

Feds reopen housing contracts in Mass., elsewhere

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BOSTON (AP) — U.S. housing officials have announced plans to reopen the bidding process on contracts to administer a key federal affordable housing program in Massachusetts and dozens of other states after being inundated with complaints from losing bidders.

Among the critics in Massachusetts were two congressmen who said the original contract would have shipped much-needed jobs out of state.

U.S. Reps. [Barney Frank](#) and [John Olver](#) protested the decision by the U.S. Department of [Housing and Urban Development](#) to grant the contract to administer the Section 8 rental assistance program in Massachusetts to [Cambridge Housing Services](#), LLC.

Frank and Olver, both [Democrats](#), said the company planned to subcontract much of the work to a Canadian firm, the CGI Group Inc.

A spokesman for Frank said about 30-40 jobs were at risk of leaving the state.

Frank said HUD officials made the right decision to take a step back.

"We welcome HUD's decision to reopen the competition," Frank, of Newton, said in a written statement.

Olver said he was also pleased with the move.

"It is important that contract administrators are chosen based on their ability to maximize public value, not just fiscal savings," the congressman from Amherst said.

Attempts to contact Cambridge Housing Services were unsuccessful. A spokeswoman for CGI, which has offices across the US, did not immediately return a phone call or email seeking comment.

The Section 8 program provides rental housing assistance to low income individuals, the elderly and disabled.

Both Frank and Olver said they backed the application of the [Massachusetts Housing Finance Agency](#), which has administered the Section 8 program in the state since 2000.

The Massachusetts Housing Finance Agency, also known as MassHousing, is a quasi-public agency charged with increasing affordable rental and for-sale housing in the state.

Frank and Olver said the agency has "played a significant role in the development and redevelopment of affordable housing throughout the commonwealth, including a significant number of HUD-financed properties."

Massachusetts was among dozens of states where losing bidders pressed HUD to reopen the contracts.

HUD officials said Thursday that they decided to re-bid the contracts in the 42 states where there was any competition, citing the threat of lawsuits that they said could end up stalling the process.

"HUD is concerned that litigation delays not interfere with the overriding need to ensure lower income tenants do not experience any interruption in service and to guarantee timely payments to the building owners," [Janet Golrick](#), HUD acting deputy assistant secretary for multifamily housing programs, wrote in a letter.

Golrick said the agency will post the new bidding procedures in the next 60 days after first conducting a review of the procedures.

Frank and Olver pointed to what they called "a lack of transparency in the application process and a lack of clarity in how applications would be evaluated" in the original bidding process.