



ST. LOUIS
HOUSING
AUTHORITY

Alana C. Green,
Executive Director

REQUEST FOR PROPOSALS

TO PROVIDE PROPERTY MANAGEMENT SERVICES
FOR THE ST. LOUIS HOUSING AUTHORITY

Solicitation No. HM 19-04

Cluster #2: Clinton Peabody,
Cochran Plaza and King Louis III

December 10, 2018

CONTACT PERSON:

Robert G. Batts
(314) 286-4373

**EQUAL
OPPORTUNITY
EMPLOYER**

Table of Contents

Title Page

Table of Contents.....	2
Request for Proposal (RFP).....	3
Instructions to Offerors.....	4
Statement of Work.....	11
Evaluation Factors for Award.....	15
Management Requirements.....	16
HUD-Maintenance Wage Rate Decision HUD Form 52158.....	41

List of Attachments (SUBMITTAL DOCUMENTS)

*1 Attachment “A”- Property Listing.....	1 Page
*2 Fee Proposal Form.....	1 page
*3 Solicitation Cover Sheet.....	A1-A3
*4 Statement of Offeror’s Qualification Form.....	3 pages
*5 Representations, Certifications and Other Statement of Offerors (Form HUD-5369-C).....	2 pages
*6 SLHA Representation and Certification Form.....	3 pages
*7 Debarment Certification Form (HUD-2992).....	2 pages
*8 Section 3 Plan.....	19 Pages
*9 Instructions for completion of the Minority Participation Forms.....	3 Pages
*10 Minority Participation Forms.....	3 Pages
*11 Non-Collusive Affidavit (Prime Contractor & Sub-Contractor(s)).....	2 Pages

***Must be Included with Proposal**

Request for Proposals

The St. Louis Housing Authority (SLHA) will receive Proposals for the following services: Property Management Services for the following developments: Clinton Peabody; Cochran Plaza and King Louis Square Phase III with a total of 460 units (Referred to as Cluster #2).

Proposals will be received until:

Closing Time: **3:00 p.m.** (local time)

Closing Date: **January 25, 2019**

Where: The St. Louis Housing Authority
Procurement Department, Second Floor
3520 Page Boulevard
St. Louis, MO 63106

Phone: (314) 286-4365 FAX (314) 286-4323 TDD (314) 286-4223

Proposals will be reviewed and evaluated on the criteria defined in Section C of the Request for Proposals (RFP) packet. A contract will be awarded to the most responsible offeror who has complied with the conditions of the specifications. A pre-proposal conference will be held on **Wednesday, January 9, 2019 at 9:30 a.m. in the First Floor Board Room**, located at 3520 Page Boulevard, St. Louis, Missouri 63106.

Proposals received after the stated time and date will not be considered.

An information packet will be provided upon request or may be obtained at the SLHA Procurement Department located at 3520 Page Boulevard, St. Louis, MO 63106. Questions regarding the specifications should be directed to Fran Bruce at (314) 286-4355, TDD (314) 286-4223 or E-mail fbruce@slha.org

SLHA reserves the right to reject any and all proposals, to advertise for new proposals or proceed to accomplish the award by any means determined to be in the best interest of the Authority.

The award will be funded by the U. S. Department of Housing and Urban Development (HUD) and administered by SLHA. HUD reserves the right to review and approve the contract documents and the firm selected by the SLHA.

The contract will be awarded on a fixed price basis for all requested services. Retail Sales Tax shall not be included in proposed costs.

Pursuant to established SLHA and HUD Affirmative Action and Equal Employment Opportunity goals, all Contractors are advised they must satisfy the goal to utilize qualified minority businesses to perform subcontract work or supply materials and/or equipment for the project and workforce content. The established goal for the business participation shall be no less than 25% MBE and 5% WBE of the total contract(s) price. The goals for workforce content are 35% minority and 5% women.

ST. LOUIS HOUSING AUTHORITY

BY: Krista S. Peyton, Contracting Officer

Section A
Instructions to Offerors

1. Preparation of Offers

- A) Offerors are expected to examine the statement of work, the proposed contract terms and conditions, and all instructions. Failure to do so will be at the Offeror's risk.
- B) Each offeror shall furnish the information required by the solicitation. The offeror shall sign the offer and print or type its name on the cover sheet and each continuation sheet on which it makes an entry. The person signing the offer must initial erasures or other changes. Offers signed by an agent shall be accompanied by evidence of that agent's authority, unless that evidence has been previously furnished to the SLHA.
- C) Offers for services other than those specified will not be considered.

2. Explanation to Prospective Offerors

Any prospective offeror desiring an explanation or interpretation of the solicitation, statement of work, etc. must request it in writing **by close of business Tuesday, January 15, 2019**. Oral explanations or instructions given before the award of the contract will not be binding. Any information given to a prospective offeror concerning a solicitation will be furnished promptly to all other prospective offerors as an amendment of the solicitation, if that information is necessary in submitting offers or if the lack of it would be prejudicial to any other prospective offerors.

3. Amendments to Solicitations

- A) If the solicitation is amended, then all terms and conditions, which are not modified, remain unchanged.
- B) Offerors shall acknowledge receipt of any amendments to this solicitation by:
 - (1) **Identifying the amendment number and date in the space provided for this purpose on Section "A" Cover Sheet, Section 10.**

The SLHA must receive the acknowledgement by the time specified for receipt of offers.

4. Proposal Requirements

All proposals must be submitted in the form prescribed by the SLHA in this Request for Proposal (RFP). One (1) original and seven (7) copies must be submitted. Proposal forms must be signed by an individual authorized to execute contracts for the Company in order to be accepted. Failure to include any of the following information could result in rejection of the proposal:

- A) A description of the firm's experience in providing property management of low-income subsidized multi-family with particular experience managing public housing and low income housing tax credit units. The statement of experience should provide detail regarding the number of units, type of units, type of subsidy, and location of units. To demonstrate, please provide the following:

- A listing of all private multi-family housing currently managed by Respondent in the format detailed in Attachment A.
- Provide an excerpt from one of the company's Management Plans having to do with maintenance or management as evidence of the Respondent's knowledge of property management.

The statement should also include the experience of any sub-consultants the firm proposes to use in the performance of the contract activities.

- B) A description of the company's past performance managing assisted multi-family housing. If the company has managed public housing properties provide PHAS scores for sample property for indicators that relate to physical inspections, resident satisfaction, unit turnaround, rent collection, occupancy, work orders. If the company's experience is primarily with non-public housing property provide a standard report that provides key operation indicators for a sample property. In addition, provide four references. At least two of these references shall be for owners for whom the Respondent currently manages property. These references shall, at a minimum, contain name, address, and point of contact and telephone number.
- C) A list of the firm's key personnel, that will be on staff in St. Louis, MO, that will perform the work under the contract. Also include biographical sketches outlining the relevant experience and background of such key personnel and each key staff person's participation and time commitment to the contract, and an organizational chart of the proposed staffing structure. If the firm plans to use sub-consultants to perform the work, similar information must be provided for each sub-consultant.
- D) Provide a description of the company's reporting and accounting systems. Describe how the company proposes to track and report key operational parameters and the property's income and expenses. The company is required to include sample financial and operational reports.
- E) A complete Fee Proposal form. The fee proposal should include all direct and indirect cost including overhead, profit and any proposed reimbursable costs.
- F) A completed Solicitation Cover Sheet. (Please note that all addenda must be acknowledged on the cover sheet.)
- G) A completed Statement of Offeror's Qualification Form, including the names, addresses and phone numbers of at least three references that are familiar with work previously performed.
- H) A completed Representation Certifications and Other Statements of Offerors Form (HUD-5369-C)
- I) A completed SLHA Representation and Certification Form.
- J) Debarment Certification for Prime and all levels of Sub-consultants (HUD 2992).
- K) A Section 3 Plan which included the required narrative and appendices.
- L) Minority Participation Forms including both MBE/WBE participation and workforce content. Please note a copy of current MBE/WBE certification, or other documentation must be included to substantiate MBE/WBE status, for Prime and all levels of Sub-consultants, if applicable.

5. Time for Receiving Proposals

Proposals received prior to the closing date and time will be securely kept, unopened. The contract officer, whose duty it is to open them, will decide when the specified time has arrived. No proposal received after the specific time will be considered.

6. Proposal Withdrawal

No proposal shall be withdrawn for a period of Ninety (90) days subsequent to the opening of the proposals without written consent of the SLHA.

7. Proposal Submission

A) Eight (8) bound and secured copies of proposals, one of which shall be clearly identified as containing documents with original signatures, must be submitted to the SLHA **by Friday, January 25, 2019 no later than 3:00 p.m. (local time)** without exception, at the following address to be eligible for consideration:

St. Louis Housing Authority
Procurement Section
Second Floor
3520 Page Boulevard
St. Louis, MO 63106

B) To assure that your proposal arrives at the proper place, on time, and to prevent opening by unauthorized individuals, your proposal must be identified on the envelope or package as follows:

REQUEST FOR PROPOSALS

TO PROVIDE: Property Management Services for Various Sites

SOLICITATION NO. **HM 19-04**
Cluster #2: Clinton Peabody, Cochran Plaza and King Louis III

DUE DATE & TIME: **January 25, 2019** **BY: 3:00 p.m. (LOCAL TIME)**

Proposals shall be submitted in sealed envelopes or packages using forms furnished by the SLHA. All required forms shall be submitted in the envelope or packages(s), which will be clearly marked "Proposal Documents" and will show the project name and number, name of offeror and the date and time when proposals are due. Once received by the SLHA, proposals will not be returned.

C) Facsimile offers, modifications or withdrawals will not be considered unless authorized by the solicitation.

8. Late Submissions, Modifications, and Withdrawal of Offers

A) Any offer received at the place designated in the solicitation after the exact time specified for receipt will

not be considered unless it is received before award is made and it –

- (1) Was sent by registered or certified mail not later than the fifth calendar day before the date Specified for receipt of offers (e.g., an offer by the 20th of the month must have been mailed by the 15th);
 - (2) Was sent by mail, or if authorized by the solicitation, was sent by telegram or via facsimile, and it was determined by the SLHA that the late receipt was due solely to mishandling by the SLHA after receipt at the SLHA;
 - (3) Was sent by U.S. Postal Service Express Mail Next Day Service – Post Office to Addressee, not later than 5:00 p.m. at the place of mailing two working days prior to the date specified for receipt of proposals. The term “working days” excludes weekends and U. S. Federal holidays; or;
 - (4) Is the only offer received.
- B) Any modification of an offer, except a modification resulting from the SLHA’s request for “best and final” offer (if this solicitation is a request for proposals), is subject to the same conditions as in subparagraphs (A) (1), (2) and (3) of this provision.
- C) A modification resulting from the SLHA’s request for “best and final” offer received after the time and date specified in the request will not be considered unless received before award and the late receipt is due solely to mishandling by the SLHA after receipt at the SLHA.
- D) The only acceptable evidence to establish the date of mailing of a late offer, modification, or withdrawal sent either by registered or certified mail is the U.S. or Canadian Post Service postmark both on the envelope or wrapper and on the original receipt from the U. S. or Canadian Postal Service. Both postmarks must show a legible date or the offer, modification, or withdrawal shall be processed as if mailed late. “Postmark” means a printed, stamped, or otherwise placed impression (exclusive of a postage meter machine impression) that is readily identifiable without further action as having been supplied and affixed by employees of the U. S. or Canadian Postal Service on the date of mailing. Therefore, offerors should request the postal clerk to place a hand cancellation bull’s eye postmark on both the receipt and the envelope wrapper.
- E) The only acceptable evidence to establish the time of receipt at the SLHA is the time/date stamp of SLHA on the offer wrapper or other documentary evidence of receipt maintained by the SLHA.
- F) The only acceptable evidence to establish the date of mailing of a late offer, modification, or withdrawal sent by Express Mail Next Day Service-Post Office to Addressee is the date entered by the post office receiving clerk on the “Express Mail Next Day Service-Post Office to Addressee” label and the postmark on both the envelope and wrapper and on the original receipt from the U. S. Postal Service. “Postmark” has the same meaning as defined in paragraph (C) of this provision, excluding postmarks of the Canadian Postal Service. Therefore, offerors should request the postal clerk to place a legible hand cancellation bull’s eye postmark on both the receipt and the envelope or wrapper.
- G) Notwithstanding paragraph (a) of this provision, a late modification of an otherwise successful offer that makes its terms more favorable to the SLHA will be considered at any time it is received and may be accepted.

9. Evaluation of Proposals

Within forty-five (45) days after receipt of proposals, SLHA will complete a review of all qualifications.

- A) The Procurement Section will conduct an initial review process. This review of all proposals submitted to either establish responsiveness or non-responsiveness according to the submission of required documents on the part of the offeror.
- B) Upon establishment of responsiveness, the technical and price evaluation phase would begin. An internal Evaluation Team will be assigned to this project. Their responsibility is to: (1) thoroughly review each Respondent's proposal, (2) rate each Offeror's proposal by awarding a point value to each of the Evaluation and Selection Criteria (Section C).

Each respondent will ultimately end up with a score based upon the points assigned to the Evaluation Factors by each team member. All individual Factors will be added to obtain an accumulated total score. At this point the SLHA may decide, at its sole discretion, to enter into negotiations with the highest rated Offeror.

Should the SLHA deem it advisable to obtain additional clarification, Respondents yielding clearly competitively high scores during the first phase evaluation **may** then be invited to a technical question and answer conference to be held at a specific time and date scheduled by the Procurement Section. **Not all Respondents may be asked to make such oral presentations.**

- D) During this oral evaluation phase the SLHA may, at its discretion, request any one or all Offerors to make oral presentations. If invited to participate, at this point, based on their oral presentations, Offerors will again be evaluated on the technical evaluation factors
- E) Each Respondent is cautioned that it is their responsibility to address information related to the Evaluation Factors outlined below, during the question and answer conference. The SLHA is under no obligation to solicit such information if it is not included within the Respondent's presentation.
- F) In consideration of the evaluation team's final scores, the SLHA intends to enter into price negotiations with, and award a contract to, the highest ranked Respondent(s) based on the points received for the **oral evaluation** phase.

10. Responsibility of Prospective Contractor

- A) The SLHA shall award a contract only to a responsible prospective contractor who is able to perform successfully under the terms and conditions of the proposed contract. To be determined responsible, a prospective contractor must –
 - (1) Have adequate financial resources to perform the contract, or the ability to obtain them;
 - (2) Have a satisfactory performance record;
 - (3) Have a satisfactory record of integrity and business ethics;
 - (4) Have a satisfactory record of compliance with public policy (e.g. Equal Employment Opportunity);and

(5) Not have been suspended, debarred, or otherwise determined to be ineligible for award of Contracts by the Department of the U. S. Government. Current lists of ineligible contractors are available for inspection at the SLHA/HUD.

B) Before an offer is considered for award, the offeror may be requested by the SLHA to submit a statement or other documentation regarding any of the foregoing requirements. Failure by the offeror to provide such additional information may render the offeror ineligible for award.

11. Negotiations with Selected Offeror

Once the evaluation process is complete, the SLHA will negotiate with the highest ranked offeror. The negotiations will include clarifying the specific scope of work and performance period. If the SLHA and the highest ranked offeror fail to reach an agreement, the SLHA may negotiate with the next highest ranked offeror to reach an agreement, unless SLHA determines that it is in its best interest to re-solicit for these services.

12. Contract Award

The contract(s) will be awarded to the most responsive and responsible firm, which is most advantageous to the SLHA, provided the proposal complies with all conditions of the Request for Proposal (RFP). The SLHA reserves the right to reject any and all proposals and to waive any informality in the solicitation. The SLHA is prohibited from making an award to firms (including subcontractors) or any individuals that are on the list of firms ineligible to receive awards from the United States Governments, as furnished by HUD.

13. Service of Protest

Any protest against the award of a contract pursuant to this solicitation shall be served on the SLHA by obtaining written and dated acknowledgement of receipt from the SLHA at the address shown on the cover of this solicitation. The determination of the SLHA with regard to such protest or to proceed to award notwithstanding such protest shall be final unless the protestor makes an appeal.

14. Notice of Award

All offerors will be notified by mail of the SLHA's selection as soon as possible. A successful offeror will be issued a Notice of Award. Within ten (10) business days, the offeror shall provide the following documentation

- 1) Proof of the appropriate insurance coverage.
- 2) City of St. Louis Business License and Certificate of Corporate Good standing for Prime and all levels of Subcontractors;
- 3) Federal I. D. Number if not indicated or unreadable on the Business License
- 4) Evidence of the appropriate professional licenses as required, within Sixty (60) days.

If the selected offeror fails to provide the required information, the Notice of Award is null and void. The SLHA may choose to award a contract to the next highest ranked offeror or the SLHA may choose to re-solicit for the service.

The resulting contract will be a fixed fee type contract. The contract terms, except those subject to negotiation, will be in accordance with those provided in Section D of this solicitation. Changes in the basic terms of the contract are not acceptable.

15. Commencement of Work

The selected firm will be expected to begin work within ten (10) days of receipt of the Notice to Proceed.

16. Cost of Producing Proposal

All costs of producing proposal are the responsibility of the offeror. The SLHA will not reimburse any cost incurred to produce and to respond to this solicitation, to participate in oral presentation or to participate in negotiation with SLHA for any offeror.

**Section B
Statement of Work**

SCOPE OF WORK

General Information

The St. Louis Housing Authority (SLHA) is seeking qualified and experienced property management firms and/or organizations, hereinafter referred to as the “Respondent”, to provide property management services for the following developments with a total of 460 units. Proposal must be for all developments.

<u>Name of Development</u>	<u>Address</u>	<u>Number of Units</u>
Clinton-Peabody	1401 LaSalle Lane, 63104	358
Cochran Plaza	1-33 New Haven, 63106	78
King Louis Square Phase III	1101-1127 S. 13 th Street 1104-1108 S. 14 th Street 1112-1118 S. 14 th Street 1320-1326 LaSalle Street	24

SCOPE OF SERVICES

The Term of this Agreement shall be in effect for a period on one year for property management services, with, at the sole discretion of the SLHA, four (4) one year renewals for a maximum contract period of five (5) years. These management services will include, but not be limited to, the following:

- Tenant Screening.
- Apartment leasing.
- Lease execution.
- Rent collections.
- Lease enforcement.
- Full interior and exterior maintenance responsibilities.
- Full responsibility for hiring, firing and training of staff.
- Annual income reviews and housekeeping inspections per HUD requirements.
- Unit turnover.
- Purchasing of all required supplies and services.
- Full financial management responsibilities.
- Ensuring that the entire complex is safe and secure for all residents.
- Security.

OVERVIEW

The SLHA intends to award a contract for the management of the above stated properties. The selected Respondent(s) shall be expected to assume management responsibilities on or before April 1, 2019.

Although all HUD and state regulations must be obeyed, the SLHA is prepared to allow Respondents the maximum flexibility possible in providing management services. There are some matters for the Respondents to consider, however, when submitting their proposals. These special considerations include:

1. Unlike private market housing or some other federally-subsidized programs, the “allocated budget” available for each public housing development is largely fixed. Funds cannot be increased as a result of rent or subsidy increases. Therefore, Respondents must be fully confident that they can provide the services they claim they can provide, given the “allocated budget” assigned to the development.
2. Respondents will be expected to uphold the same fiduciary and professional responsibilities and courtesies that they would have for a private owner.
3. Public housing regulations require some unique reporting requirements that may differ from other subsidized housing programs. Respondents may be required to submit management or financial reports in formats somewhat different than they may otherwise utilize. For example, Respondents will be expected to use the HUD chart of accounts for financial reporting. Respondent will be provided access and training to SLHA’s data base allowing the Respondent’s data base to interface with the SLHA’s data base to facilitate required reporting. Due to the great importance of the Management Information System in the SLHA’s operations, all required reports must be transmitted electronically in the appropriate formats.
4. Public housing regulations governing lease and grievance procedures require some procedures that are unique to public housing. These include, but are not limited to, the right of all public housing residents to a grievance hearing for actions that adversely affect them. Public housing lease and grievance rules are governed by 24 CFR Part 966.
5. The selected Respondents will be required to abide by all applicable federal procurement procedures, including 2 CFR 200.317 and the HUD Procurement handbook 7460.8 Rev-2 as well as the provisions of the St. Louis Housing Authority’s Procurement Policy. The SLHA’s guidelines for purchases under \$100,000 are considered as Small Purchases. All purchases over \$100,000 are required to be procured as a formal solicitation. The SLHA requires that it must approve all purchases above \$2,500, any award made to other than the lowest bidder and all single source purchases.
6. Public housing regulations require public housing authorities (PHA's) to pay HUD determined wages for maintenance mechanics and laborers. A schedule of these wage rates is included with this solicitation. The Respondents will be bound by these same regulations (HUD Form 52158 See Page 41). Wage rates change from time to time; therefore a current schedule of wage rates (HUD Form 52158) might not be accurate for future years. It is the Management Agent’s responsibility to obtain and pay the current wage rates determined by HUD.
7. Respondents will be provided with operating funds to manage the property Respondents should be aware that, as a public housing agency, the SLHA does not pay real estate taxes. The SLHA also has no debt service payments. The SLHA believes that the revenue available to manage these properties is

sufficient for effective, professional management, including the management fee.

Prospective Respondents are hereby notified that all information submitted as part of, or in support of, qualification statements will be available for public inspection in compliance with State and Federal laws.

The term of the management agreement to be awarded shall be for one year, with four (4) one year renewal options. Fees will be adjusted annually according to the same inflation factor used by HUD to adjust the Authority's maximum operating budget.

In submitting their proposals, Respondents are representing that the personnel described in their proposals and submission packages shall be available to perform the services described, barring illness, accident, or other unforeseen events of a similar nature, in which case the Respondent must be able to provide a qualified replacement. Furthermore, all personnel shall be considered to be, at all times, the sole employees of the Respondent under its sole direction, and not employees or agents of the SLHA unless otherwise agreed to in the form of a written agreement with the SLHA.

VEHICLE USAGE

The Management Agent will supply its own fleet vehicles.

PRICE/FEE

The Respondent shall submit a price proposal, in terms of management fee, for each unit leased on the 1st of the month. The price quote submitted on the form titled "Fee Proposal Form".

Offeror must be prepared to provide a detailed breakdown of all elements used in determining their total costs in a format, which is considered to be in accordance with accepted accounting principles and standards. At a minimum this must include direct costs, indirect costs, overhead and profit.

REQUIREMENTS

Respondents shall provide a listing of all multi-family housing currently managed in the format detailed in Attachment A.

Respondents shall provide an excerpt from one of the company's Management Plans having to do with maintenance or management as evidence of the Respondent's knowledge of property management.

Provide four references. At least two of these references shall be for owners for whom the Respondent currently manages property and at least one reference shall be a financial institution for whom the Respondent conducts regular business. These references shall, at a minimum, contain name, address, point of contact and telephone number.

The Respondent and staff must possess all required occupational license(s). In addition, the Respondent shall comply with all laws, ordinances, and regulations applicable to the services contemplated herein, especially those applicable to conflict of interest. Respondents are presumed to be familiar with all Federal, State, and local laws, ordinances, codes, rules, and regulations that may in any way affect the services.

Respondents will be responsible for the full range of services customary of a property management company. In the performance of these duties, the Respondent must comply with all applicable Federal, State, and local laws.

A draft management agreement is included in this solicitation package.

Respondents must meet the following minimum qualifications for their responses to be considered:
Missouri real estate license. (Shall acquire within Sixty (60) days after Award of Agreement)
Submission of all required documents.

Section C

Evaluation and Selection Criteria

The St. Louis Housing Authority will evaluate each proposal using the following criteria with total 100 points:

1. Demonstrated successful experience in managing multi-family housing **(0-30 Points)**

To demonstrate, please provide the following:
 - A listing of all multi-family housing currently managed by Respondent in the format detailed in Attachment A.
 - Provide an excerpt from one of the company’s Management Plans having to do with maintenance or management as evidence of the Respondent’s knowledge of property management.
 - Provide four references. At least two of these references shall be for owners for whom the Respondent currently manages property and at least one reference shall be a financial institution for whom the Respondent conducts regular business. These references shall, at a minimum, contain name, address, point of contact and telephone number.

2. Experience in managing public or assisted housing properties **(0-15 Points)**

Provide a listing of all public or assisted multi-family housing currently managed by Respondent in the format detailed in Attachment A.

3. Quality and strength of management reporting and systems **(0-10 Points)**

Provide an actual or prototypical budget and income and expense report for a property managed by the Respondent as evidence of the Respondent’s financial reporting systems and expertise in operating matters.

4. Capability and experience of key personnel **(0-15 Points)**

Include resumes and position descriptions of senior management and staff members who would be assigned to oversee the project (e.g., the regional property manager). Provide an organizational chart of your staffing structure, including regional office locations.

5. Fee (Fee Proposal form). **(0-10 Points)**

Submit a price proposal, in terms of management fee, for each occupied unit on the 1st of the month. The price quote for each cluster shall be individually identified and submitted on the form titled “Fee Proposal Form” (2 copies) included in this package.

6. MBE/WBE participation including sub-consultants, if any. **(0-10 Points)**

7. Section 3 compliance including sub-consultants, if any. **(0-10 Points)**

Section D
Management Requirements

MANAGEMENT AGREEMENT

This Agreement is made this 1st day of **April 2019** between **St. Louis Housing Authority**, hereinafter called "**Owner**", "a public agency with principal offices located at 3520 Page Boulevard, St. Louis, MO 63106 and _____, hereinafter called "**Management Agent**," a property management company with principle offices located at _____.

1. The Owner appoints the Management Agent as exclusive managing and leasing agent for the premises described in Number 2 below, and the Management Agent accepts the appointment subject to the terms and conditions set forth in this agreement.

The Management Agent shall abide by all Federal requirements regarding Fair Housing and Civil Rights laws associated with the operation of managing Federally assisted housing, which includes but is not limited to, Civil Rights Act, Fair Housing Act, the Rehabilitation Act of 1973 as amended, all Executive Orders concerning non-discrimination and applicable Federal regulations.

The Management Agent shall operate in accordance with the formally adopted Board Policy which may be amended from time to time, that governs the admission of families and the continued occupancy of families receiving assistance referred to as Admission and Continued Occupancy Policy (ACOP). This includes, but is not limited to, the definition of family, screening criteria, determinations concerning income inclusions and exclusions, "One Strike and You're Out", resident selection, citizen requirements, documentation maintenance, preferences, application processing, unit offers, requirements for accessible units to handicapped families, occupancy standards, lease execution, annual and interim re-examination procedures, resident orientations, rent collections and maintenance charges/surcharges, transfers, and evictions. The Management Agent shall be required to maintain resident file documentation that complies with Housing Authority requirements and Department of HUD requirements.

The Management Agent shall maintain a Missouri real estate broker's license during the term of this Agreement.

2. Properties:

Clinton-Peabody
1401 LaSalle Lane
St. Louis, MO 63104

Cochran Plaza
1 – 33 New Haven
St. Louis, MO 63106

King Louis Square Phase III
1101 – 1127 S. 13th Street
1104 – 1108 S. 14th Street
1112 – 1118 S. 14th Street
1320 – 1326 LaSalle Street
St, Louis, MO 63104

Number of Dwelling Units: 460

3. Management Plan:

The Management Agent agrees to provide to the Owner within 60 days of execution of this agreement a Management Plan for the Project that provides a comprehensive and detailed description of the policies, procedures, goals, and objectives to be followed in the management of the Project. The content and form of that plan will be prescribed by the Owner. The Management Plan must be approved by the Owner before its implementation. In many of its provisions, this Agreement briefly defines the nature of the Management Agent's obligations, with the intention that reference be made to the Management Plan for more detailed policies and procedures. Accordingly, the Owner and the Management Agent will comply with all applicable provisions of the Management Plan, regardless of whether specific reference is made thereto in any particular provision of this Agreement.

The Management Agent will continually review the Management Plan for the purpose of keeping the Owner advised of necessary or desirable changes. At least sixty (60) days before the end of the current contract year, the Management Agent shall submit a Management Plan for the succeeding year.

4. On-Site Management Office:

The Management Agent shall pay from the operating budget all expenses related to office space, including, but not limited to, necessary construction and/or renovations, furnishings, office equipment, postage, office supplies, file storage with security, electricity, computers, telephone, answering service, security monitoring services, if any, facsimile machine, telephone devise for the deaf (TDD) and ensure that the office is readily accessible for disabled and handicapped persons as required by Law.

5. Property Information

Not more than 30 days after the commencement of this Agreement, the Owner will furnish the Management Agent, to the extent possible, with a *complete set of building plans and specifications*, as well as existing maintenance contracts. Also, the Owner will provide copies of all manufacturer's preventative maintenance schedules, guarantees and warranties pertinent to the fixtures, mechanical equipment, and appliances used in the operation of the subject property.

With the aid of this information and inspection by competent personnel, the Management Agent will become thoroughly familiar with the character, location, construction, layout, plan, and operation of the Project, and especially of the electrical, heating, plumbing, air-conditioning, and ventilation systems, the elevators, and all other mechanical equipment.

6. Rentals

The Management Agent will carry out all leasing and placement activities necessary to offer housing opportunities to all applicants in accordance with HUD guidelines. The Management Agent will be responsible for all home visits, for executing the lease, and for preparing and verifying eligibility certifications and re-certifications following initial move-in. Notwithstanding the foregoing, Management Agent shall accept for initial occupancy in the Property, all persons sent to the Management Agent by the Owner. In carrying out these duties, the Management Agent shall follow the Owner's Admission and Continued Occupancy Policies and shall confidentially maintain resident file information concerning verifications, certifications, notifications and other information as required by the Department of Housing

and Urban Development or SLHA policies.

The Management Agent agrees to enforce the provisions of the lease pursuant to Housing Authority policy and applicable Missouri laws relating to the Tenant/Landlord Act including, but not limited to, Sections 441, 534, and 535, RSMo, as amended.

The Management Agent agrees to comply with and enforce policies concerning pet ownership pursuant to 24 CFR Part 5 and duly adopted Housing Authority policy which includes any future revision as a result of legislative and/or Housing Authority changes.

The Management Agent shall maintain an occupancy level at or above 97% Actual and 98% Adjusted at all times.

The Management Agent shall utilize the Owner's central database to track vacancies and the duration of vacancies which shall include down time, make ready time, and lease up time pursuant to 24 CFR 901. The Management Agent further agrees to maintain all vacancy tracking systems and supporting documentation for review by Owner and/or the Department of Housing and Urban Development and shall provide certification to the information at the end of the Owner's fiscal year.

7. Security Deposits:

The Management Agent will collect, deposit, and disburse security deposits in accordance with the terms of each resident's lease and State Law requirements. The amount of each security deposit will be as specified in the Lease, which was previously approved by the Owner. The collection and disbursement of security deposits will also be governed by applicable state and local laws. All resident security deposits will be placed in a bank account separate from all other accounts and funds of the Management Agent and/or the Owner. Said account will be established at a bank or other financial institution whose deposits are insured by an agency of the United States Government. This account will be carried in the Management Agent's name and designated on record as (Property Name) "Security Deposit Account." The balance of the account must at all times be equal to the total amount collected from the families then in occupancy.

8. Collection of Rents and Other Receipts:

The Management Agent will collect no less than 98% of all rents due, charges, and other amounts receivable on the Owner's account including charges resulting from completed work orders for resident caused damages (parts and labor) in connection with the Management Agent's Management Plan. Such receipts (except for residents' security deposits, which will be handled as specified in Subsection 7 above) will be deposited in an account, separate from all other accounts and funds, with a bank or other financial institution whose deposits are insured by an Agency of the United States Government. This account will be carried in the Management Agent's name and designated on record as (Property Name) "General Operating Account."

The Management Agent agrees to maintain a written Rent Collection and Other Charges tracking system and supporting documentation for review by Owner and/or the Department of Housing and Urban Development and shall provide certification to the information at the end of the Owner's fiscal year.

9. Enforcement of Leases:

The Management Agent will use its best efforts to ensure full compliance by each resident with the terms of the lease. Voluntary compliance will be emphasized to the extent possible provided it does not create a threat to the health, safety or peaceful enjoyment of the premises by other residents. The Management Agent will counsel residents and make referrals to community agencies in cases of financial hardship or under other circumstances deemed appropriate by the Management Agent. Involuntary termination of tenancies should be avoided to the maximum extent consistent with the pertinent procedures prescribed in the Management Plan. The Management Agent may lawfully terminate any tenancy when, in the Management Agent's judgment, sufficient cause (including, but not limited to, nonpayment of rent) for such termination occurs under the terms of the resident's lease. For this purpose, the Management Agent is authorized to consult with Management Agent's legal counsel to bring actions for eviction and to execute notices to vacate and judicial pleadings incident to such actions; provided, however, the Management Agent keeps the Owner informed of such actions and follows such instructions as the Owner may prescribe for the conduct of any such action. Legal expenses which may be paid out of the General Operating Account are limited to landlord/tenant actions brought pursuant to Chapters 534, 535 or 441 RSMo, as amended, and initiated by Management Agent.

The Management Agent shall comply with the provisions concerning formally adopted policies for Grievance procedures and hearings (formal and informal) and required procedures in compliance with 24 CFR 966, Subpart B.

The Management Agent agrees to publicly post, in a conspicuous location in the development office, schedules of services, repairs and utilities and rules and regulations that are incorporated in the lease by reference and shall furnish copies to the residents upon request. The Management Agent further agrees to post in the development office for 30 day resident comment period, any proposed Owner modifications to policies and procedures stated in the lease, to collect said comments for review by the Owner. The Management Agent shall comply with the provisions of 24 CFR 966.5.

10. Security

The Management Agent shall assume all personal and physical liability in connection with the security functions on the Development. The security personnel shall be subject to and cooperate in, interviews and investigations concerning all criminal activities associated with the Development by the Owner's staff and/or local police department.

The Management Agent shall ensure compliance with all local codes and ordinances, permits and licenses that are required and shall maintain supporting documentation to demonstrate compliance.

The Management Agent must comply with HUD PHAS Indicator #3, Management. The Management Agent is responsible to the Owner's Department of Asset Management. The Management Agent must use the cooperative system for reporting incidents of crime to the Owner's Asset Management Department and local police authorities.

In particular, the Management Agent will be responsible for maintaining records in accordance with Sub Indicator #5, Security Component #1, Tracking and Reporting Crime and Related Activities, Component #2,

11. Maintenance and Repair:

- 1) The Management Agent will maintain the Property in good repair in accordance with the Management Plan and local codes and in a condition at all times acceptable to the Owner. This will include, but not be limited to, cleaning, painting, decorating, plumbing, carpentry, grounds care, and such other maintenance and repair work as may be necessary, subject to any limitations imposed by the Owner in addition to those contained herein. The Owner will take note of the existing condition of the units and property and, subject to availability of funds, establish goals for maintaining all units to appropriate quality standards. Expenses associated with maintenance and repair will be paid out of the general operating account and will be treated as project expense.

Incident thereto, the following provisions will apply:

- a. The Management Agent will complete preventative maintenance activities in the most cost-effective and efficient manner possible.
 - b. The Management Agent will contract with qualified independent contractors for the maintenance and repair of systems and for extraordinary repairs that are beyond the capability of regular maintenance employees.
 - c. The Management Agent will systematically receive and investigate all service requests from residents, take such action thereon as may be justified, and will keep records of the same. Emergency requests will be received and serviced on a 24-hour basis. Serious complaints will be reported to the Owner after investigation.
 - d. The Management Agent is authorized to purchase all materials, equipment, tools, appliances, supplies, and services necessary for proper maintenance and repair. All purchases by the Management Agent shall be in accordance with the procurement thresholds established under this contract. Competitive solicitations shall be initiated (bidding or proposals as appropriate) by the Management Agent in all instances except when acquiring services, materials, etc., to respond to emergencies. The Agent shall include, as part of its Management Plan, a recordkeeping mechanism for the inventory of tools, appliances (specifically stoves and refrigerators) purchased by the Management Agent, in a manner satisfactory to the Owner. The Management Agent will furnish reports to the Owner on a monthly basis as outlined in Section 16.d. below.
 - e. Notwithstanding any of the foregoing provisions, the prior approval of the Owner will be required for any expenditure which exceeds \$2,500 in any one instance for labor, materials, or otherwise in connection with the maintenance and repair of the Property. This limitation is not applicable for recurring expenses within the limits of the operating budget or emergency repairs involving manifest danger to persons or property, or that are required to avoid suspension of any necessary service to the Property. In the latter event, the Management Agent will inform the Owner of the facts as promptly as possible.
- 2) **Work Orders:**

The Management Agent shall establish and maintain an adequate system that tracks emergency and non-emergency work orders in terms of how it accounts for and controls work orders and the timeliness in preparing and issuing work orders to correct identified deficiencies. The Management Agent will systematically receive and investigate all service or work order requests from residents and Owner staff and correct all deficiencies within the following time frames:

Emergency: All deficiencies that are an emergency in nature as defined by Federal requirements and Owner policy shall be corrected or abated within 24 hours.

Non-emergency: All deficiencies that are non-emergencies shall be corrected within 15 days or less. The Management Agent agrees to maintain a written Work Order tracking system and supporting documentation for review by Owner and/or the Department of Housing and Urban Development and shall provide certification to the information at the end of the Owner's fiscal year.

3) **Unit Inspections:**

The Management Agent agrees to conduct unit inspections utilizing criteria applicable to local codes of the City of St. Louis, MO and Public Housing Assessment System Uniform Physical Inspections Systems (UPIS) at 24 CFR 901 and 902 or any successor standards as may be required by the Department of HUD. The inspection criteria shall be utilized when conducting all forms of unit inspections which include, but is not limited to, move-in, move-out, housekeeping, complaint, preventative maintenance, annual, semi-annual or any other type of inspection. All identified emergency deficiencies as a result of the inspections shall either be corrected or abated during the inspection process or deferred to a work order for correction or abatement within 24 hours. All identified non-emergency deficiencies as a result of the inspection shall either be repaired during the inspection process or deferred to a work order for repair within 20 calendar days of the inspection date.

4) **Systems Inspections:**

The Management Agent agrees to conduct major systems inspections that utilize manufacturer's specifications, local codes or ordinances and Housing Authority standards for all systems located on the property. Identified major systems shall include, but is not limited to, the systems identified in 24 CFR 901. All identified emergency deficiencies as a result of the inspections shall either be corrected or abated during the inspection process or deferred to a work order for correction or abatement within 24 hours. All identified non-emergency deficiencies as a result of the inspection shall either be repaired during the inspection process or deferred to a work order for repair within 15 calendar days of the inspection date.

Management Agent shall be required to report these work orders to Owner prior to them becoming outstanding (15 days). Consistent failure to complete work orders within the 20 day limit will place the Management Agent's contract in jeopardy which result in termination of the Management Agreement.

5) Management Agent agrees to utilize the Owner's database and to maintain an adequate written tracking systems for unit and systems inspections and supporting documentation for review by Owner and/or the Department of Housing and Urban Development and shall provide certification to

the information and the end of the Owner's fiscal year.

12. Utilities and Services:

In accordance with the Management Plan, the Management Agent will make arrangements for trash disposal, vermin extermination, decorating, laundry facilities, and telephone service. Subject to the Owner's prior approval, the Management Agent will make contracts as may be necessary to secure utilities and services, acting as Management Agent for the Owner.

13. Employees:

The Management Plan prescribes the number, qualifications, and duties of the personnel to be regularly employed in the direct management of the Property. All such personnel will be employees of the Management Agent and will be hired, paid, supervised, and discharged by the Management Agent. Management Agent shall require all personnel employed at the Property to sign a Computer User Agreement, a copy of which is attached hereto as Exhibit A. Within thirty (30) days of the commencement of this Agreement and annually thereafter, Management Agent shall provide to Owner a criminal background release form signed by each employee working at the Property, a copy of which is attached hereto as Exhibit B. Additionally, all employees of the Management Agent must meet all qualifications, licensing, and code requirements applicable to completing assigned task, except where provisional or probationary status is permitted by regulation. It is understood that all direct costs associated with employees working "on-site" will be borne by the operating budget pursuant to #24, to include their direct salary, Social Security taxes, employment taxes, medical insurance, Pension Plan and Worker's Compensation. Such reimbursement will be paid out of the General Operating Account and will be treated as a project expense. Maintenance staff must be paid in accordance with HUD-determined technical wage rates. Management Agent employees who work off-site or in the Management Agent's office will be paid directly by the Management Agent out of the management fee paid for the Property, unless otherwise agreed to by Owner. The Management Agent shall provide certification as required by Federal regulations and Owner's policy concerning drug-free workplace.

Nothing contained in this Agreement will be deemed to create, or be construed as creating, any third party beneficiary right of action in any employee of Management Agent.

14. Disbursements from General Operating Account:

Management Agent shall establish a general account (the "**Operating Account**") in a local (St. Louis, Missouri) banking institution designated from time to time by Owner in Management Agent's name as agent for Owner and to which Management Agent shall deposit all Rents and other funds collected from the operations of the Project. Management Agent shall promptly deposit all revenues associated with the Project when the same are collected in the Operating Account. The funds of the Operating Account may be used to pay the normal and reasonable expenses incidental to the operation and maintenance of the Project pursuant to the Approved Operating Budget and as requested by Owner, including, without limitation, payment of Management Agent's compensation provided for hereunder. The Operating Account is to be established solely for the Project. Management Agent shall not commingle any of its funds with the funds of Owner, Management Agent or any other person. All funds deposited in the Operating Account are the property of Owner held in trust for Owner by Management Agent. The Operating Account shall be subject to the control of both Management Agent and Owner, either of whom may draw thereon. Management Agent shall also maintain a petty cash fund in an amount not to exceed \$500.00 (from money in the Operating Account) and

make payments therefrom in a manner consistent with the usual course of dealing with such funds in the property management business. Such petty cash fund shall be subject to the same rules and restrictions set forth above as are applicable to the Operating Account. Each month Management Agent shall submit to Owner a copy of the monthly statement of the Operating Account. Owner shall deposit in the Operating Account on or about the first day of each month funds the amount of operating subsidy stated in the Approved Operating Budget. At the end of each fiscal year, Management Agent shall make distributions to Owner of any funds held by Management Agent for Owner, provided that Management Agent may reserve funds reasonably required to operate the Project. Nevertheless, Management Agent shall maintain no less than \$1,000.00 at all times in the Operating Account.

- a. From the funds collected and deposited by the Management Agent in the General Operating Account pursuant to Section 9 above, the Management Agent will make the following disbursements promptly when payable:
 - (1) Reimbursement to the Management Agent for compensation payable to the employees specified in Section 13 above, and for the taxes and assessments payable to local, state and federal governments in connection with the employment of such personnel.
 - (2) All sums otherwise due and payable by the Owner as expenses of the Property authorized to be incurred by the Management Agent under the terms of this Agreement, including compensation payable to the Management Agent, pursuant to Section 25 below, for its service hereunder.
- b. Except for the disbursements mentioned in Subsection 14.a above, funds will be disbursed or transferred from the General Operating Account only as the Owner may from time to time direct in writing.
- c. In the event the balance in the General Operating Account is at any time insufficient to pay disbursements due and payable under Subsection 14-a above, the Management Agent will inform the Owner of that fact and the Owner will then remit to the Management Agent sufficient funds to cover the delinquency. In no event will the Management Agent be required to use its own funds to pay such disbursements, or any other disbursements concerning the operation of the property.

15. Budgets:

Annual operating budgets for the Property will be approved by the Owner. Except as permitted under Subsection 11-e above, annual disbursements for each type of operating expenses itemized in the budget will not exceed the amount authorized by the approved budget. The Management Agent will prepare a recommended operating budget for each fiscal year beginning during the term of this Agreement, and will submit the same to the Owner at least 60 days before the beginning of the fiscal year. The Owner will promptly inform the Management Agent of any changes incorporated in the approved budget, and the Management Agent will keep the Owner informed of any anticipated positive or negative variance of 5 percent or more for each major budget category stated in the approved budget.

The Management Agent agrees to use Generally Accepted Accounting Principles (GAAP) and/or other formats as required by Federal regulations or Owner's policy.

In the first year of the contract, the Owner will assign a temporary budget, showing allowable expenditures

for major account categories. The Management Agent will have 90 days to submit a detailed budget and may have the authority to manage in accordance with this temporary budget, and with its best judgment, and until Owner's final approval of the proposed budget is received.

16. Records and Reports:

In addition to any requirements specified in the Management Plan or other provisions of this Agreement, the Management Agent will have the following responsibilities with respect to accounts and reports:

- a. The Management Agent will establish and maintain a comprehensive system of records, books, and accounts in a manner satisfactory to the Owner. All records, books, and accounts will be subject to examination at reasonable hours by any authorized representative of the Owner.
- b. The Management Agent shall have the property audited by an Independent Public Accountant, which will be selected by the Housing Authority. The audit shall be performed in accordance with U.S. generally accepted auditing standards and *Government Auditing Standards*. The audit should be performed in accordance with the U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, if applicable. The financial statements should be prepared in accordance with the reporting requirements GASB 34, *Basic Financial Statements-and Management's Discussion and Analysis- for State and Local governments*. The Management Agent shall have the accounting records of the property available for the audit by October 15.
- c. The Management Agent will furnish reports or information or meet with Owner as may be requested by the Owner from time to time with respect to the financial, physical or operational condition of the Property.
- d. By the 10th working day of each month, the Management Agent will furnish the Owner with a monthly management report, a statement of receipts and disbursements, bank reconciliation, accounts payable, a balance sheet, and any other financial information reflecting the status as of the end of the previous month, as required by the Owner.
- e. Except as otherwise provided in this Agreement, all off-site bookkeeping, clerical, and other management overhead expenses (including, but not limited to, costs of office supplies and equipment, postage, transportation for managerial personnel, and telephone services) will be borne by the Management Agent out of its own funds and will not be treated as Property expenses.

The Management Agent agrees to comply with the applicable provisions of 24 CFR 901 and 902 and/or any successor program by maintaining the necessary systems and documentation to certify indicators that are applicable under this contract. For purposes of this part, the Management Agent shall be considered an Alternate Management Entity (AME) that assumes a portion of the Owner's management functions identified in this contract. The Management Agent shall provide the necessary questionnaire certification at the end of the Housing Authority's Fiscal Year and shall make available all supporting documentation to the Housing Authority or the Department of HUD upon request.

- (1) The Management Agent agrees to utilize the Owner's system to track vacancies and the duration of

vacancies pursuant to 24 CFR 901, 902 and the Management Agent agrees to maintain all vacancy tracking systems and supporting documentation for review by Owner and the Department of Housing and Urban Development, and shall provide certification to the information at the end of the Owner's fiscal year.

- (2) The Management Agent agrees to conduct unit inspections utilizing criteria applicable to local codes of the City of St. Louis, MO and the Department of Housing and Urban Development Public Housing Assessment System Uniform Physical Inspections Systems (UPIS) at 24 CFR 901 and 902 or any successor standards as may be required by the Department of HUD. The inspection criteria shall be utilized when conducting all forms of unit inspections which include, but is not limited to, move-in, move-out, housekeeping, complaint, preventative maintenance, annual, semi-annual or any other type of inspection. All identified emergency deficiencies as a result of the inspections shall either be corrected or abated during the inspection process or deferred to a work order for correction or abatement within 24 hours. All identified non-emergency deficiencies as a result of the inspection shall either be repaired during the inspection process or deferred to a work order for repair within 15 calendar days of the inspection date.
- (3) The Management Agent agrees to conduct major systems inspections that utilize manufacturer's specifications, local codes or ordinances and Owner's standards for all systems located on the property. Identified major systems shall include, but is not limited to, the systems identified in 24 CFR 901. All identified emergency deficiencies as a result of the inspections shall either be corrected or abated during the inspection process or deferred to a work order for correction or abatement within 24 hours. All identified non-emergency deficiencies as a result of the inspection shall either be repaired during the inspection process or deferred to a work order for repair within 15 calendar days of the inspection date.

Management Agent agrees to utilize the Owner's system to maintain adequate tracking systems for unit and systems inspections and supporting documentation for review by Owner and/or the Department of Housing and Urban Development and shall provide certification to the information and the end of the Owner's fiscal year.

The Management Agent agrees to utilize the Owner's system to maintain a written Rent Collection and Other Charges tracking system and supporting documentation for review by Owner and/or the Department of Housing and Urban Development and shall provide certification to the information at the end of the Owner's fiscal year.

The Management Agent shall have a written Procurement Manual, which mirrors the Owner's Procurement Policy.

The Management Agent shall maintain a contract register and adequate records to document all procurement actions.

The Management Agent shall furnish Owner with applicable information related to PHAS on a weekly basis via electronic media interface with the Owner's current information system.

17. Fidelity Bond:

The Management Agent shall carry a fidelity bond in an amount equal to two (2) months of the operating account. The required coverage shall be specified as: Blanket Fidelity Form O, Forgery and Alteration, Computer Fraud, Robbery and Burglary, and Crime In/Out. The bond will provide coverage for all principals of the Management Agent and all persons who participate directly or indirectly in the management of the Property and its assets, accounts and records. The premiums for such a bond will be paid from both the Management Agent's management fee and from property income, to be pro-rated proportionately to persons covered. Specifically, coverage for the Management Agent, including all applicable persons in the Central Office of the Management Agent, will be paid from management fees. The Owner will be listed as an additional named insured. Proof of such coverage will be delivered to the Owner in the form of an endorsement to the insurance policy.

18. Bids, Discounts, Rebates, Commissions, and Continuing Service Contracts

The Management Agent agrees to make every reasonable effort to obtain contract materials, supplies and services at the most advantageous cost to the property and to secure and credit to the property all discounts, rebates and commissions obtainable with respect to purchases, service contracts, and all other transactions on behalf of the Property. The Management Agent agrees that all goods and services purchased from individuals or companies having an identity-of-interest with the Management Agent shall be purchased at costs not in excess of those that would be incurred in making arms-length purchases on the open market. A disclosure statement shall be made when an identity-of-interest transaction occurs.

The Management Agent shall solicit written cost estimates (i.e., bids) from at least three contractors or suppliers for any work item that the Owner estimates will cost \$2,500 or more and for any contract of ongoing supply or service arrangement that the Owner estimates to exceed \$25,000 per year. The Owner must approve the procurement. The Management Agent agrees to accept the bid that represents the lowest price, taking into consideration the bidders reputation for quality of workmanship or materials and timely performance, and the time frame within which the services or goods are needed. The Management Agent must make every reasonable effort to assure that the Property is obtaining services, supplies, and purchases at the most advantageous cost. All solicitations such as Invitation for Bids, Request for Proposals and small purchases issued by the Management Agent shall comply with the provisions and guidelines under 2 CFR 200.317, HUD handbook 7460-8, Rev-2, and the Owner's Procurement Policy. The Management Agent must make a written record of any verbal estimate obtained. Copies of all required bids and documentation of all other written or verbal cost comparisons made by the Management Agent shall be made part of the Property's records and shall be retained for three (3) years from the date the work was completed. This documentation shall be subject to inspection by the Owner or its designee and the Management Agent agrees to submit such documentation upon request.

Management Agent agrees to use diligence and to employ all reasonable efforts to insure that the actual costs of maintaining, operating, insuring and securing the Project shall not exceed the Approved Operating Budget (in total or in any operating category). Management Agent shall secure Owner's prior written approval for any expenditure that will result in an overrun of the Approved Operating Budget; provided, however, Management Agent shall have the discretion to incur expenditures up to 5% in excess of the budgeted amount in any single operating expense category, so long as the aggregate of such expenditures do not result in an overrun of the entire Approved Operating Budget.

The Management Agent shall submit to Owner, for approval prior to award, any sole source contract or contracts to be awarded to other than the lowest, most responsive bidder.

The Management Agent further agrees to include the following clause in any contract entered into with an identity-of-interest firm for provision of goods or services to the Property, the cost of which services are to be paid from Property funds: "Upon request by the Owner or Management Agent, (name of contractor or supplier) will make available to same at a reasonable time and place (name of contractor or supplier's) records that relate to goods and services provided to the Property." The Management Agent agrees to request such records from the contractor or supplier within seven (7) days of receipt of a written request from the Owner.

Management Agent may enter into continuing contracts on behalf of Owner for the maintenance of the Project and for other necessary services. Each contract, where customary, shall include a provision for cancellation thereof upon not more than 30 days written notice. Any contract requiring more than 30 days notice will not be entered into without Owner's prior written approval. All service contracts shall require that all contractors provide evidence of sufficient insurance in the following minimum amounts:

- (i) Worker's Compensation - Statutory Amount;
- (ii) Employer's Liability - \$100,000 minimum;
- (iii) Comprehensive General Liability (minimum):
 - a. \$500,000 bodily injury per person,
\$1,000,000 per occurrence
\$500,000 property damage
or
 - b. \$1,000,000 combined single limit.

The Management Agent agrees to make available to the Owner, when requested, all records of the Management Agent's management company and its identity-of-interest company(ies), if any, which relate to the provision of goods or services to the Property whenever Property funds have been used to pay for such goods and/or services (other than management services). The Management Agent agrees to comply with 2 CFR 200.317 and the HUD Procurement Handbook.

19. Resident Services Program:

The Management Agent will cooperate with the Owner in the provision of resident services, as provided in the Management Plan.

20. Resident - Management Relations:

The Management Agent will encourage and promote resident involvement, and will abide by the Owner's overall policies regarding recognition of resident bodies. The Management Agent shall maintain and provide to the owner documentation that demonstrates efforts to encourage and promote resident involvement and information concerning their involvement.

Management Agent shall maintain business-like relations with all residents, whose service request shall be received and considered in systematic fashion and shall use Management Agent's best efforts to perform and

discharge otherwise for and at the expense of Owner, subject to the Approved Operating Budget limits, all obligations and duties imposed upon Owner, under all Leases of Units within the Property promptly as such obligations and duties are to be performed under such leases. All complaints of a serious or material nature relating to Owner's obligations under the Leases shall, after thorough investigation, be reported to Owner in writing by Management Agent, with appropriate recommendations. Management Agent shall respond to complaints received from Owner in a detailed and timely written manner. Management Agent shall maintain a log of all service request or any complaints which shall include the date and time the request or complaint is received by Management Agent, the name and address of the party filing the request or the complaint, a detailed description of the request or complaint being filed, and the actions taken by Management Agent in response thereto.

21. Insurance:

As directed by the Owner, the Management Agent will carry a Fidelity Bond as referenced in Section 17 and Workers' Compensation Insurance and Employer's Liability as referenced here. The Employer's Liability will be not less than one hundred thousand and no/hundredths (\$100,000.00) dollars. The Workers' Compensation Insurance will be the statutory amount specified by the State of Missouri. For both coverage referenced in this paragraph, the Owner will be listed as an additional named insured. Proof of such coverage will be delivered to the Owner in the form of an endorsement to the insurance policy.

The Owner will carry Real Property Insurance and Boiler & Machinery Insurance in the Owner's name only.

The Owner will carry Commercial General Liability Insurance, and will have the operation of the Management Agent endorsed onto the policy. Such coverage will be carried through Housing Authority Risk Retention Group (HARRG). HARRG is a captive insurer with the HUD bid waiver that only serves public housing authorities. The Owner is a member of such captive. The policy limits are one million and no/hundredths (\$1,000,000.00) dollars per loss and two million and no/hundredths (\$2,000,000.00) dollars annual aggregate, with a per loss deductible of ten thousand and no/hundredths (\$10,000.00) dollars. Billing for the premium and for reimbursable deductible (adjusters' fees, attorneys' fees, settlement costs, other expenses and losses below the deductible) will be made directly by the Owner. The billing for premium will specify what development generates what premium. The billing for reimbursable deductible will specify which loss generates what reimbursable deductible. The Owner will back charge the Management Agent for premium and reimbursable deductible generated by the Management Agent's operation.

If Management Agent chooses to purchase other insurance coverage, Owner will be named on such policy (ies) as an additional named insured. Proof of such coverage will be delivered to the Owner in the form of an endorsement to the insurance policy. Such policy (ies) will be purchased from an insurer approved by HUD, or an insurer with an A.M. Best rating of not less than B+.

In the event that any claim against Management Agent is made arising out of an incident which is covered (or could have been covered) by the insurance required by this Section:

- (A) Management Agent will notify Owner in writing within twenty-four (24) hours after Management Agent receives notice of any claims of such loss, damage or injury, or as soon thereafter as possible;
- (B) Management Agent will take no action (such as admission of liability) which might bar Owner from obtaining any protection afforded by any policy Owner may hold or which might prejudice Owner or

its insurance carrier in the defense of a claim based on such loss, damage or injury, however, Management Agent will take reasonable and prudent steps to protect the property from further damages;

- (C) Management Agent will cooperate with Owner in the defense of any such claims, demands or proceedings;
- (D) Management Agent agrees that Owner will have the right, at Owner's option, to conduct the defense of any claim, demand or suit within limits prescribed by Owner's policy or policies, but Management Agent shall retain the right to defend and allow insurers to defend under Management Agent's separately procured policies, if any; and
- (E) Management Agent agrees to hold Owner harmless and indemnify Owner of any and all sums Owner is required to pay for incidents arising on the property that Management Agent operates, including, but not limited to, adjusters' fees, attorneys' fees, settlement costs, court costs and other costs associated with such incident(s).

All such insurance policies discussed in this Section will provide that notice of default or cancellation be sent to Owner, as well as Management Agent, at least sixty (60) days in advance of the effective date of such default or cancellation.

22. Compliance with Governmental Orders:

The Management Agent will take such action as may be necessary to comply promptly with any and all governmental orders or other requirements affecting the Property, whether imposed by federal, state, county, or municipal authority, subject, however, to the limitation stated in Subsection 11-e with respect to repairs. Nevertheless, the Management Agent shall take no such action so long as the Owner is contesting, or has affirmed its intention to contest, any such order or requirement. The Management Agent will notify the Owner in writing of all notices of such orders or other requirements within 72 hours from the time of their receipt. In connection with Management Agent's entry into this Agreement, Management Agent agrees to execute, concurrently herewith, the Subgrantee/Contractor/Subcontractor Certifications and Assurances, attached hereto and made a part hereof as Appendix A.

23. Nondiscrimination:

In the performance of its obligations under this Agreement, the Management Agent will comply with the provisions of any federal, state, or local law prohibiting discrimination in housing on the grounds or race, color, religion, sex, age, marital or familial status, national origin, or disability (applicant must have capacity to execute a legal contract).

24. Status of Management Agent:

Nothing contained herein shall be deemed to render the Management Agent and the Owner as joint ventures or partners of each other and neither shall have the power to bind or obligate the other, except in accordance with the terms of this agreement.

25. Management Agent's Compensation:

The Management Agent will be compensated for its services under this Agreement by monthly fees to be paid out of the General Operating Account and treated as Property expenses. Such fees will be payable on the first day of each month for the term of this Agreement.

- a. Each such monthly fee will be in an amount of **\$(TBD)** per unit per month for each unit under lease on the 1st of the month. Fees for vacant units under approved modernization programs will be in the amount of **\$(TBD)** per unit per month. Management Agent will not be held accountable for units vacant for more than thirty (30) days that are the cause of the Owner, as determined by the Owner. The monthly fee will be subject to the following adjustments:
 1. In the event the average quarterly occupancy level for all units managed under this Agreement is less than 98% (adjusted) or 97% (actual) the total management fee will be decreased by 15% for the following quarter.
 2. In the event the average quarterly occupancy level for all units managed under this Agreement is less than 96% (adjusted) or 93% (actual), the total management fee will be decreased by 30% for the following quarter.
- b. (1) In the event the Management Agent achieves the standards listed below for PHAS score for all developments managed under this Agreement in all of the following areas:
 1. Rent Uncollected less than or equal to 2% of total dwelling rents to be collected,
 2. Unit Turnaround less than or equal to twenty (20) calendar days,
 3. Physical Condition average score of 90 or above,
 4. Work Orders emergency, at least 99% completed or abated within 24 hours, non-emergency, completed within an average of twenty (15) calendar days, and
 5. Leasing Percentage 97% (actual) 98% (adjusted),

the Management Agent shall be entitled, as additional compensation, to an amount equal to 20% of the Authority's residual receipt per unit for each unit managed. Residual receipts shall be defined as the amount by which the aggregate operating receipts of all developments for the fiscal year exceed the aggregate operating expenditures, divided by the total number of St. Louis Owner's public housing units.

(2) In the event the Management Agent achieves the standards listed above in 25(b) (1) for PHAS score for all developments managed under this Agreement in four out of five areas listed in 25(b) (1) as long as two of the four maximum scores are in the areas of physical condition and leasing percentage; the Management Agent shall be entitled, as additional compensation, to an amount equal to 10% of the Authority's residual receipts per unit for each unit managed. Residual receipts are defined in Section 25.b. (1), above.

26. Terms of Agreement:

This Agreement shall be in effect for a period of **Twelve (12) Months**, beginning on **April 1, 2019**, and ending **March 31, 2020**, subject, however, to the following conditions:

- a. After the initial term, this Agreement shall automatically renew for additional periods of the same terms and conditions as are herein contained for a maximum contract period of four (4) years and nine (9) months, unless on or before 60 days prior to the expiration of any period, either party hereto notifies the other in writing that it elects to terminate this Agreement. However, the Owner and the Management Agent will execute a formal contract extension prior to the expiration of the existing contract.
- b. This Agreement may be terminated by either of the Principal Parties as of the end of any calendar month; provided that at least 60 days advance written notice thereof is given to the other party.
- c. In the event that a petition in bankruptcy is filed by or against either of the Principal Parties, or in the event that either makes an assignment for the benefit of creditors to take advantage of any insolvency act, the other party may terminate this Agreement as provided for in "a" above.
- d. Upon termination, the Management Agent will submit to the Owner any financial statements required and, after the Principal Parties have accounted to each other with respect to all matters outstanding as of the date of termination, the Owner will furnish the Management Agent security in form and principal amount satisfactory to the Management Agent against any obligations or liabilities that the Management Agent may properly have incurred on behalf of the Owner hereunder. All of the Property's cash trust accounts, investments, and records will be turned over to the Owner within 30 days of the date the Management Agreement is terminated. Upon termination for any reason, Management Agent shall:
 - (i) Have no further authority to represent Owner or take or cause to be taken any action on Owner's behalf or to disburse any of Owner's funds:
 - (ii) Promptly deliver to Owner all books, keys, records and documents, including, but not limited to, all original leases, service contracts, unpaid invoices and accounting records, etc., maintained by Management Agent pursuant to this Agreement and do all that is reasonably necessary to facilitate the orderly transition of management of the Property;
 - (iii) No later than 10 days following such termination render to Owner an accounting of all funds of Owner held by Management Agent relating to the Property and reflecting the balance of income expenses on the Property as of the date of termination (all of which funds Management Agent shall promptly cause to be delivered to Owner), and
 - (iv) Perform all reporting and accounting functions hereunder for the period from the date of the last report or accounting to the date of termination.
- e. Termination for Cause: The Owner shall have the right to terminate this Agreement immediately if it determines in its sole discretion that the Management Agent's performance of this Agreement or the activities of the Management Agent or its employees are so unsatisfactory or improper as to constitute a hazard to the occupants of the Property, a threat to the continued viability or safety of the buildings, or to the financial viability of the Property.

Furthermore, the following events at Owner's option shall be deemed to be events justifying immediate termination of this Agreement with no further obligation due to Management Company

under this agreement or otherwise from the Owner, including but not limited to payment of Management Fee:

- i) Management Company's failure to perform any of the Services, Responsibilities, or Requirements whether specifically enumerated in the Management Agreement or specific in a manner satisfactory to the Owner.
- ii) Any misfeasance, malfeasance or negligence in connection with the funds in the Operating Account or Security Deposit Account;
- iii) Any breach of this Agreement by Management Company.
- iv) Bankruptcy or insolvency of Management Company, or any assignment for the benefit of creditors of Management Company, or the appointment of a receiver to take charge of the assets of Management Company.
- v) Findings or reportable conditions in the Management Company's audit pursuant to Section 16.b., above, that are irreconcilable, or unacceptable to the Owner, and which Management Company is unable or unwilling to correct in a timely fashion;
- vi) Management Company's suspension of business or business failure.
- vii) Voluntary transfer, sale or assignment of substantially all of Management Company's property.
- viii) Unauthorized assignment of this Agreement by Management Company.

27. Management Agent's Indemnification:

Notwithstanding any other provision of this Agreement or any obligation of Management Agent hereunder, it is understood and agreed:

- a. That the Owner has assumed and will maintain its responsibility and obligation through the term of this agreement for the finances and the financial stability of the Property; and
- b. That the Management Agent shall have no obligation, responsibility, or liability to fund authorized Property costs, expenses, or accounts other than those funds generated by the Property itself or provided for the Property to the Management Agent by the Owner.

In accordance with the foregoing, the Owner agrees that the Management Agent shall have the right at all times to secure payment of its compensation, as provided for under Section 25 of this Agreement, unless the owner terminates for cause in accordance with Section 26 of this Agreement, from the General Operating Account, immediately when such compensation is due and without regard to other Property obligations or expenses which are authorized in writing, provided the Management Agent has in the sole discretion of the Owner satisfactorily discharged all duties and responsibilities under this Agreement. Moreover, the Owner shall not indemnify the Management Agent and shall not hold it harmless with respect to Property costs, expenses, accounts, liabilities and obligations during the term of this Agreement where such expenses,

accounts, liabilities and or obligations have not been authorized in writing by the Owner.

Management Agent shall indemnify and hold Owner and its agents harmless from and against all judgments, losses, costs, liabilities and expenses, including but not limited to reasonable attorney's fees, any of which may arise from the negligence, willful or intentional misconduct, fraud or malfeasance of Management Agent or any of its employees or agents or contractors. This section shall survive the termination of this Agreement.

28. Signature Authority of Owner over Operating Account.

Notwithstanding any of the other provisions contained in this Agreement, Owner, in addition to Management Agent, shall have full signature authority over the Operating Account, provided, however, that Owner shall be fully liable for and hereby agrees to indemnify and hold Management Agent harmless with respect to any wrongful action taken by Owner pursuant to such signature authority.

29. Section 3 Requirements:

Employment, Training, and Contracting Opportunities for Low-Income Persons, Section 3 of the Housing and Urban Development Act of 1968.

- (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 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 contractors 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 contractors 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) Pursuant to 24 CFR 905.170(b), compliance with Section 3 requirements shall be to the maximum extent consistent with, but not in derogation of compliance with section 7(b) of the Indian Self-Determination and Education Assistance, 25 U.S.C. section 450e(b) when this law is applicable.

30. Notices:

Any notice, demand, consent, approval, request communication or document to be provided hereunder to a party hereto shall be (a) in writing, and (b) deemed to have been provided (i) (1) 48 hours after being sent as certified or registered mail in the United States mails, postage prepaid, return receipt requested, or (2) the next business day after having been deposited (in time for delivery by such service on such business day) with Federal Express or another national courier service, or (3) (if such party's receipt thereof is acknowledged in writing) upon having been sent by telefax or another means of immediate electronic communication, in each case to the address of such party set forth herein below or to such other address in the United States of America as such party may designate from time to time by notice to each other party hereto, or (ii) (if such party's receipt thereof is acknowledged in writing) upon being given by hand or other actual delivery to such party.

The parties' notice addresses are as follows:

To the OWNER:

Executive Director
St. Louis Housing Authority
3520 Page Boulevard
Saint Louis, MO 63106

TO THE MANAGEMENT AGENT:

31. Assignment:

Subject to the restriction set forth in the next succeeding sentence, this Agreement shall be binding upon, and enforceable by, the parties' respective successors and assigns. This Agreement may not be assigned by Management Agent without the prior written consent of Owner (which consent may be withheld in Owner's sole discretion). It is understood, however, that Management Agent shall have the right to subcontract portions of its responsibility under this Agreement to others, but that Management Agent shall be fully and primarily responsible for fulfillment of all obligations of this Agreement.

32. Governing Law; Venue:

This Agreement shall be governed by and construed in accordance with the laws of the State of Missouri and the venue of any action brought hereunder shall be in the Circuit Court of the City of St. Louis,

Missouri.

33. Interpretative Provisions:

- a. At all times, this Agreement will inure to the benefit of and constitute a binding obligation upon the Principal Parties and their respective successors and assigns.
- b. This Agreement constitutes the entire Agreement between the Owner and the Management Agent with respect to the management and operation of the Property, and no change will be valid unless made by supplemental written Agreement.
- c. If any term, part or provision of this Agreement is held by a court to be invalid, illegal, unenforceable or in conflict with any law, the validity of the remaining portions or provisions shall not be affected, and the rights, obligations and covenants of the parties shall be construed and enforced as if the Agreement did not contain the particular term, condition, part or provision held to be unlawful.
- d. Headings used in this Agreement are provided for convenience only and shall not be used to construe meaning or intent.
- e. This Agreement has been executed in several counterparts, each of which shall constitute a complete original Agreement, which may be introduced in evidence or used for any other purpose without production of any of the other counterparts.

IN WITNESS THEREOF, the Principal Parties (by their duly authorized officers) have executed this Agreement on the date first above written.

MANAGEMENT AGENT:

OWNER:

BY: _____

BY: _____

WITNESSES:

ATTEST:

SUBGRANTEE/CONTRACTOR/SUBCONTRACTOR
CERTIFICATIONS AND ASSURANCES

The Management Agent executing this certification hereby assures and certifies that:

1. a. It will comply with Title VI of the Civil Rights Act of 1964 (42 U.S. C. 2000D), which states, in part, that no person in the United States, on the ground of race, color or national origin, will be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination under any program or activity receiving Federal financial assistance; will comply with the regulations pursuant thereto (24 CFR part 1) ; and will immediately take any measures necessary to effectuate this agreement.
- b. It will comply with the Fair Housing Act (42 U.S.C. 360119), as amended, and with implementing regulations at 24 CFR parts 100, 109, and 110, which prohibit discrimination in housing on the basis of race, color, religion, sex, handicap, familial status or nation origin; and will administer its programs and activities relating to housing in a manner to affirmatively further fair housing. Any plans for identifying and selecting eligible families from subjurisdictional, site based waiting lists will be consistent with affirmative fair housing marketing requirements, under 24 CFR part 108.
- c. It will comply also with Executive Order 11063 (Equal Opportunity Housing) and implementing regulations at 12 CFR part 107.
- d. It will comply with Section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794), as amended, and with implementing regulations at 24 CFR part 8, which prohibit discrimination based on handicap in Federally- assisted and conducted programs and activities.
- e. It will comply also with the reasonable modification and accommodation requirements of the Fair Housing Act and the accessibility requirements of the Fair Housing Act and Section 504 of the Rehabilitation Act.
- f. It will comply with the Americans with Disabilities Act (Public Law 101-336) and it's implementing regulations at 28 CFR part 36.
- g. It will comply with the Age Discrimination Act of 1975 (42 U.S.C. 6101-07) , as amended, and implementing regulations at 24 CFR part 146, which prohibit discrimination because of age in projects and activities receiving Federal financial assistance.
- h.
 - (i) It is not currently operating under, or aware that it is under consideration to be placed under, a desegregation order, agreement or plan, except as set forth below:
 - (ii) It is not in violation of any existing desegregation order, compliance agreement, or voluntary agreement, except for any violation described below:
 - (iii) The following is an explanation of any potential impact the proposed replacement housing program may have on implementing any existing or pending order, agreement, or plan: (TBD)

- i. It will comply with Section 3 of the Housing and Urban Development Act of 1968, as amended (12 U.S.C. 1701u), and regulations pursuant thereto (24 CFR part 135), which require that to the greatest extent feasible opportunities for training and employment be given to lower-income residents of the unit of local government and contracts for work in connection with the project be awarded to businesses located in the same metropolitan area as the project.
 - j. It will comply with Executive Orders 11246, 11625, 12432 and 12138, and consistent with HUD's responsibilities under these orders; will make efforts to encourage the use of minority and women's business enterprises in connection with funded activities.
2. It will provide drug-free workplaces in accordance with the Drug-Free Workplace Act of 1988 (41 U.S.C. 701), and HUD's implementing regulations at 24 CFR part 24, subpart F by, among other things:
- a. publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
 - b. establishing an on-going drug-free awareness program to employees about:
 - (i) The dangers of drug abuse in the workplace;
 - (ii) The grantee's policy of maintaining a drug-free workplace;
 - (iii) Any available drug counseling, rehabilitation, and employee assistance programs; and
 - (iv) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
 - c. making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by subparagraph (a);
 - d. notifying the employee in the statement required by subparagraph (a) that, as a condition of employment under the grant, the employee will:
 - (i) abide by the terms of the statement; and
 - (ii) notify the employer, in writing, of his or her conviction for a violation of a criminal drug statute occurring in the workplace not later than five calendar days after such conviction;
 - e. notifying HUD, in writing, within ten calendar days after receiving notice under subparagraph d.2, from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position and title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless HUD has designated a central point for the receipt of such notices. Notice shall include the identification number of each affected grant;
 - f. taking one of the following actions, within 30 calendar days after receiving notice under subparagraph d.2, with respect to any employee who is so convicted:
 - (i) taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended;

or

- (ii) requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by Federal, State, or local health, law enforcement, or other appropriate agency;
 - g. making a good faith effort to continue to maintain a drug-free workplace through implementation of subparagraphs a, b, c, d, e and f;
 - h. providing street address, city, county, state, and zip code for the site or sites where the performance of work in connection with the grant will take place. For some applicants who have functions carried out by employees in several department or offices, more than one location may need to be specified. It is further recognized that States and other applicants who become grantees may add or change sites as a result of changes to program activities during the course of grant-funded activities. Grantees, in such cases, are required to advise the HUD Field office by submitting a revised "Place of Performance" form. The period covered by the certification extends until all funds under the specific grant have been expended.
3. It will comply with the provisions of 24 CFR part 24 which apply to the employment, engagement of services, awarding of contracts, or funding of any contractors or subcontractors during any period of debarment, suspension, or placement in ineligibility status.
 4. It will comply with Davis-Bacon or HUD-determined prevailing wage rate requirements, as applicable, in accordance with section 12 of the 1937 Act; and will comply with the provisions of 24 CFR part 70, as they may be amended from time to time, which apply to the use of volunteers for activities covered by section 12 of the 1937 Act.
 5. It will comply with the requirements of the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4821, et seq.) and implementing regulations at 24 CFR parts 35 and 965 (subpart H) and section 968.100(k), as amended. Unless otherwise provided, it will be responsible for testing abatement activities, if applicable.
 6. It will comply with, and be subject to, the requirements, policies and standards, to the extent applicable, of OMB Circular No.s A-87 (Cost Principles Applicable to Grants, Contracts, and Other Agreements with State and Local Governments); A-102 (as described in 24 CFR part 85, Administrative Requirements for Grants and Cooperative Agreements to State and Local Governments); A-110 (Grants and Cooperative Agreements with Institutions of Higher Education, Hospitals, and Other Nonprofit organizations); and A-122(Cost Principals Applicable to Grants, Contracts and other Agreements with Nonprofit Institutions), as they apply to the acceptance and use of assistance under the public housing program. Further, it will be subject to the audit requirements of CMB Circular A-128 implemented at 24 CFR part 44 and A-133 (Audits of Institutions of Higher Learning and Other Nonprofit Institutions).
 7. a. That, in addition to the conflict of interest requirements in 24 CFR part 85, no person who is in an employee, agent, consultant, officer, or elected or appointed official of the housing authority and who exercises or has exercised any functions or responsibilities with respect to activities assisted under this contract, or who is in a position to participate in a decision-making process or gain inside information with regard to such activities, may obtain a financial interest or benefit from the activity, or have an interest in any contract subcontract, or agreement with respect thereto, or the

proceeds there under, either for himself or herself or those with whom he or she has family or business ties, during his or her tenure or for one year thereafter.

b. If any conflict of interest exists, an opinion of legal counsel indicating that such interest does not violate State or Local laws must be provided, together with a certification containing the following information, in order for HUD to decide whether an exception to the conflict of interest provisions should be approved: (i) disclosure of the nature of the conflict, (ii) an assurance that there has been public disclosure of the conflict, and (iii) a description of how the public disclosure was made. In determining whether to grant a requested exception, HUD will consider the cumulative effect of the following factors, where applicable:

- (i) Whether the exception would provide a significant cost benefit or an essential degree of expertise to the project that would otherwise not be available;
- (ii) Whether an opportunity was provided for open competitive bidding or negotiation;
- (iii) Whether the person affected is a member of a group or class intended to be the beneficiaries of the project and the exception will permit such person to receive generally the same interests or benefits as are being made available or provided to the group or class;
- (iv) Whether the affected person has withdrawn from his or her functions or responsibilities, or the decision-making process, with respect to the specific activity in question;
- (v) Whether the interest or benefit was present before the affected person was in a position as described in subparagraph 7.a above;
- (vi) Whether undue hardship will result either to the grantee or the person affected when weighed against the public interest served by avoiding the prohibited conflict; and
- (vii) Any other relevant considerations.

8. It and its principals (see 24 CFR 24. 105 (p)):

- a. are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions (see 24 CFR 24.100) by any Federal department or agency;
- b. have not been convicted of, or had a civil judgment rendered against them for, commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
- c. are not presently indicted for, or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with, commission of any of the offenses enumerated in subparagraph b; and
- d. have not, within a three-year period preceding the execution of this certification, had one or more public transactions (Federal, State or local) terminated for cause or default.

9. It certifies that no person has been, or will be, displaced (moved permanently and involuntarily) from his or

her dwelling, except in compliance with the Uniform Relocation Assistance and Real Property Acquisition Policies-Act of 1970 and government-wide implementing regulations at 49 CFR part 24.

10. It will comply with the requirements under the Flood Disaster Protection Act of 1973 (42 U.S.C. 4001-4128) and the Coastal Barrier Resources Act (16 U.S.C. 3601).
11. It will comply with the National Environmental Policy Act of 1969 (NEPA) (42 U.S.C. 4321) and applicable related environmental Authorities at 24 CFR 50.4 and HUD's implementing regulations as 24 CFR part 50.
12. It certifies that the information contained in this certification is true and accurate, to the best of its knowledge.

Signature of Authorized Certifying official

Title

Organization Date

WARNING

Section 1001 of the Title 18 of the United States Code (Criminal Code and Criminal Procedure, 72 Stat. 967) applies to this certification. 18 U.S.C. 1001, among other things, provides that whoever knowingly and willfully makes or uses a document or writing knowing the same to contain any false, fictitious or fraudulent statement or entry, in any matter within jurisdiction of any department or agency of the United States, shall be fined no more than \$10,000 or imprisoned for not more than five years, or both.