



State of Delaware
Delaware State Housing Authority
Request for Proposal (RFP)
For Consultant Services for Delaware's Qualified Allocation Plan
(QAP)
2018

November 2016

To be completed:
From January 2017 – January 2018

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Project Overview

A. Introduction

The Delaware State Housing Authority (DSHA), a public corporation in the State of Delaware, is soliciting proposals from qualified offerers (“Applicant”(s)) to assist DSHA in its comprehensive review and revision of the Delaware Qualified Allocation Plan (QAP) and QAP attachments (including the Housing Development Fund (HDF) Supplement).

DSHA intends to hire a consultant (contractor) to assist DSHA in its comprehensive review and revision of the QAP. The goal is for the new QAP to be effective in January, 2018 and applicable for the 2018 competition for Low Income Housing Tax Credits (LIHTC) and financing of multifamily developments via the State’s housing trust fund known as HDF, the National Housing Trust Fund (NHTF), and the HOME Investment Partnership program, as well as the award of any such funds occurring after the effective date of the QAP.

The specifications contained in this RFP shall be considered to be clear and complete unless written attention is called to any apparent discrepancy or omission thereof prior to the opening of proposals.

The Applicant agrees that any estimates as stated in the RFP are only to provide a uniform basis for comparison of proposals and are not represented to be accurate. Such estimates shall not be considered a binding feature of any contract nor in any other way to determine a liability against DSHA.

B. DSHA Overview

DSHA was created in 1968 as a public corporation in the Delaware State Department of Housing. Since then, when the Delaware General Assembly appropriated \$100,000 for first-year operations, DSHA's physical and financial assets have grown to \$1.2 billion and the agency is now an independent authority in the Executive Department with its Director reporting directly to the Governor as a member of the Cabinet.

DSHA has the power to make loans and grants to both for-profit and nonprofit housing sponsors; to make loans to mortgage lenders and require that they use the proceeds to make new residential mortgage loans; to apply for and receive subsidies from the federal government and other sources; and to issue its own bonds and notes. In addition to its role as the State's Housing Finance Agency, DSHA is unique in that it is also serves as a Public Housing Authority and acts as a Community Development and Planning Agency.

As a Public Housing Authority, DSHA owns and operates public housing sites and operates the Housing Choice Voucher program in Kent and Sussex counties, two of Delaware's three counties. As a U.S. Department of Housing and Urban Development (HUD) Community Development Agency, DSHA administers the Community Development Block Grant (CDBG) program in Kent and Sussex Counties, HOME funds statewide, as well as the Emergency Solutions Grants (ESG), Housing Opportunities for People with AIDS (HOPWA), and Neighborhood Stabilization Program (NSP) programs. In addition to these HUD-funded programs, DSHA manages a variety of state and locally-funded programs, including below-market rate mortgages, down-payment and settlement assistance,

foreclosure prevention programs, and financing for multifamily developments via HDF, NHTF, LIHTC, and HOME.

C. Background

DSHA is the administrator of the federal LIHTC program in Delaware and operates the LIHTC program in accordance with the U.S. Internal Revenue Code and applicable federal and state laws, including a QAP. Delaware's QAP is adapted and published annually. The annual process includes input from DSHA staff (from Development, Policy and Planning, Compliance, and Asset Management sections) and various stakeholders, including developers, nonprofits, lenders, and investors. A public forum is held to discuss possible changes to the annual QAP and gather feedback. After a draft is published, a public comment period commences and is closed upon a final public hearing. The final draft is presented to the Director of DSHA for approval. After approval, the draft is presented to the Governor for annual certification.

As the LIHTC program has grown and developed over its 30-year implementation, DSHA's QAP has not had an intense review or substantial overhaul in quite some time. DSHA intends to hire a consultant (contractor) to provide input and research into the strategic planning, resource allocation, and statewide housing policy and programs. The revised QAP will be signed by the Governor and become effective by January 15, 2018.

Copies of the 2016 Delaware QAP and QAP Attachments are available online at: http://destatehousing.com/Developers/dv_lihtc.php. DSHA will also provide a Microsoft Word copy of the 2016 QAP and QAP Attachments to the selected consultant.

D. Request for Proposals

This RFP is issued pursuant to 29 Del. C. §§ 6981 and 6982. The contract will be awarded to the most responsible applicant that offers the most advantageous proposal, taking into consideration responsiveness to the evaluation criteria established within this RFP, as well as costs for the proposed services, and time frame needed to complete the review. Proposals will be opened publicly and evaluated privately.

Proposals will be reviewed against the evaluation criteria and members of a proposal review committee will make a recommendation for an award. The Director of DSHA will subsequently make the final announcement of the awarded proposal.

Scope of Work

A. Project Details

The following is a list of objectives with respect to data collection and analysis for the Delaware QAP. The scope of services to be provided by the selected consulting organization shall include, but not be limited to, the following:

1. Research and Evaluation of Existing QAP

Consultant will research and evaluate criteria used in Delaware and other states, as well as "best practices" adopted by the National Council of State Housing Finance Agencies (NCSHA). Research

will include a review of the current Delaware Housing Needs Assessment and Consolidated Plan, and state strategies for investment to assist in meeting the State's goals and objectives for affordable housing through the LIHTC program.

Research will include, but not be limited to, the following areas:

- IRS requirements;
- LIHTC allocations and pools;
- Threshold requirements;
- Ranking and points categories;
- Application processes, including the application, attachment requirements and procedures;
- Review and selection process;
- Tax-exempt bond financing;
- HDF, HOME, NHTF, and other state financing processes as applied to the LIHTC program;
- Underwriting guidelines and processes; and
- Other applicable DSHA LIHTC policies and procedures as necessary.

2. Coordination and Facilitation of QAP Process

Consultant will be responsible for:

- Scheduling and holding meetings, focus groups, and/or interviews with DSHA staff, nonprofit stakeholders, for-profit stakeholders, lenders, investors, syndicators, other state agencies, and public stakeholders to receive input on the existing and proposed changes to the QAP;
- Producing draft revisions of the QAP (including attachments) and incorporating suggestions of stakeholders and DSHA;
- Providing one or more drafts of the QAP to DSHA for review and approval, in Microsoft Word format, or a format as otherwise specified by DSHA;
- Scheduling and conducting appropriate public hearing(s) in accordance with federal and state requirements as needed; and
- Creating and maintaining appropriate records of meetings and hearings, in accordance with applicable federal and state laws, including the Delaware Freedom of Information Act, and making such records available to DSHA on a regular basis.

3. Recommendations to DSHA

Consultant will make recommendations to DSHA concerning the processes, procedures, policies, and other matters related to the adoption of the 2018 Delaware QAP.

4. Other Duties and Schedule

Consultant will comply with the general DSHA timeline and schedule for adoption of the 2018 QAP. Consultant will provide a Microsoft Word and PDF copy of the Draft 2018 Delaware QAP (including attachments) as finalized by DSHA no later than September 1, 2017, unless otherwise specified by DSHA. Consultant will provide copies of all records of meetings, focus groups, interviews, and

hearings (as described in section A. (1) and (2) above) to DSHA no later than June 1, 2017, unless otherwise specified by DSHA.

Consultant will perform other duties, as assigned by DSHA, related to the adoption of the 2018 Delaware QAP.

Proposal Format, Content, and Submission Requirements

A. Submission of Proposals and Deadline

Provide one paper copy and one electronic copy (via CD or flash drive) of the Proposal in a single, sealed, company-marked, envelope clearly labeled, "DSHA Consulting Services for QAP" to DSHA by 4:00 p.m. EST on December 12, 2016. The Proposal should be addressed to:

Ruth Ann Jones
Delaware State Housing Authority
18 The Green
Dover, DE 19901

Proposals will not be accepted after 4:00 PM on December 12, 2016. Proposals will be opened publicly and evaluated privately.

There is no expressed or implied obligation for DSHA to reimburse responding firms for any expenses incurred in preparing proposals in response to this request.

DSHA reserves the right to retain all proposals submitted and to use any ideas in a proposal, regardless of whether that proposal is selected.

Submission of a proposal indicates acceptance by the applicant of the conditions contained in this RFP, unless clearly and specifically noted in the submitted proposal and confirmed in the contract between DSHA and the selected consultant.

B. Equal Opportunity

All qualified persons and firms will receive consideration without regard to race, color, religious creed, ancestry, national origin, age, handicap or sex. Minority Business Enterprises, (MBE), Women-Owned Business Enterprises (WBE), Veteran-Owned Business Enterprises (VBE), Service-Disabled Veteran-Owned Business Enterprises (SDVOBE), Individuals with Disabilities Owned Business Enterprises (IWDBE) and Small Business Focus (SBF) program vendors are encouraged to apply.

C. Subcontracting

Applicants submitting proposals are encouraged to consider subcontracting portions of the engagement to small businesses owned and controlled by socially- and economically-disadvantaged individuals. If this is to be done, the name and role of the proposed subcontracting firm(s), must be clearly identified in the proposal. Following the award of the contract, no additional subcontracting will be allowed without consent from DSHA.

D. Questions about the Request for Proposals

This Request for Proposals is also available on DSHA's website at <http://www.destatehousing.com> and on the State of Delaware's Bid Solicitation Directory at <http://www.bids.delaware.gov>.

To answer any questions related to the scope of work, requests for additional information, and/or concerns about the submission of the proposal, an informational meeting, via teleconference, is scheduled for 2:00 PM on November 15, 2016.

Interested applicants may also ask questions about the RFP on DSHA's RFP Forum (<http://www.destatehousing.com/forum>). Questions from the informational meeting and DSHA responses will also be posted on the Forum.

E. Minimum Proposal Requirements

Contents of the proposal must include:

1. An executive summary of not more than one page;
2. A description of approach/methodology to the scope of services;
3. A description of deliverable products;
4. An implementation schedule of how the review should progress, and at what points various tasks will be completed, including at 25%, 50%, and 75% of completion;
5. A general background of the applicant's organization, including:
 - a. A description of similar studies undertaken;
 - b. The location of the organization;
 - c. Description of the organization's capabilities in analyzing both regional and national trends and experience working with other state Housing Finance Agencies and/or other state QAPs;
 - d. Resumes of staff members to be assigned to this review;
 - e. Samples of similar work completed in the last three years; and
 - f. Names and contact information for three references familiar with similar work (must include at least one reference from a state Housing Finance Agency);
6. Costs by work product;
7. Signed applicant warranty; and
8. Subcontracting plan, if any, and necessary certifications of subcontractors.

F. Debarred, Suspended, and Ineligible Contractors

The applicant certifies by submission of a proposal that it is not a debarred, suspended, or ineligible contractor by any Agency of Federal or State government. (No proposal received from a debarred, suspended, or ineligible contractor will qualify for award).

G. Acceptance of Proposals

DSHA reserves the right to reject any and all proposals, to accept or reject any part of any proposal, or to waive informalities and minor irregularities in the proposals. Proposals which contain erasures, alterations, conditional proposals, omissions, or irregularities may be rejected.

H. Consultant Selection and Contract Execution

Each proposal will be rated and ranked in accordance with the following criteria:

1. Approach for conducting comprehensive review (20 points);
2. Specific methodologies for completing various aspects of the review (15 points);
3. Demonstrated ability, capacity, and previous experience with other state housing finance agencies (15 points);
4. Technical qualifications and experience with the LIHTC program of individuals to be assigned to the project (15 points);
5. Ability to meet proposed timetable (15 points);
6. Total price of review and services (10 points); and
7. Continuity and stability of applicant (10 points).

Based on a review of submitted proposals, a list of no more than three (3) applicants will be selected for interviews. DSHA reserves the right to award a contract based solely on the proposals or to negotiate further with one or more applicants. The selected consultant will be chosen on the basis of the greatest benefit to DSHA, not necessarily on the basis of the lowest price. The selected consultant agrees, if successful, to execute a contract within 20 days after Notice of Award. No contract may be assigned, either in whole or in part, without the prior approval of DSHA.

DSHA may request additional information or clarification from applicants during the evaluation process.

I. Contract Price and Payment

The Proposal must state the total planned hours and hourly rate by staff classification of those anticipated to work on the project. An all-inclusive maximum fee for each work product, broken out by planned hours and hourly rates by staff classification must be provided, as well as an all-inclusive maximum fee for the entire scope of work.

The price quoted in the proposal must be firm and not subject to change by vendor for ninety (90) days from the date of proposal opening. The price shall represent the total cost to DSHA including direct, indirect, and out-of-pocket costs. Quoted costs should include meetings with DSHA staff and a presentation of the main findings of the report during at least one major public event.

Payments shall be made upon approval by DSHA for work products submitted at 25%, 50%, and 75% completion. The final 25% will be paid upon completion and approval of all products.

Timeline

A. RFP Timeline

November 15, 2016: Informational meeting, via teleconference, prior to submission of proposals

December 12, 2016: Proposals due to DSHA

Week of January 2, 2017: Interviews

Week of January 9, 2017: Execute contract and commence work

B. Review Timeline

Interim due dates are estimated and will be confirmed upon execution of a contract. Applicants are encouraged to develop their own more detailed proposed timelines for completion of the project. All work products must be complete by January 1, 2018.

Week of January 9, 2017: Initial meeting with DSHA

March 1, 2017: Review and update of timeline, proposed meetings, and QAP research methodology recommendations

June 1, 2017: Stakeholder meetings complete, initial research of QAPs complete, report of data collected (25% completion)

August 1, 2017: Written recommendations and draft language for QAP (including attachments) and other applicable documents (50% completion)

September 1, 2017: Draft of full QAP (including attachments) and technical documents/materials due and presentation of final recommendations and draft QAP to DSHA and stakeholders (75% completion)

December 15, 2017: Draft executive summary due, review and response of public comments on draft QAP

January 2, 2018: All final deliverables, including executive summary, QAP (including attachments), and technical documents due to DSHA (100% completion)

Attachments

Attachment A – Certifications and Applicant Warranties

DELAWARE STATE HOUSING AUTHORITY

The Applicant certifies that it has current coverage under an Insurance Professional Errors and Omissions insurance policy with an amount of no less than US \$2 million per loss.

The Applicant certifies that it will provide all services set forth in this Request for Proposal, and that it will not delegate, subcontract, or assign its responsibilities without the prior written permission of the Delaware State Housing Authority.

The Applicant warrants that it is licensed to do business in the State of Delaware.

The Applicant warrants that all information provided by it in connection with this proposal is true and accurate.

Signature of Official: _____

Name (typed): _____

Title: _____

Firm: _____

Address: _____

Date: _____

Attachment B – Non-Collusion Certification

Applicant's Name (typed): _____

Address: _____

Project: _____

This is to certify that neither the above-named Applicant nor any of its officers, partners, owners, agents, representatives, employees or parties in interest, has in anyway colluded, conspired, connived or agreed, directly or indirectly, with any other Applicant, firm or person to submit a collusive or sham proposal in connection with the Contract for which the attached proposal has been submitted or to refrain from proposing in connection with such Contract, or has in any matter, directly or indirectly, sought by agreement or collusion or communication or conference with any Applicant, firm or person to fix the price or prices in the attached proposal or of any other Applicant, or to fix any overhead, profit or cost element of the proposal price of any other Applicant, or to secure through any collusion, conspiracy, connivance of unlawful agreement any advantage against the Owner or any person interested in the proposed Contract; and the price or prices quoted in the attached proposal are fair and proper and are not tainted by any collusion, conspiracy, connivance or unlawful agreement on the part of the Applicant or any of its agents, representatives, owners, employees or parties in interest.

(Signed)

Title

Date

Seal - If Applicant is a Corporation

ATTEST:

Secretary