



REQUEST FOR PROPOSALS

for

2023 Rental Housing Tax Credit General Set-Aside

INDIANA HOUSING AND COMMUNITY DEVELOPMENT AUTHORITY

30 South Meridian Street, Suite 900

Indianapolis, IN 46204

<http://www.in.gov/ihcda/>

317-232-7777

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PART 1

SCOPE OF THIS REQUEST

1. PURPOSE OF THIS REQUEST FOR PROPOSALS (“RFP”)

The Indiana Housing and Community Development Authority (IHCDA) is seeking to select two emerging, first-time low-income housing tax credit (LIHTC) developers that are Minority Business Enterprise (MBE), Women Business Enterprise (WBE), Veteran-Owned Small Business (VOSB), or Service-Disabled Veteran-Owned Small Business (SDVOSB) [collectively “XBE”] entities to participate in the 2023 Rental Housing Tax Credit General Set-aside (the “Program”), which involves partnering with an experienced LIHTC consultant to create a housing development that addresses a community challenge, as further described in this RFP. A co-developer partnership is not eligible.

An **emerging, first-time LIHTC developer** is defined as a developer that has never received an allocation of 4% or 9% tax credits in any state or territory.

2. ABOUT THE INDIANA HOUSING AND COMMUNITY DEVELOPMENT AUTHORITY

MISSION STATEMENT

The Indiana Housing and Community Development Authority (“IHCDA”) provides housing opportunities, promotes self-sufficiency, and strengthens communities. To accomplish this we will:

- Pursue innovation in all programs and services;
- Provide thought leadership;
- Emphasize continued quality of services; and
- Continuously improve program management practices and partnership building.

VISION

IHCDA envisions an Indiana with a sustainable quality of life for all Hoosiers in the community of their choice. We believe that growing Indiana's economy starts at home and that that all Hoosiers should have the opportunity to live in safe, affordable, good-quality housing in economically stable communities. That's the heart of IHCDA's mission. Our charge is to help communities build upon their assets to create places with ready access to opportunities, goods, and services. We also promote, finance, and support a broad range of housing solutions, from temporary shelters to homeownership.

IHCDA's work is done in partnership with developers, lenders, investors, and nonprofit organizations that use our financing to serve low and moderate-income Hoosiers. We leverage public and private funds to invest in financially sound, well-designed projects that will benefit communities for many years to come. And our investments bear outstanding returns. The activities that we finance help families become more stable, put down roots, and climb the economic ladder. In turn, communities grow and prosper, broadening their tax base, creating new jobs, and maximizing local resources. IHCDA's work is truly a vehicle for economic growth, and it all starts at home.

OVERVIEW (for more information visit <http://www.in.gov/ihcda/>)

IHCDA was created in 1978 by the Indiana General Assembly and is a quasi-public financially self-sufficient statewide government agency. IHCDA's programs are successful in large part because of the growing network of partnerships IHCDA has established with local, state, and federal governments, for-profit businesses and not-for-profit organizations. For-profit partners include investment banks, mortgage lenders, commercial banks, corporate investment managers and syndicators, apartment developers, investors, homebuilders, and realtors. Not-for-profit partners include community development corporations, community action agencies, and not-for-profit developers.

3. BACKGROUND

Under the 2023-2024 Qualified Allocation Plan (“QAP”), IHCD reserves 10% of its annual LIHTC for the IHCD General Set-aside. Under this set-aside, IHCD reserves credits for “developments that further the Authority’s mission, goals, initiatives, and priorities irrespective of the ranking by evaluation factors.” The QAP states that the Authority “will exercise its sole discretion in the allocation of the IHCD General Set-aside.”

IHCD recognizes that first time LIHTC developers, particularly those who are emerging XBE organizations, face financial and institutional barriers to entering the development industry and obtaining financial resources. Through this initiative, we are intentionally building capacity for emerging first-time XBE developers and reducing financial barriers to increase diversity, equity, and inclusion in Indiana LIHTC development.

4. SCOPE OF SERVICES

IHCD is seeking to select two emerging first-time LIHTC developers that are XBE entities to participate in the 2023 Rental Housing Tax Credit General Set-aside, which involves partnering with an experienced LIHTC consultant to create a housing development that addresses a community challenge. The XBE developer will serve in the developer role and the experienced LIHTC partner will serve in a consultant role.

The Respondent must submit an initial housing proposal as part of this RFP process. The housing proposal must address a specific community challenge and provide relevant data to explain the community challenge and how the housing development would address that challenge. Selection will be based on the criteria identified in Part 2 of this RFP.

The two selected teams will be invited to submit a non-competitive LIHTC application under the General Set-aside in the summer of 2023. Each team’s LIHTC request will be capped to ensure that both developments can be funded through the set-aside. Applications will be subject to all threshold requirements of the 2023-2024 QAP, including meeting the minimum score.

Selected Respondents will be eligible to request 9% LIHTC and an IHCD Development Fund loan. Respondents are not eligible to request other capital funding or project-based rental assistance through IHCD resources.

Additionally, if needed based on the developer’s financial capacity, IHCD may provide a financial guarantee of up to \$2.5 million for each developer to enhance their financial strength and contain costs in attracting capital financing. The developer may have up to three options to maximize the financial enhancement of the IHCD guarantee, determined on a case-by-case basis based on developer financial capacity and need.

- Predevelopment loan guarantee
- Two-year construction guarantee; and/or
- Five-year guarantee on the tax credit equity, to expire five years from placed-in-service date.

IHCD will work with each selected developer and their lender and equity investor to determine the terms of the guarantee on a project-by-project basis.

At least one financial institution that partners with the developer to provide construction financing, permanent financing, or the tax credit equity must commit to offering a two-year fellowship program for an individual(s) who represents an underserved community.

5. RFP TIMELINE

September 12, 2022	Program announced and RFP released to the general public
November 28, 2022	Responses due to IHCDA by 5:00 p.m. Eastern Time
December 2022	Respondents present to the IHCDA selection committee
January 2023	Announcement of selected respondents (date TBA)
Summer 2023	Selected respondents must submit Tax Credit Applications
Fall 2023	Award recommendations announced at IHCDA's Board Meeting
Spring 2024	Construction begins
December 31, 2025	Deadline for placed-in-service date

PART 2

RFP PROCESS

1. SELECTION PROCESS

Evaluation of all responses will be completed by IHCDA. The Respondent must be responsive and responsible as described in Sections 2 and 4 below. Selection of a respondent is at the sole discretion of IHCDA.

2. MINIMUM REQUIREMENTS/RESPONSIVE RESPONDENT

Respondents must meet the following minimum requirements to be deemed responsive to this RFP.

- **XBE**

The lead respondent and developer must be certified as an XBE through the State of Indiana and must be an emerging first-time LIHTC developer, as defined in Part 1.1 of this RFP. The developer is not required to be an Indiana-based developer, but must receive an Indiana XBE certification. If the respondent does not currently have XBE certification, then they must certify that they are eligible to obtain such certification and commit to obtaining the certification prior to receiving a reservation of tax credits (no later than November 2023).

- **Experienced LIHTC Consultant**

The LIHTC consultant must have experience in developing housing through the LIHTC program, as demonstrated by successful receipt of a Form 8609 in Indiana for a project in which they acted as developer or consultant.

The experienced LIHTC consultant is expected to provide regular and continuing mentoring and assistance to the developer from time of application preparation and submission through allocation of LIHTC via issuance of IRS Form 8609s. The consultant is expected to provide assistance, guidance, and capacity-building to the developer with respect to all of the following activities: (i) the preparation of the initial LIHTC application, including securing all necessary funding commitments, third-party reports and development team members, (ii) the identification, selection and negotiation of all debt and equity sources, (iii) the review and negotiation of all debt and equity financing documents, (iv) the satisfaction of all due diligence/closing requirements from the debt and equity providers, (v) participation in all construction, design, architect meetings, (vi) the preparation and submission of all construction draws, (vii) the preparation of the cost certification and the final LIHTC application, (viii) the preparation of all LIHTC equity funding requests, (ix) the preparation and submission of all IHCDA-required reporting through 8609s and (x) the conversion/closing of all construction financing to term financing.

The LIHTC consultant may charge a reasonable consultant fee, subject to approval by IHCDA.

Respondent must not be suspended or debarred from participation in IHCDA programs.

3. EVALUATION CRITERIA

The following will be IHCDA's primary consideration in the selection process:

1. Complete and Compliant Proposal. Respondent's compliance with submission requirements of this RFP.
2. Project Concept (maximum of 5 pages): Respondent must provide a narrative that addresses each of the following items:

- a. A proposed housing concept that addresses a community challenge. This must include a description of the community challenge and how the proposed housing concept would address the community challenge.
 - b. A proposed location for the development. An exact site is not required, but at a minimum identify a proposed city/town and county.
 - c. A description of how the developer used data to identify the community challenge
 - d. Proposed metrics for tracking data to measure the success of the project.
 - i. Selected respondents will be required to submit an annual report to IHCDA with three performance metrics. This report will be submitted for the first five years of the tax credit compliance period as part of the Annual Owner Certification of Compliance.
3. Capacity of the XBE Developer (maximum of 2 pages per item):
- a. A description of the entity’s mission and purpose
 - b. A resume
 - c. A description of key personnel
 - d. A description of previous development experience by the entity and key personnel
4. Experience and Capacity of LIHTC consultant. An assessment of the consultant’s experience and capacity to assist in delivering the indicated services in accordance with the specifications described in the RFP. Please provide a narrative for each of the following (maximum of 2 pages per item):
- a. A resume
 - b. Description of consultant’s experience related to developing housing (affordable and market rate), including a summary of the current portfolio owned and/or managed.
 - c. Description of the consultant’s experience implementing innovative concepts into housing developments.
 - d. Description of consultant’s experience leveraging and managing complex funding sources. Specifically discuss any innovative funding sources that have been leveraged in previous developments.
5. Past Award Performance of the LIHTC consultant. Past award performance, including history of complying with IHCDA and/or federal guidelines, meeting benchmarks and quality of work performed and services provided.

IHCDA’s final selection will be two teams that are proposing different housing concepts in two different counties.

4. RESPONSIBLE RESPONDENT REQUIREMENTS

IHCDA shall not award any contract until the selected respondent has been determined to be responsible. A responsible respondent must:

1. Have adequate financial resources to perform the project, or the ability to obtain them;
2. Be able to comply with the required or proposed delivery or performance schedule, taking into consideration all the Respondent’s existing commercial and governmental business commitments;
3. Have a satisfactory performance record with IHCDA. Any Response including a team member or entity that is currently suspended or debarred by IHCDA will be disqualified;
4. Have a satisfactory record of integrity and business ethics;
5. Have the necessary organization, experience, accounting and operational controls, and technical skills, or the ability to obtain them;

6. Have the necessary production, construction, and technical equipment and facilities, or the ability to obtain them;
7. Have supplied all requested information;
8. Be legally qualified to contract in the State of Indiana. If the Respondent is an entity described in IC Title 23, it must be properly registered, and owe no outstanding reports to the Indiana Secretary of State (There is a fee to register with the Secretary of State); and
9. Be otherwise qualified and eligible to receive an award under applicable laws and regulations. If a prospective contractor is found to be non-responsible, a written determination of non-responsibility shall be prepared and included in the official file for this RFP, and the Respondent shall be advised of the reasons for the determination.

5. RFP SUBMISSION ITEMS

Required documentation:

- Respondent must submit documentation in response to all evaluation criteria requirements as described more fully in **Section 3 of Part 2 of this RFP**, entitled “**Evaluation Criteria.**” Therefore, Respondent must review **Section 3 of Part 2 of this RFP** very carefully before submitting its responses.
- Qualifications Coversheet and the Certification of Company located at the end of this RFP Document.
- Commitment from partner financial institution to create a two-year fellowship program.

6. FORMAT FOR SUBMISSION, MAILING INSTRUCTIONS, AND DUE DATE

Responses must be submitted via email. All documents must be submitted in PDF format only.

Alan Rakowski
Director of Real Estate Allocation
arakowski@ihcda.in.gov

The deadline for submission is November 28, 2022 at 5:00 PM Eastern Time.

Applications that do not contain all of the required forms/documents as listed in this RFP may be determined ineligible for further consideration.

PART 3

TERMS AND CONDITIONS

1. STATE POLICIES

- A. **ETHICAL COMPLIANCE:** By submitting a proposal, the respondent certifies that it shall abide by all ethical requirements that apply to persons who have a business relationship with the State, as set forth in Indiana Code § 4-2-6 et seq., Ind. Code § 4-2-7, et seq., the regulations promulgated thereunder, and Executive Order 04-08, dated April 27, 2004. Respondent will be required to attend online ethics training conducted by the State of Indiana.
- B. **PAYMENTS:** Any payments for services under any contract awarded pursuant to this RFP shall be paid by IHCDA in arrears in conformance with State fiscal policies and procedures and, as required by IC §4-13-2-14.8, the direct deposit by electronic funds transfer to the financial institution designated by the successful Respondent in writing unless a specific waiver has been obtained from the IHCDA Controller. No payments will be made in advance of receipt of the goods or services that are the subject of any contract except as permitted by IC §4-13-2-20.
- C. **EMPLOYMENT ELIGIBILITY VERIFICATION.** The Respondent cannot knowingly employ an unauthorized alien. The Respondent shall require its contractors who perform work for the Respondent pursuant to the project must certify to the Respondent that the contractor does not knowingly employ or contract with an unauthorized alien.
- D. **CONFIDENTIALITY OF STATE INFORMATION.** The Respondent understands and agrees that data, materials, and information disclosed to the Respondent may contain confidential and protected information. The Respondent covenants that data, material, and information gathered, based upon or disclosed to the Respondent for the purpose of this project will not be disclosed to or discussed with third parties without the prior written consent of the IHCDA. In addition to the covenant made above in this section and pursuant to 10 IAC 5-3-1(4), the Respondent and IHCDA agree to comply with the provisions of IC §4-1-10 and IC §4-1-11. If any Social Security number(s) is/are disclosed by Respondent, Respondent agrees to pay the cost of the notice of disclosure of a breach of the security of the system in addition to any other claims and expenses for which it is liable under the terms of this contract.
- E. **ACCESS TO PUBLIC RECORDS:** Respondents are advised that materials contained in proposals are subject to the Access to Public Records Act (“APRA”), IC 5-14-3 et. seq., and the entire response may be viewed and copied by any member of the public. Respondents claiming a statutory exemption to disclosure under APRA must place all confidential documents (including the requisite number of copies) in a sealed envelope marked “Confidential”. Respondents should be aware that if a public records request is made under APRA, IHCDA will make an independent determination of confidentiality, and may seek the opinion of the Public Access Counselor. Prices are not considered confidential information. The following information shall be subject to public inspection after the contract award:
- A. The RFP.
 - B. A list of all vendors who received the RFP.
 - C. The name and address of each respondent.
 - D. The amount of each offer.
 - E. A record showing the following:
 - a. The name of the successful respondent.
 - b. The dollar amount of the offer.
 - c. The basis on which the award was made.
 - F. The entire contents of the contract file except for proprietary information that may have been included with an offer, such as:

- a. trade secrets;
- b. manufacturing processes;
- c. financial information not otherwise publicly available; or
- d. other data that does not bear on the competitive goals of public procurement that was not required by the terms of the RFP itself to be made available for public inspection.

F. **TAXES, FEES AND PENALTIES:** By submitting a proposal respondent certifies that neither it nor its principal(s) is presently in arrears in payment of its taxes, permit fees or other statutory, regulatory or judicially required payments to the State of Indiana or the United States Treasury. Respondent further warrants that it has no current, pending or outstanding criminal, civil, or enforcement actions initiated by either the State or Federal Government pending against it, and agrees that it will immediately notify IHCDA of any such actions.

G. **CONFLICT OF INTEREST:** Respondent must disclose any existing or potential conflict of interest relative to the performance of the services resulting from this RFP, including any relationship that might be perceived or represented as a conflict. By submitting a proposal in response to this RFP, respondent affirms that it has not given, nor intends to give at any time hereafter, any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant or any employee or representative of same, in connection with this procurement. Any attempt to intentionally or unintentionally conceal or obfuscate a conflict of interest will automatically result in the disqualification of the respondent's proposal or immediate termination of an awardee's contract. An award will not be made where an actual conflict of interest exists. IHCDA will determine whether a conflict of interest exists and whether an apparent conflict of interest may reflect negatively on IHCDA, should IHCDA select respondent. Further, IHCDA reserves the right to disqualify any respondent on the grounds of actual or apparent conflict of interest. The decision of the Compliance Attorney is final.

H. **APPEALS/PROTEST:** Respondent may appeal/protest the award of this contract based on alleged violations of the selection process that resulted in discrimination or unfair consideration. The appeal/protest must include the stated reasons for the Respondent's objection to the funding decision, which reasons must be based solely upon evidence supporting one (1) of the following circumstances:

- a. Clear and substantial error or misstated facts which were relied on in making the decision being challenged;
- b. Unfair competition or conflict of interest in the decision-making process;
- c. An illegal, unethical or improper act; or
- d. Other legal basis that may substantially alter the decision.

The appeal/protest must be received within ten (10) business days after the Respondent receives notice of the contract award, or the appeal/protest will not be considered. All protests shall be in writing, submitted to the Compliance Officer, who shall issue a written decision on the matter. The Compliance Officer may, at his/her discretion, suspend the procurement pending resolution of the protest if the facts presented so warrant. The Respondent will receive written acknowledgement of receipt of the appeal/protest within five (5) business days of its receipt, noting the day the appeal/protest was received. Any appeal/protest regarding the funding decision made by IHCDA will be examined and acted upon by the Compliance Officer within thirty (30) days of its receipt.

2. RFP TERMS AND CONDITIONS

This request is issued subject to the following terms and conditions:

- A. This RFP is a request for the submission of qualifications, but is not itself an offer and shall under no circumstances be construed as an offer.
- B. IHCDA expressly reserves the right to modify or withdraw this request at any time, whether before or after any qualifications have been submitted or received.
- C. IHCDA reserves the right to reject and not consider any or all respondents that do not meet the requirements of this RFP, including but not limited to: incomplete qualifications and/or qualifications offering alternate or non-requested services.
- D. IHCDA reserves the right to reject any or all companies, to waive any informality in the RFP process, or to terminate the RFP process at any time, if deemed to be in its best interest.
- E. In the event the party selected does not enter into the required agreement to carry out the purposes described in this request, IHCDA may, in addition to any other rights or remedies available at law or in equity, commence negotiations with another person or entity.
- F. In no event shall any obligations of any kind be enforceable against IHCDA unless and until a written agreement is entered into.
- G. The Respondent agrees to bear all costs and expenses of its response and there shall be no reimbursement for any costs and expenses relating to the preparation of responses of qualifications submitted hereunder or for any costs or expenses incurred during negotiations.
- H. By submitting a response to this request, the Respondent waives all rights to protest or seek any remedies whatsoever regarding any aspect of this request, the selection of another respondent or respondents with whom to negotiate, the rejection of any or all offers to negotiate, or a decision to terminate negotiations.
- I. IHCDA reserves the right not to award a contract pursuant to the RFP.
- J. All items become the property of IHCDA upon submission and will not be returned to the Respondent.
- K. IHCDA reserves the right to split the award between multiple applicants and make the award on a category by category basis and/or remove categories from the award.
- L. The Respondent certifies that neither it nor its principals, contractors, or agents are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from utilizing federal funds by any federal or state department or agency.

2023 General Set-Aside

3. QUALIFICATION COVER SHEET

Name of Individual,
Firm or Business:

Address:

Phone Number:
Fax Number:
Web Site Address:

QUALIFICATION
Contact Person:

Title:
Email Address:
Phone:

Contract Signatory
Authority:

Title:

INDIANA HOUSING AND COMMUNITY DEVELOPMENT AUTHORITY

4. CERTIFICATION OF RESPONDENT

I hereby certify that the information contained in these qualifications and any attachments is true and correct and may be viewed as an accurate representation of proposed services to be provided by this organization. I acknowledge that I have read and understood the requirements and provisions of the RFP and agree to abide by the terms and conditions contained herein.

I _____ am the _____ of the (type name of signatory authority) corporation, partnership, association, or other entity named as company and the Respondent herein, and I am legally authorized to sign this and submit it to the Indiana Housing and Community Development Authority on behalf of said organization.

18 U.S.C. § 1001, "Fraud and False Statements," provides among other things, in any matter within the jurisdiction of the executive, legislative, or judicial branch of the Government of the United States, anyone who knowingly and willfully: (1) falsifies, conceals, or covers up by any trick, scheme, or device a material fact; (2) makes any materially false, fictitious, or fraudulent statement or representation; or (3) makes or uses any false writing or document knowing the same to contain any materially false, fictitious, or fraudulent statement or entry; shall be fined under this title, and/or imprisoned for not longer than five (5) years.

Respondent:

Signed: _____

Name: _____

Title: _____

Date: _____

Firm name: _____