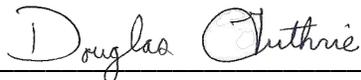


Report of the President & CEO

July 28, 2022

RESOLUTION AUTHORIZING THE PRESIDENT AND CEO, OR DESIGNEE, TO EXECUTE A ONE-YEAR CONTRACT WITH UP TO FIVE ONE-YEAR EXTENSIONS, WITH SECTION 8 MANAGEMENT, PURSUANT TO AWARD UNDER RFP HA-2022-15, FOR A TOTAL CONTRACT AMOUNT NOT TO EXCEED \$2,576,000, TO PROVIDE SERVICES TO FAMILIES WITH CHILDREN MOVING TO LOW POVERTY/HIGH OPPORTUNITY AREAS UNDER THE COMMUNITY CHOICE DEMONSTRATION PROGRAM



Douglas Guthrie
President & Chief Executive Officer



Carlos Van Natter
Director of Section 8

Purpose: The Housing Authority of the City of Los Angeles (“HACLA”) is seeking a service provider to fulfill requirements from HUD’s Community Choice Demonstration (formerly Mobility Demonstration Voucher) including assisting with pre-move services, housing search assistance, family financial assistance, landlord recruitment, and post-move services.

Issues: On July 15, 2020, the Department of Housing and Urban Development (“HUD”) issued a Notice of Funding Availability (FR-6191-N-01) (“NOFA”) for a Housing Choice Voucher (“HCV”) mobility demonstration program, entitled the Section 8 Housing Choice Vouchers: Implementation of the Housing Choice Voucher Mobility Demonstration (“Demonstration” or “Mobility Demonstration”), to provide voucher assistance and mobility-related services to families with children to encourage such families to move to lower-poverty areas, to expand their access to opportunity areas, and to evaluate the effectiveness of the strategies pursued under the Demonstration. HUD made available grants to Public Housing Authorities (“PHAs”) willing to develop and implement their own housing mobility program. These funds can be used for incremental voucher assistance for HCV Mobility Demonstration Vouchers (“MDVs”), mobility related services, security deposit assistance, staff training, startup costs of program implementation, and program plan development.

HACLA applied to participate in the Mobility Demonstration to administer a regional mobility program covering high opportunity areas in Los Angeles County.

On April 30, 2021, HUD awarded HACLA a grant to participate in a HCV mobility demonstration program along with eight other sites across the country.

This Demonstration will take place over the course of six years. The first year will consist mainly of planning, with mobility services taking place from years two to six. HUD will work with PHAs to assist with program and research design. Throughout the six years, there will be regular reporting of research data to HUD. For the study, HACLA will need to recruit a minimum of 1,950 Section 8 families to participate. Eligible families for the study will be new admissions to the HCV program and existing voucher holders with at least one child under the age of 13. Once recruited, these families will be randomly assigned into two treatment groups and one control group. The first treatment group will receive comprehensive mobility-related services (“CMRS”), which is the full set of mobility services, while the second treatment group will receive selected mobility-related services (“SMRS”) that will consist of a subset of CMRS.

CMRS and SMRS families will receive services to be provided by including pre-move services, housing search assistance, family financial assistance, landlord recruitment, and post-move services. CMRS families are to receive the services starting in year two. SMRS families will receive a subset of these services in year three of the study, once it is determined which interventions used in CMRS seem more promising.

Procurement: On January 11, 2022, RFP No. HA-2022-15 (“RFP”) was issued seeking a qualified firm with expertise in the local rental housing markets to: 1) develop and sustain relationships with property owners and landlords; 2) work with families on housing searches and marketability coaching; and 3) effectively connect these landlords with the renting families. The RFP was issued in support of HUD’s award of a grant to HACLA and the Los Angeles County Development Authority (“LACDA”) to participate in a HCV mobility demonstration program.

Outreach and notification of the RFP was conducted as further detailed in Attachment 2 (Summary of Procurement and Outreach Activities). A total of two (2) proposals were received by the submission deadline of February 28, 2022 (for a total of forty-eight (48) days). As the number of days to respond to the RFP was extensive and solicitation notification robust, the receipt of only two proposals was deemed a reflection of limited expertise and current availability of that expertise. The proposals were independently reviewed and evaluated by an evaluation panel (“Panel”) with subject matter expertise using the criteria stated in the RFP.

In March 2022, the Panel reconvened to discuss, analyze and score the proposals. Following initial scoring, the Panel determined that each of these proposers should be given an opportunity for an interview. The interviews were conducted on May 2, 2022. Thereafter, a Best and Final Offer (“BAFO”) was requested from both proposers, to provide them with a final opportunity to propose their best

proposals. Each responded adjusting their pricing and work plan. The Panel then re-evaluated the proposals and determined that the proposal submitted by Section 8 Management represented the best value to HACLA based upon the RFP criteria, and is therefore being recommended for contract award.

Below is a table summarizing the pre and post BAFO scoring:

COMPANY NAME	PRE-BAFO SCORES	POST-BAFO SCORES
Section 8 Management (MBE)	72.00	84.50
Nan McKay & Associates, Inc. (WBE)	73.50	81.00

Additional information regarding the procurement is included in the Summary of Procurement and Outreach Activities.

Vision Plan: PEOPLE Strategy No. 7: Enhance resident access to education opportunities, workforce readiness training, and skills development.

Participation in the Mobility Demonstration would align with PEOPLE Strategy No. 7. Facilitating participant family moves into higher opportunity areas would allow parents to have better job opportunities and children access to better schools and resources. This may result in improved test scores for children, increased employment for parents, and increased income for participant families, which are metrics that will be evaluated to determine the success of this strategy.

PLACE Strategy No. 3: Improve and expand Section 8 program, policies, and efficiencies.

One of the goals of the Section 8 program is to alleviate income disparities by providing safe and affordable housing. An impediment of this goal is the concentration of families in low opportunity areas that limit their upward mobility. Participation in the Mobility Demonstration is intended to improve and expand the Section 8 program.

One of the “year one and near term” goals of PLACE Strategy No. 3 is to “improve tools to support housing searches, provide support and training to prepare Section 8 voucher holders to be competitive in hot rental markets.” This goal aligns with HUD’s Mobility Demonstration.

Another near-term goal is to “assess current landlord outreach and support” and to recommend program shifts that can increase landlord participation. This is one of the strategies that HACLA and LACDA seek to implement in the regional mobility program.

Funding: The Chief Administrative Officer confirms the following:

Source of Funds: The costs for these services will be funded through HUD’s award for mobility related services under subcategory “Comprehensive and Selected Mobility-Related Services.”

Budget and Program Impact: These costs will be included in the 2023 Operating Budget and in subsequent years as needed, consistent with the forthcoming memorandum of understanding and a performance standards agreement to be executed with HUD.

Environmental Review: This action is exempt.

Section 3: The current contract is being procured by federal funds and is subject to HUD Section 3 Requirements under 24 CFR Part 75 Subpart C. Section 8 Management submitted a Section 3 Economic Opportunity Plan in compliance with HACLA’s Section 3 Policy. They committed to hiring three Section 3 workers.

Attachments:

1. Resolution
2. Summary of Procurement and Outreach

RESOLUTION NO. _____

RESOLUTION AUTHORIZING THE PRESIDENT AND CEO, OR DESIGNEE, TO EXECUTE A ONE-YEAR CONTRACT WITH UP TO FIVE ONE-YEAR EXTENSIONS, WITH SECTION 8 MANAGEMENT, PURSUANT TO AWARD UNDER RFP HA-2022-15, FOR A TOTAL CONTRACT AMOUNT NOT TO EXCEED \$2,576,000, TO PROVIDE SERVICES TO FAMILIES WITH CHILDREN MOVING TO LOW POVERTY/HIGH OPPORTUNITY AREAS UNDER THE COMMUNITY CHOICE DEMONSTRATION PROGRAM

WHEREAS, on April 30, 2021, the United States Department of Housing and Urban Development (“HUD”) awarded the Housing Authority of the City of Los Angeles (“HACLA”) a grant to participate in a Housing Choice Voucher (HCV) mobility demonstration program (“Demonstration”);

WHEREAS, the Demonstration requires the provision of voucher assistance and mobility-related services to families with children to encourage such families to move to lower-poverty areas, to expand their access to opportunity areas, and to evaluate the effectiveness of the strategies pursued under the Demonstration;

WHEREAS, HACLA requires the administration of the United States Department of Housing and Urban Development (“HUD”) grant for the Housing Choice Voucher (“HCV”) mobility demonstration program (“Services”) that otherwise cannot be provided by regular employees of HACLA;

WHEREAS, on January 11, 2022, HACLA issued Request for Proposals No. HA-2022-15 (“RFP”) to secure the Services;

WHEREAS, on February 28, 2022, a total of (2) two proposals were received and independently evaluated using the RFP evaluation criteria by an evaluation panel with subject matter expertise; and

WHEREAS, based on the Panel’s evaluation, Section 8 Management, was determined to be the best value to HACLA, and is being recommended for contract award for an initial one-year term with five (5) one-year options to extend, subject to HUD’s approval of the fifth and final one-year extension option, if determined required, for a total contract amount of \$2,576,000, pursuant to award under the RFP.

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners hereby authorizes the President and CEO, or designee, to execute an initial one-year contract with five (5) one-year options to extend, with Section 8 Management in the amount of \$2,576,000, pursuant to award under the RFP.

BE IT FURTHER RESOLVED that this Resolution shall take effect immediately.

APPROVED AS TO FORM

HOUSING AUTHORITY OF THE
CITY OF LOS ANGELES

By: _____
James Johnson, General Counsel

By: _____
Cielo Castro, Chairperson

DATE ADOPTED: _____

Attachment No. 2
SUMMARY OF PROCUREMENT AND OUTREACH ACTIVITIES
RFP No. HA-2022-15
HUD Mobility Demonstration

A. Funding Source

Federal Non-Federal Mixed Funding

B. Advertisement: Minority/Women and Additional Outreach

General Services advertised RFP No. HA-2022-15 on the Regional Alliance Marketplace for Procurement (“RAMP”), formerly LABAVN, a free service provided by the City of Los Angeles and the Los Angeles Business Council at: www.rampla.org, starting on January 11, 2022, until the submission deadline of February 28, 2022, for a total of forty-eight (48) days. The RFP was viewed by fifty-three (53) vendors. In support of the Housing Authority of the City of Los Angeles’ (“HACLA”) policy to contract with Minority-Owned Business Enterprises (“MBEs”), Women-Owned Business Enterprises (“WBEs”) and Labor Surplus Area (“LSA”) businesses, to the extent possible, on January 11, 2022, notice of this RFP was also provided to a List of Recognized Minority and Women-owned Business Organizations and to the local office of the U.S. Small Business Administration (“SBA”) (see list below).

C. Pre-Proposal Conference

Due to the closure of our offices to the public stemming from the COVID-19 outbreak, a pre-proposal conference was not conducted. This decision followed orders issued for the State of California by Governor Newsom, the City of Los Angeles by Mayor Garcetti, and Federal, County and City of Los Angeles’ public health officials.

D. Addenda

In response to questions received by the submission deadline of January 25, 2022, two addenda were issued; one on January 26, 2022, and the second on February 16, 2022. The addendums answered questions received and sought to help ensure the RFP requirements were clearly and completely understood.

E. Receipt of Proposals

The following two (2) proposals were received by the February 28, 2022, submittal deadline:

PROPOSERS
1. Nan McKay & Associates (WBE)

F. Panel Review/Composition Background

On April 30, 2021, the United States Department of Housing and Urban Development (“HUD”) awarded HACLA and the Los Angeles County Development Authority (“LACDA”) a grant to participate in a Housing Choice Voucher (“HCV”) mobility demonstration program to: 1) provide voucher assistance and mobility-related services to families with children; 2) encourage such families to move to lower-poverty areas to expand their access to opportunity areas; and 3) evaluate the effectiveness of the strategies pursued under the mobility demonstration program. The grant funds can also be used for: a) housing assistance payments for Mobility Demonstration Vouchers (“MDVs”); b) mobility related services; c) security deposit assistance; d) staff training; e) startup costs of program implementation; and f) program plan development.

As part of a collaborative effort, both HACLA and LACDA were seeking a qualified and innovative firm with expertise in local rental housing markets to: 1) develop and sustain relationships with property owners and landlords; 2) work with families on housing searches and marketability coaching; and 3) effectively connect these landlords with the renting families.

The evaluation panel (“Panel”) was initially comprised of four (4) subject matter experts; two (2) from HACLA and two (2) from LACDA, and was subsequently reduced to a two-member panel at the conclusion of the BAFO review (please see more details below). The Panel met on several occasions starting with initial evaluations on March 7th and 15th. On April 7th and 11th the Panel reconvened to further discuss and analyze the two (2) proposals and determined that both proposers should be provided an opportunity for an interview. The Panel conducted both interviews on May 2nd.

Upon the conclusion of the interviews, the Panel recommended that the two (2) proposers be provided an opportunity to submit a BAFO.

F. Best and Final Offers

On May 5, 2022, HACLA requested a BAFO from each of two (2) proposers (shown below), to provide them with a final opportunity to propose their best proposals. On May 6, 2022, both proposers responded to the BAFO requests with each adjusting their pricing and work plan.

Meanwhile, on May 17, 2022, LACDA terminated the joint agreement with HACLA and withdrew from the HCV Mobility Demonstration Grant. HACLA, however, decided to continue with the RFP process as a single agency evaluation panel, reducing the four (4) member joint-agency evaluation panel to a two (2) single-agency evaluation panel.

HACLA’s evaluation panel then, after the re-evaluation of the BAFOs, reached a consensus and adjusted their scores as follows:

COMPANY NAME	PRE-BAFO SCORES	POST-BAFO SCORES
Section 8 Management (MBE)	72.00	84.50
Nan McKay & Associates, Inc. (WBE)	73.50	81.00

The Contract Administration Manager has confirmed the scores are in accordance with the RFP criteria.

G. Recommendation for Award

HACLA’s evaluation panel, having determined that Section 8 Management’s proposal represents the best value to HACLA, is recommending it for contract award.

H. Workforce Profile

Section 8 Management, submitted a Workforce Profile that reveals the following workforce compositions:

COMPANY	EMPLOYEES
Section 8 Management (MBE)	Total: 4 4 minorities = 100% 2 women = 50%

MBE/WBE ORGANIZATIONS MAILING LIST

1	Asian American Architects and Engineers Association
2	Asian Business Association of Los Angeles
3	Asian Business League of Southern California
4	Asian Pacific Islander Small Business Program
5	Korean American Chamber of Commerce
6	Pacific Asian Consortium in Employment (PACE) Business Center
7	Black Business Association
8	Greater L.A. African American Chamber of Commerce (GLAAACC)
9	Regional Black Chamber of Commerce of San Fernando Valley
10	US Black Chamber of Commerce
11	Southern California Black Chamber of Commerce
12	National Black Contractors Association
13	Young Black Contractors Association
14	California Hispanic Chamber of Commerce
15	LA Metropolitan Hispanic Chamber of Commerce
16	Latin Business Association (LBA)
17	Los Angeles Latino Chamber of Commerce
18	National Latina Business Women Association (NLBWA-LA)
19	Regional Hispanic Chamber of Commerce
20	American Indian Chamber of Commerce
21	Build Plus Community Marketplace
22	Greater San Fernando Valley Chamber of Commerce
23	Los Angeles Area Chamber of Commerce
24	Los Angeles Minority Business Enterprise Center USC (MBDA)
25	National Association of Minority Contractors
26	National Association of Women Business Owners Los Angeles
27	Pacific Coast Regional Small Business Development Corp (SBDC)
28	Small Business Majority
29	Southern California Minority Supplier Development Council
30	The New Ninth Business Resource Center
31	US Small Business Administration
32	US Veteran Business Alliance
33	Valley Economic Development Center/Women's Business Center
34	Vermont Slauson Economic Development Corporation
35	Vernon Networking Committee
36	City of LA Bonding Program: Merriwether & Williams Insurance Services, Inc.