



Huntsville, Alabama

305 Fountain Circle
Huntsville, AL 35801

Cover Memo

Meeting Type: City Council Regular Meeting **Meeting Date:** 5/14/2026

File ID: TMP-6901

Department: Planning

Subject:

Type of Action: Approval/Action

Resolution authorizing the mayor to enter into an agreement between the City of Huntsville and EJP Consulting Group, LLC, for professional services in developing the Phase I Portfolio Assessment for the Huntsville Housing Authority.

Resolution No.

Does this item need to be published? No

If yes, please list preferred date(s) of publication: N/A

Finance Information:

Account Number: TBD

City Cost Amount: \$ 104,599.00

Total Cost: \$ 104,599.00

Special Circumstances:

Grant Funded: N/A

Grant Title - CFDA or granting Agency: N/A

Resolution #: N/A

Location:

Address:

District: District 1 District 2 District 3 District 4 District 5

Additional Comments:

The assessment will start with a review of the entire public housing portfolio (over 1,500 units), which will be guided by the Huntsville Housing Authority's (HHA) 2024 Strategic Plan and the City of Huntsville's (City) overall goals and objectives. The target housing site for the awarded Choice Neighborhoods Implementation

grant will be excluded, but other housing sites in the same neighborhood will be included. The assessment will explore the development potential for strategically located sites in the downtown area.

RESOLUTION NO. 26-

BE IT RESOLVED by the City Council of Huntsville, Alabama, that the Mayor, or his designee, in his official capacity, be, and is hereby authorized to enter into an Agreement by and between the City of Huntsville and EJP Consulting Group, LLC on behalf of the City of Huntsville, a municipal corporation in the State of Alabama, for services related to the Phase I Portfolio Assessment for the Huntsville Housing Authority, in the amount of One Hundred and Four Thousand, Five Hundred and Ninety-Nine Dollars and Zero Cents (\$104,599.00) which said agreement is substantially in words and figures similar to that certain document attached hereto and identified as “AGREEMENT BETWEEN THE CITY OF HUNTSVILLE AND EJP CONSULTING GROUP, LLC FOR PROFESSIONAL SERVICES” consisting of twelve (12) pages, including an additional four (4) pages for the scope of work, and the date of May 14, 2026, appearing on the margin of the first page, together with the signature of the President or President Pro Tem of the City Council, and executed copy of said document being permanently kept on file in the office of the City Clerk of the City of Huntsville, Alabama.

ADOPTED this the 14th day of May, 2026

President of the City Council of the
City of Huntsville, Alabama

APPROVED this the 14th day of May, 2026

Mayor of the City of Huntsville, Alabama

The Scope of Work for this Agreement is described more fully in the proposal submitted by EJP, which is attached hereto and incorporated by reference as Exhibit "A".

EJP shall provide its services in accordance with the normal degree of care and skill of other reputable Consultants providing similar services on similar projects of like size and nature at the same time and in the same locale as this project.

2.0 Contract Amount and Payment Schedule.

The City will pay to EJP a total amount of *One Hundred and Four Thousand, Five Hundred and Ninety-Nine Dollars (\$104,599.00)* for the products and services provided by EJP pursuant to this Agreement.

The City shall pay the said amount in monthly payments based on the percentage of the Work completed by EJP for the month billed. Payment shall be due thirty (30) days from the date the City receives the monthly invoice from EJP.

3.0 General Terms and Conditions

3.1 Notices.

All notices (a) shall be in writing, (b) shall be deemed served on the date on which they are actually received, and (c) shall be served by (i) personal delivery, or (ii) United States First Class Certified or Registered Mail, Return Receipt Requested, properly addressed with postage prepaid or (iii) a nationally recognized overnight courier/delivery service (i.e. Federal Express, United Parcel Service, etc.) or (iv) electronic transmission ("E-mail") or telephonic facsimile transmission ("Fax") in conjunction with one of the other methods of delivery set forth in subparagraphs (i), (ii) or (iii), each addressed as follows:

EJP Consulting Group, LLC
Attention: Rhae Parkes, President
PO Box 56434
Washington DC 20040
202.248.1967; parkes@ejpconsultinggroup.com

City of Huntsville
Attention: Dennis Madsen
P.O. Box 305
Huntsville, Alabama 35801
(256) 427-5101
dennis.madsen@huntsvilleal.gov

3.2 Project Staff.

Consultant Principals
Rhae Parkes

301.442.2282
parkes@ejpconsultinggroup.com
Naomi Byrne
412.551.5985
byrne@ejpconsultinggroup.com

Consultant Project Manager
Polina Bakhteiarov
347.316.8755
Bakhteiarov@ejpconsultinggroup.com

City of Huntsville Project Manager
Dennis Madsen
Manager of Urban and Long-Range Planning
256.427.5101
dennis.madsen@huntsvilleal.gov

3.3 Time Period.

EJP shall commence the work to be done pursuant to this Agreement on Issuance of Notice to Proceed and shall complete said work no later than 6 months later.

3.4 Work Outside Scope of Project.

No work outside the scope of work in the Agreement shall be authorized other than by mutually agreeable and properly authorized written change order.

4.0 SUBCONTRACT.

EJP may not associate/hire/contract with any subcontractor/independent contractor/consultant in order to fulfill the requirements of this Agreement without obtaining the prior written approval of the City's Project Manager. EJP shall be solely responsible for any and all payments/wages/earnings due any such independent contractor for work performed thereby in furtherance of this Agreement. EJP shall be legally responsible for any and all actions of any subcontractor/independent contractor/consultant. Consent by the City to any subcontract shall not constitute approval of the acceptability of any subcontract price or of any amount paid under any subcontract, nor relieve EJP of any responsibility for performing this contract. The City's Project Manager shall have final approval of any proposed subcontractor.

5.0 Confidential Information.

Each party hereto (each, a "Recipient") shall protect and keep confidential all non-public information disclosed to Recipient by the other party (each, a "Discloser") and identified as confidential by Discloser ("Confidential Information") and shall not, except as may be authorized by Discloser in writing, use, for purposes outside the Scope of Work, or disclose any such Confidential Information during and after the term of this Agreement. These obligations of

confidentiality shall not apply to information that: (1) was previously known to Recipient; (ii) is or becomes publicly available through no fault of Recipient; (iii) is disclosed to Recipient by a third party having no obligation of confidentiality to Discloser relating to such Confidential Information; (iv) is independently configured by Recipient; or (v) is required to be disclosed as a matter of law (e.g. open records request).

6.0 Termination

6.1 Termination For Convenience

This agreement may be terminated by the City without cause prior to the completion of the project upon ten (10) days written notice of the intent to terminate to EJP. Notice to terminate shall be given to EJP by written notification mailed or hand delivered to the contact address for EJP listed in Section 3.1 herein. In the event of such termination without cause, EJP shall be compensated for all services actually performed in a timely manner prior to termination provided, however, that such compensation shall be conditioned upon EJP providing in a timely manner to the City all documents developed and copies of the work product produced pursuant to the Contract which were performed in furtherance of the Scope of Work up to the receipt of the notice of termination. EJP shall not be liable for any finalization of such documents that were not signed and or sealed prior to the effective date of termination. In such event, EJP shall promptly submit the City its invoice for final payment.

6.2 Termination for Cause

This agreement may be terminated by either party upon thirty (30) days written notice to the other should such other party fail substantially to perform in accordance with its material terms through no fault of the party initiating the termination and the failure of the party to cure such cause within the thirty day period.

7.0 Nonexclusiveness of Remedies.

Any right or remedy on behalf of the City or EJP provided for in any of these specifications, including but not limited to any guaranty or warranty or any remedy for nonperformance, shall be in addition to and not a limitation of any right or remedy otherwise available by law, equity, or statute.

8.0 Injuries to EJP.

EJP is obligated to obtain sufficient liability insurance coverage (as well as worker's compensation coverage, if required by law) for the benefit of EJP and its agents and/or employees. EJP waives any and all rights to recovery from the City for any injuries that EJP (and/or its agents and/or employees and/or subcontractors and their agents or employees) may sustain while performing services under this Agreement except where caused by the fault of the City.

9.0 Insurance.

EJP shall carry insurance of the following kinds and amounts in addition to any other forms of insurance required under the terms of the contract specifications. EJP shall procure and maintain for the duration of the job until final acceptance by the City, or as later indicated, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by EJP, its agents, representatives, employees or subcontractors.

A. SCOPE OF INSURANCE:

1. General Liability:

Insurance will be written on an occurrence basis. Claims-made coverage will be accepted only on an exception basis after the City's express written approval.

Commercial General Liability

Products and Completed Operations
Contractual
Personal Injury
Broad Form Property Damage

2. Professional Liability:

Insurance may be written on a "claims-made" basis, providing coverage for negligent acts, errors or omissions in the performance of professional services. Coverage will be maintained for three years after completion of the professional services and Certificates of Insurance will be submitted to the City within reasonable economic terms. For purposes of this provision, reasonable economic terms shall mean that such coverage is carried by at least 25% of the firms within the discipline of concern in the United States. Such coverage shall be carried on a continuous basis including prior acts coverage to cover the subject project. The professional liability insurance shall contain contractual liability coverage.

3. Automobile Liability:

Business Automobile Liability providing coverage for all hired and non-owned autos. Coverage for loading and unloading shall be provided under either automobile liability or general liability policy forms.

4. Workers' Compensation Insurance:

Statutory protection against bodily injury, sickness or disease or death sustained by employee in the scope of employment. Protection shall be provided by a commercial insurance company or a recognized self-insurance fund authorized before the State of Alabama Board of Industrial Relations. Company shall provide an endorsement that the insurer waives the right of subrogation against the City and its respective elected officials, officers, employees, agents and representatives. In the event a claim is filed against City by a bona fide employee of Company participating under this Agreement, Company is to defend and indemnify the City from such claim.

5. Employers Liability Insurance:

Covering common law claims of injured employees made in lieu of or in addition to a worker's compensation claim.

B. LIMITS OF INSURANCE:

1. General Liability:

Commercial General Liability on an "occurrence form" for bodily injury and property damage:

\$ 2,000,000 General Aggregate Limit
\$ 1,000,000 Products - Completed Operations Aggregate
\$ 1,000,000 Personal & Advertising Injury
\$ 1,000,000 Each Occurrence

2. Professional Liability:

Insurance may be made on a "claims-made" basis subject to the terms of section 9.0(A)(2) herein:

\$ 1,000,000 per Claim and in the annual aggregate

3. Automobile Liability:

\$ 1,000,000 Combined Single Limit per accident for bodily injury and property damage.

4. Workers' Compensation:

As Required by the State of Alabama Statute

5. Employers Liability:

\$ 100,000 Bodily Injury by Accident or Disease

\$ 500,000 Policy Limit by Disease

C. OTHER INSURANCE PROVISIONS:

The policies are to contain, or be endorsed to contain, the following provisions:

1. General Liability and Automobile Liability Coverage's Only:

- a. The City, its officers, employees, elected officials, agents and specified volunteers are to be covered as Additional Insureds, as their interests may appear, as respects: liability arising out of activities performed by or on behalf of EJP for products used by and completed operations of EJP; or automobiles owned, leased, hired or borrowed by EJP. The coverage shall contain no special limitations on the scope of protection afforded to the City, its officers, employees, elected officials, agents or specified volunteers. Additional insured status shall be through ISO Additional Endorsement CG 20 10 11 85 or equivalent that is sufficient to provide the coverage required by this Agreement.
- b. EJP's insurance coverage shall be primary insurance as respects the City, its officers, employees, agents and specified volunteers, as their interests may appear. Any insurance or self-insurance maintained by the City, its officers, officials, employees, agents or specified volunteers shall be excess of EJP's insurance and shall not contribute to it.
- c. EJP's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

2. All Coverages:

- a. EJP is responsible to pay all deductibles. Each insurance policy required by this clause shall be endorsed to state that coverage shall not be materially changed or canceled by either party except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the City. Cancellation of coverage for non-payment of premium will require ten (10) days written notice to the City.
- b. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the City, its officers, employees, agents or specified volunteers.
- c. Any deductibles or self-insured retentions must be declared to and approved by City. At the option of City, either the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects City or its respective

elected or appointed officers, officials, employees and volunteers, or the Company shall procure a bond guaranteeing payment of losses and related investigations, claim administration, defense expenses and claims.

- d. The procuring of such required policy or policies of insurance shall not be construed to limit Company's liability hereunder nor to fulfill the indemnification provisions and requirements of this Agreement.

D. ACCEPTABILITY OF INSURERS:

Insurance is to be placed with insurers with an A. M. Best's rating of no less than **B+ V**.

E. VERIFICATION OF COVERAGE:

The City shall be indicated as a Certificate Holder and EJP shall furnish the City with Certificates of Insurance reflecting the coverage required by this document. The A. M. Best Rating and deductibles, if applicable, shall be indicated on the Certificate of Insurance for each insurance policy. The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf. All certificates are to be received and approved by the City before work commences. The City reserves the right to require copies with sensitive and confidential information redacted of all required insurance policies at any time.

F. CONSULTANTS AND/OR SUBCONTRACTORS WORKING FOR THE CONTRACTOR:

EJP shall include all subcontractors and/or consultants as insureds under its policies or shall furnish separate certificates and/or endorsements for each subcontractor and/or consultant.

G. HOLD HARMLESS AGREEMENT:

1. Other Than Professional Liability Exposures:

EJP, to the fullest extent permitted by law, shall indemnify and hold harmless the City, its elected and appointed officials, employees, agents and specified volunteers against all claims, brought by third parties, for damages, losses and expenses, including, but not limited to, reasonable attorney's fees, to the extent caused by the negligent performance of EJP's obligations under this Agreement, provided that any such claim, damage, loss or expense (1) is attributable to personal injury, including bodily injury, sickness, disease or death, or to injury to, or destruction of, tangible property, and (2) is caused by any negligent act or omission of EJP or any of their consultants, or anyone directly or indirectly employed by them or anyone for whose acts they are legally liable. Such obligation should not be construed to negate, abridge, or otherwise reduce any other right or obligation of indemnity which would otherwise exist as to any party or person described in this paragraph.

2. Professional Liability:

EJP agrees that as respects negligent acts, errors or omissions in the performance of professional services, to indemnify and hold harmless the City, its officers, agents, employees, and specified volunteers from and against any and all claims, brought by third parties, demands, losses and expenses including, but not limited to reasonable attorney's fees, to the extent caused by any negligent acts, errors, or omissions of EJP or any subconsultants or anyone directly or indirectly employed by them or anyone for whose acts they are legally liable.

3. Intellectual Property Rights.

EJP agrees to indemnify, hold harmless and defend City from and against any and all liability, losses, judgments, damages, and expenses arising from third party claims that the Products delivered by and/or Services performed by EJP pursuant to this Agreement infringe on or violate any patents, copyrights, or trade secrets of such third parties. This indemnification is contingent upon City providing prompt written notice of such a claim to EJP and granting EJP the sole right to defend such claim. In the event of any infringement or claimed infringement, EJP, in its sole discretion, shall: (i) modify the infringing Services to be non-infringing as long as there is no loss of functionality by such modification; (ii) obtain a license for City to use the infringing Services; or (iii) terminate the City's right to use the infringing Services and refund to City all amounts paid for such infringing Services, amortized over a period of (5) years from the acceptance of Services.

9.1 CONSULTANT AND/OR SUBCONTRACTORS WORKING FOR THE CONTRACTOR:

EJP shall require any approved subcontractors and/or consultants working for the City of Huntsville pursuant to this Agreement to carry insurance as required under this Agreement.

10. GENERAL PROVISIONS.

10.1 Governing Law and Venue.

This Agreement shall be governed by and construed in accordance with the laws of the State of Alabama without regard to Alabama conflict of laws provisions. Proper venue for any action to enforce the terms of this Agreement shall be in the state or federal courts of Madison County, Alabama.

10.2 Force Majeure.

Neither party shall be responsible for delays or failure of performance resulting from acts beyond the reasonable control of such party. Such acts shall include, but not be limited to, acts of God, strikes, walkouts, riots, acts of war, epidemics or pandemics, failure of suppliers to perform, governmental regulations, power failure(s), earthquakes, or other disasters.

10.3 Headings.

The titles and headings of the various sections and paragraphs in this Agreement are intended solely for convenience of reference and are not intended for any other purpose whatsoever, or to explain, modify or place any construction upon or on any of the provisions of the Agreement.

10.4. Agreement Deemed to Have Been Jointly Drafted.

The parties acknowledge that they have thoroughly reviewed this Agreement and bargained over its terms. Accordingly, neither party shall be considered responsible for the preparation of this Agreement which shall be deemed to have been prepared jointly by both parties. The provisions of the Agreement allocate the risks between the parties. The terms and conditions included herein reflect the allocation of risk, and each provision herein is a part of the bargained for consideration of this Agreement.

10.5 Waiver.

The failure of the City to insist in one or more instances upon the performance of any term of this Agreement is not a waiver of its right to future performance of such terms unless such waiver is in writing and signed by a duly authorized officer of the City.

10.6 All Amendments in Writing.

No provisions in either party's purchase orders, or in any other business forms employed by either party will supersede the terms and conditions of this Agreement, and no supplement, modification, or amendment of this Agreement shall be binding, unless executed in writing by a duly authorized representative of each party to this Agreement.

10.7 Property of City.

All work product prepared by EJP with the exception of those standard know-how, details and specifications regularly used by EJP in its normal course of business shall become and be the sole property of the City. Any reuse or modification of such Work Product for purposes other than those intended by EJP in its scope of services shall be at the City's sole risk and without liability to EJP.

10.8 Third Parties.

Nothing contained herein shall create a contractual relationship with, or any rights in favor of, any third party.

10.9 Non Discrimination Policy.

In consideration of this agreement, the parties hereto for themselves, their agents, officials, employees, and servants agree not to discriminate in any manner on the basis of race, color, creed, age, sex, disability or national origin with reference to the subject matter of this agreement, no matter how remote.

10.10 No Assignment

Neither party shall assign its rights hereunder, excepting its right to payment, nor shall it delegate any of its duties hereunder without the written consent of the other party.

10.11 Survivability.

The terms of Section 9.G. entitled "Hold Harmless Agreement", shall survive termination of this Agreement.

10.12 Entire Agreement.

The parties have read this Agreement, including all Exhibits, and agree to be bound by its terms, and further agree that it constitutes the complete and entire agreement of the parties and supersedes all previous communications, oral or written, and all other communications between them relating to the subject matter hereof. No representations or statements of any kind made by either party, which are not expressly stated herein, shall be binding on such party. In the event any separate Statements of Work are subsequently executed by the parties and are in conflict with the provisions of this Agreement, then the provisions of this Agreement shall prevail over any such conflicting provisions. Any pre-printed terms and conditions of EJP's and City's business forms shall be without legal effect with respect to this Agreement or any subsequent Statements of Work.

10.13 Order of Precedence of Contract Documents

In the event any conflict, discrepancy, or inconsistency among any of the documents which make up this contract, the following shall control, and EJP is deemed to have based its estimate of performing the work upon the order of precedence as set forth below. Interpretations shall be based upon the following order of precedence: 1) this Agreement and 2) EJP's proposal attached hereto as Exhibit A.

IN WITNESS WHEREOF, the parties hereto, by their respective duly authorized officers or representatives, have each executed this Agreement, effective as of the date first above written.

CITY OF HUNTSVILLE, ALABAMA

By: _____

Tommy Battle

Its: Mayor

Attest: _____

Shaundrika Edwards

Its: City Clerk

EJP CONSULTING GROUP, LLC

By: _____

Rhac Parkes

Its: President _____



EJP Consulting Group, LLC
PO Box 56434, Washington, DC 20040
Tel: 202-248-1967
Fax: 866-582-5103

October 16, 2025

VIA EMAIL

Dennis Madsen
Manager of Urban and Long-Range Planning
City of Huntsville, Alabama
dennis.madsen@huntsvilleal.gov

Re: Phase I Portfolio Assessment

Dear Mr. Madsen:

Thank you for the opportunity to submit this scope of work, per our discussion on August 20, 2025.

Please let me know if you have any further questions.

Sincerely,

A handwritten signature in blue ink, appearing to be 'Rhae Parkes', written in a cursive style.

Rhae Parkes, President
EJP Consulting Group, LLC

SCOPE OF WORK

HUNTSVILLE PORTFOLIO ASSESSMENT – Phase I

We propose starting with a review of the entire public housing portfolio (over 1,500 units), which will be guided by the Huntsville Housing Authority's (HHA) 2024 Strategic Plan and the City of Huntsville's (City) overall goals and objectives. We will discuss the challenges and opportunities of converting sites through one or more of HUD's repositioning tools and consider the timing of multiple conversion processes over the course of several years. The target housing site for the awarded Choice Neighborhoods Implementation grant will be excluded, but other housing sites in the same neighborhood will be included. The assessment will explore the development potential for strategically located sites in the downtown area. This assessment will result in a summary report outlining EJP's observations and recommendations for strategies and priorities for long-term positioning, potential partnerships, financing, and phasing of HHA properties. Given the City's collaboration with HHA currently, and long-term goals, the assessment will also explore how best to leverage city-owned assets and resources to catalyze wider development that expands mixed-income housing and mixed-use developments.

For this assessment, EJP has teamed up with Lord Aeck Sargent (LAS), a long-time collaborator with EJP on master planning services. LAS will advise on the development potential for public housing authority-owned and/or city sites.

A. Kickoff Call, Data Request, and Ongoing Project Management and Coordination

As a first step, we will schedule a kickoff call with the city and HHA to set expectations and confirm initial timelines. We will also prepare a data request including:

- Operating budgets (historic and projected) by AMP and/or by site
- Occupancy reports, REAC scores, etc.
- Physical Needs Assessments (PNAs), capital plans, energy audits and accessibility reports, recent capital investments
- Prior and current RAD applications and financing plans, if applicable
- Demographic profile of resident populations by AMP and/or by site
- Any existing debt through Energy Performance Contracts (EPC), Operating Fund Financing Programs (OFFP) or Capital Fund Financing Programs (CFFP), as applicable
- Last three years of financial audits
- Land (owned by HHA and/or the City)
- Expiring-use properties

We will review operating budgets by property/AMP, occupancy data, PNAs, REAC scores, and other internal data to gain a general understanding of the existing portfolio. Our team can also access PIC with HHA's permission and download data as necessary. The data review will establish a strong understanding of the baseline conditions for each property individually and the portfolio collectively. Based on the available information, we will create a Portfolio Profile of the sites so that we have current information on each development, including the context of the neighborhood in which each development is located.

During the kickoff meeting, we will also confirm a schedule of regular virtual meetings throughout the entirety of the engagement. We will also discuss strategies for communicating the final recommendations to the City and HHA.

B. Site Visit and Capital Needs

EJP proposes a two-day site visit to learn about HHA, the City, and the properties. We will also utilize HHA's most recent PNAs and capital plans provided in the initial data request, and subsequent information provided by staff as the basis for our understanding of the physical condition of each property. In conjunction with City and HHA staff, EJP will:

- Participate in a two-day site visit/work session that will also include a tour of properties and their neighborhoods
- Review PNAs to determine their impact on decisions regarding future use of each property
- Review the long-term Capital Fund plan for HHA properties and evaluate it against long-term financial feasibility and the goals of the agency
- Explore the conditions of the neighborhoods that surround the properties – for example, are properties located in 'hot' markets or declining markets? Are there active or pending developments that might impact future redevelopment?

We propose touring sites and neighborhoods and carrying out interviews with property managers and maintenance staff to better understand the condition of the existing portfolio. We will also interview city staff to understand the intersection of HHA assets with city priorities. EJP will use this information to create a matrix summarizing the data by development and get a better sense of options for repositioning these properties. These findings will be used in work sessions with HHA and the City to prioritize and guide site-specific strategies.

C. Financial Feasibility and Repositioning Strategy

Utilizing the project data, EJP will test multiple conversion scenarios assessing the financial feasibility of converting HHA's properties to the Project-Based Voucher platform in conjunction with HUD's other repositioning programs. We will also assess the pros and cons of layering conversion methods across the portfolio, including considering current and future proposed development plans and Faircloth availability. Opportunities for demolition and new construction will also be explored.

Then, we will review potential funding resources and help the City/HHA understand how to best structure and use each funding source with special attention to how different funding programs can be combined (or not), given competing regulations, affordability restrictions, program requirements, and other potential considerations. EJP will create pro formas for properties as straight conversions, estimating the Initial Deposit to Replacement Reserves (IDRR) and Annual Deposit to Replacement Reserves (ADRR) that might be required by HUD for conversion. We will also prepare pro forma templates to test different approaches to recapitalizing the public housing developments using Section 18/Section 22 and review leveraged transactions (i.e., 9% tax credits and conventional debt, tax-exempt bonds and 4% tax credits, RAD/ Section 18 blends also utilizing tax-exempt bonds and 4% tax credits, as well as gap funding from a variety of sources). For sites that are candidates for master planning, we will outline a potential approach that may also leverage RAD and/or Section 18.

We will explore the rough borrowing capacity (or potential leverage) of each development and identify developments located in Qualified Census Tracts ("QCT") and HUD Small Area Difficult Development Areas (SADDA). In addition to federal tax credits, there are several sources of gap financing for the preservation of public housing that we could also consider. These include HUD HOME and CDBG funds through the state and local government, and Federal Home Loan Bank Affordable Housing Program (AHP) funds, as well as the potential availability of funds through other federal funding initiatives. We assume the City will be an active partner in both the assessment and future financing.

Working closely with the City and HHA, EJP will identify and discuss options for the existing developments. If we identify a need for significant capital improvement or redevelopment, we will propose strategies to maximize existing funds as much as possible. For new development, we will identify the feasibility of pursuing new projects and outline recommendations related to timing and financing considerations. We will review these strategies with the City/ HHA staff, make revisions as necessary, and discuss strategies for communicating recommendations to stakeholders.

We understand the need to be flexible and are prepared to work with the City/HHA during the kick-off meeting to finalize a schedule and timeline that meets everyone's needs, including refining travel assumptions.

TIMELINE: Approximately 150 days from the initial kick-off call

FEE: The total fixed fee for this task is \$104,599. This fee is inclusive of all professional labor for EJP and LAS and includes one site visit.

IMPLEMENTATION: Implementation tasks will depend on City and HHA decisions, but we assume tasks may include master planning for one or more sites and key properties, Section 18 and/or RAD conversions and program management support. The scope of work for Phase II/Implementation will be developed after the completion of the portfolio assessment phase, and in collaboration with the city and HHA.