



Recommendation for Action

File #: 21-3570, **Agenda Item #:** 4.

1/27/2022

Posting Language

Authorize the negotiation and execution of a 20-month job order contract that includes three 12-month contract extension options with each of the following contractors: ILCOR Homes, Inc., Valdez Remodeling and Weatherization, Inc., and Constructinople, LLC to fund and administer the Homeowner Rehabilitation Loan Program in an amount not to exceed \$2,000,000.

Lead Department

Housing and Planning Department.

Fiscal Note

Funding is available in the Fiscal Year 2021-2022 Operating Budget of the Austin Housing Finance Corporation (AHFC). Funding for the 12-month extensions is contingent upon the availability of funding in future budgets. The contract term is estimated to begin February 1, 2022 and end on September 30, 2023, and AHFC retains the right to extend the contract for three additional years.

For More Information

Rosie Truelove, Treasurer, Austin Housing Finance Corporation, 512-974-3064; Letitia Brown, Community Development Manager, Housing and Planning Department, 512-974-3132.

Council Committee, Boards and Commission Action

September 19, 2019 - The Austin Housing Finance Corporation Board of Directors approved a two-year contract that expired December 30, 2021.

Additional Backup Information

Austin Housing Finance Corporation's (AHFC) Job Order Contracting (JOC) Program is a highly responsive contracting method that allows for services where the work is for indefinite time and indefinite quantities using pre-described and pre-priced (R.S. Means) tasks. Qualified contractors will perform new construction, reconstruction, minor construction, repairs, remediation, and rehabilitation of private, AHFC, and City owned residential structures. The JOC Program will entail the performance of various Job Order Assignments (JOA) throughout the term of the contract, which consist of a wide variety of home repair tasks with pre-determined unit prices.

The JOC Contractor will be responsible for providing all labor, materials, tools, instruments, supplies, equipment, transportation, mobilization, insurance, subcontracts, bonds, supervision, management, reports, incidentals, and quality control necessary to perform construction management and construction work. Contractors will work on the repair of major systems, including foundation, roofing, plumbing, electrical, Heating Ventilation, and Air Conditioning (HVAC), etc., to bring the property in compliance with building Code or will complete home reconstruction if home repairs are not feasible.

The Homeowner Rehabilitation Loan Program (HRLP) is funded through the U.S. Department of Housing and Urban Development's Community Development Block Grant (CDBG) Program. The HRLP ensures properties are decent, safe, sanitary, and in good repair. Properties must be located within the City

limits of Austin. HRLP seeks to preserve the existing housing stock and improve the quality of life for homeowners, thereby allowing them to remain in their homes. HRLP serves households that do not exceed 80% of the Austin area median family income, which is currently \$79,100 for a family of four. A minimum of nine unduplicated households will be served per contract year.

The Contractor must agree to comply with all federal, state, and local requirements that are applicable to HRLP. The anticipated minimum cost for a home repair project ranges from \$20,000 to \$75,000 for rehabilitation, a maximum of \$110,000 for historical, and an anticipated maximum cost of \$250,000 for a home demolition/reconstruction project.

Approval of this contract will allow AHFC to establish a residential construction rotation list to expedite job requests. This type of solicitation was proven to be effective with the 2011 Master Solicitation and 2019 Job Order Contract solicitation. In addition to HRLP, this contract will be used to support and fund other AHFC programs, repairs, and activities.

A Request for Proposals was issued on October 18, 2021, and a non-mandatory pre-response meeting was held via TEAMS on October 26, 2021 at 1:30 p.m. Proposals were received from contractors on November 10, 2021.

Staff recommends awards to three contractors, which offer the best value to AHFC based upon the published evaluation criteria. Information on this solicitation is available on the City's Housing and Planning Department website: www.austintexas.gov/housing <<http://www.austintexas.gov/housing>>.

All services are at no out-of-pocket cost to qualifying households. HRLP is a loan (lien) program with zero interest and no monthly payments. The lien will be forgiven at a prorated amount to the homeowner. The property must be a single-family home or duplex and must be the Applicant's principal place of residence. In addition to the lien, for reconstruction projects, there is a right of first refusal and shared equity component.

If approved, AHFC will negotiate and execute contracts with Contractors selected through the 2021 Notice of Funding Availability (NOFA).

Under the contract, Contractors develop specifications for repairs, facilitate repairs, hire licensed sub-contractors and other skilled tradespersons, provide quality assurance for the work performed, and make referrals to other City funded home repair programs.

Award Matrix Attached.