

# AGENDA ITEM REQUEST FORM

Department: Rent Program

Department Head: Nicolas Traylor

Phone: 620-6564

Meeting Date: June 19, 2019

Final Decision Date Deadline: June 19, 2019

**STATEMENT OF THE ISSUE:** As of May 15, 2019, over \$782,730 in potential FY 2016-17, FY 2017-18, and FY 2018-19 Rental Housing Fee revenue owed from an estimated 1,942 Richmond Landlords is outstanding. Staff members are proposing the issuance of a Request for Proposals for Collection Agency Services to solicit proposals from qualified service providers who could assist in the prompt collection of outstanding revenue.

## INDICATE APPROPRIATE BODY

- |   |   |  |  |   |
|---|---|--|--|---|
| <input type="checkbox"/> City Council               | <input type="checkbox"/> Redevelopment Agency                             | <input type="checkbox"/> Housing Authority     | <input type="checkbox"/> Surplus Property Authority          | <input type="checkbox"/> Joint Powers Financing Authority |
| <input type="checkbox"/> Finance Standing Committee | <input type="checkbox"/> Public Safety Public Services Standing Committee | <input type="checkbox"/> Local Reuse Authority | <input checked="" type="checkbox"/> Other: <u>Rent Board</u> |   |

## ITEM

- Presentation/Proclamation/Commendation (3-Minute Time Limit)
- Public Hearing                       Regulation                       Other:
- Contract/Agreement                       Rent Board As Whole
- Grant Application/Acceptance                       Claims Filed Against City of Richmond
- Resolution                       Video/PowerPoint Presentation (contact KCRT @ 620.6759)

**RECOMMENDED ACTION:** DIRECT staff to negotiate and execute a contract with a Collection Services Agency, utilizing a contingency-based payment plan – Rent Program (Nicolas Traylor 620-6564).

AGENDA ITEM NO:  
**H-1.**



# AGENDA REPORT

**DATE:** June 19, 2019  
**TO:** Chair Gray and Members of the Rent Board  
**FROM:** Nicolas Traylor, Executive Director  
**SUBJECT:** CONTRACT FOR COLLECTION AGENCY SERVICES

## **STATEMENT OF THE ISSUE:**

As of May 15, 2019, over \$782,730 in potential FY 2016-17, FY 2017-18, and FY 2018-19 Rental Housing Fee revenue owed from an estimated 1,942 Richmond Landlords is outstanding. Staff members are proposing the issuance of a Request for Proposals for Collection Agency Services to solicit proposals from qualified service providers who could assist in the prompt collection of outstanding revenue.

## **RECOMMENDED ACTION:**

DIRECT staff to negotiate and execute a contract with a Collection Services Agency, utilizing a contingency-based payment plan – Rent Program (Nicolas Traylor 620-6564).

## **FISCAL IMPACT:**

Since the Rental Housing Fee is the Rent Program's sole source of revenue, collection of the Rental Housing Fee is central to the Program's financial viability. Therefore, while the precise fiscal impact of entering into a contract with a Collection Agency service provider is unknown at this time, the potential positive fiscal impact of improving collection rates for Fiscal Year 2016-17, 2017-18, and 2018-19 Rental Housing Fees could amount to several hundred thousand dollars.

## **DISCUSSION:**

### Background

At their Regular Meeting on May 15, 2019, the Rent Board received a presentation from Rent Program staff members concerning the department's compliance efforts during Fiscal Year 2018-19, specifically with respect to payment of the Rental Housing Fee.

Of note, the presentation included statistics indicating that over \$782,730 in potential Rental Housing Fee revenue owed from an estimated 1,942 Richmond Landlords is outstanding. The majority of this outstanding revenue (\$432,396) is owed from 1,630 Landlords who own one Rental Unit in the City of Richmond.

Given the tremendous amount of staff time necessary to follow up with over 1,500 Landlords of one Rental Unit to conduct collections efforts, staff members are proposing that the Rent Board contract with a Collection Agency to conduct this work.

### Request for Proposals for Collection Agency Services

The draft Request for Proposals, contained in Attachment 1 of this report, indicates that the Rent Board is soliciting proposals from qualified firms and agencies to provide collection services for the City of Richmond Rent Board's Delinquent Landlord Accounts. The Board desires to enter into an agreement for professional services with a qualified firm or agency who can demonstrate competency and experience in providing Collection Services. The Board seeks an experienced and effective Contractor that minimizes Board costs, maximizes the use of available technology, provides excellent customer service, and performs thorough and complete collections.

Eligibility requirements for the proposed service provider are detailed on page 6 of the draft Request for Proposals. The exact range and extent of services is subject to negotiation, but at a minimum must include professional services and dedicated personnel to perform the following scope of services:

- 1) Agency shall provide collection services for debts owed to the Rent Board for Delinquent Residential Rental Housing Fees.
- 2) Agency shall designate a manager for the Rent Board's account who will be the Rent Board's primary contact with the Agency.
- 3) The Rent Board shall submit delinquent accounts for collection via hard copy, e-mail, electronic file, or in writing. Agency shall provide acknowledgement within 10 days of account placement via the same method that the account was submitted.
- 4) The Rent Board shall provide documentation to Agency for each account, including name, any available customer information, last known address, account number, and balance due.
- 5) Agency shall make a minimum of three written or telephone contacts for each account (unless the account clears sooner) within forty-five (45) days of receipt of account.

## ITEM H-1

- 6) Agency shall discuss their recommended use of skip tracing on delinquent accounts. Agency to provide specific tools used to conduct skip tracing.<sup>1</sup>
- 7) Agency should indicate whether the Rent Board will have access to the Agency's database in order to determine the progress of the collection efforts.
- 8) Agency shall maintain complete records of each account referred by the Rent Board, including all correspondence, documents, account records, transactions and a detailed log of all collection efforts or actions. These records shall be retained for a minimum of three years after termination of collection actions on each account.
- 9) Agency shall provide the Rent Board with a monthly report on the status of each account including; account number, customer name, the amount received, the charges waived, the balance due and date of last payment, and the actions taken on the account. Agency should immediately advise the Board of any account that is paid in full or deemed uncollectible. If an account is deemed uncollectible, information regarding this determination must be provided to the Board.
- 10) Agency shall provide to the Board quarterly financial summary reports including totals for receipts, net accounts receivable, total accounts receivable and collection percentage.
- 11) Agency shall provide to the Board an annual financial summary report as of June 30 (the Rent Board's fiscal year end) including totals for receipts, net accounts receivable, total accounts receivable and collection percentage. This report should be submitted to the Rent Board no later than July 30th of each year.
- 12) At any time, all records of the agency pertaining to the Rent Board shall be subject to inspection, review, or audit by the Rent Board or its agent during the contract period and for three (3) years after the termination of the contract.
- 13) Agency shall guarantee the confidentiality, security and safety of all files, documents and information provided by the Board, except as to disclosure required by federal and state laws and regulations.
- 14) Agency will exercise its best ethical, prudent, lawful and professional efforts to secure collections on all accounts referred by the Rent Board. Collections activities shall comply with all federal, state and local laws, including but not limited to the Federal Fair Debt Collection Practices Act.

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<sup>1</sup> According to bountyhunteredu.org, "Skip Tracing" is an industry term used to describe the process of locating a fugitive that can't be found at their place of residence or usual hangouts. "Skip" refers to the person being searched for (derived from the term "to skiptown") and "tracing" meaning the act of locating the skip.

## ITEM H-1

- 15) Agency will process all customer payments in accordance with applicable Payment Card Industry (PCI) security requirements.
- 16) In accordance with the Fair and Accurate Credit Transaction Act (FACT), the vendor must have an identity theft prevention program in place.
- 17) Agency shall report all uncollectible accounts to the major credit bureaus. Reporting must be done in accordance with all federal, state and local laws, including but not limited to, the Fair Debt Collections Practices Act, the Federal Equal Credit Opportunity Act, and the Consumer Credit Protection Act. Agency shall not report accounts to the credit bureaus until the agency has worked the account for forty-five (45) days. At the request of the Rent Board, the Agency shall remove an account notification from all the affected bureaus and provide a copy of that notification to the Board.
- 18) Agency shall not assign or subcontract any portion of this agreement or transfer or assign any claim, pursuant to this contract, without the written consent of the Rent Board.
- 19) Agency shall make contacts with delinquent accounts under the name of the agency and not the Rent Board.
- 20) Agency shall instruct Landlords to submit payments to the Agency and not the Rent Board. The Rent Board shall notify Agency of any payments made to the Rent Board for accounts under collection with the Agency.
- 21) Agency shall collect and deposit payments from customers and, on no less than a monthly basis, submit a check to the City of Richmond Rent Program for all monies collected, less collection fees, along with a report including the account name and number, amount collected, and collection fees.
- 22) Any compromise settlement of principal or charges shall be agreed upon in writing (which includes emails) between the Agency and the Rent Board prior to acceptance.
- 23) Agency may allow for time payment agreements (payment plans) and may enter into time payment agreements with Landlords for any period less than one year without the consent of the Rent Board. Any time payment agreement extending beyond one year from the date of initiation of plan must be agreed upon in writing between the Agency and the Rent Board prior to acceptance.
- 24) No legal actions shall be taken by the Agency without express written consent of the Rent Board.
- 25) Agency shall be solely responsible for any and all costs incurred in and associated with the collection of debts referred to it by the Rent Board.

## ITEM H-1

26) Compensation shall be contingent upon actual collections of debts owed to the Rent Board. Agency may subtract a reasonable fee from the amount of the debt collected and paid to the Rent Board, as a percentage of debt collected with a specified maximum. Agency must identify the fee, how it is determined and the fee must be consistent across all debts collected.

27) The Rent Board may withdraw any accounts without any charge or penalty.

28) The Rent Board reserves the right to terminate the contract at any time by providing thirty days written notice for convenience or cause.

29) Agency shall meet with Rent Board staff upon execution of the contract to discuss all the goals of the relationship, the services to be provided and other topics relevant to performing collections on behalf of the Rent Board. Furthermore, Agency shall meet with Rent Board staff on an annual basis (or as-needed if issues arise) to discuss all services and how the Agency and Rent Board can work together to further reduce debt owed. The Rent Board will provide overall guidance on the conduct of collection services, as it reflects upon the Rent Board's policies and reputation. Agency will also provide updates to the Rent Board on changes in federal and state laws related to credit and collections.

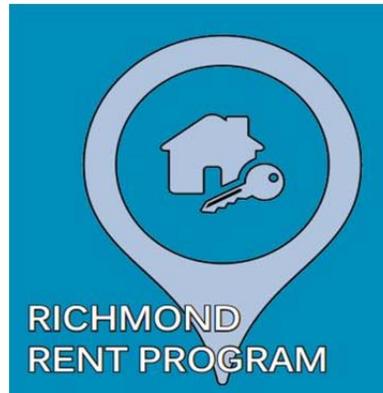
### Proposed Timeline and Next Steps

Staff propose the following timeline and next steps with regard to the issuance of a Request for Proposals for Collection Agency Services:

<b>Proposed Date</b>	<b>Action</b>
Monday, June 24, 2019	Release of RFP
Friday, July 12, 2019, 5:00 PM	Last day to submit questions regarding the RFP; responses to questions received by this date will be posted at <a href="http://www.richmondrent.org">www.richmondrent.org</a>
Friday, July 19, 2019, 12:00 PM	Responses to RFP due
Week of July 22, 2019	Panel reviews proposals and submits recommendation(s) to Executive Director; Executive Director selects desired agency
Week of July 22, 2019	Selected agency is notified
Week of July 29, 2019	Agreement is negotiated and executed

### **DOCUMENTS ATTACHED:**

Attachment 1 – Draft Request for Proposals for Collection Agency Services



# CITY OF RICHMOND RENT PROGRAM

Richmond Fair Rent, Just Cause for Eviction, and  
Homeowner Protection Ordinance (RMC 11.100)

## **DRAFT** REQUEST FOR QUALIFICATIONS AND PROPOSALS FOR COLLECTION AGENCY SERVICES

June 24, 2019

**CITY OF RICHMOND RENT PROGRAM  
REQUEST FOR QUALIFICATIONS AND PROPOSALS FOR  
COLLECTION AGENCY SERVICES**

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The City of Richmond Rent Board (Board) is soliciting proposals from qualified firms and agencies to provide collection services for the City of Richmond Rent Board's Delinquent Landlord Accounts. The Board desires to enter into an agreement for professional services with a qualified firm or agency who can demonstrate competency and experience in providing Collection Services. The Board seeks an experienced and effective Contractor that minimizes Board costs, maximizes the use of available technology, provides excellent customer service, and performs thorough and complete collections.

This Request for Proposals may be obtained online at <http://www.ci.richmond.ca.us/3540/Contracts-and-RFPs> or by visiting the Rent Program office, located on the second floor of 440 Civic Center Plaza, Richmond, CA 94804. One (1) original and five (5) copies of the sealed proposals must be submitted to the Rent Program Office in hard copy no later than 12:00 PM on Friday, June 19, 2019, at the following address:

**City of Richmond Rent Program  
Attn: Cynthia Shaw  
440 Civic Center Plaza, Suite 200  
Richmond, CA 94804**

Any questions or requests regarding this Request for Qualifications and Proposals may be submitted in writing to Cynthia Shaw at [cynthia\\_shaw@ci.richmond.ca.us](mailto:cynthia_shaw@ci.richmond.ca.us). Written responses to inquiries received by 5:00 PM on Friday, June 12, 2019, will be posted at <http://www.ci.richmond.ca.us/3540/Contracts-and-RFPs>.

**INTRODUCTION**

The following provides general information and instructions for applying for funds from the City of Richmond Rent Board for the services described below to be performed in Fiscal Year (FY) 2019-2020. This document contains the requirements that all proposers must satisfy and/or complete. All proposers must complete the application that can be obtained online at <http://www.ci.richmond.ca.us/3540/Contracts-and-RFPs> or by visiting the Rent Program office, located on the second floor of 440 Civic Center Plaza, Richmond, CA 94804.

Through this Request for Proposals (RFP), the Board invites qualified firms and agencies to provide collection services for the Board’s Delinquent Landlord Accounts. The goal of the collection services is to capture any and all outstanding revenue owed to the Rent Program to support the agency’s long-term financial sustainability.

Using the Rent Board’s Residential Housing Fee, this RFP seeks to contract with one firm or agency to meet the goal of this RFP. The Rent Board expects to award a contract according to the table set forth below.

<b>Program</b>	<b>FY 19-20 Funding</b>	<b>Funding Source</b>	<b>Amount Awarded</b>	<b>Approx. # of Awards</b>
Collection Services	Rental Housing Fee revenue (contingency)	Residential Housing Fee	Contingency: Percentage based on amount collected	1

Funding for the program will be provided for the 2019-20 Fiscal Year with the option to extend at the Rent Board’s sole discretion and contingent upon funding availability and performance. The Rent Board’s contracts are typically based on the fiscal year calendar, July 1 to June 30. The Rent Board expects the agreements to be executed by July 2, 2019. Agreements for the first year may be executed for a five- or six-month period, ending June 30, 2020 with the possibility of renewing the contract for additional years.

The selected proposer(s) will be required to enter into an agreement with the Rent Board containing the terms and conditions set forth in Attachment A: Proposed Agreement. If you have any exceptions to the standard terms and conditions you must note them in your proposal; otherwise, none will be considered or granted.

The Rent Board reserves the right to accept or reject any item or group(s) of items of a response/proposal. The Rent Board also reserves the right to waive any informality or irregularity in any proposal. Additionally, the Rent Board may, for any reason, decide not to award an agreement as a result of this RFP or cancel the RFP process. The Rent Board shall not be obligated to respond to

any proposal submitted, nor be legally bound in any manner by submission of the proposal. The Rent Board is not required to accept the proposal with the lowest price. Responses will be evaluated to determine the most advantageous proposal based on a variety of factors as discussed herein. The Rent Board reserves the right to negotiate with any or all proposers on cost proposals, assigned staff and program deliverables.

Statistical information contained in this RFP is for informational purposes only. The Rent Board shall not be responsible for the complete accuracy of said data. The Rent Board reserves the right to verify any information provided during the RFP process and may contact references listed or any other persons known to have contracted with the proposer. The Rent Board reserves the right, without limitation, to execute an agreement with one or more proposers based solely on the proposal and any approved additions, and to enter into a separate agreement with another agency in the event that the originally selected proposer defaults or fails to execute an agreement with the Rent Board.

## **BACKGROUND**

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The City of Richmond Rent Board was established following voter approval of Measure L in November 2016. The Richmond Rent Board is charged with implementation of the Rent Ordinance and the Richmond Rent Program is an extension of the Richmond Rent Board, charged with the administration of the Rent Ordinance. An estimated 19,259 rental units throughout the City of Richmond are covered by the Rent Ordinance.

The Rent Ordinance, found in Richmond Municipal Code Section 11.100, and its companion Regulations, aims to “promote neighborhood and community stability, healthy housing, and affordability for renters in the City of Richmond by controlling excessive rent increases and arbitrary evictions to the greatest extent allowable under California law, while ensuring Landlords a fair and reasonable return.” To achieve its purported goal, the Rent Ordinance regulates both rents and evictions for those rental units that are covered by the Rent Ordinance’s provisions.

Some of the Rent Ordinance’s integral provisions do the following: 1) Limits annual rent increases to one hundred percent (100%) of the percentage increase in the Consumer Price index as reported and published by the U.S. Department of Labor, Bureau of Labor Statistics, for the 12 month period ending as of March of the current year; 2) Authorizes both landlords and tenants to submit petitions with the Richmond Rent Program seeking either an additional increase in rent due to a lack of Fair Return or decrease in rent due to an inhabitable premise or decrease in services; 3) Eliminates no cause evictions and requires landlords have at least 1 of the 8 Just Cause basis for eviction as codified in Richmond Municipal Code Section 11.100.050. Just Cause is a provision of law that prohibits landlords from taking any “action to terminate any tenancy, including but not limited to, making a demand for possession of a Rental Unit, threatening to terminate a tenancy verbally or in

## ITEM H-1 ATTACHMENT 1

writing, serving any notice to quit or other eviction notice, or bringing any action to recover possession or be granted recovery of possession of a Rental Unit” unless a landlord pleads and proves a Just Cause basis for the termination of tenancy and compliance with the Rent Ordinance; 4) Prohibits retaliatory evictions and establishes tenants’ rights to relocation benefits when facing “no-fault” Just Cause eviction; and 5) Establishes a Rent Board to execute and administer the provisions of the Rent Ordinance through rules, regulations, resolution, contracts, and legal action.

To enforce the regulatory goal of the Rent Ordinance, the Rent Board passes an annual budget and funds that budget by charging Landlords a Residential Rental Housing Fee. The adopted budget and Rental Housing Fees for years prior are contained in the table below. It is anticipated that the FY 2019-20 Rental Housing Fee will be billed in August or September 2019.

**Table 1. Expense and Revenue Summary**

FISCAL YEAR FEE	BUDGETED AMOUNT	FUNDS EXPENDED	REVENUE COLLECTED	ESTIMATED REVENUE CAPACITY BASED ON UPDATED UNIT COUNT <sup>1</sup>	ESTIMATED PERCENT OF POTENTIAL REVENUE COLLECTED
2017-18 <sup>2</sup>	FY 16-17 (partial): \$1,150,433	\$1,967,837	\$2,173,778 <sup>3</sup>	\$2,792,555	77.8% <sup>4</sup>
	FY 17-18: \$2,425,338				
2018-19 <sup>5</sup>	\$2,804,925	\$1,757,550	\$1,740,815	\$2,550,164	68.3%

Additional information about the Rent Program and its services is accessible at [www.richmondrent.org](http://www.richmondrent.org).

<sup>1</sup> This figure represents the total possible revenue that could be collected, calculated by multiplying the adopted fee by the updated number of total rental units based on the Rent Program’s updated unit count information.

<sup>2</sup> Includes the Fiscal Year 2016-17 Rental Housing Fee (December 2016 – June 2017)

<sup>3</sup> This figure includes revenue collected in Fiscal Year 2017-18 for both the Fiscal Year 2016-17 and Fiscal Year 2017-18 fees.

<sup>4</sup> This figure represents the percentage of potential revenue for both FY 16-17 and FY 17-18 collected in FY 17-18, during the concurrent billing cycle.

<sup>5</sup> Amount of expended funds and revenue collected reflects July 2018 – April 2019.

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**REQUESTED SERVICES**

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The Board intends to obtain the services of a full-service collection agency (Agency) to provide revenue collection service for unpaid and delinquent accounts receivable to complete collections on delinquent Residential Rental Housing where Landlords have an outstanding fee owed for longer than sixty (60) days and have not been in communication with the Richmond Rent Program regarding the outstanding fee.

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**ELIGIBILITY REQUIREMENTS**

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The exact range and extent of services is subject to negotiation, but at a minimum must include professional services and dedicated personnel to perform the following scope of services:

- 1) Agency shall provide collection services for debts owed to the Board for Delinquent Residential Rental Housing Fee.
- 2) Agency shall designate a manager for the Board's account who will be the Board's primary contact with the Agency.
- 3) Board shall submit delinquent accounts for collection via hard copy, e-mail, electronic file, or in writing. Agency shall provide acknowledgement within 10 days of account placement via the same method that the account was submitted.
- 4) Board shall provide documentation to Agency for each account, including name, any available customer information, last known address, account number, and balance due
- 5) Agency shall make a minimum of three written or telephone contacts for each account (unless the account clears sooner) within forty-five (45) days of receipt of account.
- 6) Agency shall discuss their recommended use of skip tracing on delinquent accounts. Agency to provide specific tools used to conduct skip tracing.
- 7) Agency should indicate whether the Board will have access to the Agency's database in order to determine the progress of the collection efforts.
- 8) Agency shall maintain complete records of each account referred by the Board, including all correspondence, documents, account records, transactions and a detailed log of all collection efforts of actions. These records shall be retained for a minimum of three years after termination of collection actions on each account.
- 9) Agency shall provide the Board a monthly report on the status of each account including; account number, customer name, the amount received, the charges waived, the balance due and date of last payment, and the actions taken on the account. Agency should immediately advise the Board of any account that is paid in full or deemed uncollectible. If an account is deemed uncollectible, information regarding this determination must be provided to the Board.
- 10) Agency shall provide to the Board quarterly financial summary reports including totals for receipts, net accounts receivable, total accounts receivable and collection percentage.

## ITEM H-1 ATTACHMENT 1

- 11) Agency shall provide to the Board an annual financial summary report as of June 30 (Board's fiscal year end) including totals for receipts, net accounts receivable, total accounts receivable and collection percentage. This report should be submitted to the Board no later than July 30th of each year.
- 12) At any time, all records of the agency pertaining to the Board shall be subject to inspection, review, or audit by the Board or its agent during the contract period and for three (3) years after the termination of the contract.
- 13) Agency shall guarantee the confidentiality, security and safety of all files, documents and information provided by the Board, except as to disclosure required by federal and state laws and regulations.
- 14) Agency will exercise its best ethical, prudent, lawful and professional efforts to secure collections on all accounts referred by the Board. Collections activities shall comply with all federal, state and local laws, including but not limited to the Federal Fair Debt Collection Practices Act.
- 15) Agency will process all customer payments in accordance with applicable Payment Card Industry (PCI) security requirements.
- 16) In accordance with the Fair and Accurate Credit Transaction Act (FACT), the vendor must have an identity theft prevention program in place.
- 17) Agency shall report all uncollectible accounts to the major credit bureaus. Reporting must be done in accordance with all federal, state and local laws, including but not limited to, the Fair Debt Collections Practices Act, the Federal Equal Credit Opportunity act, and the Consumer Credit Protection Act. Agency shall not report accounts to the credit bureaus until the agency has worked the account for forty-five (45) days. At the request of the Board, the Agency shall remove an account notification from all the affected bureaus and provide a copy of that notification to the Board.
- 18) Agency shall not assign or subcontract any portion of this agreement or transfer or assign any claim, pursuant to this contract, without the written consent of the Board.
- 19) Agency shall make contacts with delinquent accounts under the name of the agency and not the Board.
- 20) Agency shall instruct Landlords to submit payments to the Agency and not the Board. The Board shall notify agency of any payments made to the Board for accounts under collection with the Agency.
- 21) Agency shall collect and deposit payments from customers and, on no less than a monthly basis, submit a check to the City of Richmond Rent Program for all monies collected, less collection fees, along with a report including the account name and number, amount collected, and collection fees.
- 22) Any compromise settlement of principal or charges shall be agreed upon in writing (which includes emails) between the Agency and the Board prior to acceptance.
- 23) Agency may allow for time payment agreements (payment plans) and may enter into time payment agreements with Landlords for any period less than one year without the consent of

## ITEM H-1 ATTACHMENT 1

the Board. Any time payment agreement extending beyond one year from the date of initiation of plan must be agreed upon in writing between the agency and the Board prior to acceptance.

- 24) No legal actions shall be taken by the Agency without express written consent of the Board.
- 25) Agency shall be solely responsible for any and all costs incurred in and associated with the collection of debts referred to it by the Board.
- 26) Compensation shall be contingent upon actual collections of debts owed to the Board. Agency may subtract a reasonable fee from the amount of the debt collected and paid to the Board, as a percentage of debt collected with a specified maximum. Agency must identify the fee, how it is determined and the fee must be consistent across all debts collected.
- 27) The Board may withdraw any accounts without any charge or penalty.
- 28) The Board reserves the right to terminate the contract at any time by providing thirty days written notice for convenience or cause.
- 29) Agency shall meet with Board staff upon execution of contract to discuss all the goals of the relationship, the services to be provided and other topics relevant to performing collections on behalf of the Board. Furthermore, Agency shall meet with Board staff on an annual basis (or as-needed if issues arise) to discuss all services and how the agency and Board can work together to further reduce debt owed. The Board will provide overall guidance on the conduct of collection services, as it reflects upon the Board's policies and reputation. Agency will also provide updates to the Board on changes in federal and state laws related to credit and collections.

### **Specific Requirements Related to the Scope of Work:**

- The selected Agency shall be fully responsible for maintaining accurate records of all correspondence, working papers, and other related evidence. These records shall be made available to the Board as requested.
- The Agency, if selected, agrees to maintain a City of Richmond Business License, as required by the Richmond Municipal Code, for the duration of the contract.

**TIMELINE AND PROCESS**

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The following is the anticipated timeline related to this RFP. Please note that this timeline may be changed if the Rent Board deems it necessary. Any changes will be posted to the Rent Program’s website at <http://www.ci.richmond.ca.us/3540/Contracts-and-RFPs>. In the event of a change, Rent Program staff will notify the proposers via email. The Rent Board will make every effort to adhere to the following anticipated schedule:

**Table 2. Proposed Timeline**

<b>PROPOSED DATE</b>	<b>ACTION</b>
Monday, June 24, 2019	Release of RFP
Friday, July 12, 2019, 5:00 PM	Last day to submit questions regarding the RFP; responses to questions received by this date will be posted at <a href="http://www.ci.richmond.ca.us/3540/Contracts-and-RFPs">http://www.ci.richmond.ca.us/3540/Contracts-and-RFPs</a>
Friday, July 19, 2019, 12:00 PM	Responses to RFP due
Week of July 22, 2019	Panel reviews proposals and submits recommendation(s) to Executive Director; Executive Director selects desired agency(ies)
Week of July 22, 2019	Selected agency(ies) is/are notified
Week of July 29, 2019	Agreement is negotiated and executed

## DEADLINE TO SUBMIT RFP QUESTIONS

The Board understands that some may have questions regarding this RFP. Proposers may submit written questions to this RFP via email until Friday, July 12, 2019, at 5:00 PM. All questions must be emailed to Cynthia Shaw at [cynthia\\_shaw@ci.richmond.ca.us](mailto:cynthia_shaw@ci.richmond.ca.us). To ensure fairness, the Board intends to respond to the submitted question through an addendum posted on the Board's website at <http://www.ci.richmond.ca.us/3540/Contracts-and-RFPs>. The Board reserves the right to respond to these questions in a limited-fashion or not all. Additionally, please note that the Board does not intend to address specific questions but rather clarify issues regarding the substance of this RFP.

## SUBMISSION INSTRUCTIONS

Respondents to this Request for Proposals are required to submit by mail or hand delivery one (1) original and five (5) copies of their proposal no later than **Friday, July 19, 2019, at 12:00 PM** to:

City of Richmond Rent Program  
Attn: Cynthia Shaw  
440 Civic Center Plaza, Suite 200  
Richmond, CA 94804

The proposals must be in a sealed envelope marked with the respondent's' name, address, and telephone number. **No grace period will be allowed for missing components to be submitted. No additional submissions or supplements will be accepted after July 19, 2019. Any application or supplemental information that is late will not be considered. The Rent Program reserves the right to extend the time for receipt of proposals.**

## EVALUATION OF PROPOSAL

The Board will create a Rent Program Collection Services Review Committee to evaluate timely submitted proposals. The Committee will be comprised of neutral Richmond Rent Program Staff members. All proposals should provide sufficient and concise information to permit sufficient review and adequate evaluation. Proposals shall be reviewed in four general phases:

1. All proposals will be evaluated based on the proposal submission requirements and criteria.
2. The Rent Program Collection Services Review Committee shall rate and compose a short list of proposers based on the submission requirements and criteria.
3. Contingency Fee proposals will be reviewed and evaluated.

The Richmond Rent Program will adhere to the below criteria when evaluating any and all proposals.

**Table 3. Evaluation Criteria**

Technical Evaluation Criteria	Allocated Points
Thoroughness and understanding of the tasks to be completed	20
Agency’s expertise and overall experience of personnel assigned to the work	15
Time requested to accomplish the requested services	15
Responsiveness to requirements of the project	15
Public sector experience in a municipal setting, conducting similar services	20
Contingency Fee Proposal	25

The proposal(s) with the highest score(s) will not automatically be awarded a contract. In making the final selection of a service provider, the Executive Director of the Richmond Rent Program will consider the Committee’s scoring, proposers’ past performance, if applicable, Contingency Fee Proposal, and the Richmond Rent Board’s overall needs. The Contingency Fee Proposal may be afforded additional weight in determining the proposals most advantageous to the Board’s goals. The Contingency Fee Proposal must be considered reasonable. A contract may be awarded to a proposer who does not submit the lowest Contingency Fee Proposal. The amount to be awarded is in the full discretion of the Executive Director of the Rent Program, who will at the very least consider funding availability and the City of Richmond’s needs before selecting an amount to award.

**NOTICE OF AWARDED CONTRACT**

All proposers will be notified via email of the Richmond Rent Board’s decision to award a contract to one or more proposers. The notice shall state the name of the organization(s) who was awarded the contract, the amount of funds awarded, and the right of any proposer to appeal. Notice of the awarded contract shall be given no later than Friday, August 2, 2019. If a proposer chooses to appeal, the appeal must be made in writing and mailed to the City of Richmond Rent Program, Attn: Cynthia Shaw, 440 Civic Center Plaza, Suite 200, Richmond, CA 94804.

All appeals must be submitted within ten days from the date that the Notice of Awarded Contract is emailed to the proposers. The appeal must contain the name, street address, email address, and signature of the person submitting the appeal. The appeal must be based on either 1) abuse of process by members of the Rent Program Legal Services Review Committee; 2) misconduct by members of the Rent Program Legal Services Review Committee; and/or 3) abuse of discretion by members of the Rent Program Legal Services Review Committee. All appeals must be accompanied

by competent evidence for adequate disposition. Failure to plead and substantiate one or more of the above allegations will result in the denial of the appeal. The Executive Director will respond to all appeals within 14 business days. The Executive Director's decision is final and there is no further appeal process concerning his/her decision after it is rendered.

## **PROPOSAL SUBMISSION REQUIREMENTS AND CRITERIA**

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The proposal must contain the following specific information. Any additional information that the Agency wishes to include should be included in an appendix to the proposal.

1. Letter of transmittal signed by an individual authorized to bind the proposing entity stating the Agency has read and will comply with all terms and conditions of the RFP.
2. General information about the firm, including the size of the organization, location of offices, years in business, organizational chart, name of owners and principal parties, number and position titles of staff. Information regarding any collection associations of which the Agency and its staff are members should be included.
3. Qualifications of staff proposed for the assignment, their position in the Agency, and types and amount of equivalent collection experience. Be sure to include any municipal agencies they have worked with and their level of involvement. A description of how overall supervision will be provided should be included (this can be included as part of an attachment).
4. A description of the methodology that would be followed in carrying out the Agency's responsibilities. Clearly describe all collection services you propose to provide to the Board. As a part of the description, identify the responsibilities of the Board and the responsibilities of the Agency. Also describe the coordination required between Landlords, the Board, and the Agency if an account is assigned. Please provide any additional information or suggestions that will aid in the City's selection process.
5. Provide sample copies of the type of reports the Board could expect to receive from the Agency for each major source of revenue (previously listed). Each report should be clearly marked as to the type of information the particular report is trying to convey (this can be included as part of an attachment). A monthly report on the amount assigned, the amount collected, the amount returned and the overall collection rate is required.
6. Provide sample letters to be sent to delinquent accounts. Be sure to indicate what collection method each letter pertains to (this can be included as part of an attachment).
7. A list of the municipal agencies your Agency has worked with during the past three years. Provide the following information for three collection projects which are similar in size and scope to the project requested by this proposal:
  - a) Name, address and telephone of the agency
  - b) Time period for the project

**ITEM H-1  
ATTACHMENT 1**

- c) Brief description of the scope of the collection efforts
  - d) Recommended collection procedures
  - e) Persons to contact for a reference.
8. A statement as to the ability of the Agency to make collections in all fifty states and the Agency's ability to file reports with all three national credit bureaus.
  9. Clearly describe and outline your contingency fees for the services. Be sure to differentiate the fees between the various collection methods being proposed.
  10. A statement of the dollar amount of an account under which your Agency will not actively pursue regular collection and/or legal action.
  11. Billing and payment expectations including timing and method of payment.
  12. Provide overall information to show the average number of days required by your Agency to complete a collection and forward the monies to your customer. In addition, list historical collection percentages achieved by your Agency for the various sources of revenue listed in the RFP.
  13. A statement of the services your Agency feels differentiates from other agencies.
  14. Agencies submitting a proposal in response to this RFP must disclose any actual, apparent, direct, indirect, or potential conflicts of interests that may exist with respect to the firm, management, or employees of the firm or other persons relative to the services to be provided. If a firm has no conflicts of interest, include a statement to that effect in the proposal.

**OTHER TERMS AND CONDITIONS**

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**Conditions**

The Board will not pay any costs incurred by the Agency in preparing or submitting the proposal. The Board reserves the right to revise and/or cancel this RFP, or to reject, in whole or in part, any and all proposals received in response to this RFP. The Rent Program, upon its determination, further reserves the right to waive any informality or irregularities in any proposals received, if it is in the public interest to do so. The determination of the criteria and process whereby proposals are evaluated, the decision as to who shall receive a contract award, or whether or not to award, shall be made as a result of the RFP, shall be at the sole and absolute discretion of the Rent Program. This RFP does not constitute any form or offer to contract.

The Agency, by submitting a response to this RFP, waives all right to protest or seek any legal remedies whatsoever regarding any aspect of this RFP. This RFP does not commit the Board to award a contract, defray any costs incurred in the preparation of a proposal pursuant to this RFP or to procure or contract for work.

All proposal submitted in response to this RFP becomes the property of the Board and public records and, as such, may be subject to public review.

**Indemnification**

The successful Agency must agree to defend, indemnify, and hold harmless Board, its officers, officials, agents and employees and volunteers from and against any and all losses, liability, or damages arising out of, in consequence of, or resulting from the negligent acts and/or omissions of Agency, its subcontractor, consultants, agents or employees.

**Insurance Requirements**

The Agency shall demonstrate the willingness and ability to provide the required insurance coverage as set forth below within ten calendar days of notification of selection for award of this Agreement.

The selected Agency will be required to carry, and provide certificates of insurance for, general and automobile liability insurances as follows:

- General Liability: \$1,000,000 minimum per occurrence
- Automobile Liability: \$1,000,000 minimum per occurrence
- Worker's Compensation Statutory Limits

## **ITEM H-1 ATTACHMENT 1**

The General Liability Insurance is to contain or be endorsed to name the Board, its officers, officials, employees and agents as Additional Insured as respects liability arising out of activities performed in connection with this RFP and accompany contract. The coverage shall be primary and 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. Original endorsements, signed by a person authorized to bind coverage on its behalf, shall be furnished to the Board by the successful Agency.

Worker's Compensation policies are to be endorsed to include a waiver of subrogation against the Board, its officers, officials, employees and agents.

The successful Agency will be required to enter into a Service Agreement with the Board. A draft agreement will be provided upon request.

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