



Kansas Housing Resources Corporation
Housing Development Division

Request for Proposals
Utility Allowance Calculations for the Rental
Development Programs
January 28, 2021

Background

The Kansas Housing Resources Corporation (KHRC) seeks proposals for the provision of services to calculate utility allowances for KHRC's rental development programs.

KHRC's Housing Development Division allocates Low Income Housing Tax Credits (LIHTCs) and provides loans from the Home Investment Partnerships (HOME) Program and the national Housing Trust Fund (HTF) for the development of affordable rental housing across the State of Kansas. Many LIHTC developments include funding from HOME and HTF. KHRC is responsible for ongoing monitoring of program compliance.

An accurate estimate of utility usage is required for the purpose of determining allowable rents under these programs. The HOME program at 24 CFR Part 92 requires determination of utility allowances (UAs) by either the HUD Utility Schedule Model (HUSM), or using a project-specific methodology, as described in the HUD publication 'HOMEfires-Vol. 13 No. 2, May 2016:

<https://www.hud.gov/sites/dfiles/CPD/documents/HOMEfires-Vol-13-No2-Guidance-on-How-to-Establish-Utility-Allowances-for-HOME-Assisted-Rental-Units.pdf>

KHRC proposes to require new rental properties receiving HOME funds to contract with an approved vendor who will provide an initial schedule of Utility Allowances (UAs) using the HUSM. For subsequent years of operation, the property owner will contract with a KHRC-approved vendor to update UAs annually using either the HUSM or an actual usage model, unless approved by KHRC to use an alternative method.

LIHTC or HTF developments that do not involve HOME assistance will be encouraged to use the same method to determine UAs. KHRC reserves the right to select and offer to property owners more than one eligible vendor for these services.

Scope of Work

The information expected from the vendor in connection with this RFP shall include, but shall not be limited to, the following:

- A. A schedule of charges to provide an initial UA calculation using the HUSM 90 days before the anticipated first lease-up, accounting for any variables such as project size, variances in unit configuration or number of bedrooms, number and types of utilities to be calculated, and other factors that may affect pricing.
- B. A schedule of charges to provide annual updates to the UA calculation using the HUSM.
- C. A schedule of charges to provide annual updates to the UA calculations using an actual usage model, at the owner's option.
- D. The maximum turnaround time for processing a request for utility allowance calculations, once all required information is received from the property owner.
- E. The initial pricing shall be for a minimum of two years.

Minimum Qualifications

KHRC requires the vendor to have, at minimum, the following qualifications and provide documentation where required:

1. The vendor shall have a minimum three (3) years qualified experience providing the requested services.
2. The vendor shall have the capacity, including an adequate number of staff, to perform the necessary research and calculations and provide reports to property owners in a timely manner.

Proposal Content Requirements

All proposals must contain the following information and relevant documentation in the order outlined below:

A. Minimum Qualifications

The vendor shall demonstrate that it meets the qualifications outlined above.

B. Summary of Experience and General Capability

- a. **Experience** – The respondent shall provide an overview of its experience rendering services similar to those outlined above and how that experience is relative to this RFP. This narrative shall also include a summary of the experience of key personnel proposed to be assigned to the Contract.
- b. **References** – The respondent must provide the names, addresses, telephone numbers, and contact persons of three (3) current clients or clients from the past three years for whom similar services required by this RFP were performed. KHRC reserves the right to contact any known current or former client.

C. Work Plan

The respondent shall provide a work plan presenting how the services described in this RFP shall be provided by the respondent should the respondent be awarded a Contract. At a minimum, the Work Plan shall include the following:

- a. The respondent's understanding of the services to be provided;
- b. A reasonable estimate of how quickly the respondent can provide the completed services outline above;

D. Conflict of Interest

If during the term of the Contract, the vendor becomes aware of any conflict of interest, or the potential appearance of a conflict with a recipient of services provided the vendor shall disclose same, in writing, within five (5) business days from the time the Contractor becomes aware of the relationship. It shall be KHRC's responsibility to determine

whether or not the contractual relationship so disclosed would constitute a conflict sufficient to present the appearance of impropriety.

E. Price Proposal

A description of pricing for projects financed with KHRC rental development resources. The price proposal shall contain adequate detail to enable KHRC to evaluate the financial impact on property development and operations. If there are pricing differences for properties with different characteristics (e.g., building configuration, number and mix of unit sizes, types of utilities, overall property size, etc.) those details shall be included in the proposal

Responses to this *Request for Proposals* should be received by KHRC no later than **5:00 p.m., March 1, 2021**.

Responses should be mailed or emailed to:

Kansas Housing Resources Corporation
Attn: Alissa Ice
611 S. Kansas Avenue, Suite 300
Topeka, KS 66603-3803
alice@kshousingcorp.org

Questions regarding this solicitation should be directed to:

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Topeka, KS 66603-3803
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Respondents to this solicitation whose proposals are selected will be notified in writing by **May 1, 2021**.