



Request for Proposals Low-Income Housing Tax Credit Program Compliance Manual Consulting Services

INTRODUCTION

Through this Request for Proposals (“RFP”), Rhode Island Housing Mortgage and Finance Corporation (“Rhode Island Housing”) seeks proposals from qualified firms to develop a Compliance Manual for the Low-Income Housing Tax Credit (“LIHTC”) Program. The successful firm must demonstrate direct experience providing expertise, consulting services and technical assistance with respect to the LIHTC Program and/or other affordable housing programs.

INSTRUCTIONS

One (1) original and three (3) copies of the proposal should be submitted to Rhode Island Housing, 44 Washington Street, Providence, RI 02903-1721, Attn: Kathleen Millerick, with an electronic courtesy copy to kmillerick@rihousing.com. Proposals must be concise and include all attachments and work samples. Proposals must be presented on business letterhead.

Proposals must be postmarked and received no later than 5:00 p.m. on **Monday, November 20, 2017**.

Respondents are advised that all submissions (including those not selected for engagement) may be made available to the public on request upon completion of the process and award of a contract(s). Accordingly, any information included in the proposal that the respondent believes to be proprietary or confidential should be clearly identified as such.

SCOPE OF WORK

Please see the Scope of Work provided at Attachment A.

ITEMS TO BE INCLUDED WITH YOUR PROPOSAL

A. General Firm Information

1. Provide a brief description of your firm, including but not limited to the following:

- a. Name of the principal(s) of the firm.
- b. Name, telephone number and email address of a representative of the firm authorized to discuss your proposal.
- c. Address of all offices of the firm.
- d. Number of employees of the firm.

B. Experience and Resources

1. Describe your firm and its capabilities. In particular, support your capacity to perform the Scope of Work.
2. Support your capacity to Indicate which principals and associates from your firm would be involved in providing services to Rhode Island Housing. Provide appropriate background information for each such person and identify his or her responsibilities.
3. Please provide a detailed list of references, including a contact name and telephone number for organizations or businesses for whom you have performed similar work.
4. Identify any conflict of interest that may arise as a result of business activities or ventures by your firm and associates of your firm, employees, or subcontractors as a result of any individual's status as a member of the board of directors of any organization likely to interact with Rhode Island Housing.
5. Identify any material litigation, administrative proceedings or investigations in which your firm is currently involved. Identify any material litigation, administrative proceedings or investigations, to which your firm or any of its principals, partners, associates, subcontractors or support staff was a party, that has been settled within the past two (2) years.
6. Describe how your firm will handle actual and or potential conflicts of interest.
7. Identify individuals in your firm with multi-lingual skills, who are available to assist with communication in languages other than English. Please identify the language(s).

C. Fee Structure

The cost of services is one of the factors that will be considered in awarding this contract. The information requested in this section is required to support the reasonableness of your fees.

1. Please provide a cost proposal for providing the Scope of Work at Attachment A.

2. Provide an itemized breakdown of billing rates and hourly costs, list of key personnel and their hourly rates, reimbursable expenses, etc. for any services that may be requested in addition to the services previously described.
3. Please provide any other fee information applicable to the engagement that has not been previously covered that you wish to bring to the attention of Rhode Island Housing.

D. Miscellaneous

1. Rhode Island Housing encourages the participation of persons of color, women, persons with disabilities and members of other federally and State-protected classes. Describe your firm's affirmative action program and activities. Include the number and percentage of members of federally and State-protected classes who are either principals or senior managers in your firm, the number and percentage of members of federally and State-protected classes in your firm who will work on Rhode Island Housing's engagement and, if applicable, a copy of your Minority- or Women-Owned Business Enterprise state certification.
2. Discuss any topics not covered in this Request for Proposals that you would like to bring to Rhode Island Housing's attention.

E. Certifications

1. Rhode Island Housing insists upon full compliance with Chapter 27 of Title 17 of the Rhode Island General Laws, Reporting of Political Contributions by State Vendors. This law requires State Vendors entering into contracts to provide services to an agency such as Rhode Island Housing, for the aggregate sum of \$5,000 or more, to file an affidavit with the State Board of Elections concerning reportable political contributions. The affidavit must state whether the State Vendor (and any related parties as defined in the law) has, within 24 months preceding the date of the contract, contributed an aggregate amount in excess of \$250 within a calendar year to any general officer, any candidate for general office, or any political party.
2. Does any Rhode Island "Major State Decision-maker," as defined below, or the spouse or dependent child of such person, hold (i) a ten percent or greater equity interest, or (ii) a Five Thousand Dollar or greater cash interest in this business?

For purposes of this question, "Major State Decision-maker" means:

- (i) All general officers; and all executive or administrative head or heads of any state executive agency enumerated in § 42-6-1 as well as the executive or administrative head or heads of state quasi-public corporations, whether appointed or serving as an employee. The phrase "executive or administrative head or heads" shall include anyone serving in the positions

of director, executive director, deputy director, assistant director, executive counsel or chief of staff;

(ii) All members of the general assembly and the executive or administrative head or heads of a state legislative agency, whether appointed or serving as an employee. The phrase “executive or administrative head or heads” shall include anyone serving in the positions of director, executive director, deputy director, assistant director, executive counsel or chief of staff;

(iii) All members of the state judiciary and all state magistrates and the executive or administrative head or heads of a state judicial agency, whether appointed or serving as an employee. The phrase “executive or administrative head or heads” shall include anyone serving in the positions of director, executive director, deputy director, assistant director, executive counsel, chief of staff or state court administrator.

If your answer is “Yes,” please identify the Major State Decision-maker, specify the nature of their ownership interest, and provide a copy of the annual financial disclosure required to be filed with the Rhode Island Ethics Commission pursuant to R.I.G.L. §§36-14-16, 17 and 18.

3. In the course of providing goods or services to Rhode Island Housing, the selected respondent may receive certain personal information specific to Rhode Island Housing customer(s) including, without limitation, customer names and addresses, telephone numbers, email addresses, dates of birth, loan numbers, account numbers, social security numbers, driver’s license or identification card numbers, employment and income information, photographic likenesses, tax returns, or other personal or financial information (hereinafter collectively referred to as the “Personal Information”). The maintenance of the Personal Information in strict confidence and the confinement of its use to Rhode Island Housing are of vital importance to Rhode Island Housing. Please include a letter from your president, chairman or CEO certifying that, in the event your firm is selected:

(i) any Personal Information disclosed to your firm by Rhode Island Housing or which your firm acquires as a result of it services hereunder will be regarded by your firm as confidential, and shall not be copied or disclosed to any third party, unless Rhode Island Housing has given its prior written consent thereto; and

(ii) your firm agrees to take all reasonable measures to (a) ensure the security and confidentiality of the Personal Information, (b) protect against any anticipated threats or hazards to the security or integrity of the Personal Information, and (c) maintain reasonable security procedures and practices appropriate to your firm’s size, the nature of the Personal Information, and the purpose for which the Personal Information was

collected in order to protect the Personal Information from unauthorized access, use, modification, destruction or disclosure; and

(iii) when discarding the Personal Information, destroying it in a commercially reasonable manner such that no third party can view or recreate the information, electronically or otherwise.

These provisions, which implement the requirements of the Rhode Island Identity Theft Protection Act, R.I.G.L. § 11-49.2 et seq., will also be incorporated into the final contract with the selected respondent(s).

4. Please include a letter from your president, chairman or CEO certifying that (i) no member of your firm has made inquiries or contacts with respect to this Request for Proposals other than in an email or written communication to **Kathleen Millerick**, <mailto:kmillerick@rihousing.com> seeking clarification on the Scope of Work set forth in this proposal, from the date of this RFP through the date of your proposal, (ii) no member of your firm will make any such inquiry or contact until after **November 20, 2017**, (iii) all information in your proposal is true and correct to the best of her/his knowledge, (iv) no member of your firm gave anything of monetary value or promise of future employment to a Rhode Island Housing employee or Commissioner, or a relative of the same, based on any understanding that such person's action or judgment will be influenced and (v) your firm is in full compliance with Chapter 27 of Title 17 of the Rhode Island General Laws, Reporting of Political Contributions by State Vendors.

EVALUATION AND SELECTION

A selection committee consisting of Rhode Island Housing employees (the "Committee") will review all proposals and make a determination based on the following factors:

- Professional capacity to undertake the Scope of Work
- Capacity to offer services directly rather than through subcontractors.
- Proposed fee structure
- Ability to perform within time and budget constraints
- Previous work experience and performance with Rhode Island Housing and/or similar organizations
- Recommendations by references
- Foreign language capabilities of the firm
- Firm minority status and affirmative action program or activities
- Other pertinent information submitted.

Rhode Island Housing may invite one or more finalists to make presentations.

In its sole discretion, Rhode Island Housing may negotiate with one or more firms who have submitted qualifications to submit more detailed proposals on specific projects as they arise.

By this Request for Proposals, Rhode Island Housing has not committed itself to undertake the work set forth. Rhode Island Housing reserves the right to reject any and all proposals, to rebid the original or amended scope of services and to enter into negotiations with one or more respondents. Rhode Island Housing reserves the right to make those decisions after receipt of responses. Rhode Island Housing's decision on these matters is final.

For additional information contact: Kathleen Millerick, Rental Compliance/Training Coordinator kmillerick@rihousing.com

Attachment A

Scope of Work

Rhode Island Housing seeks proposals from qualified firms to develop a Compliance Manual for the Low-Income Housing Tax Credit Program (“LIHTC”). The LIHTC program is authorized and governed under Section 42 of the Internal Revenue Code of 1986, as amended. LIHTC falls under the jurisdiction of the U.S. Department of Treasury and is administered by Rhode Island Housing, in accordance with Rhode Island’s Qualified Allocation Plan (QAP).

Rhode Island Housing seeks to engage a qualified firm to perform a full range of consulting services in assistance with the design of a new LIHTC Compliance Manual for use by Rhode Island Housing staff and Owners/Managing Agents of multifamily LIHTC developments. Services will also include the provision of guidance and recommendations, comprehensive communication support and education tools. The successful firm must demonstrate direct experience providing expert consulting services and technical assistance to Housing Finance Agencies, with respect to the LIHTC Program and/or other affordable housing programs.

Assessment of Current Policies and Procedures

Rhode Island Housing has a Rental Compliance/Training Coordinator and small staff specifically dedicated to the compliance monitoring of the LIHTC program. The successful firm will work with the Rental Compliance/Training Coordinator and staff to review the existing compliance manual and management documents, review existing protocol including internal protocol, tenant forms, compliance checklists and perform a limited file review to become familiar with the written documents and materials currently being used.

Review of Best Practices and HUD Requirements and Guidance

Following the assessment of Rhode Island Housing’s current policies and procedures, the selected firm will reach out to a representative sample of other state housing finance agencies (“HFAs”) participating in the LIHTC Program and compare Rhode Island Housing’s policies and procedures to those of other HFAs. The selected firm will also collect and perform a detailed review of all applicable LIHTC rules, regulations, notices, private letter rulings, and other published guidance. From these activities, the firm will provide a written assessment of LIHTC best practices for discussion with Rhode Island Housing.

Based on this review, and the firm’s assessment of current policies and procedures, the firm will compile and compare industry best practices to Rhode Island Housing policy and procedures and IRS and HUD regulations and make recommendations and provide sample documents.

Compliance Manual

The firm will produce a comprehensive policies and procedures LIHTC Compliance Manual for the Rhode Island Housing LIHTC program. The manual will be used both as guidance for owners/managing agents and by Rhode Island Housing staff as a reference. The Compliance Manual must be modeled to meet federal and state regulations as well as the recommendations of the National Council of State Housing Agencies. The manual must incorporate any new and revised program forms and documents as described in the previous section. All materials produced by the consulting team must meet all applicable IRS and HUD regulations, including without limitation:

- 26 U.S. Code § 42;
- Title 24, Part 5 of the CFR, as amended;
- All other applicable federal, state and local statutes and regulations.

This manual must incorporate all requirements, methods and procedures related to the LIHTC program when layered with other federal and state affordable Housing programs, including, but not limited to, the HOME Investment Partnerships Program, the Housing Choice Voucher Program and the Rhode Island Neighborhood Opportunities Program.

In addition to any other topics that are required under the IRC regulations, the manual must include (at minimum) the following:

- Program Overview
- Rhode Island Housing Responsibilities
- Compliance Monitoring
- Conducting of Training and Technical Guidance
- Inspections
- Owner Responsibilities – Including, but, not limited to, Annual Reporting, Recordkeeping and Retention, Files and Resident Services Plans
- Applicable Fraction
- Available Unit Rule
- Compliance
- Eligible Basis
- Fair Housing
- Gross Rent
- Lease and Lease Addendums
- LURA - Extended Use Agreement
- Minimum Set-Asides
- Non-compliance
- Non-compliance (Form 8823) Process Map, Instructions and Explanations
- Recapture Requirements Under IRC §42(j)
- Regulatory Agreement
- Student Rule
- Tenant Annual Income Certification

- The Allocation Process
- The Application Process
- The Development Process
- UPCS Inspection Standards
- Utility Allowances
- Vacant Unit Rule