



**REQUEST FOR PROPOSALS (RFP)  
For  
FINANCIAL CONSULTANT SERVICES**

**MPHA CONTRACT 15.54**

Minneapolis Public Housing Authority  
Procurement Department – Room 203  
1001 Washington Avenue North  
Minneapolis, MN 55401

[www.mphaonline.org](http://www.mphaonline.org)

**PROPOSAL DEADLINE:**

Date: **October 9, 2015**

Time: **2:00 p.m.**

MPHA will not accept late Proposals

**PROPOSAL FORMAT:**

Submit proposal via email or on a compact disc or USB drive. The outside of the package shall state:

**MPHA Contract 15.54  
“Public Housing Financial Consulting Services”**

**DELIVER PROPOSALS TO:**

[procurement@mplspha.org](mailto:procurement@mplspha.org)

**or**

Minneapolis Public Housing Authority  
ATTN: Procurement Department  
1001 Washington Avenue North, Room 203  
Minneapolis, Minnesota 55401

# **Creative Financing Strategy for Minneapolis Public Housing**

## **I. PURPOSE**

In order to better financially support the Agency's mission of providing safe, well managed affordable housing for low income residents of Minneapolis, the Minneapolis Public Housing Authority (MPHA) is interested in retaining a consultant to work with MPHA to develop a financial and legal strategy beyond the traditional HUD funding allocations to meet the Agency's objectives. This could include working with Hennepin County, City of Minneapolis, Minnesota Housing, Fannie Mae, private developers, financial institutions, private equity investors, or other means toward this end.

## **II. SCOPE**

The proposed project scope would include the following tasks:

- Become familiar with MPHA, including its housing portfolio, vision, goals and objectives related to asset preservation and development, as well as the Agency's current funding, Capital Improvement Program, strategic plans, and the Federal, State of Minnesota, City of Minneapolis laws, rules, regulations and ordinances that promote and limit MPHA's ability to engage in development.
- Research and analyze ways other public housing authorities (PHAs) have financed residential development and redevelopment. Identify strategies and approaches that may be appropriate for MPHA to pursue regarding potential development opportunities.
- Identify a menu of public and private financial tools and sources and grants available to MPHA to assist with development and redevelopment activity.
- Develop a number of strategies for MPHA to pursue that would allow it to increase its ability to develop new housing and redevelop/preserve its housing stock including identifying and overcoming current barriers. Prioritize strategies and assess degree of difficulty, likelihood of success, risks, and needed administrative or financial changes in City and/or MPHA organizational, policies and procedures, including an analysis of staff capacity and expertise needed to execute strategy. This could include HUD programs like RAD or Project Base Section 8, creation of a non-profit entity, or changes to its governing authorization from the City and/or State.

- Identification of variables and preferred conditions to prioritize redevelopment opportunities, i.e. market conditions – ability to incorporate market rate units in redevelopment, land size, location, public transportation, zoning and opportunity for land use intensification, site amenities, etc.
- Assist and counsel on financial matters related to affordable housing programs.
- Develop a report that summarizes findings and the financial, political and legal strategies available for housing development. Considerations should be given to (a) required leverage, collateral, bond rating, reserve levels, expertise commitments, HUD, etc.; (b) barriers and challenges to implementing such a strategy, e.g. external approvals, competition and availability, laws and regulations, etc.; and, (c) the benefit/value of each strategy.
- Present findings to MPHA Executive Team and Board.

### **III. CONSULTANT EXPERIENCE**

The ideal consultant team will have the following experience and financial/legal credentials:

- Experience and knowledge of HUD rules and regulations governing Public Housing Authorities; including the Moving To Work Demonstration program.
- Experience with private and public residential developmental finance tools and opportunities, i.e. grants, low income housing tax credits, bonding, tax increment financing/tax abatement, and private sources of funding.
- Experience with public financing, City of Minneapolis and State of Minnesota regulations related to Housing Redevelopment Authorities and MPHA.
- Ability to present complicated financial strategies to staff and executives who may not be familiar with such concepts.

### **IV. TIME OF PERFORMANCE**

The CONTRACTOR'S service shall be effective on the date of the Agreement and will continue at MPHA's sole discretion for 365 consecutive calendar days or until the scope of work is completed, whichever event comes first. The Agreement will automatically expire at the end of 365 consecutive calendar days without notice to the CONTRACTOR. However, MPHA may terminate the Agreement for cause or for convenience at any time. The MPHA and CONTRACTOR may agree to extend the term of the Agreement prior to its expiration date. The maximum term of the Agreement will be five years.

## **V. GENERAL INSTRUCTIONS/CONTENT OF SUBMITTAL**

Firms/individuals submitting a response to this solicitation must submit all information that the CONTRACTOR wants MPHA to review. The CONTRACTOR shall include information on their ability to perform the services requested. By submitting a response, the CONTRACTOR represents it is capable of performing all services in the Scope of Services. The response must be organized into 6 components as follows:

1. Provide background information on your organization including:
  - a. Name, Address, and Tax Identification Number;
  - b. The number of years providing the services listed in the scope of work;
  - c. The total number of employees and organizational structure;
  - d. Any industry reports, recognitions, certifications, and/or articles regarding the organization's work related to housing development, mixed-finance developments, working with Public Housing Authorities, HUD, HRAs, and public finance.
2. Provide information on your organization's current clients, including:
  - a. Those who are and/or have received similar services related to public housing finance;
  - b. A brief description of the services provided.
3. Provide information on the individuals who will work on MPHA's account and include their qualifications, education, skills, and specific experience that relates to the scope of work. Highlight any special skills or experience that makes you a better selection than other competing firms. Briefly outline your approach in meeting the expected outcomes.
4. Provide a fee schedule for all activities listed in the Scope of Services (Time and Materials)
5. If your firm uses a written agreement or letter of engagement detailing services provided, please include a sample.
6. Indicate whether your firm is a women or minority owned or Section 3 business enterprise.

## **VI. SELECTION PROCESS**

MPHA may or may not select a CONTRACTOR. All submittals received in response to this solicitation are the property of MPHA. The CONTRACTOR bears all costs of the preparation and submission of their submittal.

## **VII. EVALUATION CRITERIA**

### **Point Ranges**

- 0-35 Points. Qualifications and experience of staff assigned and general organizational capacity and approach to the services required.
- 0-35 Points. Past record of performance, demonstrated experience in all aspects of public finance and development
- 0-25 Points. Cost of Services
- 0-5 Points. Commitment to affirmative action; minority/women owned business enterprises.

## **VIII. WOMEN AND MINORITY OWNED BUSINESS (W/MBE) AND SECTION 3 PLAN AND STRATEGIES**

Indicate if CONTRACTOR is a W/MBE enterprise. MPHA has a participation goal of 20% for minority-owned business enterprises (MBE) and 7% for woman-owned business enterprises (WBE). Describe strategies CONTRACTOR will use to maximize W/MBE participation. Document your commitment to Affirmative Action and W/MBE participation in hiring employees and subcontracting activities.

Indicate if CONTRACTOR is a Section 3 enterprise. Section 3 is part of the HUD's Act of 1968 with the purpose of ensuring employment and other economic development opportunities for low income persons when federal dollars are expended. Except for contracts solely for materials, Section 3 requires a recipient of federal funds to the greatest extent feasible to subcontract at least 10% of the total dollar amount of all contracts to certified Section 3 businesses and to hire Section 3 Residents. Describe strategies in complying with Section 3.

## **IX. INDEMNIFICATION**

CONTRACTOR shall defend, and hold MPHA, and its officers, directors, employees, agents, successors and assigns harmless from all claims, actions, causes of action, suits, demands, judgments, damages, liability, costs, expenses and reasonable attorneys fees arising out of CONTRACTOR's negligent performance or intentional misconduct of the Contract.

Except as stated in the paragraph below, Insurance, CONTRACTOR is not obligated to protect, indemnify and save MPHA, its officers, directors, employees, agents, successors and assigns harmless from and against liabilities, losses, damages, costs, expenses including attorney's fees, causes of action, suits, claims, demands and judgments arising out of the negligence of MPHA or its agents, employees or officers.

## **X. INSURANCE**

Prior to commencement of work, CONTRACTOR shall furnish MPHA with a Certificate of Insurance showing coverage in force throughout the term of this Contract as described below. The insurance shall be in force on the date of execution of the Agreement shall remain for the duration of the Agreement and shall survive the termination of this Agreement.

CONTRACTOR shall name MPHA as an “additional insured” under general and automobile liability and shall defend and indemnify MPHA from any claims arising out of or resulting from the operations of this Agreement regardless of whether MPHA or CONTRACTOR is at fault. Each policy of insurance shall provide for 30 days advance written notice to MPHA prior to the effective date of any cancellation.

CONTRACTOR shall pay the cost for the policies of insurance, including all deductibles and retention costs, which shall provide coverage against claims arising out of or resulting from the operations of this Agreement regardless of whether MPHA or CONTRACTOR is at fault. The insurance shall provide the minimum coverage and limits specified below:

1. WORKERS’ COMPENSATION in accordance with Minnesota Workers’ Compensation laws for all of CONTRACTOR’S employees engaged under this Agreement and Coverage B with policy limits of \$500,000 per accident.
2. COMMERCIAL GENERAL LIABILITY providing comprehensive general liability, bodily injury and property damage coverage with minimum limits of \$1,500,000 per occurrence. The policy shall cover all claims arising out of or resulting from the operations of this Agreement regardless of whether MPHA or CONTRACTOR is at fault.
3. PROFESSIONAL LIABILITY – Professional Liability Coverage for negligent acts, errors or omissions arising out of the professional services under this Agreement in the minimum limit of liability of \$1,500,000 per claim.

## **XI. STATE AND FEDERAL DATA PRACTICES ACT**

CONTRACTOR may have access to information or data that is classified as “not or non-public” under the Minnesota Government Data Practices Act or applicable Federal law. The CONTRACTOR must maintain the confidential nature of any data or information received in the course of providing services. The unauthorized disclosure of “not or non-public” data may be subject to civil and criminal penalties under the Minnesota Government Data Practices Act and applicable Federal law.

Any person performing services under this Agreement and having access to data that is subject to the Minnesota Government Data Practices Act shall sign and return an original “Data Privacy Statement.”

## **XII. RETENTION OF RECORDS**

1. Examination and Retention of CONTRACTOR'S Records. The MPHA, HUD, or Comptroller General of the United States, or their duly authorized representatives shall, until six years after final payment under this contract, have access to and the right to examine any of the CONTRACTOR'S books, documents, papers, or other records involving transactions related to this contract for any permissible purpose such as making an audit, examination, excerpt, and transcript.
2. Right in Data and Patent Rights (Ownership and Proprietary Interest). The MPHA has exclusive ownership of all proprietary interest in, and exclusive possession of all information, materials, and documents discovered or produced by CONTRACTOR under this Agreement. This includes reports, memoranda or letters concerning the research, reporting tasks of the Agreement and others.
3. Termination for Cause and for Convenience for Agreements of \$10,000 or more. MPHA may terminate this Agreement in whole or in part, for MPHA's convenience or for cause. MPHA shall deliver a written notice to terminate by delivering to the CONTRACTOR specifying the nature, extent, and effective date of the termination. Upon receipt of the notice, the CONTRACTOR shall as directed in the notice:
  - (a) Immediately discontinue the services.
  - (b) Deliver to the MPHA all information, reports, papers, and other materials accumulated or generated in performing the contract, whether completed or in process.
  - (c) If the termination is for the convenience of the MPHA, the MPHA shall be liable only for payment for accepted services rendered before the effective date of the termination.
  - (d) If the termination is for cause due to the CONTRACTOR's failure to fulfill its Contract obligations MPHA may:
    - Take over the work and prosecute the work to completion by contract of otherwise, and hold CONTRACTOR liable for MPHA's damages and costs; and
    - Withhold any payments to the CONTRACTOR to off-set MPHA's damages and costs MPHA's Contracting Officer shall decide any dispute.

## **XII. CONTRACT ADMINISTRATOR AND INQUIRIES**

Direct written questions about this solicitation to Dean Carlson, Housing Development Project Manager through e-mail at [dcarlson@mplspha.org](mailto:dcarlson@mplspha.org)

All written questions must be submitted by 2:00pm **September 30, 2015**.

MPHA will respond to timely submitted written questions by **October 2, 2015** to each party that received an invitation to quote.

MPHA will not respond to oral or untimely questions.

**XIII. SUBMITTAL LOCATION/DEADLINE**

MPHA must receive submittals to this solicitation on or before **October 9, 2015** by email at [procurement@mplspha.org](mailto:procurement@mplspha.org) or on a compact disc or USB drive to the address below.

Minneapolis Public Housing Authority  
ATTN: Procurement Department  
1001 Washington Avenue North, Room 203  
Minneapolis, Minnesota 55401