

HOUSING COMMISSION

Howard County

REQUEST FOR PROPOSALS

HCHC RFP No. 02-12-2016

**Howard County Housing Commission
6751 Columbia Gateway Drive, Third floor
Columbia, Maryland 21046**

UNDERWRITING SERVICES

Issuance Date: December 14, 2016

Submission Deadline: 2:00 p.m. Eastern Prevailing Time on January 3, 2017

Questions Deadline: 5:00 p.m. EPT on December 21, 2016. See Section 9 for details.

**Issued by:
Howard County Housing Commission
Ada D. Best, Acting Executive Director**

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1. INTRODUCTION

It is the intent of the Howard County Housing Commission (the “Commission”) to issue tax-exempt revenue bonds for a total amount of approximately \$68 million for the Commission’s acquisition of a multi-family residential project more fully described herein. The Commission anticipates a closing date of on or about February, 28, 2017.

2. COMMISSION BACKGROUND

Organized in 1990, the Commission is an independent State-chartered Public Housing Authority. The mission of the Commission is to provide safe, quality, affordable, and sustainable housing opportunities for low- and moderate-income families in Howard County, Maryland (the “County”) and to assist them in moving toward economic independence. The Commission pursues this mission through open, efficient, innovative, and accountable processes.

The Commission’s Board of Commissioners consists of seven members, each appointed by the County Executive and approved by the County Council. The Commission develops and manages housing resources to benefit low- and moderate-income residents of the County. In addition to owning and managing residential property, the Commission develops housing opportunities through cooperative efforts with developers, government entities, and private investors. Additionally, the Commission operates the federally funded Housing Choice Voucher Program for the County. The Commission is Rated “A+” with a stable outlook by Standard & Poor’s.

3. CONTRACTOR’S QUALIFICATIONS AND ELIGIBILITY

- 3.1 The Contractor must be a corporation or company that is validly existing and permitted to do business in Maryland. Additionally, the Contractor must be in good standing with the Maryland State Department of Assessments and Taxation. More information is available at <http://www.dat.state.md.us/>.
- 3.2 The Contractor must possess all necessary licensing under Maryland law to provide the services specified in this RFP.
- 3.3 The Contractor must clear the federal debarment list under the U.S. System for Award Management (SAM). Federal debarment is checked for both the company and principal(s) of the company. More information is

available at <https://www.sam.gov/portal/public/SAM/>.

- 3.4 The Contractor must have a proven record of providing the services required. The Commission reserves the right to perform investigations as may be deemed necessary to ensure that competent personnel and management will be utilized in the performance of the services.

4. PROJECT OVERVIEW

The Commission intends to enter into a purchase and sale agreement to acquire the multi-family residential project known as Woodfield at Oxford Square, located in Howard County, MD for a purchase price of approximately \$66 million.

Built in 2016, Woodfield at Oxford is a 248-unit mid-rise apartment complex containing four buildings, situated upon one parcel with an area of approximately eight acres.

Unit Mix

Unit Type	Quantity	Avg SqFt
1 BR / 1 BA	30	730
1 BR / 1 BA	3	743
1 BR / 1 BA	16	828
1 BR / 1 BA	14	856
1 BR / 1 BA	48	878
2 BR / 2 BA	17	1,100
2 BR / 2 BA	105	1,104
3 BR / 2 BA	15	1,471

Requests for estimated project revenues, expenses, and NOI may be sent to jredd@municipalresourceadvisors.com.

5. SPECIFICATIONS FOR REQUIRED SERVICES

- 5.1 Develop a plan of finance for the contemplated financing that includes structuring ideas given the current market environment that will allow the Commission to realize the lowest cost of capital.
- 5.2 Develop a marketing plan to effectively sell the Series 2017 bonds to generate the lowest cost of funds to the Commission.



- 5.3 Purchase the Series 2017 bonds upon terms and conditions mutually acceptable to the Commission and the Underwriter pursuant to the bond purchase agreement.
- 5.4 Provide specific information as may be requested by the Commission regarding orders and allotments of the Series 2017 bonds.
- 5.5 Provide such other services as may be reasonably requested by the Commission.
- 5.6 See **Document B - Required Proposal Components**.

6. **HOLD HARMLESS/INDEMNIFICATION**

- 6.1 The Contractor shall indemnify and hold the Commission and Howard County, Maryland harmless from and against any and all liability and expenses, including attorney's fees, howsoever arising or incurred, arising out of or attributable to the Contractor's performance of services specified herein, provided that the Contractor shall not be responsible for acts of negligence or willful misconduct committed by the Commission, its employees, agents and officials.
- 6.2 Any property or work to be provided by the Contractor under this contract will remain at the Contractor's risk until written acceptance by the Commission; and the Contractor will replace, at Contractor's expense, all property or work damaged or destroyed by any cause whatsoever.

7. **SUBMISSION OF DOCUMENTS**

An incomplete response to this RFP may be cause for rejection. To be considered complete, a response to this RFP must include all of the items listed below (Documents A, B, and C are attached hereto):

- 7.1 Completed and executed **Document A** (Proposal Cover Page);
- 7.2 Responses to the items listed in **Document B** (Required Proposal Components);
- 7.3 Completed and executed **Document C** (Affidavit).

Each proposer must submit five (5) physical copies AND one (1) electronic copy of their proposal. Proposers must comply with each of the following submission guidelines:

- 7.4 The physical copies must be mailed or hand-delivered to Howard County Housing Commission, **Attn: S. Paul, 6751 Columbia Gateway Drive, Third Floor, Columbia, MD 21046. Proposals must be securely sealed and clearly marked "HCHC RFP No. 02-12-2016."**
- 7.5 The electronic copy of the proposal must be in Adobe PDF format and must be e-mailed to rfpsubmissions@househoward.org or provided on a compact disc (CD) along with the physical copies. **NOTE: An e-mail with an attachment that exceeds 35 megabytes (MB) will be rejected by the server. If necessary, the electronic copy may be broken into clearly labeled parts (i.e., 1 of 3, 2 of 3, and 3 of 3, etc.) and sent over multiple e-mails.**
- 7.6 Proposals must be received by the Commission in both required formats by no later than **2:00 p.m. EPT on January 3, 2017.**

Timely proposals become the property of the Commission. Late submissions will not be considered and will be returned unopened.

A submission in response to this RFP shall be considered as a representation that the proposer:

- 7.7 Has carefully reviewed the terms and conditions of this RFP;
- 7.8 Has carefully investigated all conditions which affect or may, at some future date, affect the performance of the services covered by the proposal;
- 7.9 Is familiar with the entire area to be serviced as described in the specifications;
- 7.10 Has carefully reviewed all contract documents;
- 7.11 Is fully informed concerning the conditions to be encountered, character, quality and quantity of work to be performed and materials to be furnished;
- 7.12 Is familiar with all applicable federal, state and county laws, codes, and ordinances that in any way affect the prosecution of the work or persons engaged or employed in the work specified herein;
- 7.13 Agrees that the Commission may copy the proposal to facilitate



evaluation and/or responding to requests for public records; and

- 7.14 Warrants that any copying of the proposal by the Commission will not violate the rights of any third party.

Proposers may submit a certification of status as a minority-owned business enterprise, women-owned business enterprise, disabled-owned business enterprise, or a HUD-defined Section 3 business concern. Such certifications shall be considered by the Commission in a manner consistent with its Procurement Policy. The Commission accepts certifications from the State of Maryland, Howard County Government, or Baltimore County Government.

8. EVALUATION OF PROPOSALS

The Commission intends to make award to the responsible proposer whose proposal represents the best overall value to the Commission. Proposals will be evaluated based on the following criteria:

- 8.1 Methodology of proposed plan of finance and marketing plan to achieve the lowest cost of funds;
- 8.2 Experience and technical competence of the firm and lead banker in performing similar services;
- 8.3 Qualifications and technical competence of key personnel based on resume;
- 8.4 Completeness of the proposal;
- 8.5 Ability to meet due date(s); and
- 8.6 Price.

The Commission may enter into negotiations and interviews with proposers and invite best and final proposals as deemed to be in the best interest of the Commission. Negotiations and interviews may be in the form of face-to-face, telephone, facsimile, e-mail or written communications, or any combination thereof, at the Commission's sole discretion. However, proposers are strongly advised not to prepare their proposals based on any assumption or understanding that negotiations or interviews will take place. Proposers are advised to respond to this RFP fully and with forthrightness at the time of submission.

Following submission, proposers are strongly cautioned not to contact elected officials or members of the evaluation committee regarding the selection process. Inappropriate efforts to lobby or influence individuals involved in the selection

process may result in dismissal from further consideration, at the Commission's sole discretion.

9. QUESTIONS

Questions concerning this RFP must be made in writing and e-mailed to rfpquestions@househoward.org. Questions must be received no later than **5:00 p.m. EPT on December 21, 2016**. Answers to questions and any addenda/amendments to the RFP will be posted by **December 23, 2016** on the Commission's website at:

<https://www.howardcountymd.gov/Departments/Housing/Housing-Commission/Doing-Business-with-the-Commission>.

10. PUBLIC RECORDS AND REQUESTS FOR CONFIDENTIAL TREATMENT

Timely proposals become the property of the Commission. A proposal will be open to the public under the Maryland Public Information Act (Title 4 of the General Provisions Article of the Annotated Code of Maryland) (the "PIA") and other applicable laws and rules.

Proposers may request that the Commission treat certain information contained in their proposals as exempt from disclosure. To receive such treatment, the proposer must show the specific grounds in the PIA or other applicable law or rule that support exempt treatment and must submit an additional copy of the proposal with the exempt information deleted. The additional copy must provide the general nature of the material removed and shall retain as much of the original proposal as possible.

A proposer shall be responsible for any costs or damages associated with defending the proposer's request for exempt treatment.

The other provisions of this Section notwithstanding, the Commission shall retain the ultimate discretion to determine whether any part of any proposal should be disclosed.

DOCUMENT A

PROPOSAL COVER PAGE

TITLE: Underwriting Services (HCHC RFP No. 02-12-2016)

TO: HOWARD COUNTY HOUSING COMMISSION
6751 Columbia Gateway Drive, Third Floor
Columbia, MD 21046

Company Name: _____

Address: _____

(City) (State) (Zip Code)

Phone: _____ Fax: _____ E-Mail: _____

Federal Tax ID No.: _____

MD Dept. of Assessments and Taxation ID No.: _____

Request for Confidential Treatment (check one):

- We are not requesting confidential treatment for this proposal.
- We are requesting confidential treatment for portions of this proposal. We have supplied, as an attachment to this proposal, a list of the provisions identified by section number for which we seek confidential treatment along with the statutory basis under Maryland law for exempting that information from public disclosure. We have supplied an additional copy of the proposal with confidential information deleted. In the event the designation of confidentiality of this information is challenged, the undersigned hereby agrees to provide legal counsel or other necessary assistance to defend the designation of confidentiality and agrees to indemnify and hold the Commission and Howard County, Maryland harmless for any costs or damages arising out of the Commission agreeing to withhold the materials based on our request. Our stated bases for confidential treatment notwithstanding, we understand that the Commission shall have the ultimate discretion to determine whether the information provided in our proposal should be disclosed in accordance with applicable law. We agree that the Commission may deem our request for confidential treatment to be invalid if we fail to include in this submission all information and documentation required by this paragraph.

The undersigned affirms that all statements in this submission are true and accurate to the best of the knowledge and belief of the undersigned:

SIGNATURE

DATE

PRINTED NAME

TITLE



DOCUMENT B

REQUIRED PROPOSAL COMPONENTS

TITLE: Underwriting Services (HCHC RFP No. 02-12-2016)

Each firm submitting a proposal must follow the instructions contained in the RFP in preparing and submitting its proposal. The proposing firm is advised to thoroughly read and follow all instructions. A proposal must contain all of the information in the order and format indicated in the RFP. All terms and conditions set forth in the RFP will be deemed to be incorporated by reference in their entirety into any response submitted by your firm. In your proposal, please respond to each item below by repeating the item at the top of the section and referring to the items by the numbers used herein.

1. Please provide a cover letter that includes the following: the name, title, business address, e-mail address, telephone number and fax number of the primary contact to the Commission during this engagement. The listed individual must be authorized to commit the resources of your firm.
2. Provide a brief description of your firm, its ownership structure and its state/country of incorporation or formation. Also, please describe the participation of women and minorities in your firm. Please indicate the percentage of your firm that is owned by women and minorities.
3. Describe your firm's experience in serving as Senior Manager for similar negotiated, long-term, public housing agency debt issuances.
4. Provide a proposed plan of finance for the contemplated refinancing. Your plan of finance should include any structuring ideas given the current market environment that will allow the Commission to realize the lowest cost of capital. The plan of finance may include both long term fixed rate and floating rate debt (please see the following question). It is important from the Commission's perspective that the Series 2017 bonds provide future flexibility for the Commission to maintain financial flexibility for future financings as well as maintaining solid credit ratios for its 'A+' credit rating.
5. To date, the Commission has only issued long term fixed rate bonds; however, the Commission would like to explore incorporating variable rate debt into its portfolio. To that end, please provide a discussion of the pros and cons of issuing variable rate debt. Specifically, this discussion should include the following: 1) identify commercial banks that are still in the business of providing letters of credit / liquidity facilities; 2) status of the current variable rate market; 3) what portion, if any, of the proposed issue could be issued as variable rate debt; and 4) identify potential buyers that would be interested in purchasing variable rate debt of the Commission.
6. Provide a marketing plan to effectively sell the Series 2017 bonds to generate the lowest cost of funds to the Commission based on your recommended plan of finance.
7. Additionally, please provide your experience in marketing negotiated transactions for Maryland issuers.
8. Please indicate the members of your organization that will provide the investment banking and underwriting services for the contemplated transaction. Also, please provide a resume for each team member.
9. List your proposed underwriter's discount, including all expenses.



DOCUMENT B

REQUIRED PROPOSAL COMPONENTS

10. In an appendix, provide all appropriate schedules of your quantitative analysis that supports Item 4.
11. In an appendix, identify any existing or potential conflict of interest, or any relationships that might be considered a conflict of interest, that may affect or involve transactions for the Commission.
12. In an appendix, describe any pending, concluded or threatened litigation, administrative proceedings or federal or state investigations or audits, subpoenas or other information requests involving your firm or its owners/employees during the last three (3) years. Describe the nature and status of the matter and the resolution, if any.



DOCUMENT C

AFFIDAVIT

TITLE: Underwriting Services (HCHC RFP No. 02-12-2016)

Contractor _____

Address _____

I, _____, the undersigned _____, of the above named
(Print Signer's Name) (Print Office Held)

Contractor does declare and affirm this ____ day of _____, _____, that I hold the
aforementioned office in the above named Contractor and I affirm the following:

AFFIDAVIT I

The Contractor, his Agent, servants and/or employees, have not in any way colluded with anyone for and on behalf of the Contractor or themselves, to obtain information that would give the Contractor an unfair advantage over others, nor have they colluded with anyone for and on behalf of the Contractor, or themselves, to gain any favoritism in the award of the contract herein.

AFFIDAVIT II

No officer or employee of Howard County, Maryland or the Howard County Housing Commission, whether elected or appointed, has in any manner whatsoever, any interest in or has received prior hereto or will receive subsequent hereto any benefit, monetary or material, or consideration from the profits or emoluments of this contract, job, work or service for the Commission, and that no officer or employee has accepted or received or will receive in the future a service or thing of value, directly or indirectly, upon more favorable terms than those granted to the public generally, nor has any such officer or employee of the County or Commission received or will receive, directly or indirectly, any part of any fee, commission or other compensation paid or payable to the Commission in connection with this contract, job, work, or service for the Commission, excepting, however, the receipt of dividends on corporation stock.

AFFIDAVIT III

Neither I, nor the Contractor, nor any officer, director, or partners, or any of its employees who are directly involved in obtaining contracts with Howard County or the Commission have been convicted of bribery, attempted bribery, or conspiracy to bribe under the laws of any state, or of the federal government for acts or omissions committed after July 1, 1977.

AFFIDAVIT IV

Neither I, nor the Contractor, nor any of our agents, partners, or employees who are directly involved in obtaining contracts with Howard County or the Commission have been convicted within the past 12 months of discrimination against any employee or applicant for employment, nor have we engaged in unlawful employment practices as set forth in Section 12.200 of the Howard County Code, or of Section 16 of Article 49B of the Annotated Code of Maryland or, of Sections 703 and 704 of Title VII of the Civil Rights Act of 1964.

I do solemnly declare and affirm under the penalties of perjury that the contents of the foregoing affidavits are true and correct to the best of my knowledge, information and belief.

SIGNATURE

DATE

PRINTED NAME

TITLE

