

REQUEST FOR PROPOSAL (RFP) 2021-007

FINANCING (HARRIET'S HOPE)

1. 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, CMHA owns and/or manages: (a) twenty-five (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. CMHA currently has approximately 122 employees.

In keeping with its mandate to provide efficient and effective services, CMHA is now soliciting qualifications/proposals from qualified, licensed, and insured entities to provide the services specified herein to the CMHA. All qualification 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, if necessary, will be for respondent(s) who achieve the highest scores or competitive range in the first phase. The Financial proposal will be requested and evaluated. Respondent(s) will then be notified by a formal invite for contract negotiations.

2. PROPERTY INFORMATION

Human trafficking has devastated central Ohio with over 9,000 statewide contacts to the National Human Trafficking Hotline in the past 12 years and 1,214 victims and survivors reported in 2019. Columbus Metropolitan Housing Authority, along with our partner Beacon 360 Management and consultant Finance Fund, are pleased to announce Harriet's Hope, a community response to the lack of recovery housing for adult cis and transgender females in Franklin County, Ohio that have experienced one or more verified human trafficking events, or experiencing chronic homelessness. It is an interim step on the path to sobriety. People recovering from alcohol and substance abuse disorders will live in a supervised and sober environment with structure and rules that facilitate long-term rehabilitation. We believe in the highest quality of care for individuals needing recovery residence services. We will achieve this by creating high-level standards set-forth by the National Alliance for Recovery Residences and the state of Ohio. It is the mission of Harriet's Hope to bring hope, restoration, and independence to individuals and their families exiting the life of human trafficking by providing permanent supportive housing and comprehensive services. We will accomplish this through ethical standards, advocacy, education, and a commitment to staying abreast of national and local recovery housing trends. The development will be located 1567 W. Broad Street in the Franklinton neighborhood behind Carol Stewart Village. The new construction building will contain approximately 52 units of one- and two-bedroom apartments, a flexible community room, private meeting rooms, a computer lab, and

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recreational space. Harriet's Hope will provide on-site property management, service coordination, and recurring recovery and life development courses. Beacon 360 Management secured partnerships has with a variety of local organizations to offer wraparound services to residents including case management, recovery counseling and prevention, job readiness training and placement, access to mental and physical healthcare, and peer support.

The Harriet's Hope team is committed to incorporating survivor voices in various areas of the project including but not limited to, building design, residential programming, and service coordination and delivery. Survivors have met with the architects and engineers on this project on three occasions to discuss the layout of this building. The most important concerns for the survivors include building security (internal and external), space for private and semi-private meetings, community space for all residents to hold programming, computer access and recreational space. Their recommendations are shaping the design of this facility. They will continue to be consulted throughout the entire process.

Harriet's Hope has received letters of support from Congresswoman Joyce Beatty and former Congressman Steve Stivers; State Senators Hearcel F. Craig, Stephanie Kunze, Tina Maharath, and Teresa Fedor; and State Representatives Erica Crowley, Kristin Boggs, Laura Lanese, Adam C. Miller, Richard D. Brown, Mary Lightbody, Beth Liston, and Dave Leland. Franklin County Municipal Court Judge Jodi Thomas, who presides over CATCH (Changing Actions that Change Habits) Court, a diversion program specific for victims of human trafficking, has also provided a letter of support.

3.0 SCOPE OF WORK

3.1 LOAN TERMS AND CONDITIONS

Proposer must submit all terms and conditions for the project financing **other than the Loan Fees** for review under this section. The below terms are current CMHA projections based on similar LIHTC transactions:

Equity Bridge Loan and/or Construction Loan:

- Combined Loan Amount: \$9,000,000 - \$11,000,000

Permanent Loan:

- Loan Amount: \$1,500,000
- Loan Amortization: 35 years
- Debt Service Coverage: 1.15X

3.2 DEMONSTRATED EXPERIENCE AND QUALIFICATIONS:

To demonstrate your experience and qualifications, please provide the following:

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1. A detailed list of equity bridge loans, construction loans, and permanent loans provided to 9% LIHTC awardees in the state of Ohio.
2. A detailed list of Serviced Enriched Housing or Supportive Service Housing that your firm has completed financing for in the state of Ohio.
3. A list of Public Housing Authorities, including CMHA, that your firm has completed financing for in the state of Ohio.

3.3 FHLB SCORING

CMHA will be applying to the FHLB of Cincinnati for an AHP Grant/Loan.

Respondent will be awarded up to 15 points based on the Member Financial Participation categories that your firm agrees to complete in the **loan commitment letter**:

*Note: In order to receive points for **FHLB Lender’s Concessions category**, a **loan commitment letter** must accompany your firm’s response to this RFP and clearly state that the concession is at least 0.5 percent below the market rate for a loan of similar terms, as provided by the Member. Include the spread and index in your **loan commitment letter**.*

FHLB Member Financial Participation Points	CMHA RFP Points
6.0 Points	15
5.0 Points	10
4.0 Points	5
3.0 Points or less	0

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I. Member Financial Participation (Variable, up to a maximum of 6.0 points)

This criterion is scored based on the degree to which the Member drawing AHP funds has financial involvement in the project, excluding the pass-through of AHP subsidy.

Ownership projects utilizing multiple sources of permanent financing from local, state, or federal government entities are only eligible for first mortgage permanent loan points in this category if the Member(s) submitting the application close at least 51 percent of the remaining permanent loans in their name.

<u>Member’s Financial Participation</u>	<u>Points</u>
First Mortgage Permanent Loan (<i>as evidenced by a note and mortgage in the Member’s name with a term of at least 15 years</i>) (<i>Permanent loan principal and interest payments must be shown on the AHP Operating Budget</i>)	2.0
Construction or Bridge Loan (<i>construction/bridge loan interest and loan fees must appear on the AHP Development Budget</i>)	1.0
Cash contribution to the project of at least \$500 for development costs (<i>must be shown on the AHP Development Budget</i>)	1.0
Servicing of borrower loans at no cost for loans originated and funded by the Sponsor (<i>ownership projects only</i>)	1.0
Lender’s concessions: (<i>at least 0.5 percent below market rate for a loan with similar term, amount, etc., offered by the Member at the time the loan is made</i>)	
Below-market rate on permanent loan	2.0
Below-market rate on construction or bridge loan	1.0

Note: In order to receive points in this category, documentation submitted at the time of application must clearly state that the concession is at least 0.5 percent below the market rate for a loan of similar terms, as provided by the Member. For scoring purposes, the use of a CIP Advance is not eligible for points in the category of “Lender’s concessions.”

Respondents will also be awarded up to 10 points in this RFP if your financial institution:

- Commits to be our sponsor bank to the FHLB of Cincinnati,
- Participates in the Financing,
- Commits to organizing employees to volunteer at least eight (8) hours of service to the Project for such activities as landscape maintenance
- Offers a minimum of \$500 in donated goods or services
- Provides Credit Counseling / Budgeting / Financial Literacy throughout the loan term and in compliance with an established curriculum as required in the FHLB AHP Grant/Loan.

See pages 13-20 of the FHLB AHP: <https://www.fhlbcin.com/media/2606/ahp-ip.pdf>

3.4 EQUITY PRICING

Ohio Capital Corporation for Housing (OCCH) will be the LIHTC Syndicator for this project. An introduction by CMHA can be made to the OCCH team for interested parties and/or finalists. CMHA anticipates that a firm could work with OCCH to maximize LIHTC equity pricing if that firm also provides the debt financing for the project. To receive points for this RFP, a firm must provide a narrative on how it will work with OCCH to increase the LIHTC equity pricing.

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3.5 GRANTS / OTHER FUNDING SOURCES

CMHA has received indications/notifications from community organizations and financial institutions that Harriet’s Hope may be eligible for grants and other sources of funding. CMHA will award points for this category if your firm is willing to provide grant opportunities for this project. Please provide a description of the potential grant amount and any conditions tied to such funding.

4.0 LOAN FEES

Each proposer must provide a schedule of fees for services provided at outlined in Section 3.0.

Proposer shall complete Attachment A: Fee Sheet and submit it separately from the rest of its Proposal.

Do not submit, enter, or refer to any fees or costs to technicalresponse@cmhanet.com. Any proposer that does so may be rejected without further consideration. A proposer must enter a proposed fee for each item--a "No Proposal" will not be allowed for any item, though a “No Charge” will be allowed for certain items. The proposed fees submitted by each proposer are inclusive of all necessary costs to provide the proposed services not otherwise provided for herein, including, but not limited to: employee costs and benefits; clerical support; overhead; profit; supplies; materials; licensing; insurance; etc. All costs incurred in the preparation of a Proposal and participation in this RFP and negotiation process shall be borne by the proposing firm.

5.0 PROPOSAL EVALUATION:

The following factors will be utilized by CMHA to evaluate each proposal submittal received; award of points for each listed factor will be based upon the documentation that the proposer submits within his/her proposal submittal. CMHA intends to retain the successful proposer pursuant to a “Best Value” basis, not a “Low Proposal” basis.

Category (from Section 3. Scope of Work)	Factor Type	Points
Loan Fees: A loan fee is any fee associated with a loan that does not include the interest rate. (See Section 4.0)	Objective	10
Loan Interest Rate: Loan interest rate is the amount charged on top of the principal by a lender to borrower for an asset (See Section 4.0)	Objective	10
Loan Terms and Conditions: the characteristics of your loan, which are described in your loan agreement. (See Section 3.1)	Subjective	10
Demonstrated Experience and Qualifications, based upon the opinion of the evaluators. (See Section 3.2)	Subjective	20

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FHLB Scoring , based upon the scoring criteria and loan commitment letter. (See Section 3.3)	Objective	25
Equity Pricing , based upon the equity pricing amount and the opinion of the evaluators. (See Section 3.4)	Subjective	10
Grants and Other Funding , based upon the funding amount and the opinion of the evaluators. (See Section 3.5)	Subjective	10
Quality and Professional appearance of the proposal submitted , based upon the opinion of the evaluators.	Subjective	5
TOTAL		100

6.0 SUBMISSION REQUIREMENTS/SCHEDULE:

Submission Requirements- The proposer shall submit the all- inclusive technical portion of the response to technicalresponse@cmhanet.com , ensuring that all information requested in Section 3.0 Proposal Format are included.

The proposed fee shall be submitted by the proposer on the provided “**Fee Sheet**” (**Attachment A**) The Proposer shall submit this sheet to feeproposal@cmhanet.com.

Due Date – Submissions are due on Thursday July 22, 2021, the "electronic copy" proposal must be submitted to 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**
- _____ **Attachment B: Loan Commitment Letter**

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

There are 2 Options provided for your firm's use in the chart below. If providing more options, attach additional forms as needed. If your firm is only providing 1 option, label Option B as N/A.

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.

Loan	Equity Bridge Loan / Construction Loan	Permanent Loan
Maximum Loan Available		
Loan to Value:		
Debt Service Coverage:		
Interest Rate Spread:		
Interest Rate Index:		
Loan Term:		
Loan Amortization:		
Prepayment Penalty:		
Loan Fees:		

Address: _____, _____, _____

Phone:(____) _____ - _____

Officer of the Firm: _____

Email Address of Contact:
_____ @ _____.

Signature

Date

Printed Name

Company

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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.