

Raleigh Housing Authority
Request for Proposals
Salary and Compensation Comparability Study

March 12, 2020

The Raleigh Housing Authority (RHA) is seeking proposals from consultants experienced in conducting salary comparability studies for governmental units, specifically public housing agencies. The purpose of this study is to determine the salary grades and ranges for professional, clerical, and maintenance positions at RHA as well as the comparability of the benefits package. RHA is seeking industry comparables for its professional positions as well as local comparables for all other positions. Some of the factors to be taken into consideration for this analysis are the area unemployment rate, the cost of living, higher turnover rates than desirable, average employee retention time, and the highly specialized nature of some positions. RHA's motivation is to set salaries that are competitive in the local labor market to enable it to attract, hire, and retain excellent employees. RHA is located in the Capital City and has competition for employees from state, county, and city governments, several colleges, and the Research Triangle Park in addition to other housing authorities. Unemployment is generally low in this area of the state. Comparables with other housing authorities must be identified or adjustments made to reflect the expertise required of RHA staff and the competition for talent in the local community. The study must show how these comparables were developed and the method for determining adjustments.

Agency Overview: The Raleigh Housing Authority owns, manages, and maintains over 1400 units of public housing in 16 developments, administers over 3900 Section 8 vouchers, and provides property management for over 450 affordable units owned by its non-profit subsidiary. The current operating budget totals over \$48 million. RHA has been rated as a top performer by HUD for the last twenty years. The most recent Public Housing Assessment System (PHAS) score was a 95, and RHA received perfect scores in the management and financial categories.

The authority operates a number of programs in addition to the rental assistance programs of public housing and Section 8 vouchers. Programs currently in place at RHA include Section 8 Vouchers, tenant-based supportive housing, resident councils in each community, the Inter-Community Council, Capital Fund Grants, and Replacement Housing Factor Grants. RHA is currently considering repositioning a portion of our public housing units and participating in HUD's Rental Assistance Demonstration (RAD) program. If adopted, RAD would take effect in January of 2021.

RHA is the recipient of five HOPE VI grants (three demolition and two revitalization). The staff wrote the grant applications and handled all the legwork to put together fundable applications. RHA prepared the relocation plans and carried out the relocation of over 700 families. The agency also prepared the revitalization plan and handled the financial management and leveraging. RHA served as its own developer for the HOPE VI projects, overseeing the development of public housing, tax credit, and market rate units. The HOPE VI Programs included the purchase of scattered-site single-family homes. RHA's staff handled the purchase of these 227 units. The HOPE VI Quarterly Reports are prepared by staff and submitted timely. The RHA staff completes many work items that would be contracted out by other authorities. Some of this work is completed in conjunction with RHA's wholly owned non-profit subsidiary Capitol Area Developments Inc. (CAD). RHA also redeveloped a 300-unit development without any additional federal, state, or local funding. The agency prepared the revitalization plan, budgets, and served as its own developer to return 292 units on-site. RHA is planning redevelopment efforts at Heritage Park, a 122 unit public housing community, built in 1976.

CAD's development activities include:

- Developed Trailside Commons, which was a first time homebuyer's program that provided lease-to-own town homes.
- Owns and manages a 106-unit market rate complex operated within the non-profit IRS safe harbors.
- Constructed 31 single-family homes to be sold to first time home buyers; assisted potential buyers to secure financing and pre-qualified interested buyers; worked with banks and the City of Raleigh to line up second mortgages to make the units affordable.
- Served as the program manager for two HOPE VI revitalization grants and one non-grant revitalization; built the 233 market rate units that were constructed as part of the two HOPE VI Programs and non-grant revitalization.

- Acts as general partner and managing member of two elderly tax credit developments which constructed 145 units. The tax credit applications were written by in-house staff.

RHA and CAD share staff in many cases, particularly in the case of upper level staff.

RHA's Current System: RHA promotes staff from within whenever possible. This is particularly true at the Director level. RHA is also a "pay for performance" agency that provides merit increases rather than cost of living adjustments. On a limited basis approximately 10% of employees each year may qualify for an incentive check for performance far above the norm. These are allocated among departments at one incentive recommendation for every ten employees appraised. This compensation is not included in the salary basis. (Attachment A shows the departments at RHA and provides a description of each.) The current turnover rate for our most recent fiscal year ending March 31, 2020 was approximately 25% (26 separations out of an average of 105 employees for 122 approved positions). The work of many of the staff at RHA is highly specialized. RHA is seeking a pay system that attracts talent and rewards employees for sound judgment and creativity as well as accurate performance of tasks. The retention of employees is vital to our agency's success.

There is a total of 111 staff working on a full time regular basis for RHA. There are currently 122 approved positions for the fiscal year ending March 31, 2020. All of these positions are organized into a system of grades with steps within each grade. In general the grades at RHA start at grade 6 for an entry-level Office Assistant IV position with a pay range of \$28,117 – \$43,619 up to a grade of 32 for the Director of Administration – Finance/Deputy Executive Director position with a pay range of \$99,973 – \$155,091. The Executive Director's salary is set by the Board. The general practice of RHA is to set the salary of new hires between the starting salary and the mid-point based on qualifications, experience, and the applicant's existing salary.

Information Provided by RHA: RHA will provide:

- Updated job descriptions and include the salary ranges for each position.
- A list of all the positions at RHA and the number of employees in those positions.
- Information on job turnover in the last year
- Staff to answer questions relating to comments gathered at the exit interviews that may assist the contractor.
- Possible suggestions for other housing authorities and agencies that are comparable to RHA in size, location and mission, if necessary.

Deliverables: This Request for Proposals is to analyze the salary schedules for all positions at RHA and its comparability to other employers in our community and other areas of the country comparable to the Raleigh-Durham area. An original report and twelve copies are expected from the contractor selected to complete the salary analysis.

- Executive Summary of the findings.
- Revisions recommended for pay ranges. This should include supporting information for the change.
- The contractor will provide a listing of the agencies which were used as comparables along with any adjustments applied to arrive at comparability.
- Identification of comparable positions including titles and locations.
- Comparables should include industry positions as well as local City and County government comparisons.
- If comparable positions cannot be located, then the factors used to estimate the position should be provided.
- Provide salary recommendations for all of RHA's budgeted positions with special consideration to the following:
 - Resident Services Coordinator
 - Office Assistant positions for the Property Management offices.
 - Property Manager
 - Housing Inspector (Comparables should include the North Carolina Housing Finance Agency.)
- Provide salary comparison data for the Executive Director position for a similar-sized agency in the southeast region.
- Recommendations on compensation enhancements used successfully by other public housing authorities and public institutions competing for the same work force.
- Recommendations for strategies to address pay disparities for long-term employees due to salary compression.
- Recommendations on title changes to assist RHA with conforming to industry standards.
- Written report of methodology and recommendations for the salary ranges.

- A bid price that includes the entire salary study cost and a contact person that will be the liaison between RHA and the contractor.

Time Frames for Completion: All contractors interested in responding to this Request for Proposals must submit their sealed proposal to Mary Mason by **5:00 PM EST Friday, April 3, 2020**. After the RFPs are reviewed, telephone interviews will be arranged for the top 2 or 3 respondents based upon cost, experience, soundness of plan, and ability to meet time requirements. If a contractor is selected, a Notice to Proceed will be issued. Following issuance of the Notice to Proceed, the contractor will have 45 calendar days to prepare a draft report of the salary analysis. RHA will then have 15 calendar days to review this draft and return it to the contractor with any comments. The contractor will then have 15 calendar days to return the final report to RHA. RHA will be available to meet with the contractor again if issues need to be resolved that were raised from the draft report. If needed, the recommendations to make adjustments to our current salary schedule based on the results of the salary study will be presented to the RHA Board of Commissioners on Thursday, August 27, 2020.

Items to Include in the Proposal:

- Company Name and Address.
- Contact information including phone numbers, fax numbers, and e-mail addresses.
- Years in business.
- Biographical information on contractor's staff assigned to handle this salary study.
- Brief statement of the methodology to be used to complete this analysis.
- Amount of time anticipated to be on site with RHA; over what period of time (days, weeks, etc).
- Additional information needed from RHA beyond that included in this RFP.
- At least three (3) references of other public housing authorities for whom you have provided salary studies in the past two (2) years.
- Cost estimate for the study.
- A separate cost estimate for preparing revised job descriptions that are compliant with ADA.
- Timeline for completion of salary study if beyond timeframes mentioned herein.

Evaluation Factors: In selecting a contractor to complete the salary analysis the following factors will be considered:

Required Items:

- Completeness and responsiveness of the proposal.
- Timely receipt of proposal.
- Capacity to meet the timelines and required documentation.

Other Factors:

- Soundness of approach - statement of how the analysis will be completed (45%)
- Experience and References (30%)
- Fairness of price (25%)

Additional Information: If you have questions or need additional information you may call Mary Mason at 919-508-1362.

All responses to the RFP must be sealed and received by the Raleigh Housing Authority by 5:00 PM EST on Friday, April 3, 2020. Any applications received after this date will be returned unopened. The physical address and mailing address is:

Raleigh Housing Authority
Attention: Mary Mason, Procurement Specialist
900 Haynes Street
Raleigh, NC 27604

ATTACHMENT A - RHA Departments

Central Office

This department includes the executive director, an administrative assistant, two special assistants, and two employees who administer the human resources function for the agency. This office oversees the operations of the entire agency to include recruitment, enforcement of the RHA personnel policy, many special projects and coordination with the Board of Commissioners.

Administration/Finance

- Electronic data processing support for all computerized functions such as applicant waiting list management, Section 8 check issuance, direct deposits, etc.; network administration for approximately 70 employees
- Financial operations of \$113 million dollar agency
- Cash management, budgeting and all accounting functions for over 20 programs
- Preparation of annual audit report per local, state, and federal regulations
- Audit Federal Funding compliance of Public Housing and Section 8 programs
- Procurement services (1 employee) for all purchase orders and contracts
- Courier service (handled by Administrative Assistant)

Housing Management

- Oversees the management and occupancy of 1400 public housing units
- Completes all annual and interim income recertifications
- Provides the supportive service programs for public housing residents
- Manages tax credit and market rate rental properties
- Provides training for residents for home ownership, housekeeping, etc.
- Completes annual inspections of all public housing units and quarterly inspections for all single family homes

Maintenance

- Completes repairs for over 31,000 work orders generated per year
- Handles the preventative maintenance for over 1400 public housing units
- Provides maintenance for over 400 affordable/market rate properties for a fee
- Provides maintenance services to agencies renting space from RHA
- Maintains the warehouse and inventory control

Development

- Oversees the Capital Fund and all modernization activities
- Serves as coordinator for demolition, infrastructure, and construction
- Purchases existing single family homes under development grants and HOPE VI
- Construction and sale of single family homes
- Lead-based paint and asbestos abatement and remediation
- Coordinates programs and activities with non-profit subsidiary- Capitol Area Developments, Inc.

Leased Housing

- Determines applicants eligibility for a Section 8 Housing Choice Voucher
- Administers over 3900 Section 8 Housing Choice Vouchers
- Completes annual recertifications for all participants
- Completes interim rent changes due to changes in family composition or income
- Processes voucher holders porting from other housing authorities
- Processes applications for both Section 8 and public housing
- Identifies tenant and landlord fraud, executes repayment agreements and program terminations
- Completes all the housing inspections for the Section 8 program
- Conducts outreach to recruit new landlords and provides training for them
- Completes audits to ensure compliance with HUD regulations