illustrates how these positions fit into your organization.
  - e) Provide and organizational chart of employees will be charged as direct expense to the property.
  - f) Provide Audited Financial Statements and/or Credit Report for the past 3 years.

**g)** Provide documentation of license and insurance.

**3. Operation Policies**

Enclose one copy of site-level procedural manuals. (May be submitted in hard copy per instructions on pg. 6)

Discuss your firm's approach to the following:

- a)** Discuss in detail the following: maintenance, resident services, resident relations, marketing, strategic planning, and management review. Give examples of innovative programs that you have successfully implemented at other facilities.
- b)** Program compliance, LIHTC, HOME, Section 8, and tax-exempt bond.
- c)** Routine maintenance and preventive maintenance.
- d)** Public relations and crisis management.
- e)** Based on your experience, provide suggestions and comments regarding project operations that you believe essential to successful operations.
- f)** Management fee your firm will charge as agent for the property and a detailed breakdown of how it is calculated. Indicate all services that the management fee will cover. Indicate what services and personnel if any will be charged as direct expense to the property.

**4. Financial/Accounting – Discuss your experience with or ability to provide:**

- a)** Accrual Accounting – Do you generate accrual accounting statements and what software is used?
- b)** Chart of Accounts – Discuss your ability to generate accounting statements in HACSB's chart of accounts.
- c)** Electronic Posting – Do you have the ability to deliver accounting statements and reports electronically?
- d)** Budgeting Procedures – How do you implement budget control for a specific site? What steps have you taken to maximize efficiencies and contain costs?
- e)** Provide a sample monthly statement packet.

**5. Portfolio Experience**

Provide a list of properties currently under management and identify the following for each property:

- a)** Name of property, address, and approximately year built
- b)** Number of Units
- c)** Type of Property
- d)** Financing Program Used
- e)** Number of years managing

**6. Furtherance of HACSB's Mission**

- a) Provide an example of your firm's successful management of a property catering to a challenging resident population. Describe the challenging population and the techniques used to make the property successful.
- b) Describe the types of population your Property Manager has served and the techniques used to successfully manage the properties.
- c) Describe how you would meet HACSB's target business development goals described above.

## **XI. RFP REQUIREMENTS AND CONDITIONS**

### **Minimum Requirements**

This RFP sets forth the minimum requirements that all submissions shall meet. Failure to submit proposals in accordance with this request may render the proposal unacceptable.

### **Submission Requirements**

Forms included within this Request for Proposal must be included with proposal, in addition to HUD form 5369-B and 5369-C. Failure to submit mandatory forms may result in rejection of the proposal.

### **Collusion**

Proposer, by submitting a proposal, hereby certifies that no officer, agent, or employee of the HACSB has a pecuniary interest in this Proposal; that the Proposal is made in good faith without fraud, collusion, or connection of any kind with any other proposer; and that the proposer is competing solely in its own behalf without connection with, or obligation to any undisclosed person or company.

### **Disputes**

In case of any doubt or differences of opinions as to the participation sought hereunder, or the interpretation of the provisions of the RFP, the dispute process shall apply.

Contractors may appeal the recommended award, provided the appeal is in writing, contains the RFP number, is delivered to the address listed in Section II – Paragraph A of this RFP, and is submitted according to the time requirements listed below. The following shall apply to protests (unless otherwise specified, this section will use the term "protest" to also include disputes and appeals):

Solicitation: Contractors may protest a solicitation issued by HACSB. It must be received by the Director of Procurement and Contracts before the bid or proposal submittal deadline, or it will not be considered.

Award RFP: Any protest against the award of a contract based on an RFP must be received by the Director of Procurement and Contracts no later than two full business days after the bid submittal deadline, or before award of the contract, whichever is earlier, or the protest will not be considered.

Award RFP/RFQ: Any protest against the award of a contract based on an RFP or RFQ or appeal of a decision by HACSB to reject a proposal, must be received by the Director of Procurement and Contracts within three business days after notification to an unsuccessful proposer that they were not selected, or the protest will not be considered.

Rejection of Bid: Any protest of a decision by HACSB to reject a bid submitted in response to an RFP must be received by the Director of Procurement and Contracts within two business days after being notified in writing of HACSB's decision, or the appeal will not be considered.

A written response will be directed to the appealing Contractor within fourteen (14) calendar days of receipt of the appeal, advising of the decision with regard to the appeal and the basis for the decision.

The decision of the HACSB shall be final and binding upon all parties.

## **XII. INSURANCE REQUIREMENTS**

A. **Proof of Insurance**, shall not be terminated or expire without thirty (30) days written notice, and are required to be maintained in force until completion of the contract. The Contractor shall require all subcontractors used in the performance of this contract to name HACSB as an additional insured. Following are the standard types and minimum amounts.

- General Liability**: \$1,000,000; per occurrence for bodily injury, personal injury and property damage liability; *HACSB Additional Insured* or,
- Commercial General Liability**: \$1,000,000; combined single limit bodily and property damage liability per occurrence; *HACSB additional named insured*.
- Comprehensive Automobile Liability**: \$1,000,000; combined single limit bodily and property damage liability per occurrence and aggregate; *HACSB Additional Insured*.
- Errors and Omissions Liability**: \$1,000,000; combined single limit bodily and property damage liability per occurrence and \$1,000,000 aggregate or,
- Professional Liability**: \$1,000,000; per occurrence and aggregate.
- Workers' Compensation**: statutory limits or,
- Self Insurance Program**: a State Approved program in an amount and form that meets all applicable requirements of the Labor Code of the State of California.
- Environmental Liability**: \$500,000; per occurrence and aggregate; *HACSB Additional Insured*.
- Owner's Liability**: 100% of insurable value of the work, Builder's Risk, Extended coverage for Vandalism and Malicious Mischief, if required; *HACSB additional named insured*.
- Fire Insurance with Extended Coverage**: 100% of insurable value of the work; Builder's Risk, Extended coverage including Vandalism and Malicious Mischief, if required; *HACSB Additional Insured*.

B. Failure to provide proof of insurance or failure to maintain insurance as required in this bid, or by law; are grounds for immediate termination of the contract. In addition, the awarded bidder should be liable for all re-procurement costs and any other remedies under law.

**C. Indemnification and Insurance Requirements**

**1. Indemnification**

The Contractor agrees to indemnify, defend and hold harmless HACSB and its authorized officers, employees, agents and volunteers from any and all claims, actions, losses, damages, and/or liability arising out of this Contract from any cause whatsoever, including the acts, errors or omissions of any person and for any costs or expenses incurred by HACSB on account of any claim therefore, except where such indemnification is prohibited by law.

**2. Additional Named Insured**

All policies, except for the Workers' Compensation, Errors and Omissions and Professional Liability policies, shall contain additional endorsements naming HACSB and its officers, employees, agents and volunteers as additional named insured with respect to liabilities arising out of the performance of services hereunder.

**3. Waiver of Subrogation Rights**

The Contractor shall require the carriers of the above required coverages to waive all rights of subrogation against HACSB, its officers, employees, agents, volunteers, Contractors and subcontractors.

**4. Policies Primary and Non-Contributory**

All policies required above are to be primary and non-contributory with any insurance or self-insurance programs carried or administered by HACSB.

**5. Proof of Coverage**

The Contractor shall immediately furnish certificates of insurance to HACSB Procurement Department administering the Contract evidencing the insurance coverage, including the endorsements above required, prior to the commencement of performance of services hereunder, which certificates shall provide that such insurance shall not be terminated or expire without thirty (30) days written notice to the Department. Contractor shall maintain such insurance from the time Contractor commences performance of services hereunder until the completion of such services. Within sixty (60) days of the commencement of this Agreement, the Contractor shall furnish certified copies of the policies and all endorsements.

**6. Insurance Review**

The above insurance requirements are subject to periodic review by HACSB. HACSB's Risk Manager is authorized, but not required, to reduce or waive any of the above insurance requirements whenever the Risk Manager determines that any of the above insurance is not available, is unreasonably priced, or is not needed to protect the interests of HACSB. In addition, if the Risk Manager determines that heretofore, unreasonably priced or unavailable types of insurance coverage or coverage limits

become reasonably priced or available, the Risk Manager is authorized but not required, to change the above insurance requirements, to require additional types of insurance coverage or higher coverage limits, provided that any such change is reasonable in light of past claims against HACSB, inflation, or any other item reasonably related to HACSB's risk. Any such reduction or waiver for the entire term of the Agreement and any change requiring additional types of insurance coverage or higher coverage limits must be made by amendment to this Agreement. Contractor agrees to execute any such amendment within thirty (30) days of receipt.

### **XIII. CONTRACT CONDITIONS**

#### **Americans with Disabilities Act**

Proposer must comply with all applicable requirements of federal and state civil rights law and rehabilitation statutes.

#### **Law of the State of California**

The resulting contract will be entered into within the State of California and the law of said state, whether substantive or procedural, shall apply to the contract, and all statutory, charter and ordinance provisions that is applicable to public contracts within the County of San Bernardino and the State of California shall be followed with respect to the contract.

#### **Contract Terms and Final Selection**

The selected company will be expected to sign the HACSB's Contract Agreement, which will specify the term of service, likely to be annually. If the selected applicant and the HACSB cannot come to terms with respect to the contract, the HACSB reserves the right to select the next most qualified applicant or to terminate this RFP and to re-issue a new RFP if no Proposer is acceptable to the HACSB.

## **EXHIBIT A – Scope of Work**

### **INTRODUCTION**

The Housing Authority of the County of San Bernardino (HACSB) is seeking a qualified pool of property management agents for the fee management for one (1) property. Additional properties may be added via amendment to the contract of the chosen property management agent.

Our main purpose is to provide affordable housing to low and moderate income families, senior citizens and disabled/handicapped individuals. We also provide self-sufficiency programs and non-discriminatory housing assistance services.

Revenues consist mostly of dwelling rents from HACSB housing units and subsidies from the U.S. Department of Housing and Urban Development (HUD). The portfolio consists of over 3,000 housing units. In addition, HACSB also administers a Housing Choice Voucher Program and provides housing assistance payments to landlords for over 8,300 low-income households in San Bernardino County.

### **SCOPE OF WORK**

#### **Property Management Services**

Management services are required for one (1) market rate property in the city of San Bernardino consisting of 21 units. Successful proposers will be able to provide full service property management services for the site. Further properties may be added via amendment to the contract. The property requiring management services is as follows:

Golden Apartments  
2312 #1-7, 2324 # 1-7, 2336 #1-7 N. Golden Ave  
San Bernardino, CA 92404

#### **I. HACSB Expectations and Priorities**

HACSB has established priorities and baseline expectations for the management agents. The selected providers and staff will influence and impact the lives of many people locally. The quality of site employee that the property management firms attract and retain represents the largest determining factor in the success of the properties. Additionally, operational costs have a major impact on the success of the property, therefore, HACSB is seeking to improve efficiencies, and employ cost containment strategies throughout the portfolio.

When preparing the RFP response, please give consideration to HACSB's expectations and priorities as they apply to the best quality of management and service to our customers.

- Respect for customer service to the residents is essential.
- HACSB is a public agency, and is primarily taxpayer supported. The agency is accountable to an appointed commission. We strive to employ the best practices in the real estate

industry, serving the needs of the clients, while at the same time controlling costs without sacrificing quality.

- HACSB holds its assets over a long time period and seeks to achieve long-term relationships with property management firms.
- Each property operates as an individual entity, and therefore must generate sufficient income to support all cash requirements within that property. Achievement of budgeted returns to HACSB is the expectation.
- Whether tax credit or bond-financed, all properties must consistently and continuously be in compliance with program requirements. These requirements must be understood and strenuously enforced by Property Managers.

### **Property Managers/Supervision**

HACSB expects that the property management Property Manager will have a strong background in managing affordable housing.

- HACSB will work closely with property managers. The property managers must have a clear understanding of the objectives and obligations at each property, and communicate with site employees to share this information. HACSB expects the property management Property Manager to make frequent site visits and communicate often with sites and HACSB.
- HACSB expects that employee screening, selection, and training will be systematic and thorough. Formal training in the programmatic details of the properties must be provided to new employees promptly. Site employees who fail have a long-lasting adverse impact on the overall performance of the property.

### **Financial/Accounting**

- The management agent must have the software capability to deliver accrual based accounting reports, by property that comply with typical audit standards and report to HACSB on a standardized chart of accounts. The management agent shall have proper internal controls for account reconciliation, security, and electronic backup.
- Each property will be audited on an annual basis. Proper preparation and assistance with audits and prompt interaction with the auditing firm is required.
- Initial budgets, by property will be prepared by the management agent with supplemental written assumption and documentation. Budgets will be reviewed and approved by HACSB. Site staff must be fully informed of the budget, as HACSB regards the budget as a functioning document to inform spending decisions at the site level and to evaluate success of the property.
- The management agent will work with HACSB's finance department to ensure the most efficient system of reporting.

### **Maintenance and Capital Needs**

- The agent will use a maintenance request/maintenance tracking program, offer emergency maintenance services, and establish preventive maintenance procedures. The agent will also participate in capital needs planning for each asset.
- To the extent possible, the management agent will assist in making recommendations regarding the selection of materials that will improve the longevity of project components.
- The management agent will use qualified and trained maintenance staff with adequate oversight for quality control.

### **Procedures**

- Management agent must have demonstrated expertise in bond/tax credit financed properties and stay abreast of current compliance requirements.
- Management must have demonstrated expertise in affordable housing programs such as HOME, Housing Choice Voucher (HCV), Project-Based Section 8, and Rental Housing Construction Program (RHCP).
- Management agent must be dedicated to fair housing, employ exemplary screening procedures, and have documented reasonable accommodation procedures.
- Strong marketing and leasing programs are critical, as is good customer service ethic, and tenant retention programs.

### **III. Scope of Services**

As a result, of this solicitation, the successful respondent(s) will enter into a management agreement with the HACSB to provide property management services at one or more housing developments.

Services to be provided include, but are not limited to: preparation of a management plan and annual budget, apartment leasing, rent collection, lease enforcement, all maintenance responsibilities, hiring and firing staff, and associated training, annual income review, unit and building inspections, capital improvements and repairs, purchasing supplies and services, financial reporting, resident relations, ensuring the development is safe and secure.

Required monthly reporting of operational status by region, which will consist of changes in staff, maintenance activity, quantity of service calls, quantity of service orders completed as well as detailed explanation regarding outstanding service order issues and occupancy of each site, which provides a total number of vacancies and detailed information for any vacancies exceeding thirty (30) days.

Waiting list status report consisting of number of new applicants, number of dropped, and total for each waiting list by location.

Monthly report of vacancy rate, vacancy turns days, vacancy costs and narrative report identifying any issues/concerns or positive circumstances for any site.

## **PROPERTY MANAGER'S RESPONSIBILITIES**

The Property Manager will be required to provide full service professional property management services necessary to maintain and preserve the property. The Property Manager will be responsible for regularly assessing the conditions of the buildings and its systems; developing and implementing building operations, preventive maintenance, and establishing capital plans necessary to maintain, preserve, and keep the premises in good repair and condition.

The services of Property Manager are to be of a scope and quality generally performed by professional property managers and performed in a reasonable, diligent and responsible manner. Services shall be provided in accordance with the highest standards of professionalism, skill, workmanship, and applicable trade practices and shall conform to all applicable codes and regulations.

The Property Manager responsibilities shall include but not necessarily be limited to the following:

1. Maintaining continuous communication with assigned HACSB staff on all property related issues including conducting meetings and providing required written reports on a monthly basis, or such other schedule as may be determined.
2. Assessing the conditions of the buildings and their systems and reviewing all existing warranties, manufacturer's instructions and other contracts within the first thirty (30) days of the contract. The Property Manager shall then formulate a preventive maintenance schedule in accordance with manufacturer's recommendations.
3. Developing and implementing a comprehensive facility operation plan and manual including preventative maintenance plans and a five-year capital plan per an agreed timeline approved by HACSB.
4. Reviewing the existing building-related condition and making recommendations to HACSB on critical building component failures that require immediate attention.
5. Developing Annual Operating and Preventative Maintenance Budgets per an agreed timeline for submission to and approval by HACSB.
6. Hiring, or causing to be hired, paid and supervised, all persons necessary to properly maintain and operate the buildings who, in each instance, shall be the Property Manager (and not HACSB's) employee.
7. Maintaining the properties in such condition as required by this RFP and as otherwise may be deemed advisable by HACSB including preventative maintenance on the building and equipment, painting, interior and exterior cleaning, and causing routine repairs and incidental alterations of the building to be made, including, but not limited to, electrical, plumbing, carpentry, masonry, elevator and any other routine repairs and incidental alterations as may be required in the course of ordinary maintenance and care of the building. Where specifications or standards are not included herein, maintenance shall be in accordance with manufacturer's recommendations and standards.
8. Ensuring that maintenance and repairs are performed by trained technicians and whose normal hours of operation are minimally 8:00 AM to 5:00 PM Monday through Friday.
9. Soliciting, bidding and entering into contracts for any necessary HVAC, equipment maintenance, janitorial, window cleaning, trash removal, vermin extermination, landscaping, lawn care and tree maintenance, fire alarm testing/inspection and other services as shall be advisable, tree maintenance, extermination services, lawn care services, trash removal, inspection and monitoring.
10. Ensuring that any equipment to be replaced shall be new and shall be manufactured by a reputable manufacturer. All substitutes for the original manufacturer's equipment related to the

upgrading of equipment shall be Energy Star® compliant, if available. The Property Manager shall submit any proposed purchases to HACSB for its review and approval.

11. Ensuring that any new equipment be guaranteed for a minimum of one (1) year from the date of replacement and replaced at no cost to HACSB if found defective during that time. The Property Manager shall obtain cost estimates for extended warranties on new installations and consult with HACSB regarding the purchase of such contracts.

12. Providing emergency services as needed on a twenty-four (24) hour, seven (7) days a week basis. The Property Manager agrees to provide an emergency telephone service on a twenty-four (24) hour, seven (7) days a week basis. From the time of the call by HACSB tenants or staff, the Property Manager has a maximum of one hour to respond to the emergency.

13. Establishing, subject to HACSB's approval, a segregated bank account (hereinafter referred to as the "Operating Expense Account") with a California State bank, subject to HACSB's approval, for the purposes of maintaining funds available for the property management and general maintenance the payment of supplies, equipment, and services associated with maintaining and repairing the property.

14. Maintaining a log of all hours of work completed by all employees and subcontractors. Reviewing all bills received for services, work, and supplies ordered in connection with maintaining and operating the Building and cause such bills to be paid from funds deposited in an Operating Expense Account.

15. Providing monthly financial reports to HACSB and, when necessary, developing plans to address any possible funding shortfalls.

16. Establishing and maintaining orderly books, records and files containing correspondence, receipted bills, contracts and vouchers and all other documents and papers pertaining to the properties and the operation and maintenance thereof, which HACSB may review at any time.

17. In accordance with the California State Toxic Substance Program (Right-to-Know Law) and the United States Occupational Safety and Health Administration's Hazard Communication Standard, the State has established and implemented a Right-to-Know/Hazard Communication Program. The Property Manager shall provide information and training to advise employees of the Property Manager and HACSB of potentially hazardous substances known to be in the work place. Part of this information is a collection of Material Safety Data Sheets for all chemicals used by contract vendors. Before any chemical product is used on or in the building, a copy of the product label and Material Safety Data Sheet must be provided to and approved by HACSB before the chemical is applied.

18. Providing written monthly reports to HACSB within ten (10) working days of the end of each month including a precise description of services provided to the buildings, including all systems and equipment, number of employees/subcontractors involved, and the costs incurred.

19. Providing the building management services including, but not limited to:

- a. Lighting systems
- b. Pest management
- c. Electrical switchgear and electrical systems
- d. Landscaping, tree maintenance, and maintaining walkways
- e. Daily responsiveness to problems identified by HACSB tenants or staff
- f. Trash removal
- g. Fire Alarm and fire suppression systems
- h. Custodial cleaning
- i. Plumbing

- j. Maintain grounds and parking lot
- k. HVAC
- l. Window Cleaning
- m. Security
- n. Painting

20. Providing property management responsibilities including, but not limited to:

- a. Monthly site inspections and provide verification of such inspection.
- b. Solicit written bid proposals from at least three (3) qualified suppliers or service providers on each requirement having an expected value greater than \$5,000.
- c. Provide five (5) year Capital Repair and Improvement Plan.
- d. Provide adequate staff to maintain and perform routine inspections and required maintenance.
- e. Maintain all site/equipment manuals.
- f. Provide timely monthly operating report with invoice.
- g. Review work order, maintenance tracking and scheduling systems.
- h. Provide Operational and Preventative Maintenance Plans.

21. With the prior written consent of HACSB, negotiating and reviewing contracts to be entered into by the Property Manager for capital repairs and improvements to the properties and supervising all work to be performed under such contracts and authorizing payment for all work performed under such contracts.

22. The Property Manager will be responsible for the completion of a variety of administrative and reporting requirements as part of its Management Fee including:

- a. Upon award of the contract and prior to the start of any work, the Property Manager shall be available for an initial job meeting with HACSB. This meeting shall include a review of all facility use rules and an introduction to the organization and appropriate staff.
- b. Unless otherwise determined, there shall be monthly meetings for the following purposes:
  - i. Review building management progress and quality of work.
  - ii. Identify and resolve problems.
  - iii. Coordinate the efforts of all concerned so that these services are rendered efficiently and effectively.
  - iv. Maintain a sound working relationship between the Property Manager and HACSB.
  - v. Maintain a mutual understanding of the contract.
  - vi. Maintain sound working procedures.

23. Perform such other building management tasks for HACSB properties as may be mutually agreed upon.

24. Maintaining financial records and submitting financial reports as required by the Authority, including but not limited to:

- a. Approving and disbursing expenses for ordinary operating needs as approved in the annual budget.

- b. Increasing net operating income and enhancing the value of the property by maximizing income and controlling expenses.
  - c. Implementing an aggressive rent collection program.
  - d. Preparing, analyzing, and/or approving annual operating budget(s), and cash flow reports.
  - e. Performing present value analysis on leases.
  - f. Analyzing or preparing program operating statements (including financial) and, when appropriate, recommending changes or taking action.
  - g. Analyzing actual versus planned expenditures and establishing a program for correcting unfavorable variances.
  - h. Provide assistance by reviewing and evaluating ad valorem tax assessments and recommending possible appeals to reduce or correct assessments.
  - i. Analyzing the cost of major equipment purchases and recommending possible alternatives to purchasing.
  - j. Provide financial calculations and reports as required by the Authority. (e.g. monthly trial balance in electronic format).
25. Provide Risk Management services to include but not limited to:
- a. Authorizing or recommending levels of insurance coverage for properties.
  - b. Maintaining adequate levels of insurance.
  - c. Composing and/or implementing a risk management program.
  - d. Investigating claims relating to accidents, vandalism or property damage, and recommending action and/or submitting claims for payment to insurance carrier.
26. Provide Marketing Services to include but not limited to:
- a. Preparing and implementing *Management, Marketing and Tenant Selection Plans*.  
(Note: *Plans* are prepared according to Authority approved outlines, which will be provided to the successful proposer.)
  - b. Handling marketing, promotion, and leasing programs based on a local market analyses.
  - c. Advertising vacancies through selected media and contacts.
  - d. Development and implementation of resident retention programs.
27. Provide administrative/leasing services to include but not limited to:
- a. Providing or arranging for the provision of required services to the tenants.
  - b. Maintaining community goodwill.
  - c. Computerizing of all property data and providing computerized reports as required by the Authority.
  - d. Investigating and responding to inquiries from the public sector concerning the property and/or preparing reports required for compliance with current or future laws and public policies.
  - e. Developing or recommending changes to standard legal form documents (i.e. leases, rules and regulations, contract forms, etc.)

- f. Completing certifications of tenant eligibility, subsidy documents, etc., as required by the Authority and other governmental agencies.
- g. Negotiating, executing, and administering leases to ensure compliance with all policies. Handling day-to-day operations of a property including supervising staff, administering contracts, and conducting unit and property-wide inspections.
- h. Hiring, instructing, and maintaining personnel to staff the property, and purchasing supplies as needed for proper operation.
- i. Performing energy audits and recommending and implementing conservation programs.
- j. Providing purchasing and work order systems, authorizing and paying bills, and maintaining computerized records for quick reference.
- k. Performing other duties as deemed necessary by the Authority.

## **MANAGEMENT FEE COMPUTATION**

The Management fee for service will be equal to a percentage of gross collected rents. The default start is 5% of gross collected rents. The management fee is **decreased** on an incremental basis (if applicable) based on scores on performance indicators.

- Minimum management fee is 3.5%
- Maximum management fee is 5%

The criterion for the fee consists of financial and operational benchmarks as follows:

### **Contracted Property Management**

#### **Fee for service calculation**

Category	Full Fee (5%)
<b>Component 1 (Finance)</b>	
1. A/R Aging (days)	< = 10
2. Revenue compared to budget	> = Budgeted
3. Total Expenses (Negative variance from budget)	< = Budgeted
Total Weighted Score for Component 1	
<b>Component 2 (Operations)</b>	
1. Occupancy	>= 93%
2. Vacancy Turn Time Including Lease-Up (Days)	<= 15
3. Work Order Service Time - Emergency (Days)	<= 1
4. Work Order Service Time - Routine (Days)	1-5
Total Weighted Score for Component 2	

The total of scores for components 1 and 2 will be combined to determine the percentage of management fee compensation provided each month. Please refer to Exhibit E for specific detail and computation.

### EXHIBIT B - Contact Information Form

To: Terri M. Sanchez, Director of Procurement and Contracts  
Email [tsanchez@hacsb.com](mailto:tsanchez@hacsb.com)

This fax is to acknowledge that we are in receipt of RFP #PC933 Property Management Services and have noted our intention to bid.

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

Address: \_\_\_\_\_

Contact/Title: \_\_\_\_\_

Phone: \_\_\_\_\_

Fax: \_\_\_\_\_

Email: \_\_\_\_\_

**I PLAN TO SUBMIT A BID.**

- Yes, I will be submitting a bid.
- Maybe, I need to research and get more information (contact HACSB-information listed above)

**NO BID.** Indicate *any* of the following. We:

- Do **NOT** desire to be retained on the vendor list.
- Desire to be retained on the vendor list, but decline to bid based on the following:
  - Cannot comply with specifications/scope of work, Explain: \_\_\_\_\_
  - \_\_\_\_\_
  - \_\_\_\_\_
- Cannot meet delivery requirements, Explain: \_\_\_\_\_
- \_\_\_\_\_
- Do not regularly provide this type of product/service
- Other, Explain: \_\_\_\_\_
- Please update my information as listed above.

**HOW YOU FOUND OUT ABOUT THE BID.** Indicate *any* of the following. We:

- Checked the agency website
- Received notice by fax or e-mail
- Newspaper Ad, please list paper: \_\_\_\_\_
- Trade Publication, please list: \_\_\_\_\_
- Plan Room, please list: \_\_\_\_\_
- Public Purchase: \_\_\_\_\_
- Other, Explain: \_\_\_\_\_

**Exhibit C - CURRENT CLIENT REFERENCES (required)**

*Submit this form with the BID, failure to do so is grounds for disqualification.*

Company	_____
Address	_____
City, ST, Zip	_____
Fax/Phone/Email	_____
Contact Name/Title	_____
Type of Engagement	_____
Company	_____
Address	_____
City, ST, Zip	_____
Fax/Phone/Email	_____
Contact Name/Title	_____
Type of Engagement	_____
Company	_____
Address	_____
City, ST, Zip	_____
Fax/Phone/Email	_____
Contact Name/Title	_____
Type of Engagement	_____
Company	_____
Address	_____
City, ST, Zip	_____
Fax/Phone/Email	_____
Contact Name/Title	_____
Type of Engagement	_____
Company	_____
Address	_____
City, ST, Zip	_____
Fax/Phone/Email	_____
Contact Name/Title	_____
Type of Engagement	_____

Bidder's Company Name \_\_\_\_\_

Legal Structure (corp./partner/proprietor) \_\_\_\_\_

Principle Office Address \_\_\_\_\_

City, ST, Zip \_\_\_\_\_

Phone Number & Fax Numbers \_\_\_\_\_

Email \_\_\_\_\_

Federal Employer Identification Number \_\_\_\_\_

Title of Person Authorized to Sign \_\_\_\_\_

Print Name of Person Authorized to Sign \_\_\_\_\_

Date Signed and Authorized Signature \_\_\_\_\_

## **EXHIBIT D - CERTIFICATION REGARDING DEBARMENT OR SUSPENSION**

In compliance with contracts and grants agreements applicable under the U.S. Federal Awards Program, the following certification is required by all Proposers submitting a response to this RFP:

1. The Proposer certifies, to the best of its knowledge and belief, that neither the Proposer nor its Principals are suspended, debarred, proposed for debarment, or declared ineligible for the award of contracts from the United States federal government procurement or non-procurement programs, or are listed in the *List of Parties Excluded from Federal Procurement and Non-procurement Programs* issued by the General Services Administration.
2. "Principals," for the purposes of this certification, means officers, directors, owners, partners, and persons having primary management or supervisory responsibilities within a business entity (e.g., general manager, plant manager, head of a subsidiary, division, or business segment, and similar positions).
3. The Proposer shall provide immediate written notice to the HACSB Director of Procurement and Contracts if, at any time prior to award, the Proposer learns that this certification was erroneous when submitted or has become erroneous by reason of changes circumstances.
4. This certification is a material representation of fact upon which reliance will be placed when making the award. If it is later determined that the Proposer rendered an erroneous certification, in addition to other remedies available to the HACSB government, the HACSB Director of Procurement and Contracts may terminate the contract resulting from this solicitation for default.
5. Proposer affirms that it has no record of recent unsatisfactory performance with HACSB, during the past twenty-four (24) months at a minimum.

**Printed Name of  
Representative:**

\_\_\_\_\_

**Title:**

\_\_\_\_\_

**Signature:**

\_\_\_\_\_

**Date:**

\_\_\_\_\_