



HOC PROCUREMENT FAIR

OPENING SESSION

Presented by:

Chelsea Andrews, Executive Director

Kayrine Brown, Deputy Executive Director

Michael Ruth, Procurement Officer

Darcel Cox, Chief Compliance Officer

March 15, 2023

TODAY-AT-A-GLANCE

9:30am - 10:15am: Welcome & Opening Remarks

10:30am - 11:50pm: Concurrent Sessions

Breakout Room 1: Developer & Related Services

Breakout Room 2: Owner & Related Services

Breakout Room 3: General Vendor Services

12:00pm - 12:30pm: Q&A



ABOUT HOC: *Mission*

Mission: To provide affordable housing and supportive housing services that enhance the lives of low- and moderate-income families and individuals throughout Montgomery County, Maryland, so that:

- No one in Montgomery County lives in substandard housing;
- We strengthen families and communities as good neighbors;
- We establish an efficient and productive environment that fosters trust, open communication, and mutual respect; and
- We work with advocates, providers, and community members to maintain support for all of the work of the Commission.



ABOUT HOC: *Who We Are*

Public Housing Authority

- HOC's mission is to provide affordable housing and supportive services that enhance the lives of low- and moderate-income families and individuals throughout Montgomery County
- HOC manages approximately **8,707 rental** assistance vouchers
- HOC provides supportive and enrichment services such as Family Self Sufficiency, Fatherhood Initiative, financial literacy, etc.

Housing Finance Agency

- Issue Governmental, Private Activity, 501(c)3, and Taxable Bonds
- Rated A2 by Moody's Investors Service
- Financed **\$560 million in multi-family development** through 2023
- Finance **\$30-40 million** annually of low-cost mortgages and **\$2.5 million** in closing cost assistance for moderate-income families

HOC

Owner & Operator

- Units held: **9,416**
- Unit Affordability:
 - Multifamily: 6,111 units
 - Scattered sites: 1,595 units
 - Senior housing: 1,710 units

Developer

- HOC currently has **13 construction** and major renovations in design, predevelopment or under construction
- **3,720** total units, **1,812** affordable
- **\$894 million** total construction cost

ABOUT HOC: *What We Do*

- **Developer of Residential, mixed-income, mixed use developments (last 10 years)**
 - Units Rehabilitated: 2,712; \$ Invested: \$625 million (Total Development Cost)
 - Units Constructed: 1,009; \$ Invested: \$426 million
 - Units Preserved: 1,992; \$ Invested \$384 million
- **Owner/manager of Real Property**
 - Units owned: 9,416
 - Self managed: 1,855
 - Third party managed: 7,561
- **Public Housing Authority / Housing Finance Agency**
 - Administer 8,707 vouchers funded with \$113.8 million of federal funds
 - Resident services to >16,000 households
 - Administers a waitlist with approximately 36,000 active applicants
 - Issued and administers \$741.5 million of municipal bonds for single family and multifamily programs
 - FHA Risk Share Lender
- **General Support of HOC's business lines**

ABOUT HOC: *Who We Serve*

The Resident Services component of HOC's operations supports customers in remaining stably housed and reaching their fullest potential.

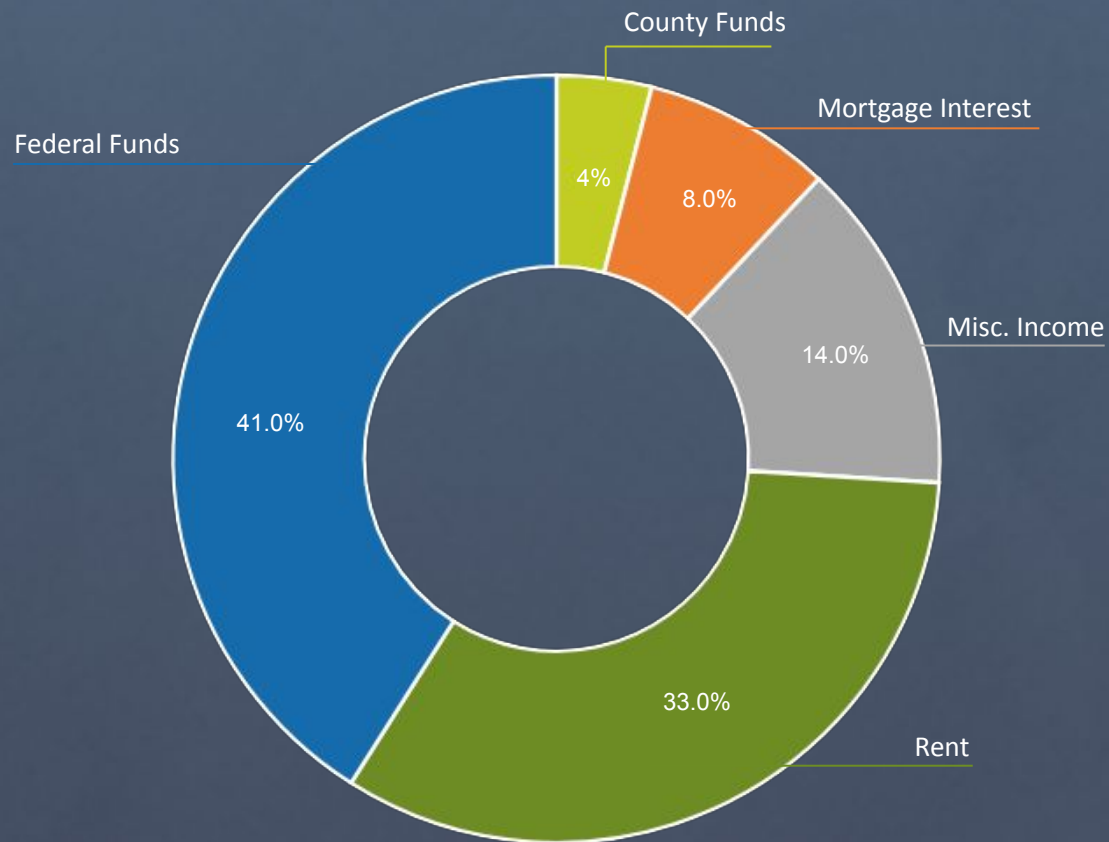
- Some of our services and programs include:
 - **Financial Literacy Services:** Helps individuals manage their finances and improve their credit score through group workshops and one-on-one coaching
 - **HOC Academy:** Education, training and enrichment services/programs for HOC customers.
 - **Youth Enrichment Services:** Focuses on STEM and STEAM programming for HOC youth
 - **Adult Education and Workforce Development:** Offers education, job training and job referral/placement opportunities
- Some of our services and programs include:
 - **Fatherhood Initiative:** Program promotes the strengthening of fathers and their families by providing parenting education, case management services, financial assistance for educational classes and training, etc.



ABOUT HOC: *Operating Budget*

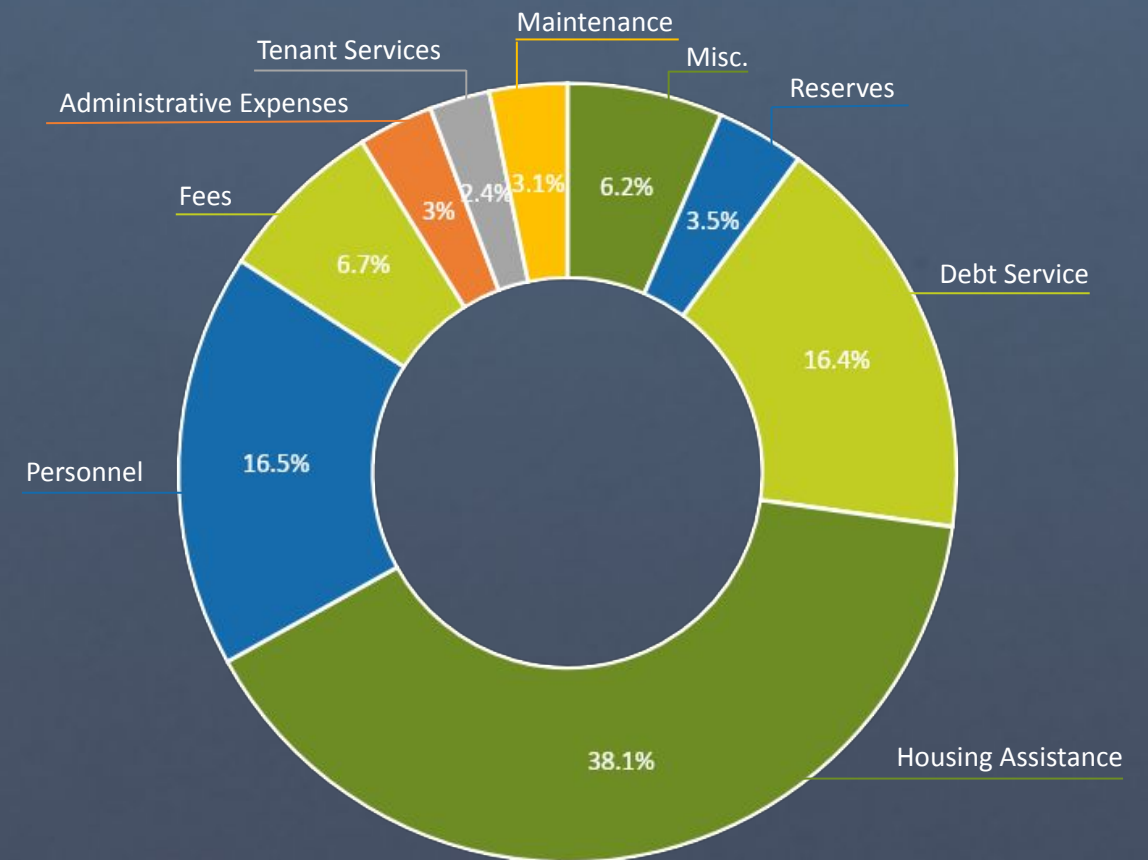
Where the money comes from

FY23 total: \$312 million



Where the money goes

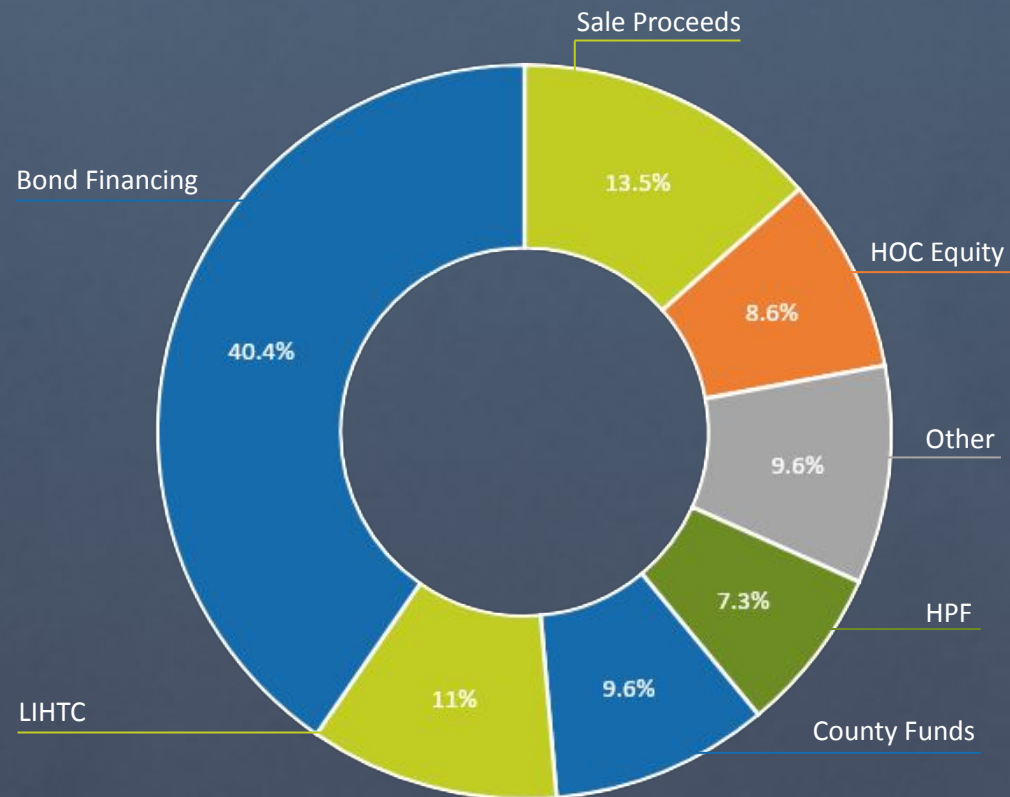
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ABOUT HOC: *Capital Budget*

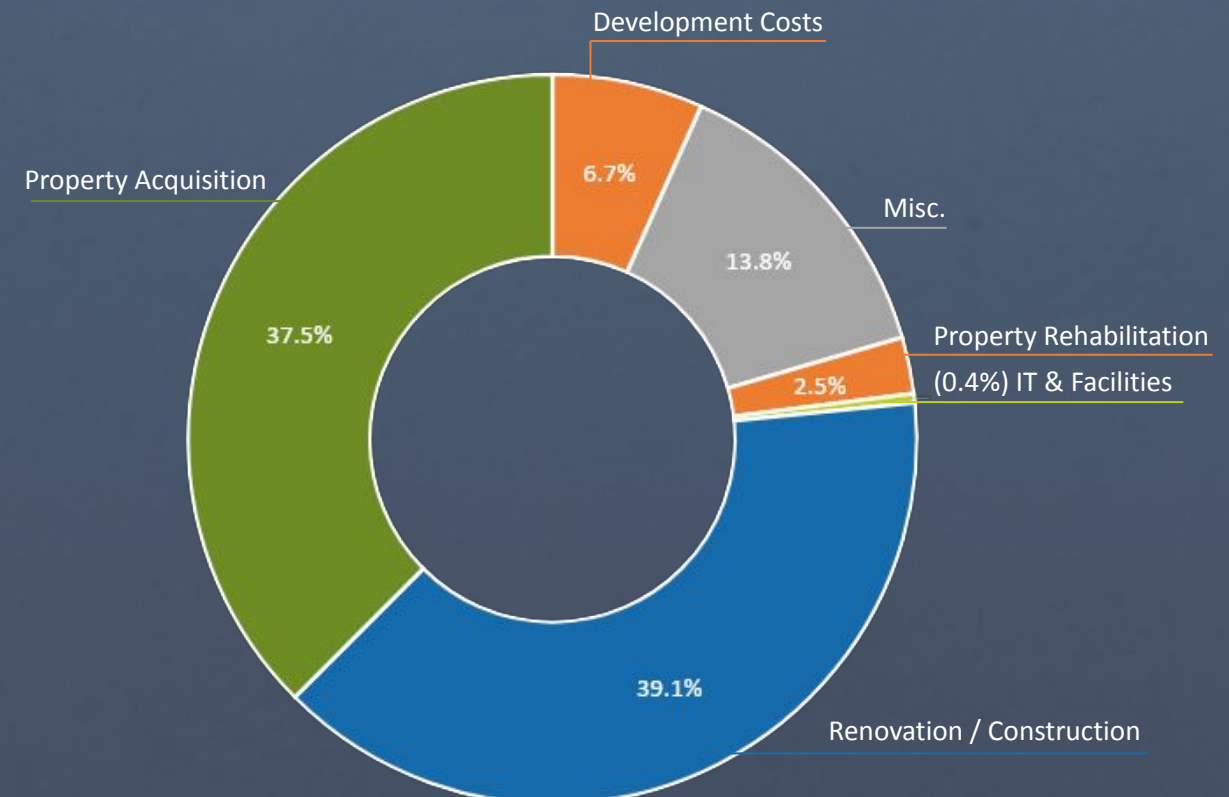
Where the money comes from

FY23 total: \$247 million



Where the money goes

FY23 total: \$247 million



PROCUREMENT POLICY & PROCESS

GOVERNING PRINCIPLES

- Fairness and objectivity
- Efficiency
- Value-added procurement
- Ethical standards
- Legal considerations



GENERAL OVERVIEW OF THE PROCUREMENT PROCESS

REQUIREMENT	MICRO PURCHASE	SMALL PURCHASE	POOL*	IFB	RFP	RFQ
Minimum # of Quotes	1	3	3	N/A	N/A	N/A
Evaluation	Price needs to be reasonable based on a cost and price analysis.	Awarded to the vendor that is responsive, responsible and submits the lowest price. HOC can select the non-lowest price if the rationale is documented.	Awarded to a pre-qualified vendor that is responsive, responsible and submits the lowest price. HOC can select the non-lowest price if the rationale is documented.	Invitation to bid for a fixed price contract. Awarded to the vendor that is responsive, responsible and submits the lowest price.	Awarded to the vendor that scores the highest on the criteria set forth in the RFP as scored by an evaluation committee.	Request for qualifications. Award is primarily based on the vendor's qualifications to perform the work.
Commission Approval Needed	No	No	Yes*	Depends	Depends	Depends

*Note: To be included in a procurement pool, vendors must be pre-qualified through an RFQ. which does require Commission Approval.

PRIORITIES FOR PROCUREMENT:

Evaluation Criteria (Illustration)

Example: Evaluation criteria for a Request for Proposal (RFP) for Planning and Zoning Consultant Services.

- Qualification and experience were key criteria for this RFP and therefore carried the highest point value
- Knowledge of Montgomery County Zoning regulations was a critical factor so the Montgomery County Focused Practice Criteria was used to score this RFP
- Other RFPs would have evaluation criteria reflective of the services and experience level needed

Evaluation Criteria	Max Points
Offeror's Qualification and Experience	40
Cost of Services	20
Minority/Female/Disabled Participation	15
Offeror's Capacity	15
Montgomery County Focused Practice	10
Total Possible Points	100

PRIORITIES FOR PROCUREMENT:

Other Considerations

- **Small Business:** Independently owned, not dominant in the field of operation, not an affiliate or subsidiary of a business dominant in the field of operation
- **Minority-owned Business:** At least 51% is owned by one or more minority group members or in the case of a publicly-owned business, one in which at least 51% of its voting stock is owned by one or more minority group members (Black, Hispanic, Native, Asian Pacific, Asian Indian, Hasidic Jewish Americans)
- **Women's Business Enterprise:** At least 51% is owned by a woman/women who are US citizens and who control the business
- **Section 3 Business Concern:** More than 51% is owned by Public Housing residents

PROCUREMENT PROCESS:

After the Award

- HOC notifies vendor regarding selection or non-selection of the award
- HOC provides the form contract (if not already provided) for review
 - Exception: In the legal pool, attorneys will provide an engagement letter or Task Order to the Office of General Counsel
- Upon agreement on the form of and execution of the contract, procurement will issue a Purchase Order for the value of the contract
- If the parties need to increase the value of the contract, HOC will need to obtain any internal or Commission approvals required for such increase and issue a new Purchase Order

GENERAL COMPLIANCE REQUIREMENTS AND MONITORING

- Section 3/HOC Works
- Reporting Requirements
- Contractor Screening
- Davis Bacon
- Minority, Female and Disabled-Owned Business (MFD) / Woman Owned Minority Business Enterprise (WMBE) reporting and tracking



GENERAL COMPLIANCE REQUIREMENTS: *Section 3*

- HUD Economic Development Program
 - Provide economic opportunities for low and very-low income individuals
 - HUD New Rule: November 30, 2020
 - Certain construction projects funded by HUD housing and community development financial assistance
 - Benchmarks: Tracking of labor hours worked on the project
 - Section 3 Workers: 25%
 - Targeted Section 3 Workers: 5%

GENERAL COMPLIANCE

REQUIREMENTS: *HOC Works*

- HOC Economic Development Program
 - Created by HOC to provide economic opportunities to low and very-low income individuals, particularly participants of HOC affordable housing programs
 - All contracts where Section 3 does not apply
 - Compliance:
 - New Hires
 - Subcontracting
 - Training opportunities
 - Other Economic Opportunities

GENERAL COMPLIANCE

REQUIREMENTS: *Contractor Screening*

- Applies to all HOC contracts/subcontracts:
 - Exception: All work is performed remotely
- Protect the safety and welfare of residents, staff, and HOC property
- All contractor/subcontractor employees must be screened within 90 days of contract
- State/Federal criminal records, sex offender, social security number, immigration status, driver history (where applicable)
- Contractors/subcontractors held liable for to HOC/residents for damage

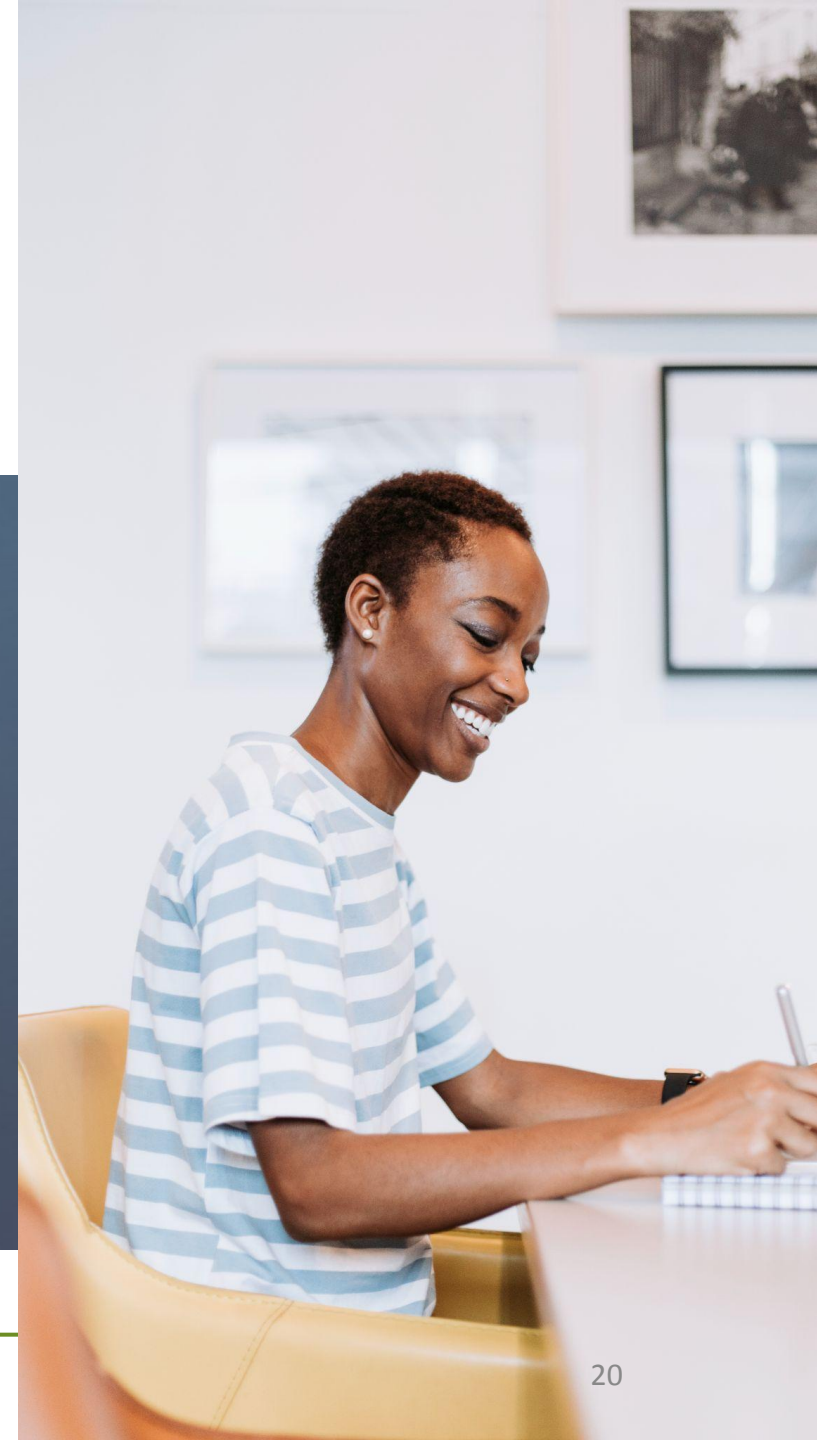
GENERAL COMPLIANCE

REQUIREMENTS: *Davis Bacon Labor Laws*

- Requires contractors/subcontractors to pay prevailing wages on federally assisted construction contracts in excess of \$2,000
 - Wage Decisions: Issued by U.S. Department of Labor
- Contractors/subcontractors submit weekly certified payrolls
- Primary contractors responsible for contractor/subcontractor compliance with Davis Bacon regulations
- HOC provides training, guidance, and oversight

GENERAL COMPLIANCE MONITORING MFD/WMBE

- Promote the use of MFD/WMBE firms in all primary and subcontracting procurement opportunities
- Includes:
 - Minority-Owned Business: African American, Hispanic American, Asian American, Native American, Hasidic Jewish American
 - Women-Owned Businesses
 - Disabled-Owned Businesses



BREAKOUT SESSIONS

BREAKOUT 1 **DEVELOPER & RELATED SERVICES**

Fenton Room - Upstairs

BREAKOUT 2 **OWNER & RELATED SERVICES**

Spring Room - First Floor

BREAKOUT 3 **GENERAL VENDOR SERVICES**

Great Room - First Floor