

REQUEST FOR PROPOSAL (RFP) 2019-007
PERMANENT FINANCING (Tussing Place)

INTRODUCTION

The Columbus Metropolitan Housing Authority (hereinafter, "CMHA") is a public entity that was formed in 1934 to provide federally subsidized housing and housing assistance to low-income families, within the City of Columbus, Ohio. CMHA is headed by a President & CEO and is governed by a board of commissioners and is subject to the requirements of Title 24 of the Code of Federal Regulations (hereinafter, "CFR") and CMHA's procurement policy. Brought into existence by the State Board of Housing, the State of Ohio, by May 8th, 1934, resolution. CMHA is a subdivision of the State of Ohio

Currently, the CMHA owns and/or manages: (a) 25 multi-family apartment complexes totaling 2,951 units; (b) nine (9) senior complexes, totaling 692 units; (c) three (3) Service Enriched complexes, totaling 230 units; and (d) the administers a total of 13,000 Section 8 Housing Choice Vouchers. The CMHA currently has approximately 122 employees

In keeping with its mandate to provide efficient and effective services, the CMHA is now soliciting qualifications/proposals from qualified, licensed and insured entities to provide the services specified herein to the CMHA. All qualifications statements/proposals submitted in response to this solicitation must conform to all of the requirements and specifications outlined within this document and any designated attachments in its entirety.

This procurement may include a two-phase process, with the first phase determining responsiveness and qualifications. The second phase will be for respondent(s) who achieve the highest scores or competitive range in the first phase. Financial proposal will be requested, evaluated then respondent(s) will be notified by a formal invite for contract negotiations.

SCOPE OF WORK/FINANCING TERMS:

Columbus Metropolitan Housing Authority (CMHA) is seeking quotes for Permanent Financing Terms for Tussing Place located at 7086 Crown Lake Drive, Suite 101, Reynoldsburg Ohio 43068. Tussing Place is a brand-new apartment complex that was constructed in 2018. Tussing Place consist of ninety-six (96) units and built with 2-story wood framed buildings, units consist of one (1) two (2) and three (3) bedroom flat units, property is leased to date at 95% occupancy. The project loan amount is estimated at Nine Million, Eighty-One Thousand, and Six Hundred Dollars (\$9,081,600.00). The property will be purchased for \$11,352,000 with an estimated closing date of January 15th, 2020.

CMHA will restrict at least 30% of units to be affordable/workforce housing making 80-100% of Area Median Income or below. Please note the highest rents at Tussing Place per the current rent roll are below the 1, 2 and 3 Bedroom Maximum 100% AMI Threshold as determined by the FHFA. Please provide your firm's current interest rate spreads as well as the reduction of the spread for meeting the above restriction.

Respondents should provide Financing Options specifically designed for Workforce Housing if available. CMHA is interested in financing Tussing Place with a Freddie Mac Workforce Housing Loan or a Fannie Mae Loan. Respondents should provide favorable pricing options and ideas (ie: 20% Equity vs 10% Equity results in a xx bps reduction OR Fully Amortizing vs Interest Only results in a xx bps reduction).

CMHA requires a minimum 30-year amortization period and with a Term of ten (10) years or fifteen (15) years. If there are favorable pricing spreads for shorter-term mortgages, please provide an analysis and an alternative recommendation.

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DEMONSTRATED EXPERIENCE AND QUALIFICATIONS:

Please provide a detailed list of Workforce Housing properties that your firm's team has provided financing. For purposes of this RFP, Workforce housing is defined as "housing that serves families and individuals who make between 60 and 100 percent of the AMI".

Please provide a detailed list of properties that your firm's team has closed with Freddie Mac's Targeted Affordable Group or Fannie Mae's Multifamily Affordable Housing Team. In this list, do not include properties funded with LIHTC and/or Project Based Rental Subsidy (PBV or PBRA).

Please provide a detailed list of properties that your firm's team has closed with a real estate tax exemption. In this list, please indicate whether the real estate tax exemption was included or excluded in the underwriting of the loan. If the real estate tax exemption was excluded, please explain why it was excluded.

FEE PROPOSAL:

In the Required Terms the Loan Fees shall be inclusive of all clerical support, reports, materials and supplies that are necessary for performing services under this RFP. These rates shall include any overhead and/or profit. CMHA, at its sole option, may require proposers to provide a breakdown of overhead and/or profit by title. If there are reimbursable costs associated with providing the Services under this RFP, they are to be identified expenses necessary to meet the HA's needs to complete this task as described.

See Attachment A.

PROPOSAL EVALUATION:

The award of a contract under this RFP will not be based primarily on the Loan Fees, Loan Term, and Interest Rate. The Terms Required will be used to determine if a proposer, otherwise deemed to be qualified, is considered to be within the competitive range for the Services to be provided.

15 points

Loan Terms: is a monetary loan that is repaid in regular payments over a set period of time.

15 points

Loan Fee: A loan fee is any fee associated with a loan or credit card that does not include the interest rate.

15 points

Loan Conditions: the characteristics of your loan, which are described in your loan agreement.

15 points

Demonstrated Experience and Qualifications, based upon the opinion of the evaluators.

25 points

Analysis of the Property and Financing Options, based upon the opinion of the evaluators.

5 points

Quality and Professional appearance of the proposal submitted, based upon the opinion of the evaluators.

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SUBMISSION REQUIREMENTS/SCHEDULE:

Due Date – Submissions are due on Wednesday, September 25, 2019 The "electronic copy" proposal must be submitted to cmhapmc@cmhanet.com by no later than 11:00 a.m. on this date. Failure to submit all requirements of this RFP by the posted deadline will render the submission

Submittal Items

____ **HUD 5369-C**
____ **Attachment A: Fee Sheet**

CMHA Purchasing Department
Purchasing Manager, Andrea Quinichett
Columbus Metropolitan Housing Authority
880 E 11th Avenue
Columbus, Ohio 43211

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Attachment A: Fee Sheet

Firm Name: _____
Address: _____, _____, _____
Phone:(_____) _____ - _____
Officer of the Firm: _____
Email Address of Contact:
_____ @ _____ . _____

Be complete and specific as possible. Fill in each category; blanks will be assumed to equal \$0.00. Where \$0.00, state so; if included in standard hourly rate, state so.

Property

Tussing Place
7086 Crown Lake Drive
Reynoldsburg, Ohio 43068

Permanent Terms

Amount:
Loan to Value:
Debt Service Coverage:
Interest Rate:
Loan Term:
Loan Amortization:
Prepayment Penalty:
Collateral:
Loan Fees:
Loan Covenants:
Terms and Conditions for the Loan:
Favorable Pricing Options and Ideas (ie: 20% Equity vs 10% Equity results in a xx bps reduction OR Fully Amortizing vs Interest Only results in a xx bps reduction):

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RESERVATION OF RIGHTS: CMHA reserves the right to:

- a) **CMHA Options** – CMHA reserves the right to reject and cancel any or all proposals, to waive any informality in the RFP process, or to terminate the RFP process at any time, if deemed by CMHA to be in its best interests. CMHA reserves the right to request clarification of proposal data without changing the terms of the proposal.
- b) **Withdrawal**- CMHA reserves the right to retain all proposals submitted and not permit withdrawal for a period of 60 days after the deadline for receiving proposals without the written consent of the CMHA Contracting Officer (CO).
- c) **Negotiation**- CMHA reserves the right to negotiate the fees proposed by the proposer entity.
- d) **Participation**- The Housing Authority (CMHA) shall reserve the right to at any time during the RFP or contract process to prohibit any further participation by a proposer or reject any proposal submitted that does not conform to any of the requirements detailed herein. By accessing the CMHA website, www.cmhanet.com and downloading this document, each prospective proposer is thereby agreeing to abide by all terms and conditions listed within this document, and further agrees that he/she will inform the CO in writing within 5 days of the discovery of any item listed herein or of any item that is issued thereafter by the CMHA that he/she feels needs to be addressed. Failure to abide by this time frame shall relieve the CMHA, but not the prospective proposer, of any responsibility pertaining to such issue.
- e) **Incurred Expenses** – CMHA shall NOT be liable for any costs incurred by Proposers in the preparation of proposals in response to this RFP, including any meetings, presentations, demonstrations, interviews or subsequent negotiations that may be requested or required.
- f) **Rules and Regulations** – The selected Consultant must comply with all laws, ordinances and regulations applicable to the services contemplated herein, including those applicable to conflict of interest. Proposers are presumed to be familiar with all federal, state and local laws that may in any way affect the services.
- g) **Contract Continuity** – The successful Consultant shall not enter into any subcontracts, retain consultants or assign, convey or otherwise dispose of the ensuing contract, or any or all of its rights, title or interest therein to any person, company or corporation without the prior written consent of CMHA.
- h) **Discrimination** – Proposers agree that there will be no discrimination as to race, sex, religion, color, creed or national origin in regard to obligations, work, and services performed under the terms of any ensuing contract.
- i) **Personnel Availability** – The personnel described in any submission shall be available to perform the services described barring illness, accident, or other unforeseeable events, in which event the Consultant must be able to provide a qualified replacement subject to CMHA’s approval. All Consultant personnel shall be considered to be the sole employees of the consulting firm, under its sole direction, and not employees or agents of CMHA.
- j) **Contract payments** – Proposers should be aware that CMHA will only make payments on a Contract issued under this RFP after the work being billed has been completed, and will pay reimbursable expenses. No advance payments will be made; the Consultant must have the capacity to meet all the project expenses in advance of payments under its contract.
- k) **Taxes**-All persons doing business with CMHA are hereby made aware that the CMHA is exempt from paying Ohio State Sales and Use Taxes and Federal Excise Taxes. A letter of Tax Exemption will be provided upon request.
- l) **Official, Agent and Employees of CMHA Not Personally Liable**-It is agreed by and between the parties hereto that in no event shall any official, officer, employee or agent of CMHA in any way be personally liable or responsible for any covenant or agreement herein contained whether expressed or implied, nor for any statement, representation or warranty made herein or in any connection with this agreement.