



## **REQUEST FOR PROPOSALS**

**For**

## **GENERAL CONSULTING SERVICES**

**For the**

## **King County Housing Authority**

**Request for Proposal Issued:**

**November 21, 2022**

**Proposal Due:**

**December 16, 2022**

**This RFP includes the following documents:**

- 1) Proposal**
- 2) Exhibit A—Fee Schedule**
- 3) Exhibit B—Section 3 Information and Certification**
- 4) Exhibit C—HUD Form #5369-A**
- 5) Exhibit D—HUD Form #50071**
- 6) Exhibit E—HUD Form SF-LLL**

**Request for Proposals**

## Moving to Work Consulting Services

The King County Housing Authority (KCHA) is issuing a competitive Request for Proposal (RFP) from qualified consulting firms to provide consulting services and technical support for its Moving to Work ("MTW") and federally funded programs (Housing Choice Voucher and Low Income Public Housing).

**Questions:** Any questions or requests for further information or clarification must be directed to Saeed Hajarizadeh, Deputy Executive Director/Chief Administrative Officer, in writing, either through US mail (please use certified mail) or email (saeedh@kcha.org) and received no later than December 9, 2022.

**Submission Deadline:** Proposals, in accordance with conditions defined in the RFP, must be received **no later than 4:00 pm local time December 16, 2022**. **Proposals and any attachments should be emailed.**

**Submission Instructions:** No proposals shall be reviewed before the submission deadline. If a respondent has submitted a proposal in error, it may be resubmitted before the submission deadline. Submissions will not be publicly reviewed.

**Evaluation:** KCHA expects to select the respondent(s) best qualified to provide the services described in this RFP based upon the evaluation criteria set forth in the RFP. KCHA reserves the right to waive any information or irregularities in submittals, or to reject any and/or all proposals. KCHA reserves the right to award contracts to multiple firms.

## **Request for Proposals Technical Professional Services**

### **INTRODUCTION**

**King County Housing Authority Background:** KCHA is a municipal corporation that was created in 1939 in order to provide housing assistance to low-income residents. KCHA operates in King County outside the Cities of Seattle and Renton, and administers over 22,000 apartment units which provide housing for low income households, including families, the elderly and the disabled. KCHA owns and directly manages approximately 4,300 federally assisted multifamily housing units and administers Section 8 housing assistance to another 14,160 households. Governed by a 5-person Board of Commissioners that is appointed by the King County Council, KCHA has 470 employees and an annual operating budget of \$440,000,000.

KCHA was designated as an MTW agency in 2003.

### **SCOPE OF WORK**

KCHA is seeking proposals from consultants that are experienced and qualified in providing professional services in connection with the following types of tasks:

- 1) Assist in Moving to Work ("MTW") Demonstration planning and implementation including, but not limited to, activity planning, program design, and performance measurement.
- 2) Assist in the development and issuance of the Annual Plan, identifying changes including policies, procedures, methods, systems, and performance measurements designed to meet MTW program goals. Assist in the development and production of reports as necessary on forms prescribed by HUD.
- 3) Assist in the development of the HCVP Administrative Plan, Public Housing ACOP, and procedures and other documents to implement MTW and other KCHA strategic initiatives and address operational needs.
- 4) Provide technical support to identify, analyze and develop recommendations for potential program modifications that may be included in future Annual Plans. Identify and develop implementation steps and schedules.
- 5) Assist in the review of any and all aspects of KCHA operations in Public Housing, HCVP, development and modernization; assist in program evaluation and provide technical assistance by identifying and recommending changes in areas that require improvement and supporting implementation of those changes.
- 6) Provide technical support to develop and draft policy papers, memoranda, forms and other materials. Provide program and policy recommendations, reviews and analysis.
- 7) Provide tailored and interactive training for all aspects of the Public Housing and HCVP focused on program compliance, improved efficiency and customer service; develop and provide training for performance review and monitoring, goal setting, benchmark identification, and internal performance indicators.

- 8) Assist in the development of communication materials related to KCHA programs.
- 9) Advise the Executive Director and the Executive Office on strategy; provide support for strategic planning, research, development of strategic goals, and support for implementation.
- 10) Other related tasks as necessary.

## **INFORMATION TO BE SUBMITTED WITH THE PROPOSAL**

Consulting firms may submit proposals for the services listed in the above scope of work.

KCHA reserves the right to request additional information in order to complete the evaluation and selection process. The Statement of Qualifications must present the firm's experience and qualifications to undertake the category of professional services specified above and should address, in order, the issues described in each of the sections below and should identify each section to facilitate quick reference. Respondents may incorporate additional information relating to each of the sections outlined below to respond to the evaluation criteria. Respondents choosing to provide additional materials, e.g., Firm brochures, consultant profiles, etc., should include them in a separate section of the proposal.

### **1) Letter of Interest**

- a) The letter of interest should briefly summarize the Firm's qualifications, experience, availability, and possible capacity constraints for the proposed work and list the individual consultant(s) that will be assigned to the category of services.
- b) An officer of the firm authorized to execute contracts or other similar agreements must sign the letter.

### **2) General Qualifications, Experience and Fee**

- a) Provide a copy of resume(s) and professional credential(s) for the consultant(s) and other personnel who will be responsible for and assigned to work on this specified category of services. Clearly identify the consultant(s) in charge, who will lead and perform key elements of the work and roles or services provided by each.
- b) Provide a brief description of the organization, history, financial stability and other general information that describes the firm's qualifications and capacity to undertake this work. List projects or work for other clients undertaken in the last four years that is similar to the services described above and qualifies the firm to provide these services for KCHA.
- c) Provide references (contact information) or letters of recommendation from at least three recent (within four years) clients for each of the categories for which the firm is proposing services.

d) Provide a fee schedule of the firm's hourly and standard fees and expenses. All fees for professional services shall be submitted on the attached Exhibit A. Provide a sample billing statement and summarize alternative billing methods that might be recommended for KCHA services.

e) A completed and signed HUD Form #5369-A and Section 3 Certification Form.

## **EVALUATION CRITERIA**

All responses to this RFP that are received on or before the stated deadline will be evaluated by a review panel according to the criteria listed below:

### **Business Requirements Gathering and Gap Analysis**

1. Experience and professional qualifications of assigned personnel in assisting with MTW Plans, HCVP and Low Income Public Housing Operations and Reports: 30 points
2. Described approach to implementing a successful MTW strategy: 20 points
3. Fee Structure and billing: 20 points
4. Interview: 20 points
5. Section 3: 10 points

### **Reference Checks**

Although no points will be explicitly assigned to this evaluation criterion, past performance on other projects will be used, among other considerations, to evaluate both the firm's and the project team's capacity and capability to perform the requested services and to assess the risk of poor performance or nonperformance. The reference evaluation factors will include, but are not necessarily limited to: (a) understanding KCHA's business, (b) being proactive, creative and practical in performing professional services, (c) good communication and responsive in meeting customer deadlines, and (d) clear and accurate billing that avoids duplication of work and other billing inefficiencies.

## **CONTRACT NEGOTIATIONS**

The review panel will rate all Proposals according to the evaluation criteria set forth above. KCHA and the highest rated firm(s) will negotiate the terms and conditions of a professional services contract. KCHA reserves the right to modify the scope of work, expand or modify the terms and conditions specifically set forth in this RFP. In the event KCHA and the highest rated firm cannot agree on contract terms and conditions acceptable to both parties, KCHA reserves the right, at its sole discretion, to enter into negotiations with the next highest ranked firm and will be relieved of any obligation to negotiate with or contract for services with the highest ranked firm.

## **GENERAL CONDITIONS**

- 1) **Basic requirements:** The Firm shall meet the requirements of Exhibit C, HUD form #5369-B; and, if applicable, Section 3 business as outlined in Exhibit B.
- 2) **Addenda:** In the event there are changes or clarifications to this RFP, KCHA shall issue an addendum. Addenda will only be sent to those firms who have registered with KCHA as having received an official copy of the RFP from KCHA. It is the responsibility of the respondent to

check with KCHA by calling the KCHA contact named in this RFP prior to submittal deadline to ensure that all addenda issued by KCHA have been received.

3) **Rights reserved by KCHA:** KCHA reserves the right to engage other professional services if, at KCHA's sole discretion, part(s) of the contract could be better fulfilled by another firm. KCHA reserves the right to waive any irregularities or informalities in the RFP and to reject any and/or all Statements of Qualification. KCHA will generally not disclose the number of responses received, the names of the respondents, or the status of negotiations until the Executive Director (or assignee) has approved the award of the contract.

4) **Basic Eligibility:** The successful Firm must be licensed to do business in the State of Washington, must have a state UBI number, be properly authorized and be licensed and in good standing to perform the services proposed. The successful respondent must not be debarred, suspended or otherwise ineligible to contract with KCHA, and must not be included on the General Services Administration's (GSA) "List of Parties Excluded From Federal Procurement and Nonprocurement Programs" or HUD's "Limited Denial of Participation" list. KCHA expects the firm to adhere fully and at all times to the ethical standards expressed in the Rules of Professional Conduct.

5) **Payment Requirements:** Respondents should be aware that KCHA will only make payments on the contract issued under this RFP after the work being billed has been completed, and will pay reimbursable expenses to the Firm only upon receipt of an invoice for the reimbursable expenses. No advance payments will be made to the awarded Firm, who must have the capacity to meet all expenses in advance of payments by KCHA.

6) **Records Made Public:** All documents submitted to KCHA will become public record, as per RCW 42.56. Do not submit information as part of this RFP which you think is "confidential" or "proprietary" to your firm. KCHA cannot guarantee that type of information will be withheld from a public disclosure request.

7) **Conflict of Interest:** The selected Firm must fully advise KCHA of any potential conflicts of interest and seek a written waiver in advance of commencing work.

8) **Fair Housing:**

**Subject:** Accessibility Notice: Section 504 of the Rehabilitation Act of 1973; the Americans with Disabilities Act of 1990; the Architectural Barriers Act of 1968 and the Fair Housing Act of 1988.

**Purpose:** The purpose of this Notice is to remind recipients of Federal funds (in this instance, the Public Housing Authority) of their obligation to comply with pertinent laws and implementing regulations which provide for non-discrimination and accessibility in Federally funded housing and non-housing programs for people with disabilities.

**Notifications:** Public housing agencies (PHAs) and other recipients of Federal PIH funds are responsible for providing this Notice to all **current** and **future** contractors participating in covered programs/activities or performing work covered under the above subject legislation and implementing regulations.

**To read the full text of the Notice:** Go to [www.kcha.org](http://www.kcha.org), click on "Business" then "Contract and Bid Requirements" and finally click on and read "**Fair Housing Laws.**"

## **INSURANCE AND INDEMNIFICATION**

The firm awarded the contract shall procure and maintain for the duration of the contract insurance as described below against claims which may arise from or in connection with the performance of the work hereunder by the firm, its partners, members, agents, representatives, or employees. The cost of such insurance shall be borne by the respondent firm.

- A. The Firm, at its sole cost and expense, hereby releases and shall indemnify, defend, and hold harmless the Owner, its affiliates, officers, agents, partners, employees, successors, assigns and authorized representatives of all of the foregoing from and against all suits, actions, legal or administrative proceedings, claims, demands, damages, liabilities, interest, attorney fees, costs, and expenses of any kind or nature, including those arising out of injury to or death of the Firm's employees, whether arising before or after completion of the work thereunder, and in any manner directly or indirectly caused, occasioned, or contributed to in whole or in part, by reason of any act, omission, fault, or negligence of the Firm, its agents or of anyone acting under its direction or control, or on its behalf in connection with or incidental to the performance of this Contract. The Firm's aforesaid release, indemnity, and hold harmless obligations, or portions or applications thereof, shall apply even in the event of the fault, negligence, or strict liability of the parties released, indemnified, or held harmless to the fullest extent permitted by law. However, in no event shall the release, indemnity, and hold harmless obligations apply to liability caused by the sole negligence of the parties released, indemnified, or held harmless. The foregoing indemnity is specifically and expressly intended to constitute a waiver of the Firm's immunity under Washington's Industrial Insurance act, RCW Title 51. The parties acknowledge that these provisions were specifically negotiated and agreed upon by them. If any portion of this indemnity clause is invalid or unenforceable, it shall be deemed excised and the remaining portions of the clause shall be given full force and effect.
- B. The Firm hereby agrees to require all its Subfirms or anyone acting under its direction or control or on its behalf in connection with or incidental to the performance of this Contract to execute an indemnity clause identical to the preceding clause, specifically naming the Owner as indemnity, and failure to do so shall constitute a material breach of this Contract by the Firm.

### **Minimum Scope of Insurance**

- A. Firms shall maintain coverages:
1. Insurance Services Office Commercial General Liability coverage.
  2. Insurance Services Office covering Automobile Liability, code 1 (any auto).
  3. Workers' Compensation insurance as required by State law and Employer's Liability Insurance.
  4. Professional Services Errors and Omissions (E&O) insurance



### **Minimum Limits of Insurance**

- A. Firm shall maintain with limits not less than:
  - 1. General Liability: \$1,000,000 per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit of \$2,000,000.
  - 2. Automobile Liability: \$1,000,000 per accident combined single limit.
  - 3. Employer's Liability: \$1,000,000 per accident for bodily injury/sickness or disease.
  - 4. Professional Services Errors and Omissions: \$1,000,000 per claim.

### **Deductibles and Self-Insured Retentions**

- A. Any deductibles or self-insured retentions must be declared to and approved by the Owner. At the option of the Owner, either: the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the Owner, its officers, officials, employees and volunteers; or the Firm shall provide a financial guarantee satisfactory to the Owner guaranteeing payment of losses and related investigations, claim administration and defense expenses.

### **Other Insurance Provisions**

- A. The policies are to contain, or be endorsed to contain, the following provisions:
  - 1. The Owner, its officers, officials, agents, partners, employees, and volunteers are to be covered as additional insureds as respects to products and services of the Firm under a "completed operations" type of additional insured endorsement. General liability coverage can be provided in the form of an endorsement to the Firm's insurance, or as a separate owner's policy.
  - 2. For any claims related to this project, the Firm's insurance coverage shall be primary insurance as respects the Owner, its officers, officials, agents, partners, employees, and volunteers. Any insurance or self-insurance maintained or expired by the Owner, its officers, officials, agents, partners, employees, volunteers, or shall be excess of the Firm's insurance and shall not contribute with it.
  - 3. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be canceled or materially changed, except after thirty (30) days' [ten (10) days for non-payment of premium] prior written notice by certified mail, return receipt requested, has been given to the Owner.
  - 4. Maintenance of the proper insurance for the duration of the contract is a material element of the contract. Material changes in the required coverage or cancellation of the coverage shall constitute a material breach of the contract.
  - 5. Course of construction policies shall contain the following provisions:
    - a. The King County Housing Authority shall be named as loss payee.

- b. The insurer shall waive all rights of subrogation against the Owner and the Property Manager, its officers, officials, employees and volunteers.

### **Acceptability of Insurers**

- A. Insurance is to be placed with insurers with a current A.M. Best's rating of no less than A:XIII.

### **Verification of Coverage**

- A. Firm shall furnish the Owner with original certificates and amendatory **endorsements** effecting coverage required by this clause. All certificates and endorsements are to be received and approved by the Owner before work commences in sufficient time to permit firm to remedy any deficiencies. The Owner reserves the right to require complete, certified copies of all required insurance policies or pertinent parts thereof, including endorsements affecting the coverage required by these specifications at any time.

### **Subfirms**

- A. Firm shall include all Subfirms as insureds under its policies or shall obtain separate certificates for each Subfirm before Subfirms' work begins. Firm shall be responsible for subfirm complying with such requirement, and failure to confirm compliance shall constitute breach of contract by the Firm. All coverages for Subfirms shall be subject to all of the requirements stated herein.

**Request for Proposals  
Technical Professional Services**

**EXHIBIT A  
FEE SCHEDULE**

Firms should keep in mind that KCHA reserves the right to negotiate the proposed rates. For this submission, firms should include a two-year projection of rates, with the understanding that rates after the second year may be re-negotiated.

Be as complete and specific as possible. Fill in each category; blanks will be assumed to equal \$0.00. Where \$0.00, state so; if included in standard hourly rate, state so.

**HOURLY RATES:**

Project Manager: \$ \_\_\_\_\_  
Business Analyst: \$ \_\_\_\_\_  
Technical Resource(s): \$ \_\_\_\_\_  
Non-Technical (e.g., Clerical, all other employees): \$ \_\_\_\_\_

**REIMBURSABLE EXPENSES:**

Telephone: \$ \_\_\_\_\_  
Faxes: \$ \_\_\_\_\_ / page  
Postage: \$ \_\_\_\_\_  
Overnight Delivery: \$ \_\_\_\_\_  
Travel: \$ \_\_\_\_\_

**How will you bill for consultant travel time to/from KCHA's office?**

\_\_\_\_\_ No Charge  
\$ \_\_\_\_\_ Employee's Hourly Billing Rate  
\$ \_\_\_\_\_ Employee's 1/2 Hour Billing Rate  
\$ \_\_\_\_\_ / mile for Mileage

**EXHIBIT B**  
**SECTION 3 CERTIFICATION AND INFORMATION**

**SECTION 3 CLAUSE**

A. The work to be performed under this contract is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or HUD-assisted projects covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.

B. The parties to this contract agree to comply with HUD's regulations in 24 CFR part 135, which implement Section 3. As evidenced by their execution of this contract, the parties to this contract certify that they are under no contractual obligation or other impediment that would prevent them from complying with the part 135 regulations.

C. The contractor agrees to send to each labor organization or representative of workers with which the contractor has a collective bargaining agreement or other understanding, if any, a notice advising the labor organization or workers' representative of the contractor's commitments under this Section 3 clause, and will post copies of the notice in conspicuous places at the work site where both employees and applicants for training and employment positions can see the notice. The notice shall describe the Section 3 preference, shall set forth minimum number and job titles subject to hire, availability of apprenticeship and training positions, the qualifications for each; and the name and location of the person(s) taking applications for each of the positions; and the anticipated date the work shall begin.

D. The contractor agrees to include this Section 3 clause in every subcontract subject to compliance with regulations in 24 CFR part 135, and agrees to take appropriate action, as provided in an applicable provision of the subcontract or in this Section 3 clause, upon a finding that the subcontractor is in violation of the regulations in 24 CFR part 135. The contractor will not subcontract with any subcontractor where the contractor has notice or knowledge that the subcontractor has been found in violation of the regulations in 24 CFR part 135.

E. The contractor will certify that any vacant employment positions, including training positions, that are filled (1) after the contractor is selected but before the contract is executed, and (2) with persons other than those to whom the regulations of 24 CFR part 135 require employment opportunities to be directed, were not filled to circumvent the contractor's obligations under 24 CFR part 135.

F. Noncompliance with HUD's regulations in 24 CFR part 135 may result in sanctions, termination of this contract for default, and debarment or suspension from future HUD assisted contracts.

G. With respect to work performed in connection with Section 3 covered Indian housing assistance, Section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this contract that are subject to the provisions of Section 3 and Section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with Section 7(b).

## SECTION 3 SUPPLEMENTAL INSTRUCTIONS TO BIDDERS

The Owner's, or King County Housing Authority's (KCHA), goal for this project is to participate in Section 3 activities by including efforts that will provide employment opportunities to Section 3 residents and contracting opportunities to Section 3 businesses. (Section 3 Residents and Section 3 Businesses are defined below and in 24 CFR 135.)

The Contractor and its Subcontractors at all tiers for this specific contract will partner with the Owner to contribute to the Owner's overall "Section 3" goals, as described below.

Because local hiring and contracting requirements are defined under Section 3 of the Housing and Community Development Act of 1968, these requirements are commonly referred to as Section 3. The definitions and goals are defined in Sections A and B below. Section C describes the process. Section D discusses consequences of non-compliance with Section 3 goals and Section E describes some local hiring resources.

### A. Section 3 Definitions

For the purposes of this solicitation:

1. Section 3 resident means:
  - i. a public housing resident; or
  - ii. an individual who resides in the metropolitan area or non-metropolitan county in which the proposed contract will be performed and is a low-income or very low-income person (80 percent of the area median income or less, based on household size).
2. Business concern means a business entity formed in accordance with State law, and which is licensed under State, county, or municipal law to engage in the type of business activity for which it was formed.
3. Section 3 business means a business:
  - i. that is 51% or more owned by KCHA residents at the site(s) where the work will take place or 30% or more of the business' regular, full-time employees reside at the sites(s) where the work will take place (**Category 1**); or
  - ii. that is 51% or more owned by KCHA residents at other KCHA developments or 30% or more of business' regular, full time, employees reside at other KCHA developments (**Category 2**); or
  - iii. that is a HUD Youthbuild company (**Category 3**); or
  - iv. that is 51% or more owned by a Section 3 person, or 30% or more of business's regular, full time employees are Section 3 persons, or plans to subcontract 25% or more of the estimated contract value to Category 1 or 2 businesses (**Category 4**); or
  - v. that will subcontract 25% or more to Category 3 or 4 businesses (**Category 5**).
4. The greatest extent feasible means:
  - a. Completing and submitting a Section 3 Work Plan to designated Owner staff prior to contract signing (template to be provided by the Owner).
  - b. If contracting with Section 3 businesses:
    - i. Placing qualified business enterprises on solicitation lists.

- ii. Dividing total requirements, when economically feasible, into smaller tasks or quantities to permit maximum participation of qualified Section 3 businesses.
- iii. Using the services and assistance of the U.S. Small Business Administration, the Minority Business Development Agency of the U.S. Department of Commerce and State and local governmental small business agencies to identify potential Section 3 businesses.
- iv. Ensuring that small and minority businesses and women's business enterprises are solicited whenever they are potential sources.
- c. If hiring Section 3 residents:
  - i. Post job opportunities for a mutually agreed upon length of time through the Owner's employment agency service partners and at project site as appropriate.
  - ii. Conduct interviews with qualified Section 3 residents.
  - iii. Notify designated Owner (KCHA) staff of all new hires.
- d. For both: Complete Section 3 compliance and tracking paperwork as necessary.

**B. Section 3 Goals**

The Owner will require, to the greatest extent feasible, for the Contractor to demonstrate participation in the local hiring and contracting requirements as defined under Section 3 of the Housing and Community Development Act of 1968.

1. Bidders shall demonstrate compliance with the Section 3 goals by making a best faith effort to achieve the following goals:
  - a. Employment of Section 3 Residents: fill a minimum of 30% of the aggregate number of new positions which result from the work performed under this contract with Section 3 residents; and
  - b. Contracts with Section 3 business concerns: subcontract for at least 10% of the total dollar amount of this contract with one or more Section 3 business concerns.
2. The successful bidder and covered subcontractors shall direct their efforts to provide Section 3 employment opportunities to Section 3 residents in the following order of priority:
  - First Priority: Current residents of KCHA development(s) benefitting from project.
  - Second Priority: Other Owner public housing and Section 8 voucher-assisted residents.
  - Third Priority: Participants in HUD Youthbuild programs.
  - Fourth Priority: Other low or very low income individuals in the Housing Authorities metropolitan area (Puget Sound region) who are at or below the Area's Low Income calculation.
3. The Contractor and covered subcontractors shall direct their efforts to award contracts to Section 3 business concerns in the following order of priority:
  - First Priority: A subcontractor that is 51% or more owned by KCHA residents at the site(s) where the work will take place or 30% or more of the business' regular, full-time employees reside at the sites(s) where the work will take place.
  - Second Priority: A subcontractor that is 51% or more owned by KCHA residents at other KCHA developments or 30% or more of business' regular, full time, employees reside at other KCHA developments.
  - Third Priority: A subcontractor that is a HUD Youthbuild company.

- Fourth Priority: a subcontractor that is 51% or more owned by a Section 3 person, or 30% or more of business's regular, full time employees are Section 3 persons, or plans to subcontract 25% or more of the estimated contract value to Category 1 or 2 businesses.
- Fifth Priority: a subcontractor that will subcontract 25% or more to Category 3 and 4 businesses.

**C. The Process** (The following is applicable for contracts valued over \$500,000)

1. Section 3 orientation with Owner. Once the Notice of Award has been issued to the successful bidder/contractor, Owner's staff will contact that bidder/contractor and arrange for a meeting to discuss local hiring and contracting goals and strategies in greater detail. At this meeting, the bidder/contractor will be provided a packet that will include a Section 3 overview, Section 3 certification form, and all Section 3 compliance and tracking forms that will be used throughout the contract.
2. Contractor reports on Section 3 utilization monthly.  
**FOR CONTRACTS EXCEEDING \$500K ONLY:**
3. Contractor submits Section 3 Work Plan, including hiring and subcontracting activities, prior to contract execution. Owner reviews and approves work plan prior to contract execution. Section 3 Work Plan shall be included in contract. Owner issues Notice to Proceed, providing all requirements are met. .
4. Section 3 Work Plan implemented throughout the duration of contract.

**D. Penalties for Non-compliance**

Owner's commitment to this program is reflected in part by the cost of administering the program. Failure to make a *good faith effort to the greatest extent feasible* above negates such funding and impairs the Owner's efforts to promote workforce diversity and to provide fair and equal opportunities to the public as a whole as a result of the expenditure of public funds. Therefore, if awarded this contract, the parties will mutually agree that failure to meet the requirements, including but not limited to the submission of required documentation, constitutes a material breach of contract. In the event of such breach, Owner may take any or all of the actions as contained in the contract documents.

## SECTION 3 INCOME GUIDELINES

Residents of the following metropolitan area and nonmetropolitan county may be qualified as a Section 3 resident.

<b>Location</b>	<b>Income limit</b>	<b>1 person</b>	<b>2 person</b>	<b>3 person</b>	<b>4 person</b>	<b>5 person</b>	<b>6 person</b>	<b>7 person</b>	<b>8 person</b>
Bremerton Silverdale (Kitsap County)	30% of median	19,800	22,600	25,450	28,250	31,040	35,580	40,120	44,660
	Very low income	32,950	37,650	42,350	47,050	50,850	54,600	58,350	62,150
	Low income	52,750	60,250	67,800	75,300	81,350	87,350	93,400	99,400
Seattle Bellevue Everett (King/Snohomish Counties)	30% of median	24,300	27,800	31,250	34,700	37,500	40,300	43,050	45,850
	Very low income	40,500	46,300	52,100	57,850	62,500	67,150	71,750	76,400
	Low income	63,350	72,400	81,450	90,500	97,750	105,000	112,250	119,500
Tacoma (Pierce County)	30% of median	19,100	21,800	24,550	27,250	31,040	35,580	40,120	44,660
	Very low income	31,800	36,350	40,900	45,400	49,050	52,700	56,300	59,950
	Low income	50,900	58,150	65,400	72,650	78,500	84,300	90,100	95,900





### Section 3 - Business Certification Form

Company Name: \_\_\_\_\_ Contact Name: \_\_\_\_\_

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

Current Number of Regular, Full-Time Employees (Puget Sound Region): \_\_\_\_\_

Type of Trade or Business: \_\_\_\_\_

Project: \_\_\_\_\_

1. Is **51% or more** of your business owned by KCHA residents at the site(s) where the work will take place **or** are 30% or more of the business' regular, full-time employees residents at the sites(s) where the work will take place?  
 Yes  No **If "yes" is checked, submit the Section 3 Individual Certification form(s) for all regular, full time employees (Puget Sound region).**
2. Is 51% or more of your business owned by KCHA residents at other KCHA developments **or** are **30% or more** of your business' **regular, full time**, employees KCHA residents at other KCHA developments?  
 Yes  No **If "yes" is checked, submit the Section 3 Individual Certification form(s) for all regular, full time employees (Puget Sound region).**
3. Does your company offer a HUD Youthbuild Program?  
 Yes  No **If "yes" is checked, please provide supporting documentation.**
4. Is 51% or more of your business owned by a Section 3 person (A person who earns 80% or less of the median income level for a household of her/his size over the past 12 months)? See attached income guidelines), **or** are 30% or more of your business's **regular, full time employees** Section 3 persons, **or** do you plan **on subcontracting 25%** or more of the estimated contract value to Section 3 Category 1 or Category 2 businesses?  
 Yes  No **If "yes" is checked, please submit either the Section 3 Individual Certification form(s) or the Section 3 Subcontractor Business work plan form.**
5. Do you plan to subcontract 25% or more to Section 3 Category 3 or Category 4 businesses?  
 Yes  No **If "yes" is checked, please submit either the Section 3 Individual Certification form(s) or the Section 3 Subcontractor Business work plan form.**

I certify, under penalty of perjury, that my company \_\_\_\_\_ (Is/is not) a Section 3 business.

I further certify that, **if my company is awarded the bid, and needs to hire additional employees for the project**, we will carry out Section 3 hiring, training and subcontracting requirements to the best of our ability.

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

Print Name: \_\_\_\_\_ Email: \_\_\_\_\_

Phone Number: \_\_\_\_\_ Title: \_\_\_\_\_



## SECTION 3 SUBCONTRACTOR WORK PLAN

*Return this form with the bid if claiming "yes" to question 4 or 5 on the Section 3 Business Certification form.*

Company name, address, phone, fax, email	Subcontracted tasks	Dollar value	Percentage of overall contract

**TOTAL CONTRACT VALUE:** \$ \_\_\_\_\_  
**TOTAL SUBCONTRACT VALUE:** \$ \_\_\_\_\_  
**% OF TOTAL BID:** \_\_\_\_\_ %

**Section 3 Evaluation Criteria**

**for points awarded, see below**

Your business may or may not qualify for *only one* of the categories below. The points assigned for each category will not be changed by the scoring committee. In order to receive Section 3 points, your business must complete the KCHA Section 3 certification process and receive certification from KCHA. **Certification is recommended prior to the submission of an application/bid.** Failing to do so may result in not receiving Section 3 points during the bid evaluation process. To get certified, please contact KCHA’s Section 3 Coordinator (see below).

<p style="text-align: center;"><b>Section 3 business—Category I</b></p> <p>1) 51% or more owned by KCHA residents <i>at the site where the work will take place</i>, or                  2) 30% or more of the business’s permanent, full time employees are KCHA residents <i>at the site where the work will take place</i>.</p>	15
<p style="text-align: center;"><b>Section 3 business—Category II</b></p> <p>1) 51% or more owned by KCHA residents <i>at other KCHA developments</i>, or                  2) 30% or more of the business’s permanent, full time employees are KCHA residents <i>at other KCHA developments</i>.</p>	12
<p><b>Section 3 business---Category III</b>                  HUD Youthbuild program</p>	9
<p style="text-align: center;"><b>Section 3 business—Category IV</b></p> <p>1) 51% or more owned by Section 3 persons, or                  2) 30% or more of the business’s permanent, full time employees are Section 3 persons, or                  3) 25% or more of the contract value will be subcontracted to Section 3 businesses to Category I or II businesses.</p>	6
<p style="text-align: center;"><b>Section 3 business—Category V</b></p> <p>1) subcontract in excess of 25% to Category III or Category IV (of items 1 and 2 in category IV) businesses.</p>	3

**Be sure to sign and return the Section 3 Business Certification Form in this proposal.**

**EXHIBIT C  
HUD FORM 5369-A  
CERTIFICATIONS AND REPRESENTATIONS OF OFFERORS-NON CONSTRUCTION**

Please click on the link to open the form

<https://www.hud.gov/sites/documents/5369-A.PDF>

**EXHIBIT D  
HUD FORM 50071  
CERTIFICATIONS OF PAYMENTS TO INFLUENCE FEDERAL TRANSACTIONS**

[50071.PDF \(hud.gov\)](#)

**EXHIBIT E  
HUD FORM SF-LLL  
DISCLOSURE OF LOBBYING ACTIVITIES**

[HUD Form SF-LLL - HUD Exchange](#)