



## State of Georgia

### Request for Qualifications (“RFQ”)

State Entity: Department of Community Affairs

Event Name: Georgia RAD Multi-Site Bond Program Developer Qualification

## 1. Introduction

### 1.1. Purpose of Request

This Request for Qualifications (“RFQ”) is being issued to establish a list of qualified developers and to start the process for interested Public Housing Agencies (“PHAs”) to select a developer to work with in undertaking a tax-exempt bond transaction with 4% Low Income Housing Tax Credits (LIHTC) under the Department of Housing and Urban Development’s (“HUD”) Rental Assistance Demonstration (“RAD”) program.

#### 1.1.1. Background

DCA is a legislatively created executive branch of the State of Georgia (the “State”) and is the administering agency for housing programs on behalf of the Georgia Housing and Finance Authority (GHFA), a legislatively created instrumentality of the state performing an essential governmental function, including the HOME Investment Partnership (“HOME”) program, LIHTC program, Emergency Solutions Grant (“ESG”) program, Housing Opportunities for Persons with AIDS (“HOPWA”) program, Shelter Plus Care (“SPC”) program and partners with the State Housing Trust Fund for the Homeless Commission. DCA also administers the Community Development Block Grant (“CDBG”) program under the State Community Development Block Grant program. DCA is also the Public Housing Authority for the state and, as such, administers the Housing Choice Voucher program.

The HUD RAD program is a vehicle for the conversion of public housing properties into Section 8 properties that can then be more easily recapitalized using debt and LIHTCs. Specifically, the 4% LIHTCs derived from private activity bond financing generate more funding for recapitalization than debt-only structures and are more generally available than the competitive 9% LIHTCs.

To implement a 4% LIHTC transaction, however, requires an effort of significant scale to warrant the transaction costs associated with 4% LIHTC financing structures—the costs of the bond issuance, the cost of investor underwriting, etc.

Many PHA portfolios across the country are too small to warrant stand-alone LIHTC transactions. Similarly, the PHAs themselves may lack familiarity with the LIHTC program or the staff capacity to undertake development or recapitalization transactions using complex financing structures. The objective of the RAD Multi-Site Bond Program (“Program”) is to help overcome these obstacles.

Specifically, this Program seeks to match housing authorities and a developer partner to implement a larger, multi-site 4% LIHTC and private activity bond transaction. The PHAs would be able to associate themselves with the unifying element—the developer partner—necessary to implement a multi-site bond transaction. The lender underwriting and the equity investor underwriting would focus primarily on the developer’s financials and capacity. The process would be coordinated so that all of the properties in the transaction would close on a unified timetable.

**1.1.2. Objective**

DCA is issuing this RFQ to qualify experienced developers to explore partnerships through a facilitated interaction with smaller PHAs and their public housing properties that are participating in the HUD RAD program. Through this Program, DCA hopes to bolster PHA access to the resources available in the LIHTC program in Georgia.

The respondent must be willing to partner with PHAs to assemble a portfolio of not more than 800 units for one bond issuance.

DCA will complete the first stage of the Program RFQ process by qualifying a pool of developers that may partner with PHAs to undertake the Program. Both qualified developers and PHAs will work with a Program facilitator, who will administer the second stage of the Program’s RFQ process during which the PHAs will select a developer with which to implement the multi-site transaction.

**1.2. Schedule of Events**

The schedule of events set out herein represents the State Entity’s best estimate of the schedule that will be followed. However, delays to the qualification process may occur which may necessitate adjustments to the proposed schedule. If a component of this schedule, such as the close date of this RFQ, is delayed, the rest of the schedule may be shifted as appropriate. Any changes to the dates up to the closing date of the RFQ will be publicly posted prior to the close date. After the close of the RFQ, the State Entity reserves the right to adjust the remainder of the proposed dates, including the dates for evaluation, negotiations, award and the contract term on an as needed basis with or without notice.

| Description  | Date       | Time         |
|--|------------|--------------|
| Release of 1 <sup>st</sup> Stage RFQ   | 03/18/2015 | N/A          |
| Deadline for written questions sent via email to the Issuing Staff Member referenced in Section 1.3. | 04/01/2015 | 5:00 p.m. ET |
| Responses to Written Questions   | 04/08/2015 | 5:00 p.m. ET |
| 1 <sup>st</sup> Stage RFQ Responses Due*   | 04/15/2015 | 5:00 p.m. ET |
| DCA posts list of qualified developers   | 05/01/2015 | N/A          |

\* Note: This deadline is for qualification documentation, not the proposal of deal terms, project concept, or methodology.

DCA will complete the first stage of the Program RFQ process by qualifying a pool of developers that may partner with PHAs. Both qualified developers and PHAs will work with a Program facilitator, who will administer the second stage of the Program’s RFQ process. The second stage RFQ of the Program is projected to be released approximately on May 31, 2015 and due approximately on July 1, 2015. The second stage RFQ will include a list of interested PHAs, detailed criteria for the submittal of deal terms and development plan proposal, and the description of the process in which the PHAs will utilize to select a developer.

A final selection of the developer partner by the participating PHAs is projected to occur in August of 2015, at which time the development team will move forward with due diligence for the LIHTC and bond allocation process.

### **1.3. Issuing Staff Member:**

Philip Gilman  
404-679-5277  
philip.gilman@dca.ga.gov

### **1.4. Definition of Terms**

DCA – Department of Community Affairs  
GHFA – Georgia Housing and Finance Authority  
HUD – Department of Housing and Urban Development  
LIHTC – Low Income Housing Tax Credit program  
PHA – Public Housing Agency  
Program – RAD Multi-Site Bond Program  
RAD – Rental Assistance Demonstration  
RFQ – Request for Qualifications  
State Entity – The governmental entity identified in the title of this RFQ

### **1.5. Qualification Term**

The term of the qualification is for 2 calendar years from the publishing of the list of qualified developers.

## **2. Instructions to Respondents**

By submitting a response to the RFQ, the respondent is acknowledging that the respondent:

1. Has read the information and instructions,
2. Agrees to comply with the information and instructions contained herein.

### **2.1. General Information and Instructions**

#### **2.1.1. Restrictions on Communicating with Staff**

From the issue date of this RFQ until the final list of qualified developers is announced (or the RFQ is officially cancelled), respondents are not allowed to communicate for any reason with any State staff except through the Issuing Staff Member named herein regarding the determination of the qualified list of developers described herein. Prohibited communication includes all contact or interaction, including but not limited to telephonic communications, emails, faxes, letters, or personal meetings, such as lunch, entertainment, or otherwise. The State Entity reserves the right to reject the response of any respondent violating this provision.

#### **2.1.2. Submitting Questions**

All questions concerning this RFQ must be submitted in writing via email to the Issuing Staff Member identified in Section 1.3 “Issuing Staff Member” of this RFQ. No questions other than written will be accepted. No response other than written will be binding upon the State. All respondents must submit questions by the deadline identified in the Schedule of Events for submitting questions. Respondents are cautioned that the State Entity may or may not elect to entertain late questions or questions submitted by any other method than as directed by this section.

**2.1.3. State's Right to Request Additional Information – Respondent's Responsibility**

Prior to determining the final list of qualified developers, the State Entity must be assured that the selected respondent has all of the experience to successfully perform under the Program. If, during the evaluation process, the State Entity is unable to assure itself of the respondent's ability to perform, if qualified, the State Entity has the option of requesting from the respondent any information deemed necessary to determine the respondent's responsibility. If such information is required, the respondent will be so notified and will be permitted approximately seven business days to submit the information requested.

**2.1.4. Failing to Comply with Submission Instructions**

Responses received after the identified due date and time or submitted by any other means than those expressly permitted by the RFQ will not be considered. Respondents' responses must be complete in all respects, as required in each section of this RFQ.

**2.1.5. Rejection of Proposals; State's Right to Waive Immaterial Deviation**

The State Entity reserves the right to reject any or all responses, to waive any irregularity or informality in a respondent's response, and to accept or reject any item or combination of items, when to do so would be to the advantage of the State of Georgia. It is also within the right of the State Entity to reject responses **that do not contain all elements and information requested in this RFQ**. A respondent's response will be rejected if the response contains any defect or irregularity and such defect or irregularity constitutes a material deviation from the RFQ requirements, which determination will be made by the State Entity on a case-by-case basis.

**2.1.6. State's Right to Amend and/or Cancel the RFQ**

The State Entity reserves the right to amend this RFQ. Any revisions must be made in writing prior to the RFQ closing date and time. By submitting a response, the respondent shall be deemed to have accepted all terms and agreed to all requirements of the RFQ (including any revisions/additions made in writing prior to the close of the RFQ whether or not such revision occurred prior to the time the respondent submitted its response) unless expressly stated otherwise in the respondent's response. THEREFORE, EACH RESPONDENT IS INDIVIDUALLY RESPONSIBLE FOR REVIEWING THE REVISED RFQ AND MAKING ANY NECESSARY OR APPROPRIATE CHANGES AND/OR ADDITIONS TO THE RESPONDENT'S RESPONSE PRIOR TO THE CLOSE OF THE RFQ. Respondents are encouraged to frequently check the RFQ for additional information. Finally, the State Entity reserves the right to cancel this RFQ at any time.

**2.1.7. Costs for Preparing Responses**

Each respondent's response should be prepared simply and economically, avoiding the use of elaborate promotional materials beyond those sufficient to provide a complete presentation. The cost for developing the response and participating in the qualification process (including the protest process) is the sole responsibility of the respondent. The State will not provide reimbursement for such costs.

**2.1.8. ADA Guidelines**

The State of Georgia adheres to the guidelines set forth in the Americans with Disabilities Act. Respondents should contact the Issuing Staff Member at least one day in advance if they require special arrangements or accommodations. The Georgia Relay Center at 1-800-255-0056 (TDD Only) or 1-800-255-0135 (Voice) will relay messages, in strict confidence, for the speech and hearing impaired.

**2.2. Submittal Instructions**

**Submittal Instructions**

Listed below are key action items related to this RFQ. The Schedule of Events in Section 1.2 identifies the dates and time for these key action items. This portion of the RFQ provides high-level instructions regarding the process for reviewing the RFQ, preparing a response to the RFQ and submitting a response to the RFQ.

**2.2.1. RFQ Released**

The release of the RFQ is formally communicated through the posting of this RFQ to the DCA website.

**2.2.2. Respondent Submission**

The respondent’s qualification submission, including all required and supporting documentation listed in Section 4, should be submitted to the Issuing Staff Member listed in Section 1.3

**3. Proposal Certification**

By responding to this solicitation, the respondent understands and agrees to the following:

1. That the respondent guarantees and certifies that all items included in the respondent’s response meet or exceed any and all of the solicitation’s identified specifications and requirements except as expressly stated otherwise in the respondent’s response; and
2. That the provisions of the Official Code of Georgia Annotated, Sections 45-10-20 et seq. have not been violated and will not be violated in any respect.

**4. Qualification Criteria**

In order to qualify as a developer for the Program, the respondent must meet the following qualifications, providing the listed documentation for each criteria:

| <b>Criteria</b>  | <b>Documentation</b>   |
|--|--|
| Qualification without Conditions determination (prerequisite to further review by DCA), as set forth in the 2015 DCA QAP   | Completed Performance Workbook or Evidence supporting a Qualification without Conditions determination if Request for Qualification Determination has been reviewed by DCA within the past nine (9) months |
| Successfully completed two (2) 4% tax credit/bond deals, each with a minimum of 80 units, in or outside of Georgia with a controlling interest in the General Partner and Developer entities (after January 1, 2000) | Evidence—such as a confirmation letter from the syndicator or investor of each deal—that each property reached stabilization (90% occupancy for 90 consecutive days)                                       |

| Criteria (cont.)   | Documentation (cont.)   |
|--|---|
| Substantive positive collaborative experience with mission-driven entities in the area of affordable housing development | One (1) reference letter from a PHA OR three (3) reference letters from any combination of PHAs, community development corporations or non-profit housing organizations exhibiting substantive positive collaborative experience in the area of affordable housing development, including a narrative of how the referenced experience demonstrates the respondent's ability to undertake the Program |

## 5. Qualification Evaluation

All timely responses will be evaluated in accordance with the following steps. The objective of the evaluation process is to identify the responses which represent the capacity to undertake this Program. The State Entity will announce the results of the RFQ as described further in Section 5.3 “Public Award Announcement” of this RFQ.

### 5.1. Administrative/Preliminary Review

First, the proposals will be reviewed by the Issuing Staff Member to determine the proposal's compliance with the following requirements:

1. Proposal was submitted by deadline in accordance with Section 2
2. Proposal is complete and contains all required documents

### 5.2. Qualification Criteria

The Evaluation Team will review each proposal in detail to determine its compliance with the RFQ criteria in Section 4 of this RFQ, including respective documentation. If a proposal fails to meet an RFQ criteria in Section 4 of this RFQ, including respective documentation, the State Entity will determine if the deviation is material. A material deviation will be cause for rejection of the proposal. An immaterial deviation will be processed as if no deviation had occurred. All proposals which meet the criteria in Section 4 of this RFQ, including respective documentation, will be considered “Responsive Proposals” at that point in time and will be included in the list of qualified developers.

### 5.3. Public Award Announcement

The results of the evaluation will be announced through the public posting of a list of qualified developers to the DCA website. After this posting, the second stage RFQ and selection of a developer by the PHAs will commence.

## 6. List of RFQ Attachments

- Georgia RAD Multi-Site Bond Program Description
- DCA 2015 Performance Workbook