



## HOUSING OPPORTUNITIES COMMISSION OF MONTGOMERY COUNTY

10400 Detrick Avenue  
Kensington, Maryland 20895

### REQUEST FOR PROPOSAL (“RFP”) NO. 2409 PROPERTY MANAGEMENT SERVICES for STRATHMORE COURT LP

**Proposal Due Date:** September 25, 2023 at 2:00pm

**Pre-Proposal Conference:** August 31, 2023 at 3:00pm  
To Join Online  
Meeting URL: [meet.google.com/rkc-wapy-wds](https://meet.google.com/rkc-wapy-wds)

To Join by Phone  
Call-In-Number: +1 443-914-3044  
Meeting Pin: 403 801 946#

**Electronic Submittal:** [Purchasing@hocmc.org](mailto:Purchasing@hocmc.org)

Lihao Zhu  
Buyer II  
[lihao.zhu@hocmc.org](mailto:lihao.zhu@hocmc.org)

Ali Ozair  
Contract Administrator  
[ali.ozair@hocmc.org](mailto:ali.ozair@hocmc.org)

**PROPERTY MANAGEMENT SERVICES**  
**For**  
**STRATHMORE COURT**

**SECTION I: INTRODUCTION & BACKGROUND**

**1. Introduction:**

The Housing Opportunities Commission of Montgomery County (“HOC” or the “Commission”), a public body corporate and politic, was established in 1974 to provide decent, safe, and sanitary housing for persons of eligible income.

In its role as Montgomery County’s housing authority, HOC owns approximately 9,416 housing units. HOC utilizes a number of federal state funding, and local funding sources and subsidies to fund its housing programs including, but not limited to, HOME funds, State Partnership funds, Neighborhood Stabilization funds, Low Income Housing Tax Credits (“LIHTC”), tax-exempt bonds, Project Based Rental Assistance (“PBRA”), Project Based Vouchers (“PBV”), and county Housing Initiative Fund (“HIF”). HOC’s most successful strategy for creating access to high-quality affordable housing is the “mixed income approach.” Accordingly, each property within HOC’s portfolio is subject to a variety of regulatory requirements, derived from one or sometimes multiple financing sources.

**2. Purpose:**

HOC is seeking proposals from qualified property management companies (each company, a “Management Agent”) for the management of Strathmore Court (the “Property”) (as described in **Exhibit A**), with a focus on maintaining stabilized occupancy of 95% or higher for a mixed-income high-rise development located in Strathmore Court. The Property consists of 151 market rate units and 51 LIHTC units.

**3. Organizational Chart:**

The selected firm will have to work with the Director of Property Management, key staff members within HOC’s Property Management Division, and staff across the agency. A clear understanding of HOC’s structure is essential to the successful management of HOC’s properties. HOC’s organizational chart is attached as **Exhibit B** to help respondents to this RFP (each firm, a “Respondent”) understand HOC’s current operational structure.

**SECTION II: PROPOSAL INFORMATION**

**1. Contract Administrator:**

The Contract Administrator for this RFP is:

Name:     Ali Ozair

Title: Director of Property Management  
Phone: 240-627-9776  
Email: ali.ozair@hocmc.org

## 2. Proposal Due Dates:

**A. Pre-Proposal Conference.** A pre-proposal conference will be held virtually on August, 31, 2023 at 3:00pm . The URL to join the meeting is [meet.google.com/rkc-wapyh-wds](https://meet.google.com/rkc-wapyh-wds). A headset is recommended or you may use your computer's microphone and speakers. You can also join this meeting by phone. The call-in number is +1 443-914-3044 and Meeting Pin 403 801 946#.

The purpose of the pre-proposal conference is to give potential Respondents an opportunity to ask questions and obtain clarification about any aspect of this RFP. While attendance at the pre-proposal conference is not a prerequisite to submitting a proposal, it is encouraged. Please download a copy of this RFP prior to the meeting. Any changes to this RFP resulting from the pre-proposal meeting will be issued in a written addendum, which will be posted on HOC's website.

**B. Question Submission.** Questions related to this RFP must be submitted in writing to the Procurement Office at [Purchasing@hocmc.org](mailto:Purchasing@hocmc.org) by **September 8, 2023 at 12:00pm**. Responses to questions received in writing will be posted on HOC's website in the form of an addendum. Indicate in the subject line "Question for RFP #: 2409, Property Management Services for Strathmore Court."

**C. Proposal Due Date.** Proposals must be received by HOC's Procurement Office no later than **September 25, 2023 at 2:00pm**. Proposals must be submitted via email (at [Purchasing@hocmc.org](mailto:Purchasing@hocmc.org)). If submitted via email, the electronic copy must not be larger than 100MB. Fax transmission of a proposal is not an acceptable method of delivery for this RFP. **Proposals received after the due date and time will not be considered.** Proposals should only be submitted to the email address referenced above and indicate in the subject line "Submission for RFP#: 2409 – Property Management Services for Strathmore Court."

## 3. Addendum.

If this RFP is amended with any addendums, then all terms and conditions that are not modified by said addendum shall remain unchanged. Respondents shall acknowledge receipt of any addendum to this RFP by signing and returning the addendum with their proposal. Proposals that fail to acknowledge receipt of any addendum may, in HOC's sole discretion, result in the rejection of the proposal if the addendum contains information that substantively changes HOC's requirements.

**4. Section 3 and HOC Works.**

All contracts and purchase orders executed between HOC and contractors are subject to either Section 3 or HOC Works, based on the funding source of the contract. The contract for this RFP will be subject to the requirements of HOC Works. HOC Works covered contracts are those that are funded by any source other than U.S. Department of Housing and Urban Development (“HUD”). The HOC Works Program Requirements and HOC Works Opportunities Plan can be found in “**Exhibit C**”. A completed HOC Works Opportunities Plan must be submitted with the proposal for this RFP. Any questions relating to HOC Works can be directed to HOC’s Management and Compliance Analyst Team within HOC’s Compliance Office at [compliancemanagementanalyst@hocmc.org](mailto:compliancemanagementanalyst@hocmc.org).

**5. Background Checks.**

Respondents are required to comply with HOC’s security procedures, the HOC Contractor Background Screening Requirements (attached hereto as **Exhibit D**), and as follows:

- a. At the conclusion of the contract award meeting, prior to any work beginning and upon any changes, the winning Respondent shall submit to the Contract Administrator a list of employees who will be working on this project.
- b. Copies of the completed background checks shall be made available to HOC upon request. Employees of the winning Respondent with a criminal background (as described in **Exhibit D**) are prohibited from working on this, or any other, HOC project.
- c. After work begins, any new employees added to the payroll of the winning Respondent must also comply with these requirements.

**6. Disclosure/Public Information Act.**

All information shared by HOC pursuant to this RFP shall be held in strict confidence. HOC is subject to the Public Information Act, Md. Code Ann., Gen. Prov. §§ 4-101 – 4-601 (the “Act”). This RFP, Respondent’s response to this RFP, any resulting contract, and any and all other communications with HOC shall be subject to disclosure, unless an exception prevents disclosure of such information.

**7. Maryland Local Government Torts Claim Act.**

HOC’s liability under any contract in connection with this work will be subject to the limitations contained in the Local Government Tort Claims Act, Md. Code Ann., Cts. & Jud. Proc. §§5-301, et seq.

**8. Expenses.**

HOC is not responsible for any costs involved in preparing and submitting proposals in response to this RFP.

**9. Acceptance of Terms and Conditions.**

By submitting a response to this RFP, Respondent acknowledges and accepts (1) all of the terms and conditions set forth in this RFP; and (2) that HOC's Agreement for Property Management Services (attached hereto as **Exhibit E**) will be used as the contract for the work under this RFP. In the event HOC agrees, in its sole discretion, to use Respondent's form contract or another form of agreement, Respondent understands and agrees that the terms and conditions in HOC's Agreement for Property Management Services shall be added to such contract.

**10. Length of Contract.**

HOC desires to award a management contract for a term of two (2) years with two (2) one (1) year renewal options, at the discretion of the commission.

**11. General.**

The Commission must approve all management company selections before contracts are signed.

**12. Rights Reserved.**

HOC reserves the right to:

- Make more than one award;
- Reject any or all submissions as non-compliant;
- Consider prior experience with a Respondent as part of its evaluation process (including, without limitation, reducing points due to prior poor performance);
- Reject any submission from a Respondent with prior experience with HOC that was unsatisfactory, at HOC's sole discretion;
- Request further information from the Respondent at any time during the process, either in writing or orally;
- Perform background checks on Respondents;
- Request a best and final proposal;
- Waive any informality (other than a submission after the due date and time);
- Modify this RFP, including an extension of the deadline for submission, at any time prior to the RFP's due date and time; and/or
- Cancel the RFP.

**13. Exhibits.**

The following Exhibits are attached hereto and incorporated herein:

- **Exhibit A** – Property Description
- **Exhibit B** – HOC Organizational Chart
- **Exhibit C** – HOC Works Program Requirements & HOC Works Opportunity Plan
- **Exhibit D** – HOC Contractor Background Screening Requirements
- **Exhibit E** – Form Agreement for Property Management Services

- **Exhibit F** – HOC’s Work Order Protocol
- **Exhibit G** – Template for Scoring Criteria 2 (Current and Past Performance)
- **Exhibit H** – Template for Scoring Criteria 4 (Management Fee/Vendor Costs)
- **Exhibit I** – Financial Certification

### **SECTION III: SCOPE OF WORK**

#### **1. Description of Property.**

The awarded Respondent will be responsible for providing management services to **Strathmore Court**, a multi-family mixed income development with 151 market rate units and 51 LIHTC affordable units located at 5440 Marinelli Court, North Bethesda, MD 20852. Additional information and detail regarding the property can be found on **Exhibit A** to this RFP.

#### **2. Statement of Work.**

Property management services with a focus on maintaining stabilized occupancy of 93% or higher and a minimum debt service coverage ratio of 1.15:1.00.

Respondents shall be required to perform all duties outlined in HOC’s Form Agreement for Property Management Services (**Exhibit E**).

##### **A. Management Duties – Generally:**

As applicable, adhering to the final Pre-Leasing and Marketing Plan, Management Plan, Maintenance Plan, and Subcontracting Plan approved by HOC.

##### **B. Management Duties - Reporting:**

Management Agent will be required to submit the following reports on a monthly or more frequent basis as requested by HOC:

- Incident Reports, within 24 hours of the occurrence of an incident;
- Monthly Turnover Reports, as may be required;
- Monthly Rent Schedule Reports;
- Monthly Compliance Report (as submitted to the FHA Risk Share lender)
- Monthly Recertification Reports as appropriate;
- Monthly General Ledger and Balance Sheet;
- Monthly Income and Rent report;
- Monthly Court Case Report;
- Monthly Submission of the Replacement Reserves;
- Monthly Market Survey, as required;
- Monthly Operation Statements;
- Management Fee Calculation Reports;
- Monthly Security Deposit Account Balance and Liability Reports;
- Monthly Rent Roll;
- Monthly Schedule of Accounts Payable;
- Monthly Aging of Receivables Report;

- Monthly Delinquency Report;
- Monthly Eviction Status Report;
- Monthly Variance Report and Narrative;
- Monthly Reconciled Bank statements;
- Annual third-party Customer Satisfaction Survey Report; and
- Other Ad Hoc or Routine Reports as requested by HOC.

Reports must be submitted to HOC on a timely basis, electronically or as otherwise directed. Some reports may be required to be in a specific format if requested by HOC.

**C. Management Duties – Compliance:**

Upon assuming management of the Property, the Management Agent shall be responsible for the following compliance obligations and any other compliance obligations set forth in the property management agreement:

- Audits, Site Visits & Inspections:
  - Provide on-site support to internal/external auditors, including furnishing documents and other materials as needed for all programs at the Property. Programs include, but are not limited to, HOME, LIHTC, Housing Initiative Fund (“HIF”), PBRA, FHA Risk Share, and other affordable housing programs.
  - Identify areas of weakness within the program(s) and among staff, and work to cure any deficiencies.
  - Prepare for and ensure successful completion of inspections by Montgomery County (Chapter 26), FHA REAC/NSPIRE, Maryland DHCD, LIHTC, and others as required by financing programs. Oversee all remedial actions from inspections.
- Tenant Selection Plans
  - Create a Property-specific Tenant Selection Plan (“TSP”) that shall serve as the primary governing document for tenant eligibility, selection, and ongoing property governance. This includes a description of Management Agent’s fair housing obligations, termination procedures, and grievance process for the Property. All TSPs are subject to HOC approval.
  - Enforce, monitor, and update existing TSPs as needed to ensure the TSP remains relevant to the Property.
- Fair Housing Compliance
  - Review, research, and render the final determination on all disability-related accommodations and modifications, as well as internal transfers in relation to disability accommodations. Manager must receive approval from HOC prior to issuing a denial of any accommodation or modification.
  - Draft and monitor the creation (including any updates) of an Affirmative Fair Housing Marketing Plan (“AFHMP”) for the Property. The AFHMP is a HUD obligation and is completed using Form HUD-935.2A. The purpose of the AFHMP is to help applicants for housing receive equal housing opportunities regardless of their race, color, national origin, religion, gender, familial status, or disability. The AFHMP will assist in effectively marketing the availability of housing opportunities to individuals of both minority and non-

minority groups that are least likely to apply for occupancy at the Property. All Management Agent- created AFHMPs are subject to HOC approval.

- Update the AFHMP at least once every five (5) years.
- **Monitoring of Financing Payments**
  - Review Post Rent and Housing Assistance Payments (“HAP”) reports in preparation for Tenant Rental Assistance Certifications System (“TRACS”) submission.
  - Submit all required customer rental information to HUD using TRACS.
  - Review HAP amounts requested and posted in TRACS for accuracy and completeness.
  - Review and approve the Post Rent and HAP reports for posting of rent, subsidy, and Utility Reimbursement Payments (“URP”) to resident ledgers, and ensure that the URP payments are sent to residents in a timely manner.
  - Prepare and submit Rent Schedule Form HUD-92458 for annual OCAF rent increases.
  - Coordinate and obtain utility studies as required for submission to HUD with the Rent Schedule.
  - Track tenant debts and assist with creating and tracking any executed tenant repayment agreements to repay debts owed to HOC.
  - Monitor the monthly SureDeposit database and cross-reference it with Yardi screening to ensure that residents have paid the correct SureDeposit bond amounts.
- **Reporting**
  - Provide oversight on the submission of monthly, quarterly, and/or annual reporting obligations for all applicable program monitoring requirements.
  - Provide all reporting to HOC as the FHA Risk Share Mortgage Lender.
  - Provide any other reports as may be requested by HOC.
  - Some reports may be requested in specific formats by HOC.
- **Completion of Recertification**
  - Timely complete all tenants’ initial certification, and recertification for the given Property within 120 days of the effective date of the certification.
  - Timely initiate legal action against any tenants who fail to recertify timely.

**D. Management Duties – Leases:**

HOC will provide to the Management Agent, and Management Agent will be required to use, the HOC “Model Lease” and HOC addenda, as appropriate (including any financing-related addendums (e.g., HOME addendums).

**E. Management Duties – Property Management and Accounting Software:**

The Management Agent will be required to utilize HOC determined software for housing and financial transactions as well as document retention. The following systems are currently utilized by HOC, but are subject to change:

- Yardi Voyager (Yardi Systems)



- Core Financials
- General Ledger
- Cash Management
- Financial Analytics
- Residential
- Affordable
- PHA
- Budgeting and Forecasting
- Inspections
- Maintenance:
  - Work Order
  - Inventory
- Purchase Orders
- Contracts (HOC built module)
- RentCafe
- VendorCafe
- Housing Path (HOC's Wait List System)
- AODocs (Cloud-based Document Management)
- Client documents (folder for each property managed)

Access to HOC systems will be provided to the Management Agent. HOC will provide training, as needed, for all required Software applications and AODocs.

Each Respondent must comply with the requirement that all electronic submissions comply with, and conform to, any technical specifications established by HOC to support data integration with HOC's current systems, and any successor systems, for all property management and accounting functions.

HOC's Technology Policy forms and New User system onboarding Access are required for each user accessing HOC's systems. No access will be provided until all requirements are completed.

Any additional Yardi modules desired by the Management Agent, but not listed above must be requested in the response to this RFP.

**F. Management Duties – Other Technology Related Items:**

The Management Agent will be responsible for the acquisition and support of all personal computers (PC), printers, copiers, scanners, faxes, and any other needed technology equipment for their staff.

Internet connections are a requirement of this Property for access to HOC systems. (If the Property does not have Montgomery County Government supplied Fiber Net, it is the responsibility of the Management Agent to acquire and support the internet connection to the Property.)

Ensure that data security measures are in place for Management Agent such that the processing, storage, and transmission of confidential or personal data are secure and meet HOC, legislative, and regulatory data security requirements.

**G. Management Duties – Operating and Capital Budgets:**

Management Agent must develop detailed annual or multi-year operating and capital improvement budgets for the Property, in compliance with the following:

- The budget must be submitted electronically using the platform determined by HOC's Budget Office;
- A narrative must accompany the budget complete with detailed assumptions for each budget line item;
- The budget process is initiated approximately seven (7) to eight (8) months prior to the beginning of the next fiscal year and must be completed no later than 180 days prior to the commencement of each Fiscal Year (HOC's fiscal years begin on July 1, and end on June 30);
- The budget must reflect rent increases or adjustments in conformance with HOC's directives and in accordance with governing regulatory requirements; and
- The Property must be managed within the budget. All variances must be justified in the monthly operational reports submitted to HOC.
- The Property will provide oversight of resident ledgers and ensure that all rent and subsidies are properly recorded.
- The Property will complete the Deposit Accounting function for all move-outs within 45 days of the resident move-out and ensure that all interest calculations and move-out charges are accurate.
- Budgets must be submitted to HOC on a timely basis, electronically, as directed.
- Additionally, Management Agent will be required to review and defend budget assumptions in meetings with the HOC Budget Office and leadership.

**H. Management Duties – Procurement:**

The Management Agent will be required to follow HOC's Procurement Policy while procuring for services at the Property.

**I. Management Duties – Loss Prevention and Emergency Response:**

The Management Agent will be required to have training, policies, and procedures that address the following:

- Unit inspections (to formally occur no less than once per year, but may require greater frequency based on partner requirements, financing, etc.).
- Management of all Life Safety system inspections (Management Agent will be required to inform HOC of any and all deficiencies that may be found within three (3) days of receipt).
  - Life Safety Systems include, but are not limited to, all fire alarms, emergency pull stations, fire extinguishers, fire sprinklers, burglar alarms, elevators, and emergency pull cords.

- Maintenance of all third party monitoring on all pull cords and other relevant alarm systems.
- Performing frequent safety walks of the entire location including, but not limited to, hallways, stairways, playgrounds, common areas, and green spaces.
- An Operation and Maintenance Plan, including what to do in the event of a water leak.
- A Fire Watch Plan.
- Annual Fire Drills, as the building code may require.
- Space Use Agreements with appropriate risk transfer language.
- Having a physical presence on-site, when safe to do so, upon notification of an emergency (examples include fire, flood, power outage, and crime incidents).
- Having a list of units that may require additional assistance in the time of emergency or evacuation.
- Prohibiting staff from cutting gas and/or water lines.
- Prohibiting staff from performing any “hot work” and requiring third parties to demonstrate a viable hot work policy when the use of heat or flames is necessary to perform their contracted work.
- Winterization.
- Having log sheets for tracking snow/ice removal.

**SECTION IV: INSURANCE**

The winning Respondent shall be required to obtain and keep in force and effect at its own expense, during the entire term of the contract, the following insurance with an insurance company(ies) acceptable to HOC:

TYPE	LIMIT NOT BE LESS THAN
Commercial General Liability	\$1,000,000 per occurrence and \$2,000,000 in the aggregate for bodily injury, personal injury, and broad form property damage, including the following coverages: Contractual Liability, Premises and Operations; Products & Completed Operations; Independent Contractors & Subcontractors; Sexual Molestation and Abuse; Assault & Battery; and Violent Crimes. Coverage shall be endorsed to apply on a per project or per contract basis.
Professional / Management Liability	\$1,000,000 per claim and \$2,000,000 in the aggregate that covers professional errors and omissions, negligent acts, and misconduct or lack of ordinary skill during the term of the Agreement.

Umbrella Liability	Umbrella/Excess Liability insurance coverage with a limit of liability of at least \$5,000,000.
Automobile Liability	\$1,000,000.00 combine single limit, for bodily injury and property damage coverage per occurrence including the following: owned automobiles, hired automobiles, non-owned automobiles.
Fidelity Bond or Crime Insurance	A fidelity bond (also known as an employee dishonesty bond or an honest bond) in the amount of at least \$2,000,000. The bond must cover all employees performing within the scope of the Agreement. The bond shall cover loss due to dishonest acts of employees and/or failure to faithfully perform duties. Employee theft coverage evidenced under a crime policy will be accepted in lieu of the bond requirement.
Worker's Compensation	Meeting all the statutory requirements of the State of Maryland and with the following minimum: Bodily Injury by Accident - \$500,000.00 each accident Bodily Injury by Disease - \$500,000.00 policy limits
Cyber Insurance	\$1,000,000 per claim covering all acts, errors, omissions, negligence, infringement of intellectual property, network/cyber and privacy risks (including coverage for unauthorized access, failure of security, virus transmission, data damage/destruction/corruption, breach of privacy perils, unintentional or wrongful disclosure of information, as well as notification costs and regulatory defense). The policy shall contain affirmative coverage for contingent bodily injury and property damage emanating from the failure of the technology services or an error or omission in the content/information provided \$2,000,000 Privacy and Network Security covering (i) the unauthorized use/access of a computer system; (ii) the defense of any regulatory action involving a breach of privacy; (iii) failure to protect confidential

	information (personal and commercial information) from disclosure; (iv) notification costs, whether or not required by statute; (v) network security liability; (vi) defense costs; and, (vii) privacy liability.
Tenant Discrimination	\$1,000,000 per claim covering real, or alleged, incidents of Tenant Discrimination. Coverage must include discrimination complaints by tenants at the Property, including, but not limited to, discrimination based on race, gender, disability, religion, sex, familial status, national origin, and age.
Employment Practices Liability Insurance	\$1,000,000 per claim covering wrongful acts arising from Manager's employment processes.

In the event the Property owner is a limited partnership, Respondent agrees to name all general and limited partners as additional insureds/loss payees (as applicable) to the insurance policies required pursuant to the Agreement. Required policies, where applicable, must also contain waivers of subrogation.

At no point, and for no reason, will HOC, or any related entity, be responsible for the payment, or reimbursement, of the Respondent's insurance policy deductible or policy retention in excess of \$20,000. Respondent is responsible for all costs associated with any of their employees Wage & Hour claims and or lawsuits.

HOC's insurance coverage is included in the Agreement for Property Management Services attached hereto as **Exhibit E**. However, HOC reserves the right to (1) self-insure, and (2) modify its insurance coverage prior to execution of an Agreement.

## **SECTION V: MINIMUM QUALIFICATIONS**

Minimum qualifications are **mandatory** requirements. *If a Respondent does not meet the below listed minimum qualifications, their proposal will be considered non-responsive and it will be excluded from consideration.*

### **1. Responsiveness.**

Proposals must include all information in the format and order requested in this RFP. All proposals must include a signature by an authorized individual of the Respondent.

### **2. Minimum Experience.**

Respondents must have the following managing experience:

- A minimum of five (5) years of continuous experience in property management managing properties similar to the Property and as described herein.

- Respondent can use the experience of its executive-level staff if the Respondent itself cannot meet this requirement.
- Experience in managing multiple sites and/or single sites totaling more than 300 units at a given time in the past 12 months.
- Respondent must have an approved HUD-2530 Previous Participation Certificate with HUD.

### **3. Financial Viability.**

Provide evidence of the firm's financial viability. This includes:

- Submitting audited financials for the three fiscal years prior to the date of this RFP; and
- Submitting a signed certification that states (a) the provided audited financials are true; (b) the company is not insolvent; (c) the company has not filed for bankruptcy; and (d) there is no ongoing or pending litigation that is not sufficiently covered by insurance that would have a materially adverse financial impact on the company if not resolved in its favor.

## **SECTION VI: PROPOSAL REQUIREMENTS**

Respondent's proposal shall contain the information described below.

### **1. Qualifications & Capabilities:**

The purpose of this section is to determine whether Respondent has sufficient experience and qualifications to manage the Property. Each Respondent must submit a "Statement of Qualifications & Capabilities" divided into sections that are clearly marked as follows:

#### **A. Company Overview**

Provide a summary overview of your firm, including the names of the principal owners, an organizational chart, number of employees, a short company history, and the address of the firm's headquarters and any other office locations.

#### **B. Company Portfolio**

Provide a full list of the firm's current portfolio size and identify within the portfolio properties that are similar in size, age, tenure, and structure to the Property. For each property in the company's portfolio, include the following information:

- Name and location of property;
- Size of property (i.e. number of residential units and retail spaces);
- Type of property within its market;
- Physical type of property;
- Name, address, and telephone number of owner at the time managed;
- Time during which the property was managed;
- Unit sizes and rent structure; and
- Reason for termination of property management engagement.

Within the list, Respondent should highlight properties that the company has managed in the last 5 years that have the following characteristics:

- Mixed-income properties within the Washington, DC-Metro region containing affordable program components;
- Section 42 Low Income Tax Credit;
- HUD Housing Choice Voucher (Section 8) Subsidy;
- Tax Exempt Bond Financing;
- FHA mortgage insurance;
- Evidence of demonstrated experience with initial tenant files and ongoing compliance.

If any property currently owned and/or managed by Respondent is within a five (5) mile radius of the Property, Respondent must provide an explanation of how it will address any potential conflicts of interest. HOC reserves the right to determine, at its sole discretion, if such ownership or management by the firm or its principals creates a conflict of interest with the operation of an HOC community that would disqualify the firm from further consideration.

### **C. Company Experience**

Respondents must demonstrate their experience by providing:

- A narrative that describes how the company's general experience with property management is applicable to managing the Property.
- A description of the organization's experience working with non-profits, public housing agencies, and/or government agencies. This includes the company's experience participating in any HUD multifamily projects and with the submission of HUD Form 2530 (showing no outstanding or unresolved issues).
- A description of the company's experience managing affordable housing properties, including completing required certifications (e.g. initial resident certifications and resident re-certifications on an ongoing basis), including the experience of its executive and on-site staff.
- Disclosure and description of any identity-of-interest between the company and the ownership of any property in this RFP.
- Respondents must demonstrate experience in managing renovation and major capital projects, including unit turnover and renovation, both in-place unit renovation and renovation requiring resident relocation.

### **D. Personnel**

Identify the company's executive staff, proposed on-site personnel (e.g., maintenance, senior property manager, assistant property manager, leasing consulting, etc.), and off-site personnel expected to participate in the management of the Property. Provide the following information for each person:

- name and title;
- experience;
- length of employment with company; and

- any relevant training and certifications (e.g., HUD Section 8 housing (both project-based and tenant-based, applicable regulations, affordable housing programs, etc.).

Describe your company's employee retention plan and provide information on employee turnover rates for the past 12 months.

**E. Customer Satisfaction**

Describe how your company approaches customer satisfaction, including the company's customer survey methodology, the results from any customer surveys from the past two years at properties similar to the Property, and how the company would propose addressing customer satisfaction at the Property.

**F. Diversity, Equity, and Inclusion ("DEI")**

Describe your company's policies around diversity, equity and inclusion, including, but not limited to any policies, ongoing programing, contracting, subcontracting, and training programs. Please provide metrics to support the company's DEI initiatives, if available.

**G. Crises Management**

Describe how your company responds to crises and manages major events, including water leaks, after-hours fires, and hurricanes headed to the community. Be sure to reference the name of your internal policy, how your staff access it, and details regarding the corresponding training.

**H. References**

Provide a list of references that may be contacted. List the company names, contact person, title, address, and telephone number. Also include the reason the reference is a good reference (e.g., this person knows of your experience in managing LIHTC and other assisted properties).

HOC reserves the right to act as a reference in the event the Respondent has previously provided services to HOC.

**2. Current and Past Performance**

The purpose of this section is to understand Respondent's actual performance data on comparable properties using specific data points. Each Respondent must provide the following performance metrics for the last five (5) years (or for however long the company has been in business if less than five (5) years), including:

- Rent charges vs. collection history
- Occupancy
- Turnover/Vacancies
- Net Operating Income ("NOI") and debt service coverage at other managed properties
- Aged account receivable



Respondents shall use the template provided as **Exhibit G** to provide this information, may provide a narrative to explain the provided metrics, and must certify to the accuracy of the reports and data provided.

### **3. Proposed Property Plan**

The purpose of this section is gain a deeper understanding of how Respondent would manage the Property. HOC does not want a general response. The agency is looking for Respondent's Property-specific plan to manage the Property considering the surrounding community and needs of the residents.

#### **A. Marketing Plan: Respondents are required to submit a proposed Marketing Plan for the Property with their proposal. The proposed plan must reflect the following Property considerations:**

- The unique nature of the Property;
- The market classification, size, and location of the Property;
- The immediate and surrounding submarkets;
- The nearest competitors with the applicable market comparisons and rent concessions;
- The amenities and attributes of the Property;
- Market impediments of the Property with recommendations;
- Advertising and collateral materials;
- Interior signage and wayfinding;
- Tenant retention initiatives;

**Upon assuming management of the Property, the Management Agent will be required to submit a final Marketing Plan for approval by HOC and subsequent implementation at the Property.**

#### **B. Management Plan:**

Respondents are required to submit a proposed Management Plan for the Property with their proposal. The proposed Management Plan must address the following:

- On-site staffing, including but not limited to, the Senior Property Manager, Assistant Property Manager, and Leasing Consultant
- Staff supervision and senior staff involvement
- Regular, preventive, and emergency maintenance staffing, supervision, and procedures
- A plan for unit turn around
- Contracting for services
- Capital needs assessments and reserve for replacement analysis at initial award and every three (3) years thereafter
- Monitoring of utilities
- Compliance with loan and program regulatory requirements, including certifications and re-certifications of residents' income eligibility under affordable housing programs in conjunction with LIHTC program requirements
- Accounting and rent collection procedures

- Documentation of any scheduled re-certifications
- A communication plan that outlines how Respondent intends to timely communicate with residents and HOC staff
- A plan for responding to crises and major events at the Property
- A technology plan that addresses how Respondent will utilize HOC's required management and accounting software
- A detailed description of Respondent's process and procedure to ensure that all reports and data submitted to HOC are accurate and timely
- Utilization of a third-party customer service survey company to conduct annual surveys with questions and criteria approved by HOC (complete annual survey results must be made available to HOC)
- A customer satisfaction plan that addresses how Respondent will respond to resident complaints and maintain/improve the Property's customer service rating.
- Compliance responsibilities
- Fair housing responsibilities
- Tenant organizations
- Resident services

**Upon assuming management of the Property, the Management Agent is required to submit a final Management Plan for approval by HOC and subsequent implementation at the Property.**

### **C. Maintenance Plan**

Respondents are required to submit a proposed Maintenance Plan with their proposals that includes, but is not limited to, the following functions and tasks:

- Work-order policy that conforms to HOC's work order protocol that includes how to categorize work orders based on priority and the average timeframe for work order completion by priority. A copy of the protocol is attached for reference (see **Exhibit E**);
- The level of automation for logging and tracking work orders;
- Managing and maintaining a maintenance supply inventory control system, including the level of automation for monitoring maintenance supplies;
- Handling emergency maintenance and after hours' maintenance requests;
- Procedure for preparing/obtaining technical specifications;
- Discussion of activities to be performed by subcontractors, the Respondent's contracting procedures, and a list of vendors or contractors commonly used by the management firm; also address the Respondent's plan for inspection of contractor performance and response time for contractors to respond to work requests;

- Trash collection, exterminations, maintenance, and cleaning of hallways, building common areas, site offices and grounds;
- Parking garage, parking lot, and sidewalk care, snow and ice removal, and the anticipated response time for snow and ice removal;
- Making major repairs, including but not limited to plumbing, electrical, HVAC, carpentry, painting and building repairs;
- Schedule of preventative and seasonal maintenance procedures addressing individual units; residential common areas and offices; and parking areas and grounds; and
- The procedures for unit preparation and vacancy turnaround, including an average number of days to fill vacant units.

**Upon assuming management of the Property, the Management Agent is required to submit a final Maintenance Plan for approval by HOC and subsequent implementation at the Property.**

#### **D. Subcontracting Plan**

Respondents are required to submit a Subcontracting Plan. The Subcontracting Plan must include the following information for each subcontractor to be used:

- name and address;
- the type of work or service to be provided;
- the percentage of total work to be completed by each subcontractor;
- the estimated value or amount to be paid for such work; and
- MFD designation (if applicable), including the name of the certifying agency, the certificate number, and proof of certification (e.g., a certification letter or copy of the certificate from the certifying agency).

The Respondent will be required to provide HOC with evidence of compliance with the Subcontracting Plan.

#### **E. Staffing Plan**

Respondents are required to submit a Staffing Plan. The Staffing Plan must include at least the following information:

- a list of the positions that will be staffed to the Property and the type of work or service to be provided by each position;
- the proposed staff member(s) to be assigned to each position and, if not intended to be a permanent position, the estimated duration of the assignment;
- whether staff filling each position will be solely assigned to the Property or will be responsible for more than one property;
- full-time staffing ratio per resident for leasing and maintenance staff (must be calculated on a property and regional-portfolio basis);
- a narrative explaining how Respondent's employee retention plan (as referenced in Section VI.1.D) will be utilized at the Property to prevent excessive turnover; and
- a narrative of the Respondent's approach to staffing the Property under this RFP and staff responsiveness to customers and HOC.

**The Respondent will be required to provide HOC with evidence of compliance with the Staffing Plan on an annual basis.**

#### **4. Management Fee/Vendor Cost Proposal**

The goal of this section is to get a clear sense of all costs and fees the Respondent will charge if awarded the contract.

##### **A. Management Fee**

The Respondent must submit a cost proposal fully supported by cost and pricing data adequate to establish the reasonableness of the proposed fee. Respondent must include the following information as part of the cost proposal:

- A calculation, which includes a monthly per occupied unit/per month ("PUPM") fee considering the collection of rent and miscellaneous income paid to the Management Agent as a monthly management fee for managing the overall operations of the Property. The calculation of the PUPM fee must be broken down into its component elements.
- Itemization of all additional costs that will be charged to the Property not included in the management fee (i.e., reimbursable expenses).
- A breakdown of the costs of any vendor services, including any hourly and overtime rates.
- Any proposed fees to HOC or bonuses to staff for the pre-leasing period or general marketing efforts.
- Any capital management fees, including the proposed structure of such fees.
- If the Property is a new construction, is under rehabilitation, or is otherwise not fully leased, as noted in Exhibit A, provide a proposed structure for fees during the lease-up period.

**Failure to break down cost elements may render the Respondent's proposal non-responsive.**

Respondents shall use the template provided as **Exhibit H** and may provide a narrative to explain the provided costs.

HUD specifies the kinds of income that may be treated as residential income when determining the residential income. The proposed fee by the Respondent must comply with HUD-Handbook 4381.5 Rev 2: The Management Agent Handbook.

Along with the standard monthly PUPM fee proposal, the Commission reserves the right to pay an incentive-based management fee. An incentive-based management fee is negotiated with the execution of the property management contract, and may include target occupancy levels that are based on rent actually received (as opposed to an account receivable). The Commission, at its sole discretion, will determine the fee structure that it will accept.

**5. MFD Participation**

The goal of this section is to understand Respondent's commitment to Minority/Female/Disabled ("MFD") participation. HOC defines a MFD business as a business that is at least 51% owned, controlled, and managed by a minority person(s) as defined by state, county, and federal laws, to include the following categories: African American, Hispanic American, Asian American, Native American, Disabled Persons, and Women.

**A. MFD Plan**

HOC is committed to providing MFD firms an opportunity to compete in its purchasing environment. HOC promotes the use of MFD firms in all its procurement opportunities and encourages all vendors to subcontract with organizations with an MFD designation. As such, HOC's scoring metrics includes points for MFD participation.

Each Respondent must submit a MFD Plan that provides the information set forth in "MFD Scoring" below. The Respondent must affirmatively state if they are not MFD certified, are not part of a qualifying MFD-joint venture, and do not intend to have any MFD subcontracting.

**B. MFD Scoring**

The points for MFD Participation shall be awarded as follows:

- Up to 5 points for the Respondent's direct MFD associated efforts:
  - A Respondent will be awarded the full 5 points under this section if it provides evidence that (1) it is certified as a MFD with a federal, state or local governmental entity and (2) no more than 60% of the contract value for the work will be outsourced or subcontracted to a single non-MFD firm.
  - If a Respondent cannot score points under the first bullet, the Respondent can score up to 5 points under this subsection in two ways:

- If Respondent demonstrates a commitment to directly employing and/or training minority, female or disabled persons. Respondent must submit evidence of its MFD related commitments, which can include evidence of MFD individuals in senior leadership, MFD individuals staffed to this project, training and internship programs, etc. HOC will review and evaluate the Respondent's MFD related commitments and based on such review and evaluation, will award none, some or all of the 5 points under this section.
- If Respondent qualifies as a joint venture between a non-MFD firm and a MFD firm where the MFD firm holds at least 20% economic and voting interest in the joint venture. Respondent must submit the executed agreement for the joint venture and any other related documentation that details each partners' capital contribution, economic interest in the venture, voting and management interest in the venture, financial and management responsibilities, percentage of profit sharing, as well as amount of work to be performed by each firm. If the MFD and non-MFD firms have formed a new entity to manage the Property or respond to this RFP, the Respondent must submit the joint venture operating agreement or partnership agreement, as applicable, in addition to any other documentation setting forth the agreement between both firms. HOC reserves the right to request additional documentation about the joint venture as necessary. A Respondent will not be considered a qualifying joint venture between a non-MFD and MFD firm with respect to this particular solicitation if it proposes to subcontract 60% or more of the work to non-MFD certified firms. If Respondent is a qualifying joint venture, HOC will award all of the 5 points under this section.
- Up to 10 points for subcontracts and wages:
  - A MFD or non-MFD Respondent can score points under this section as follows:

0 points	If the sum of (1) the contract value subcontracted to MFD firms and (2) wages paid to MFD individuals assigned to the project is <b>&lt;25% of the total contract value</b>
5 points	If the sum of (1) the contract value subcontracted to MFD firms and (2) wages paid to MFD individuals assigned to the project is <b>≥25% and &lt;30% of the total contract value</b>
10 points	If the sum of (1) the contract value subcontracted to MFD firms and (2) wages paid to MFD individuals assigned to the project is <b>≥30% of the total contract value</b>

- If the Respondent chooses to subcontract a portion of the scope of work to MFD firms, the Respondent must submit provide the supporting

documents and proof of MFD status in the Subcontracting Plan (per Section VI.3.D).

**SECTION VII: EVALUATION**

**1. Selection Criteria & Scoring**

Criteria #	Criteria Description	Maximum Points
0	<p><b>Minimum Qualifications</b></p> <ul style="list-style-type: none"> <li>● Respondent submitted all information requested in the RFP.</li> <li>● Respondent met the minimum experience threshold.</li> <li>● Respondent demonstrated financial viability.</li> </ul>	<p>Y/N</p> <p><input type="checkbox"/></p> <p><input type="checkbox"/></p> <p><input type="checkbox"/></p>
1	<p><b>Qualifications and Capabilities</b></p> <ul style="list-style-type: none"> <li>● Respondent demonstrated sufficient experience in managing properties similar to the Property.</li> <li>● Respondent demonstrated how their general experience would be applicable at the Property.</li> <li>● Respondent demonstrated experience working with non-profits, PHAs, and/or government agencies.</li> <li>● Respondent demonstrated sufficient experience of its executive staff, and proposed on-site and off-site staff.</li> <li>● Respondent demonstrated sufficient experience and methodologies for handling customer satisfaction.</li> <li>● Respondent outlined their programs regarding diversity, equity and inclusion.</li> <li>● Respondent demonstrated sufficient experience handling crises and other major events.</li> </ul>	<p>Up to 25</p>
2	<p><b>Current and Past Performance</b></p> <p>Respondent must submit information on the following:</p> <ul style="list-style-type: none"> <li>● Rent charges vs. collection history</li> <li>● Occupancy</li> <li>● Turnover/vacancies</li> <li>● NOI and debt at other managed properties</li> <li>● Aged Accounts Receivable</li> </ul> <p><b><i>Respondent must complete &amp; submit Exhibit G.</i></b></p>	<p>Up to 20</p>
3	<p><b>Proposed Property Plan</b></p> <p>Quality of and detail in the proposed Pre-Leasing and Marketing Plan, Management Plan, Maintenance Plan, Subcontracting Plan, and Staffing Plan for the Property.</p>	<p>Up to 15</p>

4	<p><b>Management Fee/Vendor Costs</b> The detail and affordability of the proposed management fee(s).</p> <p><i>Respondent must complete &amp; submit Exhibit H.</i></p>	Up to 25
5	<p><b>MFD Participation<sup>1</sup></b></p> <ul style="list-style-type: none"> <li>○ Up to 5 points for direct MFD efforts</li> <li>○ Up to 10 points for subcontracts and wages</li> </ul>	Up to 15

**2. Evaluation Process**

Proposals will be evaluated by an Evaluation Team comprised of HOC staff with appropriate experience and knowledge. The Evaluation Team will evaluate each of the proposals based on the evaluation criteria listed above. The Evaluation Team will use their judgment in awarding points. After review of all proposals and interviews, if required, the Evaluation Team will score each proposal based on the listed evaluation criteria.

**3. Evaluation Team**

The Evaluation Team will be composed of three (3) to four (4) HOC staff with the required experience and knowledge of HOC’s procurement process. The Evaluation Team will meet at least once to discuss the proposals submitted, and how to properly review and score the proposals. The team will set the timeline for scoring the proposals.

**4. Scoring System**

HOC will rate and rank written proposals based on the selection criteria contained herein. The companies who score at least 75 points or higher will be invited to an interview, if necessary. Selection will be made based on those companies who score the highest in qualifications, price, and other factors considered, and the results of the interviews.

**5. Presentation/Interview**

At the sole discretion of the HOC, the top scoring companies may be required to make a presentation of their proposal. This will provide Respondents an opportunity to clarify or elaborate on the proposal, but will not, in any way, provide an opportunity to change any items in the original proposal. Each Respondent will be notified at least five (5) business days in advance of the presentation if a presentation is necessary.

---

<sup>1</sup> See Section VI.5 for definitions and scoring details.



## Exhibit A

### Strathmore Court

5440 Marinelli Court, North Bethesda, MD 20852

Strathmore Court Apartments is a 202 rental housing project, of which 51 units comprise the Property owned by Strathmore Court Associates Limited Partnership. The low income housing tax credit compliance period ended in 2011. There is an extended use agreement through 2026. The remaining 151 market-rate units are owned by Strathmore Court at White Flint Development Corporation, a subsidiary wholly owned by the Housing Opportunities Commission of Montgomery County.

Built in 1996, the 202-unit mixed use mid-rise apartment community includes one-bedroom and two-bedroom apartments. Strathmore Court Apartments is a Class B development in three connected buildings, located less than one block from White Flint Metro. Strathmore Court Apartments features amenities such as in-home stackable washer/dryer, free underground parking, club room for entertaining, fitness room, saunas, and a recreation park.

#### Utilities

- Electricity – Pepco, paid by resident
- Gas – Washington Gas, paid by resident
- Water/Sewer - WSSC, paid by property
- Trash – Waste Management, paid by property

#### Construction/Building Description

- Building Style: Mid-rise
- Exterior Materials/Facade: Wood frame/ EIFS and brick exterior
- Foundation: Concrete
- Roofs: Flat Roof – composite, gravel
- Windows: Aluminum, double pane glass
- Balcony/Patio: Wood balconies
- Interior Wall: Metal frame, ¾ inch drywall
- Apartment Doors: metal fire doors
- Laundry: stackable washer & dryer in each unit
- Life Safety: Dry system in garage, wet system in building

#### Mechanical/Electrical/Plumbing

- A/C and Heating: A/C – split system, heat – aqua therm
- Hot Water: individual water heaters in each unit
- Plumbing Supply/Waste: Plumbing – CPBC, Waste - PVC
- Electrical Service: 100 amps per unit

#### Property Amenities

- Fitness Center
- Five minute walk to White Flint Metro
- Walking distance to shops and restaurants
- Indoor and outdoor lounge areas
- Playground
- Gas grills
- Expansive outdoor courtyard
- Reserved garage parking with car cleaning station
- Resident meeting room and business center
- Resort-style pool
- Virtual concierge

### **Apartment Amenities**

- Light-filled open floor plans
- Oversized windows
- Kitchens equipped with modern appliances and breakfast bar
- Extensive kitchen storage
- Private sunrooms, balconies, or patios