



# Alexandria Redevelopment and Housing Authority

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William M. Dearman, Chief Executive Officer

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**DATE:** October 15, 2001  
**TO:** Vice Chairperson A. Melvin Miller and the ARHA Board of Commissioners  
**FROM:** William M. Dearman, C.E.O.  
**SUBJECT:** Approval of HOPE VI Program Manager Contract

**ISSUE:**

At the regularly scheduled meeting of the ARHA Board of Commissioners in May, the Board voted unanimously to allow staff to prepare and advertise an RFP for a Program Manager for the HOPE VI Program; after selection and fee negotiation, staff is requesting Board approval to enter into contract with TAG Associates contingent on approval of the contract language by legal counsel and the HUD Office of Investments.

**RECOMMENDATION:**

That the Board of Commissioners allow staff to enter into contract with TAG Associates, the firm chosen as the most qualified by a selection panel. This approval will be contingent on approval of the contract by legal counsel and HUD Office of Investments.

**DISCUSSION:**

Staff published an RFP for HOPE VI Program Manager on May 31, 2001, the due date for responses was originally July 2, 2001 but was extended to August 1, 2001 by addendum after several requests to do so from prospective proposers. Fourteen firms picked up proposals, three submitted proposals. In follow-up staff contacted the vendors who did not submit a proposal and learned that eleven did not respond for various reasons including: some persons did not have the qualifications required but picked up a copy hoping to join a team; some persons attempted to develop a team over the 60 day response time but could not put together a team in time to submit; some people were too busy; some people did not respond due to the past history of litigation surrounding the grant; some persons pointed out that HUD only allows the PHAs to allocate a predetermined percentage of its HOPE VI grant for administration fees and they felt that they could not complete the scope of work for that percentage allowed by HUD.

Of the three proposals that were submitted, a panel of four reviewed the submittals and ranked them as follows: 1<sup>st</sup> TAG Associates; 2<sup>nd</sup> National Housing Group; 3<sup>rd</sup> Joseph Shuldiner & Associates. The four panelist were Connie Lennox, Director of Development; Marye Ish, Director of Housing Operations; Archie Morris, Director of Social Services; Mark Jinks, Assistant City Manager. On September 17<sup>th</sup>, in a Special Board Meeting, the Board authorized staff to negotiate fees with TAG Associates.

**FISCAL IMPACT:** \$2,140,591, to be paid from HOPE VI grant funds.

HC  
10-17-01

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An Equal Opportunity Employer  
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**Samuel Madden Homes (Downtown)  
Combined Sources and Uses of Funds**

6/6/2001

TIC  
10-17-01

Based on on-site density of 160 units total:

	Combined Totals	Social Services	Other Costs, & Relocation	On-site Units	Off-site Units	Investment Center
<b>Sources of Funds:</b>						
HOPE VI Grant Award	6,716,250	500,000	2,048,525	1,475,000	1,692,725	1,000,000
Sales Proceeds - 2 blocks	5,495,000			750,000	4,745,000	
LIHTC Equity - on-site units	6,262,686			6,262,686	0	
Construction/Permanent Loan - on-site units	2,100,000			2,100,000	0	
<b>Total Sources of Funds</b>	<b>20,573,936</b>	<b>500,000</b>	<b>2,048,525</b>	<b>10,587,686</b>	<b>6,437,725</b>	<b>1,000,000</b>

**Uses of Funds:**

Social Service Costs	500,000	500,000				
Administrative Costs, Consultant Costs & Other Fees, and Relocation Costs (HOPE VI)	2,048,525		2,048,525			
On-site Units	10,581,826			10,581,826		
Off-site Units	8,640,000				8,640,000	
Family Investment Center	1,000,000					1,000,000
<b>Total Uses of Funds</b>	<b>22,770,351</b>	<b>500,000</b>	<b>2,048,525</b>	<b>10,581,826</b>	<b>8,640,000</b>	<b>1,000,000</b>
<b>Excess(Shortfall) of Funds</b>	<b>(2,196,415)</b>	<b>0</b>	<b>0</b>	<b>5,860</b>	<b>(2,202,275)</b>	<b>0</b>

Based on on-site density of 170 units total:

	Combined Totals	Social Services	Other Costs, & Relocation	On-site Units	Off-site Units	Investment Center
<b>Sources of Funds:</b>						
HOPE VI Grant Award	6,716,250	500,000	2,048,525	1,475,000	1,692,725	1,000,000
Sales Proceeds - 2 blocks	6,265,000			750,000	5,515,000	
LIHTC Equity - on-site units	6,262,686			6,262,686	0	
Construction/Permanent Loan - on-site units	2,100,000			2,100,000	0	
<b>Total Sources of Funds</b>	<b>21,343,936</b>	<b>500,000</b>	<b>2,048,525</b>	<b>10,587,686</b>	<b>7,207,725</b>	<b>1,000,000</b>

**Uses of Funds:**

Social Service Costs	500,000	500,000				
Administrative Costs, Consultant Costs & Other Fees, and Relocation Costs (HOPE VI)	2,048,525		2,048,525			
On-site Units	10,581,826			10,581,826		
Off-site Units	8,640,000				8,640,000	
Family Investment Center	1,000,000					1,000,000
<b>Total Uses of Funds</b>	<b>22,770,351</b>	<b>500,000</b>	<b>2,048,525</b>	<b>10,581,826</b>	<b>8,640,000</b>	<b>1,000,000</b>
<b>Excess(Shortfall) of Funds</b>	<b>(1,426,415)</b>	<b>0</b>	<b>0</b>	<b>5,860</b>	<b>(1,432,275)</b>	<b>0</b>