

# GHA may suspend bidding on human capital plan

By JOHN WAYNE FERGUSON | Posted: Thursday, August 8, 2013 12:20 am

GALVESTON — A plan to create social programs for Galveston's public housing residents may be delayed because of claims of interference between the organizations bidding to run the program.

The Galveston Housing Authority Board of Commissioners will have a special meeting today to discuss suspending its "procurement process related to the human capital plan," according to an agenda posted by the agency.

The human capital plan is related to the authority's plans for mixed-income housing on the island. The plan would establish programs — such as job training, transportation services and child care — to assist the more than 500 future residents of the island's planned mixed-income housing developments. The plan would be funded in part by \$2.5 million in federal disaster funding.

The housing authority issued a request for proposals July 12, with a deadline of Aug. 9. According to a schedule released by the authority, the winning proposal would be chosen Aug. 26.

## 'Certain potential role players'

But Anthony Brown, the vice chairman of the housing authority and chair of the authority's human capital committee, said the authority could investigate claims of inference with potential bidders.

"We've become aware of some issues where it appears that certain potential role players have reached out to other groups," Brown said. "They're discouraging some other groups from submitting a response."

Brown declined to name the "role players" or detail exactly how their actions were discouraging responses to the procurement process.

Brown did say that he would recommend the procurement process be suspended and restarted and that the authority's lawyers conduct an investigation into the alleged inference.

As of Wednesday afternoon, no proposals had been submitted to the housing authority.

## No matter what

Kenna Kasten, executive director of the United Way of Galveston, said her organization intended to submit a proposal, no matter when the deadline for proposals ultimately is.

"We've been watching it and have always intended to take an active role because of the nature of our business," Kasten said. "If they suspend the RFP, we'll react accordingly."

Kasten said that while the United Way had talked to a other local service providers — smaller

organizations that offer specific or specialized services — about participating in the programs in the United Way’s proposal, nothing would preclude those groups from participating with another service provider if someone else was chosen.

### **Expressing support**

Joe Compian, a board member of Gulf Coast Interfaith, said his organization had expressed support for the United Way’s proposal and reached out to other groups to do the same. But he said there was no effort to block proposals from being submitted to the housing authority.

Compian said he was concerned by the short response time — less than a month — called for in the housing authority’s call for proposals and questioned how much community input the housing authority was receiving going into the process.

“We wanted to remind the board that this had to be a transparent process because of the funding sources,” Compian said.

### **Not in the running**

Two other social service organizations, Neighborhood Centers Inc. and Urban Strategies, do not appear to be in the running to submit proposals for the human capital plan

Urban Strategies, a St. Louis-based nonprofit, is directly related to McCormack Baron Salazar, the developer of the Magnolia Homes and Cedar Terrace developments. Urban Strategies actually produced a draft human capital plan in February 2012 and updated it December 2012, before the housing authority decided to put the plan out through the RFP process, Brown said.

The Urban Strategies proposal had an estimated cost of \$3.2 million and anticipated receiving another \$1 million in in-kind services from local partners and agencies.

### **‘No intention’**

Neighborhood Centers Inc., a Houston-based nonprofit, helped to manage some of the county’s recovery programs after Hurricane Ike and was rumored to be exploring a bid in Galveston.

“Neighborhood Centers has no intention at this time to bid on the human capital plan,” said Emelda Douglas, senior vice president and chief development officer of Neighborhood Centers Inc., in an email statement.

The request for proposal issued by the housing authority prohibited applicants from contacting housing authority residents directly. It also reserved the right for the GHA to cancel or reject a proposal if the rejection was “in the best interest of the GHA.”

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### **At a glance**

**WHAT:** Galveston Housing Authority

**WHEN:** Noon today

**WHERE:** Island Community Center, Suite E-100, 4700 Broadway, in Galveston