



**REQUEST FOR PROPOSALS: TO PROVIDE TAX CREDIT COST
CERTIFICATION REVIEW AND FINANCIAL SERVICES**

RESPONSE DEADLINE:

Email one electronic copy to HCAAC no later than 12:00 p.m. (noon)
on March 2nd, 2018.

SUBMIT RESPONSES TO:

Anu Francis
Director of Finance
Housing Commission of Anne Arundel County
7477 Baltimore Annapolis Blvd.
Glen Burnie, Maryland 21061 via email only
af Francis@hcaac.org

INTRODUCTION:

The Housing Commission of Anne Arundel County (HCAAC) established in 1968, is located in central Maryland. It is dedicated to strengthening communities and improving the lives of Anne Arundel County citizens focusing on the ownership, management, sustainability and preservation of affordable housing. It has over 45 years of affordable housing and related services to low and moderate income citizens of Anne Arundel County. The Commission currently provides assistance to nearly 3,000 families throughout the county in effort to fulfill our mission to provide quality housing choices and affordable communities.

HCAAC currently owns and operates Freetown Village as public housing and proposes the ownership transfer and major rehabilitation via the United States Department of Housing and Urban Development's (HUD) Rental Assistance Demonstration (RAD).

The RAD program facilitates the conversion of public housing units to Project Based Rental Assistance (PBRA) and/or Project Based Vouchers (PBV) which allows the public housing stock to access capital to address capital needs and enhance housing conditions.

The conversion of Freetown Village via RAD is one of six HCAAC public housing properties that will undergo conversion and rehabilitation. A 4% LIHTC award for Freetown Village is a critical component of HCAAC's portfolio transition plan that allowed continued ownership and the ability to best serve Anne Arundel County's low-income residents.

In March 2017, The Housing Commission of Anne Arundel County (HCAAC) secured from Maryland Department of Housing and Community Development (DHCD) the maximum award of \$1,330,240 in annual 4% Low Income Housing Tax Credits (LIHTC), \$2,500,000 in RHFP Funds and \$750,000 in Home Funds, to renovate, reconfigure and construct new units at Freetown Village, now Whitaker Homes LLP, a newly formed entity.

Project Information

Freetown Village is an existing 154-unit family housing community located at 7820 Darnell Henry Court, Pasadena, Maryland 21122. The community was constructed in 1977, has not been significantly renovated, and requires capital improvement and repairs to remain quality affordable housing in Anne Arundel County. The community currently serves 154 households with a unit mix of 24 one-bedrooms, 48 two-bedrooms, 60 three-bedrooms, 22 four-bedrooms. Community amenities include a community room (the Boys and Girls Club), onsite management leasing office, three playgrounds, and an on-site Head Start early childhood development center.

PURPOSE: This document is a Request for Proposals ("RFP") intended to obtain proposals ("Responses") from qualified organizations ("Respondents") to provide professional services. The goal of this RFP is to identify one or more qualified organizations to contract with HCAAC to review Low Income Housing Tax Credit ("LIHTC") cost certifications, render opinions regarding compliance with the Code, and prepare associated reports. HCAAC anticipates the need for professional services for a period of six months to three years. HCAAC further anticipates that professional services will be desired for completion of approximately 40 to 60 LIHTC cost certification reviews during the next year and that approximately 30 of the reviews will include a deadline of February 28, 2018 or sooner. The period of time stated and the number of reviews stated is merely an estimate and HCAAC does not guarantee the volume of reviews to be completed or the duration of any contract.

SCOPE OF SERVICES

MANDATORY PROPOSAL SECTIONS:

Proposals shall include, at a minimum, the following mandatory, separate sections:

- Certification Transmittal Letter**
- Proposed Professional Services**
- Qualifications and Experience**
- Price Proposal**
- Proposal of Terms, Conditions and Other Requirements**

Respondents are invited to include additional information in the Proposal the Respondent may deem helpful or appropriate such as an executive summary or example of previous related work. Any such additional information should be included at the end of the Proposal.

CERTIFICATIONS

Each Proposal shall include a letter executed by an authorized official of the organization stating that:

1. The person executing the letter is authorized to enter into contracts or agreements on behalf of the Respondent; and
2. The Proposal is a firm offer which will remain valid for a minimum period of ninety (90) days; and
3. All information in the Proposal is true and correct to the best of his or her knowledge; and
4. No owner, principal or employee of the Respondent gave or will give anything of monetary value including a promise of future employment to an HCAAC employee or Commissioner, or a relative of an HCAAC employee or Commissioner, in an attempt to influence any decision to award an Agreement or to influence the decision to modify or negotiate any term contained in any such Agreement; and
5. No elected or appointed official or employee of HCAAC is financially interested, directly or indirectly, in the performance of the professional services specified in this RFP; and

PROPOSED PROFESSIONAL SERVICES:

HCAAC has the responsibility of administering the Federal Low Income Housing Tax Credit Program and the State Low Income Housing Tax Credit Program as described herein. HCAAC is responsible for submission of documentation to the Internal Revenue Service and/or the Maryland Department of Revenue regarding the appropriate amount of tax credits available to owners of Developments in connection with the construction and/or rehabilitation of affordable housing. HCAAC seeks professional services to:

1. Review cost certification documentation in connection with Developments.
2. Provide a written opinion regarding compliance with the Code and appropriate reporting of tax credit amounts to the Internal Revenue Service and/or the Maryland Department of Housing and Community Development.
3. Complete the cost certification review and submit a written report to HCAAC in a timely manner (typically five business days), which will vary depending on the degree of difficulty of

the review. The review deadline will be discussed for each cost certification review as it is received.

4. Provide a written detailed description of actions or modifications needed to remedy deficiencies in cost certifications.
5. Assist with preparation of appropriate forms outlined in Multifamily Housing and Development Programs Cost Certification Guide.
<http://dhcd.maryland.gov/HousingDevelopment/Pages/MFLibrary.aspx>.
6. Communicate to HCAAC staff any of its needs as it relates to the completion of the cost certification reviews.
7. Prior to construction start and during construction, assist HCAAC in reviewing its bookkeeping systems in order to track and properly document costs;
8. Review proration of project costs between residential and commercial portions of the project to confirm methodology for eligible basis calculations;
9. At the end of the construction period, prepare a cost certification showing both total development cost and the tax credit eligible basis;
10. Prepare the tax-exempt bond 50% test, if necessary;
11. Prepare HCAAC's entities (including its development projects with limited partnerships) and limited partnership's unaudited and audited financial statements and tax returns for 2018 (and subsequent years) by the deadlines established by the equity and financing sources;
12. Advise the sponsor on the best way in which to show transactions involving the LP on the sponsor's balance sheet; and,
13. Review the IRS Form 8609
14. Preparation of federal and state tax returns
15. Maryland Partnership Income Tax Return Forms (1065) and all applicable schedules
16. Provide any other reports required from an independent auditor
17. Assist with year 15 options analysis

QUALIFICATIONS AND EXPERIENCE

Proposals must include the following:

1. Provide the Respondent's organization name, address, telephone number, facsimile number, and e-mail address, together with an overview of the Respondent's organization, including locations within the state of Maryland and the number of employees in Maryland.
2. Identify a primary contact person within Respondent's organization.
3. Provide evidence of good standing with the State of Maryland and Federal Employer Identification Number.
4. HCAAC will require the successful Respondent to fully indemnify and hold HCAAC harmless for any acts of its employees and/or agents during the term of any Agreement executed in connection with this RFP. Describe the types and amounts of insurance Respondent carries to ensure against such liabilities.
5. Describe Respondent's qualifications and experience for the firm as a whole and for each staff member proposed to be involved in the performance of the proposed professional services.

6. Attach relevant resumes or give a brief description of the relevant experience of each individual, including licensing if applicable.
7. Describe Respondent's qualifications and experience as it relates to interpretation of the Code and application of the Code to LIHTC Developments.
8. Describe Respondent's historical experience in serving HCAAC or other state or local organizations or agencies as it relates to financed developments and issues related to LIHTC Code compliance.
9. Describe Respondent's experience in preparing or reviewing LIHTC cost certifications.
10. Provide a list of all active Developments for which Respondent is currently providing services of any kind, including but not limited to accounting or legal services.
11. In the event the Proposal includes utilization of a third-party contractor or a joint venture arrangement to fulfill a portion of this contract, please provide qualification and experience information for the third-party contractor or joint venture member.

PRICE PROPOSAL

With regard to entering into an Agreement to provide professional services for a term of up to three years, provide a price proposal that delineates a firm fixed price, per development, to provide all services including reviewing cost certification documentation in connection with Developments, providing a written opinion regarding compliance with the Code and appropriate reporting of tax credit amounts to the Internal Revenue Service and/or the State of Maryland Department of Revenue, providing a written detailed description of actions or modifications needed to remedy deficiencies in cost certifications, and preparation of appropriate forms. The fixed fee price shall be inclusive of all expenses, travel, insurance, scheduling, support, report preparation, and any other costs associated with performance of services hereunder. Submission of a fee schedule that delineates tiered fixed prices relative to the size or complexity of a development is acceptable, so long as the fee schedule is specific and clearly defines the factors that will lead to price variation.

References

The Respondent must provide HCAAC with a minimum of one (1) reference letter from an entity for which the Respondent has performed services of a similar scope as those contemplated under this RFP within the past two (2) years.