

# **STATE OF NEVADA HOUSING DIVISION**

## **Request for Proposals**

### **Multifamily Construction and Asset Management**

**Issuance Date: June 1, 2009**

**State of Nevada  
DEPARTMENT OF BUSINESS AND INDUSTRY  
Housing Division  
1535 Old Hot Springs Road #50  
Carson City, NV 89706  
[www.nvhousing.state.nv.us](http://www.nvhousing.state.nv.us)**

**Proposals must be submitted no later than June 15, 2009**

## **Section 1 –Request for Proposals Guidelines**

### **1.1 Introduction**

The State of Nevada Housing Division (NHD) is seeking proposals from qualified entities to provide construction / asset management services for multifamily housing projects funded with programs authorized by the American Recovery and Reinvestment Act. The asset management services provided will be in accordance with all applicable program rules, regulations, and policies issued by NHD.

NHD will be selecting an asset management company who will advise and consult with NHD staff and who will implement and complete all other services listed in section 2.1.

Eligible applicants include individuals and/or companies that can demonstrate that they have the experience to provide the required services and meet the evaluation criteria as outlined in this RFP.

### **1.2 Schedule of Events**

NHD has established the following schedule for selection of the asset management contractor:

<u>Event</u>	<u>Date</u>
Final Selection	June 24, 2009

Schedule is subject to change. NHD will provide notification if schedule is revised.

### **1.3 Proposal Submissions**

Proposals must be submitted in Adobe PDF format. Proposals may be e-mailed to Hilary Lopez, Ph.D., Chief of Federal Programs at [hlopez@nvhousing.state.nv.us](mailto:hlopez@nvhousing.state.nv.us), with a copy to [mlicea@nvhousing.state.nv.us](mailto:mlicea@nvhousing.state.nv.us). The subject line should read “Multifamily Asset Management RFP Response”. Proposals, in Adobe PDF format, may also be copied on a CD-ROM and mailed to the address below:

Nevada Housing Division  
Attn: Hilary Lopez  
1535 Old Hot Springs Rd. #50  
Carson City, 89706

Proposals received after the due date and time will be ineligible for consideration.

Any applicant who wishes to confirm receipt of their proposal may contact NHD by email at either [hlopez@nvhousing.state.nv.us](mailto:hlopez@nvhousing.state.nv.us) or [mlicea@nvhousing.state.nv.us](mailto:mlicea@nvhousing.state.nv.us) NHD will respond by e-mail with confirmation of receipt of the proposal.

#### 1.4 Right to Request Information

NHD reserves the right to request any additional information to assist in the review process for the proposal, including the requirement of oral presentations of proposals to NHD staff members.

#### 1.5 Right to Reject Proposals and Cancel RFP

NHD reserves the right to reject any and all proposals at any time. NHD reserves the right to cancel, withdraw, modify or reissue this RFP at any time for any reason.

#### 1.6 Award of RFP

The RFP will be awarded to the applicant that gives NHD the most effective combination of qualifications, services to be provided, understanding of the construction management and asset management services needed for a state housing agency, demonstration of the ability to identify and analyze key issues, assurances and availability of key personnel, and costs.

The awarded applicant will be posted on the NHD website after formal approval by the NHD staff on or before July 1, 2009.

#### 1.7 Agreement for Services

The awarded applicant that will provide the construction management/asset management services described in this RFP will be required to complete and submit an Agreement for Services covering the terms of this RFP. The Agreement for Services will begin on July 1, 2009 and expire December 31, 2010, with a possibility for extension.

### **Section 2 – Scope of Services**

NHD is seeking a qualified individual and/or company to serve as asset manager. The selected individual / company will have extensive experience providing the required services specifically for investors in projects funded through the Low Income Housing Tax Credit Program. In the response, describe your or your company's ability and experience to provide each of these services.

#### 2.1. Requirements for Construction Management Services

- Receive, review, and act upon construction inspections conducted by 3rd party architects on bi-weekly or monthly basis
- Review and approve in consultation with NHD, construction change orders and modifications to the project
- Assist with the division's draw process as needed (funding draws will be administered by NHD)

- Monitor construction draws from NHD and other lenders
- Participate in ‘draw’ meetings, and other project meetings as needed
- Establish and maintain project reserve accounts

## 2.2. Requirement for Asset Management Services

- Before project funding is finalized by NHD, analyze (underwrite) and provide recommendations regarding the sustainability of all proposed projects subject to this contract
- Manage and enforce subsidy recapture and ownership / management performance requirements through liens, mortgages, partnership agreements, or by other methods deemed appropriate by NHD
- Review initial tenant qualification file; Review lease up progress reports
- Review and monitor lease-up reserves
- Receive and review monthly reports, e.g. occupancy level, reportable incidents
- Review quarterly reports, e.g. income statement, balance sheet, certificates of insurance
- Monitor debt service
- Prepare and present a quarterly portfolio performance report to NHD using methods described by NHD, including any on-line systems
- Manage operating reserves and replacement reserves, including approval of expenditures
- Prepare annually an Annual Budget Analysis, Cash Flow Trend Analysis – Cash Flow, a Reserve Burn Rate Analysis, Operating Cost Analysis, and other special reports
- Review draft audits prepared by independent auditors; ensure delivery of audits to NHD
- Conduct site inspections to ensure property is being maintained in accordance with the Uniform Physical Condition Standards and other NHD guidelines
- Monitor LIHTC compliance through review of tenant files during first year lease up, initial tenant certification, and any required recertifications
- Recommend and implement project “workouts”
- Provide training and technical assistance as needed
- Prepare disposition and/or refinancing analyses, as needed

Other duties may be negotiated.

## **Section 3 – Required Information to be provided in Response to Proposal**

### 3.1 Individual’s Experience / Company Description

Please describe your or your company’s experience in regards to construction/asset management services. The company description must include, but is not limited to, the following:

- Location and size
- Number of years of operation
- Organizational structure
- Number of years experience providing asset management services
- List of current clients and number of years in service

- Number of years underwriting affordable housing projects funded with tax credits and/or other public financing sources and describe type of projects including size of projects, size and terms of loans, and other relevant information
- Describe experience with cost estimation

### 3.2 Individual's References / Company References

Attach references with particular attention to state housing division.

### 3.3 Staff Qualifications

- Identify the key individuals who would be assigned to work with NHD. Describe the level of staffing and service that NHD would receive, including the nature of the work that each person would perform and their related professional experience.
- Specify which person would be designated the primary contact person for NHD.

### 3.4 Staff Resumes

Furnish resumes for each individual identified in item 3.3. Include references and phone numbers.

### 3.5 Locations

Identify the location of the office(s) in which the staff members in 3.3 are located.

### 3.6 Cost Proposal

Outline the fee schedule using an assumption of 7 to 10 projects under construction management for a period of up to eighteen months. Prepare a separate fee schedule for asset management services. Include in the fee schedules any and all applicable fees to perform the construction and asset management duties described above. Outline the fee schedule with and without physical inspections during the compliance/asset management period of up to fifteen years. NHD anticipates entering into an eighteen month contract with opportunity for one-year extensions to be exercised at NHD's discretion.

Include specific line item for travel. Projects will be located throughout Nevada and position will require moderate travel but the Division's best effort will be made to work with developers to schedule multiple appointments, draw meetings, etc on same or sequential days within geographic areas.

**Note: NHD cannot guarantee any specific number of projects subject to the contract at the time the RFP is issued.**

### 3.7 Litigation, Administrative Proceedings, Investigations

Please describe any pending or resolved material litigation, administrative proceedings, investigations, or fair housing complaints in which your company has been involved in the previous five years.

### 3.8 Additional Information

Please provide your company's financial statements for the last two years.

### 3.9 Other Qualifications

Please provide any other qualifications that should be considered.

## **Section 4 – Evaluation Process**

### 4.1 Minimum Evaluation Requirements

An NHD Internal Evaluation Committee will evaluate the responses to this RFP. Each proposal will be evaluated to ensure that the applicant has complied with each section of this RFP and followed the formatting, organizational and submission requirements as described in this RFP.

*Preference may be placed on local individuals / companies who clearly demonstrate the ability to carry-out the duties of this RFP; as there may be less of a logistical burden on the individual / company; and their understanding of the local development community may facilitate their effectiveness.*

## **Section 5 – Preparing and Submitting the Proposal**

### 5.1 Proposal Organization and Format

NHD requires the applicant to follow the formatting described below when submitting the proposal:

- Proposals will be typed on letter size paper, single-spaced with one-inch margins and a 12-point font.
- Proposals will be organized and presented in correct order with the section headings and numbers as assigned in the RFP. Each heading will be clearly labeled and separated by tabs.
- Each response to this RFP will include the Letter of Transmittal as a cover page. See **Exhibit A** for the format of the Letter of Transmittal.
- Include a Table of Contents on the second page of the RFP.

### 5.2 Submitting the Proposal

Proposals must be e-mailed, mailed, or hand delivered in Adobe PDF format (see Section 1.5). By submitting a proposal, the applicant agrees to the following:

- All materials submitted become the property of NHD and shall be public information unless a statutory exception exists which would thereby determine that such information cannot be released to the public. If you have information in your proposal that you believe is an exemption to the public records laws you must identify each and every occurrence of the information in the proposal on a separate page titled “Exemptions to the Public Records Law”.
- Applicants will respond to all requirements in this RFP and comply with any terms and conditions outlined in the RFP. Failure to do so may result in disqualification of the proposal.
- All costs incurred in preparation of a proposal shall be borne by the applicant. Proposal preparation costs are not recoverable under the Agreement for Services. NHD shall not contribute in any way to recovering the cost of proposal preparation.
- If during the evaluation process it becomes necessary to make further distinctions between certain applicants, NHD may request certain applicants make oral presentations of proposals to NHD staff members.
- Proposals received after the deadline will not be reviewed. Applicants are advised that there will be no opportunity to correct mistakes or deficiencies in their proposal after the submission deadline. Proposals that are missing required forms and or information may not be evaluated. It is the sole responsibility of the applicant to ensure its proposal is complete, accurate, responsive to the requirements, and received before due date. Proposals not complying with the requirements of the RFP may not be reviewed.
- Proposals received prior to the due date shall remain sealed until the posted due date.

**EXHIBIT A**

*Note: Submit the following on your company's letterhead*

**LETTER OF TRANSMITTAL**

Nevada Housing Division  
Attn: Hilary Lopez  
Multifamily Asset Management – RFP Request  
1535 Old Hot Springs Road #50  
Carson City, NV 89706

Dear Nevada Housing Division:

In accordance with the Request for Proposal, we are pleased to submit our proposal.

\_\_\_\_\_ (Company Name) will provide construction management and asset management services to NHD for the period of \_\_\_\_\_ to \_\_\_\_\_ in accordance with the requirements of the Request for Proposal issued by NHD.

Any information or questions concerning this proposal should be directed to \_\_\_\_\_ (firm's liaison) at the following address and telephone number: \_\_\_\_\_.

Respectfully,

\_\_\_\_\_ (signature)  
Authorized Officer of Company  
Printed Name and Title