

Date: June 27, 2017

Pursuant to section 202(c) of the Procurement Practice Reform Act of 2010, as amended, D.C. Official Code § 2-532.02(c), the following contract summary is provided:

COUNCIL CONTRACT SUMMARY

- (A) **Contract Number:** 2016-LRSP-03A
Proposed Contractor: Transitional Housing Corporation (the “Owner”)
Contract Amount (Base Period): \$272,304 Annually
Unit and Method of Compensation: Housing Assistance Payments, paid monthly
Term of Contract: 15 Years
Type of Contract: Agreement to Enter into a Long-Term Subsidy
Source Selection Method: See “D” below
- (B) **For a contract containing option periods, the contract amount for the base period and for each option period. If the contract amount for one or more of the option periods differs from the amount for the base period, provide an explanation of the reason for the difference:**
- This is a multi-year contract.
- (C) **The goods or services to be provided, the methods of delivering goods or services, and any significant program changes reflected in the proposed contract:**
- Pursuant to D.C. Official Code § 2-352.02, I have enclosed, for consideration by the Council of the District of Columbia, the Council Contract Summary for the Agreement to Enter into a Long Term Subsidy Contract (“ALTSC”) between the District of Columbia Housing Authority (“DCHA”) and Transitional Housing Corporation (the “Owner”). DCHA proposes to provide a housing subsidy to the Owner in the initial amount of \$272,304 annually for a multi-year term of fifteen (15) years, in support of the District’s Local Rent Supplement Program (“LRSP”) to provide affordable housing units at Partner Arms 2 Apartments located at 4506 Georgia Avenue, NW.
- (D) **The selection process, including the number of offerors, the evaluation criteria, and the evaluation results, including price, technical or quality, and past performance components:**
- In March 2016, the District of Columbia’s Department of Housing and Community Development (“DHCD”) issued a Request for Proposals (“RFP”) regarding the availability of funds from multiple district agencies, including DCHA, DHCD, the Department of Behavioral Health, the Department of Human Services, and the District of Columbia Housing Finance Agency. Of the total proposals received, twelve (12) developers were chosen to work with DCHA and others to develop affordable housing and permanent supportive housing units for extremely low income families making zero to thirty percent of the area’s median income, as well as the chronically homeless and individuals with mental or physical disabilities throughout Washington, DC.

After meeting the requirements for DHCD review and LRSP subsidy eligibility, proposals were evaluated on various underwriting and prioritization criteria including financial feasibility, project sustainability, development team capacity, amount of capital requested, nonprofit participation, and furtherance of the development of affordable housing. Additionally, DCHA has determined that the proposed project meets the District of Columbia's Consolidated Plan and the Mayor's goal for providing affordable housing opportunities in neighborhoods.

- (E) **A description of any bid protest related to the award of the contract, including whether the protest was resolved through litigation, withdrawal of the protest by the protestor, or voluntary corrective action by the District. Include the identity of the protestor, the grounds alleged in the protest, and any deficiencies identified by the District as a result of the protest:**

None.

- (F) **The background and qualifications of the proposed contractor, including its organization, financial stability, personnel, and performance on past or current government or private sector contracts with requirements similar to those of the proposed contract:**

Partner Arms 2 is an existing 13 unit apartment building in the Petworth neighborhood in Ward 4. The Partner Arms 2 project will provide housing to homeless households with incomes at or below 30 percent of the area median income (AMI), who will be referred by the Department of Behavioral Health (DBH). This project coincides with the repositioning of Partner Arms 2 from Transitional Housing to Permanent Supportive Housing (PSH). The property has provided Transitional housing since 2003. The U.S. Department of Housing and Urban Development (HUD) closed out this program on June 30th, 2016. In order to preserve this affordable housing, the property will need substantial renovations.

The proposed scope of work will prepare the building for the intake of the new families under THC's new PSH program. After 13 years of operations since the last major capital improvements were made, Partner Arms 2 is in need of rehabilitation to address normal wear and tear in addition to more substantial upgrades including weatherproofing of the building envelope, structural repairs and replacement of outdated systems and equipment. In order to better serve families, two of the one-bedroom units will be converted into a two-bedroom unit.

A funding allocation from the Department of Housing and Community Development (DHCD) would facilitate a substantial rehabilitation of the facility, preserve affordability through 2056, and add 12 new units of PSH to the District's housing stock.

Petworth has undergone significant residential and commercial development in recent years. Partner Arms 2 will expand the inventory of PSH in a high opportunity neighborhood with relatively low levels of crime and poverty. By funding this project DHCD can achieve its goal of affirmatively furthering fair housing by dispersing the District's affordable housing supply more equitably.

- (G) **A summary of the subcontracting plan required under section 2346 of the Small, Local, and Disadvantaged Business Enterprise Development and Assistance Act of 2005, as amended, D.C. Official Code § 2-218.01 et seq. ("Act"), including a certification that the subcontracting plan meets the minimum requirements of the Act and the dollar volume of the portion of the contract to be subcontracted, expressed both in total dollars and as a percentage of the total contract amount:**

Not applicable.

(H) Performance standards and the expected outcome of the proposed amount:

The housing subsidy shall be used solely to support housing costs associated with the affordable housing units at Partner Arms 2 Apartments located at 4506 Georgia Avenue, NW, in support of the District's Local Rent Supplement Program (LRSP). The project is consistent with the District's goal of increasing affordable housing, especially among low-to-moderate income residents and preserving existing affordable housing opportunities in the District. Additionally, the Owner is required to fulfill all conditions as set forth in the ALTSC Agreement within the agreed upon time frames. Failure to fulfill the terms of the ALTSC Agreement will constitute default.

(I) The amount and date of any expenditure of fund by the District pursuant to the contract prior to its submission to the Council for approval:

None.

(J) A certification that the proposed contract is within the appropriated budget authority for the agency for the fiscal year and is consistent with the financial plan and budget adopted in accordance with D.C. Official Code §§ 47-392.01 and 47-392.02:

CFO Certifications are attached.

(K) A certification that the contract is legally sufficient, including whether the proposed contractor has any pending legal claims against the District:

Pending Litigation Certification and Legal Sufficiency Memo are attached.

(L) A certification that Citywide Clean Hands database indicates that the proposed contractor is current with its District taxes. If the citywide clean hands Database indicates that the proposed contractor is not current with District taxes, either: (1) a certification that the contractor has worked out and is current with a payment schedule approved by the District; or 92) a certification that the contractor will be current with its District taxes after the District recovers any outstanding debt as provided under D.C. Official Code § 2-353.01(b):

Clean Hands certification is attached

(M) A certification from the proposed contractor that it is current with its federal taxes, or has worked out and is current with a payment schedule approved by the federal government:

Federal Tax Certification is attached.

(N) The status of the proposed contractor as a certified local, small, or disadvantaged business enterprise as defined in the Small, Local, and Disadvantaged Business Enterprise Development and Assistance Act of 2005, as amended; D.C. Official Code 2-218.01 et seq.:

The Transitional Housing Corporation is not certified as a local, small, or disadvantaged business enterprise.

(O) Other aspects of the proposed contract that the Chief Procurement Officer considers significant:

Not applicable.

- (P) A statement indicating whether the proposed contractor is currently debarred from providing services or goods to the District or federal government:**

Included in the legal sufficiency memo, attached.

- (Q) Any determination and findings issue relating to the contract's formation, including any determination and findings under D.C. Official Code § 2-352.05 (privatization contracts):**

None.

- (R) Where the contract, any amendments or modifications, if executed, will be made available online:**

The contract will be made available on the DCHA website.

- (S) Where the original solicitation, and any amendment or modifications, will be made available online:**

Original solicitation was published 3/31/16 and extended through 5/31/16. See link: <http://dhcd.dc.gov/service/rfps-rfas-sfos>.

**GOVERNMENT OF THE DISTRICT OF COLUMBIA
PROFILE SUMMARY**

(CONTRACTs TO PURCHASE, SELL, ACQUIRE, TRANSFER, LEASE OF REAL PROPERTY/ EXCLUSIVE RIGHT AGREEMENTs/LOANs & GRANTs OVER \$1M/INTRA-DISTRICTs)

Contracting Agency: District of Columbia Housing Authority Agency Code:

Using Agency: District of Columbia Housing Authority Agency Code:

Loan/Grant/Lease Subrecipient Name: **Transitional Housing Corporation I.D. #: 2016-LRSP-03A**

Should the D.C. Council have any questions regarding this loan/grant/lease, please contact:

Hammere Gebreyes

202-216-4460

Program Manager

Telephone Number

TYPE OF DOCUMENT SUBMITTED

1. <input type="checkbox"/> Loan/Grant/Lease Modification	4. <input type="checkbox"/> Unwritten or Informal Contract
2. <input type="checkbox"/> Exercise of Grant Option Year (E. O.)	5. <input type="checkbox"/> Lease of Real Property
3. <input type="checkbox"/> Loan/Grant/Lease Agreement for:	6. <input checked="" type="checkbox"/> Other: <u>ALTSC Housing Subsidy</u>

LOAN/GRANT TYPE

1. <input checked="" type="checkbox"/> Subsidy – LRSP Housing Subsidy	4. <input type="checkbox"/> Cost Reimbursement
2. <input type="checkbox"/> Loan Price	5. <input type="checkbox"/> Time and Material
3. <input type="checkbox"/> Task Order	6. <input type="checkbox"/> Advance Payment