



**REQUEST FOR PROPOSALS**

**(SOLICITATION NO. 3976)**

**for**

**Financial Analytical and Advisory Services for Seattle Housing Authority**

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<b>RFP Issued on:</b>	<b>Proposals Due:</b>
<b>Wednesday, January 14, 2009</b>	<b>12:00 p.m. (noon), Friday, February 6, 2009</b>

## Seattle Housing Authority

### Request for Proposals (Solicitation No. 3976)

#### Financial Analytical and Advisory Service for Seattle Housing Authority

#### **A. INTRODUCTION**

**General:** The Seattle Housing Authority (SHA) is seeking a qualified financial advisory team to provide the best, most cost effective, analytical and advisory services on matters of financial planning, policies, and management; financial risk management; debt issuance and management; and other special project analysis to foster SHA's financial interests, promote SHA's long-term financial health, and support SHA's mission to provide affordable housing to people with low income. The selected firm/team will be tasked with individual projects on a work order basis, each with a negotiated level of effort and not-to-exceed fee. SHA encourages firms to assemble "full service" teams so as to span the full range of potential financial expertise and experience that may be called on.

**Seattle Housing Authority Background:** SHA is a public body corporate and politic that provides affordable housing to about 24,000 low-income people in Seattle. SHA operates according the following Mission and Values:

##### ***Our Mission***

*Our mission is to enhance the Seattle community by creating and sustaining decent, safe and affordable living environments that foster stability and increase self-sufficiency for people with low-income.*

##### ***Our Values***

*As stewards of the public trust, we pursue our mission and responsibilities in a spirit of service, teamwork, and respect. We embrace the values of excellence, collaboration, innovation, and appreciation.*

SHA owns and operates approximately 5,400 conventional public housing units subsidized by the U.S. Department of Housing and Urban Development (HUD), nearly 1,100 additional units for seniors and people with disabilities as part of the Seattle Senior Housing Program, and almost 900 low and mixed-income units developed and acquired primarily through the use of debt financing. Approximately 8,400 of the residents are children.

SHA houses nearly 9,000 residents in housing it owns and operates and houses about 14,600 residents through its HUD-subsidized Housing Choice Voucher Program (also known as Section 8), which makes it possible for residents with low incomes to live anywhere in the city.

SHA owns and operates housing in neighborhoods throughout Seattle. These include the four large family communities of New Holly and Rainier Vista in Southeast Seattle, High Point in West Seattle, and Yesler Terrace in Central Seattle.

SHA was established by the City of Seattle under State of Washington enabling legislation in 1939. SHA is governed by a seven-member Board of Commissioners appointed by the Mayor of Seattle and confirmed by the Seattle City Council. The Executive Director is appointed by, and reports to, the Board and is responsible for staff hiring and direction.

SHA has approximately 580 employees and a total budget of \$227 million for Calendar Year 2009. In addition to the housing SHA owns, it serves as General and Managing Partner for thirteen Low Income Housing Tax Credit limited partnerships.

## **B. SCOPE OF WORK**

SHA has established an internal executive Financial Policy Oversight Committee (FPOC) to guide the financial planning, policy development, and management of SHA. Reporting to the Chief Financial Officer, the consultant(s) will undertake analytical and advisory tasks that will support the FPOC and the CFO in promoting the financial stewardship and health of SHA.

The following tasks are illustrative of, but not necessarily limited to the types of work the selected consultant(s) may be asked to perform:

1. Analyze SHA's Comprehensive Annual Financial Report and provide an assessment of SHA's financial strengths and weaknesses based on standard financial ratios. Advise SHA on a select group of key financial ratios and benchmarks therefore that SHA should consider adopting as prudent long-term measures of SHA's financial health. And, advise SHA on reasonable and prudent measures it can take to achieve desired benchmarks over a three to five year period.
2. Assist SHA staff in the preparation of Debt Management Policies for SHA, including creditworthiness objectives (including limitations on debt), uses and purposes of debt, debt standards and structures, and debt administration and policies.
3. Analyze Low Income Housing Tax Credit (LIHTC) partnerships that are approaching their 15<sup>th</sup> year and project their ending financial position at the 15<sup>th</sup> year. Recommend exit strategies for each of the limited partnerships, including actions SHA and general and managing partner could take in the last 3-5 years to mitigate or minimize SHA's financial liability.
4. Review SHA's investment program and advise on any prudent measures, consistent with State and HUD investment regulations, SHA could consider to increase investment earnings.
5. Advise SHA on debt issuance and mixed financing projects for low income housing, including proformas and financing plans, regulatory requirements, bond and related legal documents, proposed debt structures, financial feasibility, risks, and risk mitigation measures.
6. Identify efficiency measures and benchmarks and establish the baseline for such accounting functions as accounts receivable and accounts payable and such procurement functions as purchasing requisitions.
7. Assist the Budget staff in designing and analyzing budget issues associated with agency operations, which may include research on best practices or on performance by other agencies for comparative purposes.

All requests for services to be performed under the scope of this RFP and resulting Contract will be made by written Work Orders, signed and executed in agreement by both parties prior to the commencement of any billable activity. When services are required, the selected consultant shall prepare and negotiate with SHA a specifically defined scope of work, the required outcome or deliverables, specifically assigned personnel, a schedule and a not-to-exceed fee proposal based on hourly rates contained in their response to this RFP. It is expected that the Work Orders issued in 2009 will not exceed \$50,000. Presuming satisfactory work on any assigned tasks and continuation of any key personnel, SHA expects the contract with the selected consultant would be renewed annually for up to five years. There is, however, no guarantee of the level of effort that may be requested, or guarantee of any dollar amount for the contract in any one year or over its course.

**Reference Materials Available:** For “SHA’s 2007 Comprehensive Annual Financial Statement” please go to the following website:

[http://www.seattlehousing.org/news/pdf/CAFR\\_2007.pdf](http://www.seattlehousing.org/news/pdf/CAFR_2007.pdf)

For the most recent “Official Statement from a Mixed Financing Project” please go to the following website:

[http://www.seattlehousing.org/business/consulting/pdf/Mixed\\_Financing\\_Official\\_Statement.pdf](http://www.seattlehousing.org/business/consulting/pdf/Mixed_Financing_Official_Statement.pdf)

### **C. INFORMATION TO BE PROVIDED IN YOUR PROPOSAL**

Proposals should be limited to a total of 15 pages in no smaller than 12 point font (cover letter, resumes, Section 3 forms and other required attachments are not included in the page limitation). Proposers are responsible for checking SHA’s website at <http://www.seattlehousing.org/business/consulting/requests/3976/> prior to submission of a proposal to review and download any addenda issued.

**Response / Proposal Content:** To facilitate evaluation, proposals should address and be organized in the order of the outline given below and include the following information:

Include a cover letter stating why you believe your firm or your firm plus sub-consultants is uniquely qualified to perform the breadth of potential services. A principal or officer of the firm authorized to execute contracts or other similar documents on the firm’s behalf must sign the letter.

Address each of the evaluation criteria noted below.

- **Relating to Criterion 1:** Relate your firm’s or your firm’s and any sub-consultants’ experience with similar projects including financial advisor services, housing finance, low income housing tax credit partnerships, financial policy development, financial statements, and financial management, Government Accounting Standards Board generally accepted accounting practices, credit market and rating agency financial ratios and benchmarks, and financial instruments and legal documents for mixed financing familiarity with City of Seattle, State of Washington, and Washington State Finance Commission applications and requirements.

- Relating to Criterion 2: Give qualifications, relevant experience, and availability of personnel to be assigned to this project using the illustrative tasks shown in Section B, Items 1 through 7 herein, indicating which staff would lead and those who would be expected to participate in each of the tasks.
- Relating to Criterion 3: Demonstrate experience and analytical approach by describing the approach you would take to assess the Seattle Housing Authority's financial condition. (Response to Criterion 3 is limited to no more than two pages of the 15 page limit.)
- Relating to Criterion 4: List the titles/classifications and all-inclusive hourly rates for each team member shown in your response to Criterion 2, including any sub-consultant team members, if applicable. Also indicate any rate discount that you may offer to SHA for this work.

Provide resumes for the key personnel named in your response to Evaluation Criteria # 2. Include a list of at least three references for whom the firm or team members have performed similar work in the last five years (including agency or business name of client, contact person, address, telephone number and e-mail address if available.)

#### **D. CONSULTANT EVALUATION CRITERIA**

Consultants' submittals will be evaluated based on the criteria listed in this section and further described in Section C above. In preparing the submittal to SHA, it is important for proposers to clearly demonstrate their expertise in the areas described in this document. Because multiple areas of expertise are required for successfully performing this project, the consultant, either through in-house staff or sub-consultants, must demonstrate expertise and have available adequate numbers of experienced personnel in all of the areas described.

Consultants are encouraged to identify and clearly label in their submittal how each criterion is being fully addressed. Evaluation of responses to this RFP will be based only on the information provided in the submittal package, and if applicable, interviews, and reference responses. SHA reserves the right to request additional information or documentation from the firm regarding its submittal documents, personnel, financial viability, or other items in order to complete the selection process. If a responding firm chooses to provide additional materials in their proposal beyond those requested, those materials should be identified as such and included in a separate section of the proposal. In submitting a proposal, the Consultant and any sub-consultants agree that hourly rates identified for each person on the team shall be applicable for the entirety of the year 2009.

The following criteria with a point system of relative importance with an aggregate total of one hundred points will be utilized to evaluate the qualifications of each proposer:

<b>Evaluation Criteria: Qualifications</b>		<b>Weighting (Max. Points)</b>
1	Previous company experience with similar projects. (See Section C above for a complete description of this Criterion.)	30
2	Qualifications, relevant experience, and availability of personnel to be assigned to this project. (See Section C above for a complete description of	30

	this Criterion	
3	Demonstrated experience and analytical approach. (See Section C above for a complete description of this Criterion.)	20
	Maximum Total Points for Qualifications	80
	<b>Evaluation Criteria: Proposed Hourly Rates</b>	
4	Proposed all-inclusive hourly rates. (See Section C above for a complete description of this Criterion.)	20
	Total Maximum Points for Qualifications and Proposed Price	100

Section 3 Preference Points: All proposing firms that are qualified at the time of submittal of your proposal, as a Section 3 Business [see Section “H. 2)” herein] shall receive an additional 20 points to be added to their total evaluation score.

## **E. SUBMISSION REQUIREMENTS**

- 1) **Due Date for Questions:** Technical questions regarding substantive matters related to this RFP or requests for further information must be submitted in writing **no later than 12:00 p.m. (noon) on Thursday, January 22, 2009** to Don Tucker, Sr. Contract Administrator by email at dtucker@seattlehousing.org.
- 2) **Due Date and Place for Submission of Proposals:** Sealed Proposals **(one original and five copies)** must be received by the Seattle Housing Authority **no later than 12:00 p.m. (noon) on Friday, February 6, 2009** at the address indicated below:

Seattle Housing Authority  
Attn: Don Tucker, Purchasing  
120 Sixth Avenue North  
P.O. Box 19028  
Seattle, WA 98109-1028

The deadline is firm as to place, date, and time. SHA will not consider any proposal received after the deadline and will return all such proposals unopened.

All Proposals should be clearly marked when delivered or mailed to avoid any confusion about recording arrival dates and times. Proposers should take this practice into account and submit their materials early to avoid any risk of ineligibility caused by unanticipated delays or other delivery problems. *NOTE: A faxed or e-mailed Proposal will not be accepted.*

Upon receipt of each Proposal, SHA’s Purchasing Division will date-stamp it to show the exact time and date of receipt. Upon request, Purchasing will provide the proposer with an acknowledgment of receipt. All Proposals received will become the property of the Seattle Housing Authority and will not be returned to the proposer.

- 3) **Submittal Length Limits:** Responses to the RFP shall not exceed fifteen (15) single sided pages in length, plus resumes of no more than two pages each for each of the proposed members of the team.

4) **Required Number of Copies:** Proposers responding to this RFP shall submit **one original and five copies of their proposal** to the address indicated above. The original of each of the forms indicated below must also be completed and submitted with the **one original Proposal** only. Do not send these forms with the proposal copies.

- Section 3 Business Certification Form
- Section 3 Resident Employment Plan

5) **Addenda:** In the event there are changes or clarifications to this RFP, SHA will issue an addendum. Addenda will be published on SHA's website at

<http://www.seattlehousing.org/business/consulting/requests/3976/>

It is the responsibility of proposers to check this website prior to submission of a proposal to review and download any addenda issued. If you are unable to download the addenda, you may call Don Tucker, Sr. Contract Administrator at 206-615-3475 to have a copy of the addenda mailed or e-mailed to you.

6) **Rights Reserved by SHA:** SHA reserves the right to waive as an informality any irregularities in submittals and/or to reject any or all Proposals. SHA will generally not disclose the status of negotiations until SHA's Executive Director has approved the award of a contract for services.

## **F. SELECTION PROCESS**

An evaluation panel will rate all responses to this RFP that are received on or before the stated deadline, according to the criteria listed above. Based on its initial evaluation, the panel may:

1. Make a recommendation to SHA's Executive Director and request authority to negotiate a Contract with one or more proposers; or
2. Request additional information from the proposer whose responses appear to have the greatest likelihood of success; and/or
3. Invite one or more proposer whose responses appear to have the greatest likelihood of success to attend an interview/presentation to discuss their proposal; and then make a recommendation to SHA's Executive Director and request authority to negotiate a contract with one or more proposers.

SHA reserves the right to conduct reference checks, at either or at both of the following two points of the evaluation process:

1. After proposals are evaluated, for the proposer with the highest-scoring proposal;
2. In the event that interviews are held, for the proposer with the highest-scoring proposal and interview.

In the event that information obtained from the reference checks reveals concerns about the proposer's past performance and their ability to successfully perform the contract to be

executed based on this RFP, SHA may, at its sole discretion, determine that the proposer is not a responsible proposer and may select the next highest-ranked proposer whose reference checks validate the ability of the proposer to successfully perform the contract to be executed based on this RFP. In conducting reference checks, SHA may include itself as a reference if the proposer has performed work for SHA, even if the proposer did not identify SHA as a reference.

By submitting its Proposal in response to this RFP, the Consultant accepts the procurement method used and acknowledges and accepts that the evaluation process will require subjective judgments by SHA and the evaluation panel.

Any protest of the selection process shall be resolved in accordance with SHA's Procurement Policies, which may be reviewed at the following web site address:

[http://www.seattlehousing.org/business/guidelines/pdf/Procurement\\_Policies.pdf](http://www.seattlehousing.org/business/guidelines/pdf/Procurement_Policies.pdf).

## **G. CONTRACT NEGOTIATIONS**

SHA shall negotiate with the most qualified proposer, as determined by evaluation of the responses and, if applicable, interviews. If SHA is unable to reach agreement with the highest ranked firm, it may negotiate with the second highest ranked firm, proceeding in turn to each firm, in order of rank, until a contract is executed.

SHA expects to execute a Contract for services for up to five years.

## **H. ADMINISTRATIVE INFORMATION**

- 1) **Minority-owned and Women-owned Business Enterprises:** SHA strongly encourages minority-owned and women-owned businesses, socially and economically disadvantaged business enterprises, HUD Section 3 businesses, and small businesses to submit proposals, to participate as partners, or to participate in other business activity in response to this RFP.
- 2) **Section 3 Requirements:** Section 3 of the Housing and Urban Development Act of 1968 (hereinafter "Section 3") requires SHA to the greatest extent feasible to provide employment opportunities to Section 3 residents. Section 3 residents include residents of SHA communities and other low-income residents of Seattle. Each Proposer is required to submit with their Proposal a Resident Employment Plan that will result in hiring Section 3 residents to perform the work contemplated by this RFP, and a Section 3 Business Certification form.
  - A. **Selection Preference for Section 3 Businesses:** If the Proposer is a Section 3 business, and so indicates on the Section 3 Business Certification form required with the Proposal, and the Section 3 preference points assigned to the Proposer result in the Proposer being the highest ranked Proposer, SHA will conduct an investigation to certify whether the business is a qualified Section 3 business. In submitting its Proposal, the Proposer agrees to provide any information required by SHA to determine whether the business qualifies as a Section 3 business. A business may qualify as a Section 3 business by meeting one of the following criteria:

1. At least 51% of the business is owned by Section 3 qualified persons who live in the City of Seattle and meet the prescribed income limitations based on family size as shown on the Section 3 Business Certification form.
  2. 30% or more of a business' permanent, full-time employees (core employees within the last 12 months) are Section 3 qualified persons who live in the City of Seattle and meet the prescribed income limitations based on family size as shown on the Section 3 Business Certification form.
  3. The business makes a commitment to subcontract with Section 3 businesses for more than 25% of the dollar amount of all subcontracts to be awarded by the business. Prior to selection, such businesses must submit a plan and the necessary support documents describing how the subcontracting commitment will be met. SHA will evaluate the plan and documents submitted and determine whether it is likely the Proposer will attain the subcontracting percentage. SHA will monitor the Section 3 business' compliance with their subcontracting commitment. The Proposer's failure to fulfill the Section 3 subcontracting commitment shall be a material breach of contract which may result in SHA taking any or all of the following actions: (1) demanding specific performance of the subcontracting plan; (2) withholding from contract payments the dollar amount of any or all subcontracts that were to have been awarded to Section 3 businesses or such lesser amount as may be appropriate, (3) withholding any liquidated damages that SHA may incur as a result of the Proposer's failure to comply with its Section 3 commitment and subcontracting plan; and (4) declaring the Proposer ineligible to compete for, or participate in, any SHA contract for a period of five years from the date of close out of the contract in which the Section 3 subcontracting commitment was made.
- B. Section 3 Contract Language: The following language regarding Section 3 will be included as part of the contract to be executed based on this RFP.
1. 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.
  2. 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.
  3. 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.

4. 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 subcontractor 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.
5. 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.
6. 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.
7. With respect to work performed in connection with Section 3-covered Indian Housing Assistance, Section 7(b) of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450e) also applies to the work to be performed under this Contract. Section 7(b) requires that to the greatest extent feasible (i) preference and opportunities for training and employment shall be given to Indians, and (ii) preference in the award of contracts and subcontracts shall be given to Indian organizations and Indian-owned Economic Enterprises. Parties to this Contract that are subject to the provisions of Section 3 and Section 7(b) agree to comply with Section 3 to the maximum extent feasible, but not in derogation of compliance with Section 7(b).
8. If the Consultant is a Section 3 business and was selected by SHA based on evaluation points assigned under the Section 3 business preference requirements of the RFP for committing to subcontract more than 25% of the dollar amount of all subcontracts to Section 3 businesses, the Consultant agrees to meet the Section 3 subcontracting commitment. Failure of the Consultant to fulfill the Section 3 subcontracting commitment shall be deemed a material breach of contract, which may result in SHA taking any or all of the following actions: (1) demanding specific performance of the subcontracting plan; (2) withholding from contract payments the dollar amount of any or all subcontracts that were to have been awarded to Section 3 businesses or such lesser amount as may be appropriate, (3) withholding any liquidated damages that SHA may incur as a result of the Consultant's failure to comply with its Section 3 commitment and subcontracting plan; and (4) declaring the Consultant ineligible to compete for, or participate in, any SHA contract for a period of five years from the

date of close out of the contract in which the Section 3 subcontracting commitment was made.

- 3) **Basic Eligibility:** The successful proposer must be licensed to do business in the State of Washington and must have a state Unified Business Identifier (UBI) number. In addition, the successful proposer must not be debarred, suspended, or otherwise ineligible to contract with SHA, and must not be included on the General Services Administration's "List of Parties Excluded From Federal Procurement and Non-procurement Programs" or the Department of Housing and Urban Development's "Limited Denial of Participation" list.
- 4) **Payment Requirements:** Proposers should be aware that SHA will only make payments on the contract issued under this RFP after a Work Order has been executed, the work being billed has been completed and within 30 calendar days of receipt of a properly prepared and Owner approved invoice from the Consultant. Supporting documentation is required for payment of reimbursable expenses. No advance payments will be made to the consultant, who must have the capacity to meet all project expenses in advance of payments by SHA.
- 5) **Approval of Sub-Consultants:** SHA retains the right of final approval of any sub-consultant of the selected proposer who must inform all sub-consultants of this provision.
- 6) **Documents Produced:** All financial models, budgets, applications and other documents produced under contract to SHA must be submitted to SHA in both hard copy and a digital format that meets SHA's requirements, using Microsoft Office. All documents and products created by the consultant and their sub-consultants shall become the exclusive property of SHA.
- 7) **Other Contracts:** During the original term and all subsequent renewal terms of the contract resulting from this RFP, SHA expressly reserves the right, through any other sources available, to pursue and implement alternative means of soliciting and awarding similar or related services as described in this RFP.
- 8) **Funding Availability:** By responding to this RFP, the proposer acknowledges that for any contract signed as a result of this RFP, the authority to proceed with the work is contingent upon the availability of funding.
- 9) **Contract Requirements:** Proposers may review a sample of SHA's standard contract language that will form the basis for any contract executed based on this solicitation by visiting the following web site:  
  
[http://www.seattlehousing.org/business/guidelines/pdf/Consultant Professional Services Contract.pdf](http://www.seattlehousing.org/business/guidelines/pdf/Consultant_Professional_Services_Contract.pdf)
- 10) **Insurance:** The following are the insurance requirements that will be included in the contract executed based on this RFP:

**A. General Requirements:**

1. Prior to undertaking any work under this Contract, the Consultant shall procure and maintain continuously for the duration of this Contract, at no expense to SHA,

insurance coverage as specified below, in connection with the performance of the work of this Contract by the Consultant, its agents, representatives, employees and/or subcontractors.

2. The Consultant's insurance shall be primary as respects SHA, and any other insurance maintained by SHA shall be excess and not contributing insurance with the Consultant's insurance.
3. Except with respect to the limits of insurance, and any rights or duties specifically assigned to the first named insured, the Consultant's Commercial General Liability and Commercial Automobile Liability insurance coverage shall apply as if each named insured were the only named insured, and separately to each insured against whom claim is made or suit is brought.
4. Failure of the Consultant to fully comply with the insurance requirements of this Contract will be considered a material breach of contract and, at the option of SHA, will be cause for such action as may be available to SHA under other provisions of this Contract or otherwise in law, including immediate termination of the Contract.

**B. Required Insurance Coverage:** The following are the types and amounts of insurance coverage that must be maintained by the Consultant during the term of this Contract. The Consultant must provide acceptable evidence of such coverage prior to beginning work under this Contract.

1. Commercial General Liability Insurance. A policy of Commercial General Liability insurance including bodily injury, property damage, and products/completed operations, written on an occurrence form, with the following minimum coverage:
  - \$1,000,000 each occurrence, and
  - \$2,000,000 aggregate

Coverage shall extend to cover the use of all equipment on the site or sites of the work of this Contract. In the event that the services to be provided under this Contract involve the Consultant's contact with minor children, the Consultant shall provide evidence that sexual misconduct coverage has not been excluded from the policy and is covered under the policy. Acceptable evidence of sexual misconduct coverage must include an endorsement and policy excerpt(s) and is subject to approval by SHA's Risk Manager.

2. Employers Liability or Washington Stop Gap Liability. A policy of Employers Liability or a Washington Stop Gap Liability insurance endorsement with the following minimum coverage:
  - \$1,000,000 each accident
3. Commercial Automobile Liability Insurance. A policy of Commercial Automobile Liability Insurance, including coverage for owned, non-owned, leased or hired vehicles written on an insurance industry standard form (CA 00 01) or equivalent, with the following minimum coverage:

- \$1,000,000 combined single limit coverage
4. **Professional Liability Insurance:** A policy of Errors and Omissions Liability Insurance appropriate to the Consultant's profession. Coverage should be for a professional error, act, or omission arising out of the scope of services shown in the Contract, with the following minimum coverage:

- \$1,000,000 per Claim/Aggregate

If the Professional Liability Insurance policy is written on a claims made form, the Consultant warrants continuation of coverage, either through policy renewals or the purchase of an extended reporting period ("tail") for a minimum of three years from the date of completion of the work authorized by the Contract. In the event that the Consultant is authorized to engage subcontractors, each subcontractor shall provide evidence of separate professional liability coverage equal to the levels specified above, unless such requirement is waived in writing by SHA.

5. **Workers Compensation.** A policy of Workers Compensation. As respects Workers Compensation insurance in the State of Washington, the Consultant shall secure its liability for industrial injury to its employees in accordance with the provisions of Title 51 of the Revised Code of Washington (RCW). If the Consultant is qualified as a self-insurer in accordance with Chapter 51.14 RCW, the Consultant shall so certify by a letter signed by a corporate officer, indicating that it is a qualified self-insured, and setting forth the limits of any policy of excess insurance covering its employees, or any similar coverage required.

- C. **Additional Insured Endorsement:** The Seattle Housing Authority must be named as an Additional Insured on a primary and non-contributory basis on all Commercial General Liability policies of the Consultant. A policy endorsement (form CG2010B or equivalent) must be provided to SHA as evidence of additional insured coverage.

**D. Proof of Insurance and Insurance Expiration:**

1. The Consultant shall furnish certificates of insurance and policy endorsements as evidence of compliance with the insurance requirements of the Contract. Such certificates and endorsements must be signed by a person authorized by that insurance company to bind coverage on its behalf.
2. The Consultant shall include all subcontractors at any tier as insureds (except for Professional Liability insurance), and ensure that the Consultant's coverage of subcontractors under the Consultant's policies is not excluded by any policy provision or endorsement. Alternatively, the Consultant shall:
  - a.) Obtain from each subcontractor not insured under the Consultant's policy or policies of insurance, evidence of insurance meeting all the requirements of this Contract, and
  - b.) Maintain such evidence on file for a period of one year after the completion of this Contract and, upon request, submit such evidence to SHA for examination.

3. The Consultant's insurance shall not be reduced or canceled without thirty (30) days prior written notice to SHA. The Consultant shall not permit any required insurance coverage to expire during the term of this Contract.
  4. SHA reserves the right to require complete, certified copies of all required insurance policies at any time during the term of this Contract, or to waive any of the insurance requirements of this Contract at its sole discretion.
- E. Carrier Review and Approval Authority:** Insurance policies, deductibles, self-insured retentions, and insurance carriers will be subject to review and approval by SHA. All insurance shall be carried with companies that are financially responsible. Generally, except for Professional Liability Insurance coverage, all carriers of insurance or reinsurers must have and maintain a rating of "A VII" or better as identified in the *A. M. Best Insurance Rating Guide*, most recent edition. Insurance carriers or reinsurers who do not have a rating of "A VII" or better may not be used without written approval of SHA's Risk Manager. All carriers or reinsurers of Professional Liability (Errors and Omissions) Insurance must have and maintain a rating of "B+VII" or better as identified in the *A. M. Best Insurance Rating Guide*, most recent edition. Insurance carriers or reinsurers for Professional Liability Insurance who do not have a rating of "B+VII" or better may not be used without written approval of SHA's Risk Manager.

Seattle Housing Authority  
**Section 3 Business Certification**

**Section 3 Business Criteria:** Your business is eligible for Section 3 Certification if it meets any one of the following criteria. If your business meets one or more of these criteria, please circle the applicable criteria.

1. Fifty-one percent or more of your business is owned and managed by a Section 3 qualified person or persons. (See qualification guidelines below)
2. Thirty percent or more of your permanent, full time employees are Section 3 qualified persons.
3. You can provide evidence of a commitment to subcontract in excess of 25 percent of the amount of all subcontracts to Section 3 certified businesses.

**Section 3 Person Criteria:** A Section 3 qualified person must:

- A. Live in the City of Seattle.
- B. Earn no more than the following amounts :

Family Size:	1 Person	2 Persons	3 Persons	4 Persons	5 Persons	6 Persons	7 Persons	8 Persons
Income	\$41,700	\$47,700	\$53,650	\$59,600	\$64,350	\$69,150	\$73,900	\$78,650

**Section 3 Statement:** Please check the appropriate box below.

- My business is a Section 3 business in accordance with the criteria circled above under Section 3 Business Criteria.
- My business is not a Section 3 business.
- My business has been certified as a Section 3 Business by:  
 (name of agency) \_\_\_\_\_ (date of certification) \_\_\_\_\_

Signature:		Date Signed:
Name:	Title:	
Company Name:		
Address:		
Telephone Number:		

**Note:** If you certify above that your business is a Section 3 business, and you qualify for award of the contract based on the preferences given to Section 3 businesses and described in the solicitation, SHA will request documentation and additional information as may be reasonably required to certify whether your business qualifies as a Section 3 business.

If you have any questions about this form, please call  
 Samuel Pierce, SHA's Section 3 Coordinator, at (206) 937-3292.

Seattle Housing Authority  
**Section 3 Resident Employment Plan**

Section 3 of the Housing and Urban Development Act of 1968 (hereinafter "Section 3") requires SHA to the greatest extent feasible to provide employment opportunities to "Section 3 residents." Section 3 Residents include residents of SHA communities and other low income residents of Seattle. Each bidder is required to submit with their bid package a plan which will result in the hiring of Section 3 residents to perform the work contemplated by the bid. HUD has established an annual goal of 10% of all new hires by SHA Contractors. SHA residents, preferably residents of the SHA community in which the work is to be done, are favored over other low-income residents of Seattle. At a minimum, the Contractor and its subcontractors shall advertise new positions created in order to perform the work called for herein and will post notices of the Contractor's commitments under Section 3 in conspicuous places at the work site. In addition, the Contractor must notify each labor organization with whom it or its subcontractors have a collective bargaining agreement or other understanding of these Section 3 commitments. In order to fulfill its Section 3 obligations the Contractor may work with service providers on site at various SHA communities including, but not limited to, Neighborhood House and the Employment Opportunities Center. The plan should specify the number of positions the Contractor expects will be created and what minimum qualifications and skills will be required in order to perform the positions. The plan should also address the Contractor's strategy for recruiting SHA residents for the available positions.

Signature:		Date Signed:
Name:	Title:	
Company Name:		
Address:		Telephone Number:

1. How many new positions do you expect this contract will require you to create?

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2. Describe each position and provide the name and provide the location of the person(s) taking applications for each such position.

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3. What minimum skills will be required for each position?

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4. Please describe any training opportunities which the contract may create and any agreements concerning training you have.

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5. How will you advertise these positions to SHA residents?

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If you have any questions about this form, please call  
Samuel Pierce, SHA's Section 3 Coordinator, at (206) 937-3292