

Ensuring NAHMA Members Receive the Latest News and Analysis of Breaking Issues in Affordable Housing

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Multifamily Housing Rental Assistance Contract Administration Programs Other than Section 8

Background

You may recall that HUD had a public-private competition for Multifamily Housing Rental Assistance Contract Administration Programs Other than Section 8 (PRAC-PAC-RSP-RAP-236-BMIR Subsidy Administration). There was a very real possibility that an entirely new contract administration bureaucracy would be created for projects such as Section 202 and 811 PRACS, and Section 236 without project based Section 8. HUD's reasons for the competition were to cost-effectively improve administration of these programs.

Eight geographic areas were established for the competition. HUD staff had bid on the contracts and won the competition for all eight areas. This means HUD staff will continue to administer non-section 8 HAP contracts.

Effective Date

Effective dates for the contracts have not yet been determined. Members should continue operating under the status quo until further notice from HUD.

NAHMA's Concerns

On September 30, 2004, NAHMA filed public comments on a performance work statement describing this competition. We noted:

“Our most immediate concern about this proposal is its potential to add an additional, confusing layer of administration for management agents and owners. We fear this will be particularly true for properties with mixed or partial subsidies, such as the Section 202/8 and Section 236/8 developments, where a performance based contract administrator (PBCA) has already been assigned. By assigning multiple contract administrators (i.e. a service provider (SP) and a PBCA) to the same development, the Department will create duplicative levels of supervision. Please also consider that many of the properties which would be affected by this...are also participating in the Low Income Housing Tax Credit Program, and are subject to oversight by state tax credit agencies. Management agents and owners would prefer a streamlined contract administration structure to an expanded bureaucracy.”

NAHMA's Position

NAHMA is pleased that HUD will use existing administrative resources to administer non-Section 8 contracts rather than creating an entirely new contract administration bureaucracy. The need for a streamlined, accountable administrative structure was the central theme of our comments.

Additional Information

Information provided by HUD HQ about the results of this competition follows below.

From: Lanier_M._Hylton@hud.gov [mailto:Lanier_M._Hylton@hud.gov]

Sent: Monday, January 09, 2006 12:40 PM

Subject: A-76 Competition Results Are In/ Transportation Grants

[The results are in FedBizOpps. The MEO won all eight areas under the A-76 Competition:](#)

Public Announcement of Performance Decision on Standard A-76 Competition: This public announcement is being issued as required by the Office of Management and Budget (OMB) Circular A-76 (Revised May 29, 2003). The Department of Urban and Housing Development (HUD) has conducted a Standard A-76 Competition to determine whether or not the work described in support of the HUD Non-Section 8 Multifamily Housing Contract Administration will be performed by the Federal Government or by a private sector or other non-federal source. A public announcement of the competition was issued on April 1, 2004. Solicitation R-OPC-22640 was issued on January 24, 2005, with final proposals for the negotiated procurement due November 8, 2005. The source selection method was low-cost, technically acceptable. The pricing structure was based on one 6-month phase-in period, a base period comprised of three 1-year terms, and two 1-year option periods for each of the eight geographic service areas. Cost evaluations were based on the total price for all performance periods. Forty-six proposals were received from 11 offerors (including the Agency Tender Official and 10 private sector entities). **For each of the eight geographic areas, the Agency Provider was determined to be the low-cost, technically acceptable offeror.** On December 29, 2005, the Contracting Officer and the Source Selection Authority certified a Standard Competition Form for each area identified in the solicitation.

The total cost of Agency performance, including the 6-month phase-in period and the five 12-month performance periods, for each of the areas is as follows:

Atlanta/Jacksonville - \$20,220,726; Baltimore/Greensboro - \$17,745,113;

Boston/New York - \$19,193,777; Buffalo/Philadelphia - \$17,935,010;

Chicago/Columbus - \$17,681,332; Detroit/Minneapolis/Denver - \$18,610,773;

Seattle/San Francisco/Los Angeles - \$23,000,773; Kansas City/Fort Worth -

\$20,854,517. A Letter of Obligation to implement the most efficient organization

proposed by the Agency Tender Official for all areas will be signed to cover the phase-in and base periods.

Based on guidelines in the OMB A-76 Circular and Part 15 of the Federal Acquisition Regulation, this notice also serves as an offer to debrief any directly interested parties. Any requests for a debriefing shall be submitted by e-mail to Janet_R._Peterson@hud.gov within 3 days of the date of this notice. To the maximum extent practicable, a telephone debriefing will occur within 5 days after receipt of the request. (See Point of Contact information below: Phone extension for Janet Peterson is 7422.)