



HOUSTON
HOUSING AUTHORITY

Transforming Lives & Communities

RESOLUTION NO. 3760

At the meeting of the Houston Housing Authority Board of Commissioners, **March 19, 2023**, the following resolution was moved by **Kenneth C. Li** and seconded by **Alton Smith**:

Resolution: That the Houston Housing Authority Board of Commissioners authorizes the President & CEO to negotiate and execute a one-year contract with RTR Financial Services with HHA having the option to extend the contract two (2) additional years, in one (1) year increments pursuant to the February 6, 2024 memorandum from George D. Griffin III, Vice President, Housing Operations to David A. Northern, Sr., President & CEO.

A true and accurate copy of the vote is listed below, and a true and correct copy of the Resolution that was approved is attached hereto.

Name	Aye	No	Abstain	Name	Aye	No	Abstain
J. Proler, Chairman	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	K. Kirkendoll	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
A. Smith, Vice President	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	S. Ballard	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
C. Aceves-Lewis	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	K. Li	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

David A. Northern, Sr.

David A. Northern, Sr. (Mar 20, 2024 17:25 CDT)

David A. Northern, Sr., Secretary
HHA Board of Commissioners

(SEAL)





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REQUEST FOR BOARD AGENDA ITEM

1. Brief Description of Proposed Item:

Consideration and/or take action to authorize the President & CEO to negotiate and execute a one-year contract with RTR Financial Services for Debt Collection Services.

2. Date of Board Meeting: March 19, 2024

3. Proposed Board Resolution:

Resolution: That the Houston Housing Authority Board of Commissioners authorizes the President & CEO to negotiate and execute a one-year contract with RTR Financial Services with HHA having the option to extend the contract two (2) additional years, in one (1) year increments pursuant to the February 6, 2024 memorandum from George D. Griffin III, Vice President, Housing Operations to David A. Northern, Sr., President & CEO.

4. Department Head Approval Signature *George D. Griffin III* Date: 03/15/2024
George D. Griffin III (Mar 15, 2024 11:22 CDT)

5. Statement regarding availability of funds by VP of Fiscal Operations

Funds Budgeted and Available Yes No Source Not Applicable

VP of FO Approval Signature *Michael D. Rogers* Date: 03/14/2024
Michael D. Rogers (Mar 14, 2024 18:56 CDT)

6. Approval of President & CEO

Signature *David A. Northern, Sr.* Date: 03/14/2024
David A. Northern, Sr. (Mar 14, 2024 18:48 CDT)



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MEMORANDUM

TO: DAVID A. NORTHERN, SR., PRESIDENT & CEO
FROM: GEORGE D. GRIFFIN III, VICE PRESIDENT, HOUSING OPERATIONS
SUBJECT: CONSIDERATION AND/OR TAKE ACTION TO AUTHORIZE THE PRESIDENT & CEO TO NEGOTIATE AND EXECUTE A ONE-YEAR CONTRACT WITH RTR FINANCIAL SERVICES FOR DEBT COLLECTION SERVICES.
DATE: FEBRUARY 6, 2024

This memorandum recommends that the Houston Housing Authority Board of Commissioners authorize the President & CEO to negotiate and execute a contract for Debt Collection Services.

BACKGROUND:

The Houston Housing Authority (HHA) contracts with Property Management Agents whose responsibility is to collect rent and other related fees from public housing tenants. However, when accounts are deemed uncollectible, the HHA, as the property owner, is required to reduce its financial liabilities by writing off balances owed by former tenants. Write-offs are necessary when tenants vacate units without fully honoring their financial obligations. Former tenants are notified and provided at least 30 days to resolve their balances. In the event payments are not received, Management Agents deems the accounts as uncollectible and forwards to the HHA. While the HHA will formally write off the debt, federal regulations require the execution of debt collection practices to recover losses. Debt collection and recovery services will be executed for HHA-owned sites located within the City of Houston and Harris County.

Debt typically includes non-payment of rent, maintenance fees, legal fees, excessive utilities, and other valid charges. HHA's efforts require the engagement of a third-party contractor whose primary role is to recover debt owed by previous tenants of public housing. HHA will refer delinquent accounts to Provider(s) every month. Annually, it is estimated that debt collection and recovery services will be needed for 322 accounts totaling \$499,400. Referred account totals shall be at least \$50.00 and above. The desired rate of recovery or return is a minimum of 75% of the total amount referred by the HHA, annually.

Provider(s) are expected to provide debt collection and recover of two types of accounts, as listed below:

- 1) Primary Accounts – accounts referred by the HHA with initial collection efforts
- 2) Secondary Accounts – non-responsive accounts that requires escalated efforts from a Legal Team

Below is a historical summary of accounts referred for collections for the in 2022:

Property Name	Annual Debt Totals	# of Annual Unpaid Accounts
Allen Parkway Village	\$14,000	5
Historic Oaks of Allen Parkway	\$400	3
Bellerive	\$500	4
Clayton	\$20,000	50
Cuney	\$110,000	67
Ewing	\$1,000	2
Forest Green	\$500	3
Fulton Village	\$24,000	9
Heatherbrook	\$2,000	3
Irvinton	\$126,000	81
Kelly Village	\$123,000	57
Kennedy Place	\$11,000	4
Lincoln Park	\$20,000	10
Long Drive	\$11,000	4
Lyerly	\$4,000	10
Oxford Place	\$22,000	7
Sweetwater	\$10,000	2
Grand Total	\$499,400	322

ADVERTISEMENT

In October 2023, HHA's Procurement Department posted a legal notice advertising Request for Proposal 23-44 (RFP 23-44) Debt Collection Services on its website, and in the Forward Times, Houston Business Journal and Houston Chronicle Newspapers:

In addition to posting RFP 23-44 on its website, HHA's Procurement Department sent e-mails advertising this solicitation to potential Firms on its Bidder's List. The Bidder's list was created using HHA's vendors' registration data and a search of potential proposers online.

Interested parties were also able to access RFP 23-44 by going to the websites of the City of Houston Office of Business Opportunity ("OBO"); the Greater Houston Black Chamber of Commerce ("GHBC"); the Houston Minority Supplier Development Council ("HMSDC"); the Houston Chapter of the National Association of Minority Contractors ("NAMC"); and to the Houston Office of the United States Small Business Administration ("SBA").

EVALUATION PROCESS

On October 31, 2023 HHA's Procurement Department opened five (5) sealed proposals, which were evaluated, independently, by the following HHA staff members:

- **Housing Operations:** Daveta Thomas, Pre-Admission and Occupancy
- **Legal:** LaKeshia Jackson, Attorney
- **Finance:** Tamara McCormick, Financial Analyst

All responses to RFP 23-44 received by the specified due date were scored based on the following published scoring criteria:

EVALUATION CRITERIA	POSSIBLE POINTS
Experience <ul style="list-style-type: none"> • Contractor's demonstrated experience in collections for a scope of this size. • Length of time Contractor has been providing the collection services requested by this solicitation. • List of projects/clients in which services have or are being provided over the past 2 years. If there are less than 5 clients in the past two years, provide additional references. • Previous experience working for HHA or other PHA's. • Resumes of key staff, 	25
Technical Capability <ul style="list-style-type: none"> • Contractor's capability in terms of personnel • Online/real time payment options • Equipment and materials to successfully provide the collection services requested by this solicitation. 	20
Methodology <ul style="list-style-type: none"> • Contractor's plan or approach to providing the collection services requested by this solicitation. 	25
M/WBE Plan	5
Commission / Administrative Fee	25
Total	100

Table A below provides the scores of the responses reviewed and scored by the committee and finalized by HHA's Procurement Department:

Table A			
Debt Collection Service	M/WBE	M/WBE Participation	Scoring Results
1. RTR Financial Services	N/A	Yes	89
2. Online Information Services, Inc	N/A	No	86
3. Sierra Outsourcing Solutions	N/A	No	80
4. Ability Recovery Services	N/A	No	79
5. Cuevas Jones, LLC	M/WBE	Yes	73

The Evaluation Committee, after analyzing the scores, determined a shortlist was not needed, and recommended the award to RTR Financial Services.

The agency goal is to have all contracts utilizing sub-contractors spend at least 30% of the project funds with M/WBE businesses. RTR Financial Services intends to subcontract 30% of the services to an M/WBE.

References have been checked and returned positive. There are no conflicts of interest and the firm(s) are not on the HUD Debarment List

RECOMMENDATION:

Accordingly, I recommend that the Board consider this resolution, which states:

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