



Indiana Housing & Community Development Authority

REQUEST FOR QUALIFICATIONS

for

2019 RHTC General Set-Aside “Moving Forward Rural Development (“RD”)” Program

INDIANA HOUSING AND COMMUNITY DEVELOPMENT AUTHORITY

30 South Meridian Street, Suite 1000

Indianapolis, IN 46204

<http://www.in.gov/ihcda/>

317-232-7777

ISSUE DATE: April 27, 2018

RESPONSE DEADLINE: June 11, 2018 5:00 PM Eastern Time

REVISED RESPONSE DEADLINE: June 25, 2018 5:00 PM Eastern Time

DATE FOR PRESENTATIONS TO THE IHCDA SELECTION

COMMITTEE: July 25, 2018

TABLE OF CONTENTS

PART 1 SCOPE OF THIS REQUEST

- 1. PURPOSE OF THIS REQUEST FOR QUALIFICATIONS (RFQ)**
- 2. ABOUT THE INDIANA HOUSING AND COMMUNITY DEVELOPMENT AUTHORITY**
- 3. BACKGROUND**
- 4. SCOPE OF SERVICES**
- 5. RFQ TIMELINE**

PART 2 RFQ PROCESS

- 1. SELECTION PROCESS**
- 2. MINIMUM REQUIREMENTS/RESPONSIVE RESPONDENT**
- 3. QUALIFICATIONS EVALUATION CRITERIA**
- 4. RESPONSIBLE RESPONDENT REQUIREMENTS**
- 5. RFQ SUBMISSION ITEMS**
- 6. FORMAT FOR SUBMISSION, MAILING INSTRUCTIONS, AND DUE DATE**

PART 3 TERMS AND CONDITIONS

- 1. STATE POLICIES**
- 2. RFQ TERMS AND CONDITIONS**
- 3. QUALIFICATIONS COVER SHEET**
- 4. CERTIFICATION OF RESPONDENT**

PART 1

SCOPE OF THIS REQUEST

1. PURPOSE OF THIS REQUEST FOR QUALIFICATIONS (“RFQ”)

The Indiana Housing and Community Development Authority is seeking to select three (3) developers to participate in the 2019 Rental Housing Tax Credit General Set-aside “Moving Forward RD” program (the “Program”), which involves preserving a minimum of 30 U.S. Department of Agriculture “USDA” Rural Development Properties, as further detailed in the Scope of Services section of this RFQ.

2. ABOUT THE INDIANA HOUSING AND COMMUNITY DEVELOPMENT AUTHORITY

MISSION STATEMENT

The Indiana Housing and Community Development Authority (“IHCDA”) provides housing opportunities, promotes self-sufficiency, and strengthens communities. To accomplish this we will:

- Pursue Innovation in all Programs and Services;
- Provide Thought Leadership;
- Emphasize Continued Quality of Services; and
- Continuously improve program management practices and partnership building.

VISION

IHCDA envisions an Indiana with a sustainable quality of life for all Hoosiers in the community of their choice. We believe that growing Indiana's economy starts at home and that all Hoosiers should have the opportunity to live in safe, affordable, good-quality housing in economically stable communities. That's the heart of IHCDA's mission. Our charge is to help communities build upon their assets to create places with ready access to opportunities, goods, and services. We also promote, finance, and support a broad range of housing solutions, from temporary shelters to homeownership.

IHCDA's work is done in partnership with developers, lenders, investors, and nonprofit organizations that use our financing to serve low and moderate-income Hoosiers. We leverage public and private funds to invest in financially sound, well-designed projects that will benefit communities for many years to come. And our investments bear outstanding returns. The activities that we finance help families become more stable, put down roots, and climb the economic ladder. In turn, communities grow and prosper, broadening their tax base, creating new jobs, and maximizing local resources. IHCDA's work is truly a vehicle for economic growth, and it all starts at home.

OVERVIEW (for more information visit <http://www.in.gov/ihcda/>)

IHCDA was created in 1978 by the Indiana General Assembly and is a quasi-public financially self-sufficient statewide government agency. IHCDA's programs are successful in large part because of the growing network of partnerships IHCDA has established with local, state, and federal governments, for-profit businesses and not-for-profit organizations. For-profit partners include investment banks, mortgage lenders, commercial banks, corporate investment managers and syndicators, apartment developers, investors, homebuilders, and realtors. Not-for-profit partners include community development corporations, community action agencies, and not-for-profit developers.

3. BACKGROUND

For the 2018-2019 Qualified Allocation Plan (“QAP”), IHCDA will reserve 10% of its annual Rental Housing Tax Credits (“RHTC”) for the IHCDA General Set-aside. Under this set-aside, IHCDA reserves credits for “developments that further the Authority’s mission, goals, initiatives, and priorities irrespective of the ranking by evaluation factors.” The QAP states that the Authority “will exercise its sole discretion in the allocation of the IHCDA General Set-aside.”

4. SCOPE OF SERVICES

There are 472 USDA Rural Development (“RD”) properties located in Indiana that represent 12,838 units financed with 515 or 514 maturing mortgages. Many of these units target Indiana’s elderly population. As these properties mature and leave the 515 or 514 loan program, they will their affordability restrictions which jeopardizes our most vulnerable population’s ability to maintain housing that is safe, decent, and affordable and located in our rural communities.

In 2015, IHCDA used the General Set-Aside to create an innovative initiative called “Moving Forward.” Moving Forward is a concept for developing affordable housing by taking a systems approach to solve multiple challenges impacting the residents and our communities: public policy, finance, energy, transportation, poverty, built environment, health and wellness, and economic development. To help implement the concepts of Moving Forward, IHCDA has partnered with Energy Systems Network and Purdue University.

Using the Moving Forward model, IHCDA will take on the challenge to create an aggressive goal of preserving a minimum of 30 properties at risk of losing their USDA RD affordability by 2020.

Traditionally, there have been two financing models use to preserve affordable housing: 1) using 9% competitive tax credits 2) using 4% multifamily bond credits. In Indiana, the 4% multifamily bond credits have been underutilized. In order to achieve the minimum goal of preserving at least 30 USDA RD properties, IHCDA will use the existing Moving Forward partnerships and strategy. Additionally, IHCDA will develop an innovative financing strategy that couples the competitive 9% tax credits with the underutilized 4% multifamily bond credits. IHCDA will also seed three Revolving Loan Funds with \$1M each (total \$3M) that will be loaned into the developments as a soft loan and once repaid will be recycled back into the local rural community to create or preserve affordable housing.

To implement the preservation goal of at least 30 properties, IHCDA will select three (3) developers with USDA RD preservation experience who will bundle at least 10 properties into one multifamily portfolio. Each developer will be eligible to receive a combined amount of up to approximately 10% of the 2019 credit cap, a \$1M soft loan from the local rural development trust fund, and up to \$25M in multifamily bonds and approximately \$10M in 4% credits.

IHCDA has partnered with Energy Systems Network (www.energysystemsnetwork.com) to identify a team of subject matter experts. These industry experts will work with the developers selected through this RFQ process to help foster the use of an innovative systems approach to housing concepts that focuses on the built environment, rural broadband, positive health outcomes, policy and finance issues, and utility systems. Respondents will not submit a housing proposal as part of this RFQ process. The concept will be created later during a series of mandatory workshops and meetings in which IHCDA, ESN, and the assembled subject matter experts will work with the selected respondent’s development teams. Therefore, the selection will be based on the qualifications and experience of the Respondent’s development team, as described in Part 2 of this RFQ.

Upon completion of all Moving Forward RD workshops and the creation of a development concept, the three (3) development teams that are selected will each have the opportunity to submit an RHTC application under the General Set-aside in the summer of 2019. Each team’s RHTC request will be capped to ensure that all of the developments can be funded through the set-aside.

Selected developers/respondents will be required to pay a \$10,000 fee to cover the costs of the workshop and engaging the subject matter experts for technical assistance.

5. RFQ TIMELINE

April 27, 2018	Program announced and RFQ released to the general public.
June 25, 2018	Responses due to IHCDA by 5:00 p.m. Eastern Time
July 25, 2018	Respondents' teams present to the IHCDA selection committee
August 2018	Announcement of selected Respondents' teams (date TBA)
October 2018	Mandatory developer team meeting with IHCDA and ESN (date TBA)
Fall 2018	Mandatory 2-day workshop for all participants (dates TBA)
On-going	On-going meetings between advisors and selected Respondents to create concepts
Summer 2019	Selected Respondents must submit Tax Credit Applications
Fall 2019	Award recommendations announced at IHCDA's Board Meeting
Spring 2020	Construction begins
Winter 2020/Spring 2021	Development placed in service

PART 2

RFQ PROCESS

1. SELECTION PROCESS

Evaluation of all qualifications will be completed by IHCDA. Respondent must be responsive and responsible as described in Sections 2 and 4 below. Selection of a respondent is at the sole discretion of IHCDA. ***Note: The Moving Forward RD program partners and subject matter experts will work with the development teams upon selection, but are not involved in the selection process.**

Developers that were selected under the Moving Forward 1.0, 2.0, or 3.0 RFQ and whose buildings are still not placed in service as of the date that this RFQ is issued are not eligible to be a member of a team for the Moving Forward RD RFQ.

2. MINIMUM REQUIREMENTS/RESPONSIVE RESPONDENT

Respondents must meet the following minimum requirements to be deemed responsive to this RFQ.

Experience

Experience in Indiana pertaining to the following will be weighed heavily in the selection process:

- Demonstrated knowledge of Rental Housing Tax Credit program and successful completion of RHTC developments.
- Must have previously utilized 4% credits and tax exempt bond financing.
- Demonstrated knowledge of utilizing USDA RD financing for multifamily housing development and preservation.
- Demonstrated knowledge of energy efficiency and sustainable design features.
- Demonstrated knowledge of rural broadband.
- Demonstrated ability to leverage and manage multiple complex funding sources.
- Demonstrated experience managing USDA RD properties and understanding asset management and compliance requirements.

Commitment

Respondent's Development team must commit to attending all Moving Forward RD workshops and meetings. The workshops will be designed to connect the development team with leading subject matter experts in the areas of built environment, finance/policy, and utility systems. The development team will work with these subject matter experts to create their final preservation concept.

3. QUALIFICATIONS EVALUATION CRITERIA

The following will be IHCDA's primary consideration in the selection process:

1. Respondent's compliance with submission requirements of this RFQ.
2. Experience of the Respondent: Please submit a narrative describing your experience related to developing and preserving housing (affordable and market rate). Include a summary of the current portfolio owned and/or managed.
3. Development Team: The project involves collaborating with ESN's assembled team of industry experts to develop a systems approach to affordable housing and rural broadband, which includes addressing energy efficiency and supply, the built environment, finance and policy, systems integration and quality of life. Please identify a separate lead person for each of the following five categories and provide a resume for each. The designated person(s) may be an in-house team member or a subcontracted partner if that person is committed to working with the Respondent's development team throughout the process. These five individuals may be required to attend all Moving Forward RD workshop sessions and meetings. Resumes for additional team members may be submitted but are not required.
 - a. Quality of Life: Individual should have experience and knowledge in several types of services that can improve tenants' overall quality of life, including positive health outcomes (access to healthcare, healthy food options, public health needs, fitness and wellness), education, and other social services that can contribute to the alleviation of poverty.
 - b. Built Environment: Refers to experience in construction and design that includes energy efficiency technologies and sustainable building materials.
 - c. Finance and policy: Background in innovative financing agreements and funding sources, specifically related to USDA RD financing sources and processes, as well as understanding of public policy and regulatory requirements for community developments and utility systems. Understanding of and experience with compliance requirements and property and asset management best practices for USDA RD properties required.
 - d. Utility Systems: Understanding of and experience with different utility systems and companies, including gas, water, and electric. Individuals should have experience bringing rural broadband to rural communities, as this is an area of focus for Moving Forward-RD. Individuals should also have an understanding and experience with Rural Electric Cooperatives. Experience with integrating renewable energy (solar, wind, geothermal systems, etc.) preferred.
 - e. Systems Integration: Understanding of and experience with evaluating all elements of the project – energy efficiency, transportation needs, built environment, unique finance mechanisms – as one whole system rather than individual components, and a thorough understanding of how each element interacts with the others as part of the full system.
4. An assessment of the Respondent's ability to deliver the indicated services in accordance with the specifications set out in the RFQ. Please provide a narrative for each of the following (maximum of 2 pages per item):
 - a. Description of development team's experience designing and constructing innovative housing developments. Specifically discuss experience with USDA RD financing and processes, and any experience working with manufacturers of housing supplies (such as building materials and technologies) newly deployed into the market.

- b. Description of development team's experience working with utility companies and implementing energy efficient design in housing developments.
 - c. Description of development team's experience with rural broadband.
 - d. Description of development team's experience leveraging and managing complex funding sources. Specifically discuss any innovative funding sources that have been leveraged in previous developments.
 - e. Description of development team's experience working with a university or other third-party researcher to evaluate program outcomes.
5. Past award performance, including history of complying with IHCDA and/or federal guidelines, meeting benchmarks and quality of work performed and services provided.

4. RESPONSIBLE RESPONDENT REQUIREMENTS

IHCDA shall not award any contract until the selected respondent has been determined to be responsible. A responsible respondent must:

1. Have adequate financial resources to perform the project, or the ability to obtain them;
2. Be able to comply with the required or proposed delivery or performance schedule, taking into consideration all the Respondent's existing commercial and governmental business commitments;
3. Have a satisfactory performance record with IHCDA;
4. Have a satisfactory record of integrity and business ethics;
5. Have the necessary organization, experience, accounting and operational controls, and technical skills, or the ability to obtain them;
6. Have the necessary production, construction, and technical equipment and facilities, or the ability to obtain them;
7. Have supplied all requested information;
8. Be legally qualified to contract in the State of Indiana and is an entity described in IC Title 23, is properly registered, and owes no outstanding reports to the Indiana Secretary of State (There is a fee to register with the Secretary of State); and
9. Be otherwise qualified and eligible to receive an award under applicable laws and regulations, including not be suspended or debarred. If a prospective contractor is found to be non-responsible, a written determination of non-responsibility shall be prepared and included in the official file for this RFQ, and the respondent shall be advised of the reasons for the determination.

5. RFQ SUBMISSION ITEMS

Respondent must submit documentation in response to the requirements listed in each category heading summarized below. All of these requirements are described more fully in **Section 3 of Part 2 of this RFQ**, entitled "**Qualifications Evaluation Criteria**." Therefore, Respondent must review **Section 3 of Part 2 of this RFQ** very carefully before submitting its responses. The Respondent must also submit the Qualifications Coversheet and the Certification of Company located at the end of this RFQ Document.

Checklist of Submission Requirements

- Qualifications Coversheet
- Certification of Company
- Narrative summary of developer's experience related to developing housing
- Development team lead person identified for each of the categories and a resume submitted for each of these individuals

- A narrative response (not to exceed 2 pages each) for each of the 5 items, a-e outlined under Subsection 4 of Section 3, of Part 2 above

6. FORMAT FOR SUBMISSION, MAILING INSTRUCTIONS, AND DUE DATE

Responses must be submitted via email. All documents must be submitted in PDF only.

Alan Rakowski
Rental Housing Tax Credit Manager
Indiana Housing and Community Development Authority
30 South Meridian, Suite 1000
Indianapolis, IN 46204
arakowski@ihcda.in.gov

The deadline for submission is June 25, 2018 at 5:00 PM Eastern Time.

Applications that do not contain all of the required forms/documents as listed in this RFQ may be determined ineligible for further consideration.

PART 3

TERMS AND CONDITIONS

1. STATE POLICIES

- A. **ETHICAL COMPLIANCE:** By submitting a proposal, the respondent certifies that it shall abide by all ethical requirements that apply to persons who have a business relationship with the State, as set forth in Indiana Code § 4-2-6 et seq., Ind. Code § 4-2-7, et seq., the regulations promulgated thereunder, and Executive Order 04-08, dated April 27, 2004. Respondent will be required to attend online ethics training conducted by the State of Indiana.
- B. **PAYMENTS:** Any payments for services under any contract awarded pursuant to this RFP shall be paid by IHCDA in arrears in conformance with State fiscal policies and procedures and, as required by IC §4-13-2-14.8, the direct deposit by electronic funds transfer to the financial institution designated by the successful Respondent in writing unless a specific waiver has been obtained from the IHCDA Controller. No payments will be made in advance of receipt of the goods or services that are the subject of any contract except as permitted by IC §4-13-2-20.
- C. **EMPLOYMENT ELIGIBILITY VERIFICATION:** The Respondent cannot knowingly employ an unauthorized alien. The Respondent shall require its contractors who perform work for the Respondent pursuant to the project must certify to the Respondent that the contractor does not knowingly employ or contract with an unauthorized alien.
- D. **CONFIDENTIALITY OF STATE INFORMATION:** The Respondent understands and agrees that data, materials, and information disclosed to the Respondent may contain confidential and protected information. The Respondent covenants that data, material, and information gathered, based upon or disclosed to the Respondent for the purpose of this project will not be disclosed to or discussed with third parties without the prior written consent of the IHCDA. In addition to the covenant made above in this section and pursuant to 10 IAC 5-3-1(4), the Respondent and IHCDA agree to comply with the provisions of IC §4-1-10 and IC §4-1-11. If any Social Security number(s) is/are disclosed by Respondent, Respondent agrees to pay the cost of the notice of disclosure of a breach of the security of the system in addition to any other claims and expenses for which it is liable under the terms of this contract.
- E. **ACCESS TO PUBLIC RECORDS:** Respondents are advised that materials contained in proposals are subject to the Access to Public Records Act (“APRA”), IC 5-14-3 et. seq., and the entire response may be viewed and copied by any member of the public. Respondents claiming a statutory exemption to disclosure under APRA must place all confidential documents (including the requisite number of copies) in a sealed envelope marked “Confidential”. Respondents should be aware that if a public records request is made under APRA, IHCDA will make an independent determination of confidentiality, and may seek the opinion of the Public Access Counselor. Prices are not considered confidential information. The following information shall be subject to public inspection after the contract award:
 - A. The RFQ.
 - B. A list of all vendors who received the RFQ.
 - C. The name and address of each respondent.
 - D. The amount of each offer.
 - E. A record showing the following:
 - a. The name of the successful respondent.
 - b. The dollar amount of the offer.
 - c. The basis on which the award was made.
 - F. The entire contents of the contract file except for proprietary information that may have been included with an offer, such as:

- a. trade secrets;
 - b. manufacturing processes;
 - c. financial information not otherwise publicly available; or
 - d. other data that does not bear on the competitive goals of public procurement that was not required by the terms of the RFQ itself to be made available for public inspection.
- F. **TAXES, FEES AND PENALTIES:** By submitting a proposal respondent certifies that neither it nor its principal(s) is presently in arrears in payment of its taxes, permit fees or other statutory, regulatory or judicially required payments to the State of Indiana or the United States Treasury. Respondent further warrants that it has no current, pending or outstanding criminal, civil, or enforcement actions initiated by either the State or Federal Government pending against it, and agrees that it will immediately notify IHCDA of any such actions.
- G. **CONFLICT OF INTEREST:** Respondent must disclose any existing or potential conflict of interest relative to the performance of the services resulting from this RFQ, including any relationship that might be perceived or represented as a conflict. By submitting a proposal in response to this RFQ, respondent affirms that it has not given, nor intends to give at any time hereafter, any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant or any employee or representative of same, in connection with this procurement. Any attempt to intentionally or unintentionally conceal or obfuscate a conflict of interest will automatically result in the disqualification of the respondent's proposal or immediate termination of an awardee's contract. An award will not be made where an actual conflict of interest exists. IHCDA will determine whether a conflict of interest exists and whether an apparent conflict of interest may reflect negatively on IHCDA, should IHCDA select respondent. Further, IHCDA reserves the right to disqualify any respondent on the grounds of actual or apparent conflict of interest. The decision of the Compliance Attorney is final.
- H. **APPEALS/PROTEST:** Respondent may appeal/protest the award of this contract based on alleged violations of the selection process that resulted in discrimination or unfair consideration. The appeal/protest must include the stated reasons for the Respondent's objection to the funding decision, which reasons must be based solely upon evidence supporting one (1) of the following circumstances:
- a. Clear and substantial error or misstated facts which were relied on in making the decision being challenged;
 - b. Unfair competition or conflict of interest in the decision-making process;
 - c. An illegal, unethical or improper act; or
 - d. Other legal basis that may substantially alter the decision.
- The appeal/protest must be received within ten (10) business days after the Respondent receives notice of the contract award, or the appeal/protest will not be considered. All protests shall be in writing, submitted to the Compliance Officer, who shall issue a written decision on the matter. The Compliance Officer may, at his/her discretion, suspend the procurement pending resolution of the protest if the facts presented so warrant. The Respondent will receive written acknowledgement of receipt of the appeal/protest within five (5) business days of its receipt, noting the day the appeal/protest was received. Any appeal/protest regarding the funding decision made by IHCDA will be examined and acted upon by the Compliance Officer within thirty (30) days of its receipt.

2. RFQ TERMS AND CONDITIONS

This request is issued subject to the following terms and conditions:

- A. This RFQ is a request for the submission of qualifications, but is not itself an offer and shall under no circumstances be construed as an offer.
- B. IHCDA expressly reserves the right to modify or withdraw this request at any time, whether before or after any qualifications have been submitted or received.
- C. IHCDA reserves the right to reject and not consider any or all respondents that do not meet the requirements of this RFQ, including but not limited to: incomplete qualifications and/or qualifications offering alternate or non-requested services.
- D. IHCDA reserves the right to reject any or all companies, to waive any informality in the RFQ process, or to terminate the RFQ process at any time, if deemed to be in its best interest.
- E. In the event the party selected does not enter into the required agreement to carry out the purposes described in this request, IHCDA may, in addition to any other rights or remedies available at law or in equity, commence negotiations with another person or entity.
- F. In no event shall any obligations of any kind be enforceable against IHCDA unless and until a written agreement is entered into.
- G. The Respondent agrees to bear all costs and expenses of its response and there shall be no reimbursement for any costs and expenses relating to the preparation of responses of qualifications submitted hereunder or for any costs or expenses incurred during negotiations.
- H. By submitting a response to this request, the Respondent waives all rights to protest or seek any remedies whatsoever regarding any aspect of this request, the selection of another respondent or respondents with whom to negotiate, the rejection of any or all offers to negotiate, or a decision to terminate negotiations.
- I. IHCDA reserves the right not to award a contract pursuant to the RFQ.
- J. All items become the property of IHCDA upon submission and will not be returned to the Respondent.
- K. IHCDA reserves the right to split the award between multiple applicants and make the award on a category by category basis and/or remove categories from the award.
- L. The Respondent certifies that neither it nor its principals, contractors, or agents are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from utilizing federal funds by any federal or state department or agency.

Moving Forward RD RFQ

3. QUALIFICATION COVER SHEET

Name of Individual,
Firm or Business:

Address:

Phone Number:

Fax Number:

Web Site Address:

QUALIFICATION

Contact Person:

Title:

Email Address:

Phone:

Contract Signatory

Authority:

Title:

INDIANA HOUSING AND COMMUNITY DEVELOPMENT AUTHORITY

4. CERTIFICATION OF RESPONDENT

I hereby certify that the information contained in these qualifications and any attachments is true and correct and may be viewed as an accurate representation of proposed services to be provided by this organization. I acknowledge that I have read and understood the requirements and provisions of the RFQ and agree to abide by the terms and conditions contained herein.

I _____ am the _____ of the (type name of signatory authority) corporation, partnership, association, or other entity named as company and the Respondent herein, and I am legally authorized to sign this and submit it to the Indiana Housing and Community Development Authority on behalf of said organization.

18 U.S.C. § 1001, “Fraud and False Statements,” provides among other things, in any matter within the jurisdiction of the executive, legislative, or judicial branch of the Government of the United States, anyone who knowingly and willfully: (1) falsifies, conceals, or covers up by any trick, scheme, or device a material fact; (2) makes any materially false, fictitious, or fraudulent statement or representation; or (3) makes or uses any false writing or document knowing the same to contain any materially false, fictitious, or fraudulent statement or entry; shall be fined under this title, and/or imprisoned for not longer than five (5) years.

Respondent:

Signed: _____

Name: _____

Title: _____

Date: _____

Firm name: _____