

**REQUEST FOR QUALIFICATIONS**  
**FOR**  
**AFFORDABLE AND WORKFORCE HOUSING OWNERS AND DEVELOPERS**

(New Construction, Substantial Rehabilitation or Existing Units)

**McKinney Affordable Housing Development Corporation**  
**603 N. Tennessee Street**  
**McKinney, Texas 75069**

**Issued Date: February 28, 2022**

**Due Date: Open Until Rescinded**

## I. INVITATION AND SCOPE

McKinney Affordable Housing Development Corporation, a Texas nonprofit corporation and a public facility corporation under Chapter 303 of the Texas Local Government Code (the "**PFC**"), is inviting statements of qualifications from experienced real estate owners and developers (each, a "**Development Partner**") seeking to expand the affordable and workforce housing stock in the City of McKinney, Collin County, Texas through a partnership with the PFC.

The PFC is a 501(c)(3) tax-exempt entity and an affiliate of the Housing Authority of the City of McKinney, Texas (the "**Authority**"). The PFC is organized exclusively for charitable purposes and in pursuance of such charitable purposes, the PFC is empowered to (a) create, own, develop, construct, and/or manage affordable housing in the McKinney, Texas area, (b) provide community and social services to the residents of such affordable housing, and (c) purchase, build, acquire and redevelop property to encompass its charitable purpose. The PFC is authorized pursuant to Chapter 303 of the Texas Local Government Code to provide for the acquisition, construction, rehabilitation, renovation, repair, equipping, furnishing, leasing and placement in service of "public facilities" (including multifamily residential developments operated as affordable housing and owned by public facility corporations created by public housing authorities) as allowed by the Authority and pursuant to Chapter 303 of the Texas Local Government Code.

This Request for Qualifications (this "**RFQ**") is intended to identify potential partnership opportunities with interested Development Partners for the acquisition, renovation, or new construction of low and/or mixed-income housing developments to preserve and expand the supply of affordable and workforce housing in McKinney, Texas.

The information requested in this RFQ shall be used to confirm that (i) a project proposed by the Development Partner could not be feasible but for the PFC's participation; and (ii) a project proposed by the Development Partner is in furtherance of the Authority's and the PFC's housing programs, policies, and initiatives, and is carried out pursuant to the provisions of the PFC's Bylaws and the Act.

By issuing this RFQ, the PFC desires to achieve the following goals, consistent with its charitable mission:

- (1) Ensuring that all PFC projects are in alignment with the PFC's mission and adhere to the broader affordable housing industry's rent and income standards, including the following:
  - a. Area median income ("**AMI**") targets for the proposed project, adjusted for family size, as published by the U.S. Department of Housing and Urban Development ("**HUD**") annually, serving families earning 80% or less of AMI.
  - b. Rent restrictions at the proposed project are based on a percentage of applicable AMI similar to those established by HUD and Texas Department of Housing and Community Affairs ("**TDHCA**"), with maximum rents at no higher than 120% of Fair Market Rent as published by HUD.
  - c. Utility allowances for residents at the proposed project.

- d. Consideration of the income of all residents living in a unit at the proposed project in determining affordability.
- (2) Ensuring that holders of Section 8 voucher assistance can freely rent units at the proposed property.
- (3) Ensuring the project affirmatively furthers fair housing in McKinney, Texas.
- (4) Ensuring a diverse unit mix at the proposed project, with opportunities for families with children.

An Evaluation Committee established by the PFC, which may include PFC officers and the PFC's financial consultant, will evaluate and score all responses to this RFQ. The information provided by interested Development Partners in submitted responses to this RFQ will be used to evaluate the Development Partners' responses. The Evaluation Committee will make recommendations to the PFC Board of Directors for approval. Upon such approval, the PFC officers will negotiate an MOU (as defined herein) with those Development Partners with responses deemed most advantageous to the PFC and that best advance the mixed-income housing goals of the PFC and the Authority.

The PFC and the Authority reserve the right throughout the application process to negotiate with Development Partners over any and all terms of their responses, to waive any informality in the RFQ process, to solicit additional information, and accept any modifications at their sole discretion. The PFC reserves the right to reject any and all applications at its sole discretion.

All interested Development Partners are responsible for any costs associated with the Development Partner's and the PFC's third-party underwriting and review of their responses to this RFQ, regardless of the outcome of the proposed project.

## **II. THE DEVELOPMENT PARTNER'S ROLE AND QUALIFICATIONS**

The Development Partner will be expected to select and assist with the acquisition and leasing of property throughout McKinney, Texas for the development or, in the case of existing housing, operation as affordable and workforce housing. The following is a representative list of the expected responsibilities of the Development Partner. The following list is not inclusive of all duties. Such duties will ultimately be set forth in a memorandum of understanding (an "MOU") and related documents (which may include a ground lease, right of first refusal/purchase option and recorded long-term affordability restrictive covenant) negotiated with the selected Development Partner and subject to the approval of the PFC Board of Directors. The Authority and the PFC reserve the right to require, as a condition to entering into the MOU, that the proposed owner of the proposed project enter into an agreement for payments in lieu of taxes with the local taxing authorities on terms mutually acceptable to all parties.

Each respondent must have within its team:

- a. Experience in the construction, redevelopment or revitalization of multifamily communities (for proposed new construction or substantial rehabilitation projects only);
- b. Experience in maximizing the use of various financing vehicles, including low income housing tax credits (for proposed new construction or substantial rehabilitation projects only);
- c. Experience in the development (if applicable), construction (if applicable) and management of affordable rental housing developments located in the State of Texas;
- d. Experience in site preparation and infrastructure development including, without limitation, entitlements and zoning matters (for proposed new construction or substantial rehabilitation projects only);
- e. Experience in owning and operating housing developments that incorporate tax credit and affordable housing financing or similar financing terms that require affordability restrictions;
- f. Experience in construction management and general contracting (for proposed new construction or substantial rehabilitation projects only);
- g. Experience in affordable residential rental property management, including maintenance and security functions and income mixing;
- h. Capacity to provide any and all guarantees and indemnities to lenders, investors and all other third parties and to indemnify the PFC and the Authority, as set forth in the MOU;
- i. Experience in working with Texas public housing authorities and/or their affiliated non-profit organizations and public facility corporations under Chapter 303 of the Texas Local Government Code;
- j. Expertise in federal, state and local regulatory compliance issues; and
- k. Expertise with local government authorities which regulate the permits and utilities necessary of development and operation of multifamily residential rental housing.

Proposed projects that can demonstrate the following will be evaluated favorably:

- a. Location in areas of McKinney, Texas that further the PFC's and the Authority's goals of deconcentrating poverty (which may be demonstrated by the proposed property's location in a High Opportunity Area, as described in TDHCA's most recently published Qualified Action Plan);

- b. Proposed rents for units designated as affordable at the property are below market-rate rents for the area;
- c. Income targeting with set-aside for certain units to be rented by extremely low-income and very low-income residents;
- d. Units meet or, upon construction or rehabilitation completion, will meet minimum housing quality standards imposed by the PFC, similar to those required under the Section 8 Housing Choice Voucher program;
- e. Maximize the number of affordable units at the project, with at least 50% of the units at the project set aside for residents earning less than 80% of AMI and at least 5% of the affordable units at the project shall charge residents a maximum rent equivalent to 30% of AMI;
- f. Maximize the duration of affordability, as demonstrated by a recorded affordability restriction on the proposed project site in favor of the PFC and the Authority;
- g. Accept referrals from the Authority's Section 8 Housing Choice Voucher waiting list to be considered for occupancy in either the affordable or market-rate units, if any, at the project and may not reject any applicant for rental at the project on the basis that such applicant is a Section 8 Housing Choice Voucher holder;
- h. Unit mix for the designated affordable units at the project sufficient to house families with children (i.e., two-, three- and four-bedroom units should be included as affordable units at the project, not just studios and one-bedrooms); and
- i. Quality amenities and resident services provided on site or in close proximity to the project location.

### **III. INSURANCE AND BONDS**

Upon commencement of the MOU, the Development Partner will be expected to procure and maintain at all times and at the Development Partner's own expense, the types of insurance specified below. The insurance carriers used by the Development Partner must be authorized to do business in the State of Texas and the insurance provided will cover all operations under the MOU, whether performed by the Development Partner or by subcontractors.

- Workers Compensation and Occupational Disease Insurance in accordance with the laws of the State of Texas, and with a minimum employer's liability limit of \$1,000,000 per occurrence.
- Commercial General Liability Insurance (primary and umbrella) or equivalent with limits of not less than \$5,000,000 per occurrence, combined single limit, for bodily injury, personal injury and property damage liability. The PFC is to be named as an additional insured on a primary non-contributory basis for any liability arising directly or indirectly from the services contemplated by the MOU.

- Automobile Liability Insurance (primary and umbrella) for motor vehicles (owned, not owned and hired) used in connection with the services to be performed, covered with comprehensive automobile liability insurance with limits of not less than \$2,000,000 per occurrence combined single limit, for bodily injury and property damage. The PFC is to be named as an additional insurance on a primary non-contributory basis.
- Professional Liability Insurance covering acts, errors or omissions with limits which are the greater of 100% the value of the professional services contract or \$5,000,000 annual aggregate. Coverage extension will include blanket contractual liability and will enable the PFC to make claims under such policy for the term provided by law following discovery or the termination of the MOU. When the policies are renewed or replaced, the policy retroactive date must coincide with or precede the start of work under the MOU. A claims policy which is not renewed or replaced must have an extended reporting period of one (1) year.
- Blanket Crime Insurance shall cover all persons handling funds under the MOU, including, without limitation, the Development Partner's employees, agents and subcontractors, and cover against loss by dishonesty, robbery, burglary, theft, destructions, disappearance, computer fraud, credit card forgery and other related crime risks. The policy limit shall cover losses for the maximum funds collected, received and on premises, or all at any given time.
- For new construction or substantial rehabilitation projects, Broad Form Builder's Risk Insurance shall, at any time before the Development Partner or its affiliated ownership entity has issued a notice to proceed under any construction contract related to any portion of a site, cover the structures to be constructed pursuant to such contract as well as the associated materials supplies, machines and equipment that belong to or will be a part of such structure for the duration of any outstanding construction contract between the parties. It shall be in a form submitted to and approved by the PFC insurance all work in place and all materials used for such work, and payable on a completed value basis regardless of whether partial payment has been made by the PFC. The PFC (or its designee) shall be named as loss payee. Insurance funds paid shall be deposited in an escrow account and all repairs shall be paid out from that account. Such insurance shall insure the interests of subcontractors as well as the Development Partner and the PFC, as their interests may appear.
- Property Insurance shall be purchased and maintained for the Development Partner's property utilized at the work site to full insurable value thereof. Insurance shall include all risk insurance for physical loss or damage including, without duplication, theft, vandalism, and malicious mischief. Insurance shall include coverage of owned and rented equipment and temporary facilities. If insurance is written with stipulated amounts deductible under the terms of the policy, the Development Partner shall be responsible for covering the cost of all deductibles.

The Development Partner will be required to furnish the PFC original Certificates of Insurance evidencing the required coverage to be in force on the effective date of the MOU, and Renewal

Certificates of Insurance, or such similar evidence, if the coverage has an expiration or renewal date occurring during the term of the MOU.

Such Certificates of Insurance shall state that a thirty (30) day notice of prior cancellation or change will be provided to the PFC. Notwithstanding the foregoing, the Development Partner shall notify the PFC (a) simultaneously with any notice sent by the Development Partner to its insurance carrier terminating all or any portion of its insurance coverage; or (b) within five (5) days following receipt by the Development Partner of notice of cancellation or nonrenewal from its insurance carrier. Immediately upon receipt or provision of notice terminating any insurance coverage, the Development Partner shall obtain new coverage in such types and for such amounts as required by this RFQ, which shall also be included (and may be further expanded upon) in the MOU. The Development Partner promptly shall provide to the PFC copies of such new policies and comply in all respects with the insurance requirements of the MOU.

The Development Partner will require all subcontractors to carry the insurance required herein, or the Development Partner may provide the coverage for any or all subcontractors, and, if so, the evidence of insurance submitted will so stipulate. The PFC will be named as an additional insured on all subcontractor insurance policies. The Development Partner and each subcontractor will agree that insurers will waive their rights of subrogation against the PFC. The Development Partner will agree that any insurance or self-insurance programs maintained by the PFC will apply in excess of insurance provided by the Development Partner under the MOU.

For new construction or substantial rehabilitation projects, prior to closing, the construction professional (general contractor or construction manager) will be required to submit a performance and payment bond for 100% of the construction contract price. The Development Partner shall ensure that such performance and payment bond is obtained and remains in place of the term of the construction contract.

#### **IV. INVITATION FORMAT**

Attached to this RFQ is a "**Qualification Submission Document.**" Responses are to be made by completing the Qualification Submission Document in its entirety. The interested Development Partner shall submit one (1) original and three (3) copies of the completed Qualification Submission Document to:

McKinney Affordable Housing Development Corporation  
603 N. Tennessee Street  
McKinney, Texas 75069  
Attention: Roslyn Miller, Secretary & Vice President

Please include a check or money order payable to the McKinney Affordable Housing Development Corporation in the amount of \$5,000 as an initial application fee. All interested Development Partners submitting responses are responsible for any applicable costs associated with the third-party underwriting and review of their responses (including any underwriting or review costs in excess of the initial application fee) regardless of the outcome of the proposed project.

The PFC reserves the right to reject any or all materials or to request supplemental materials. The PFC further reserves the right to request oral presentations by all or some of the respondents. The PFC requests that respondents' information be succinct.

The PFC reserves the right to cancel or revise, in part or in whole, this RFQ, including, but not limited to, the selection schedule and the submittal requirements. The PFC will post any cancellation or revision to this RFQ by written addenda on its website.

Any questions should be in writing and directed to the PFC by email or mail at the following address:

McKinney Affordable Housing Development Corporation  
603 N. Tennessee Street  
McKinney, Texas 75069  
Attention: Roslyn Miller, Secretary & Vice President  
Email: rmiller@mckinneyha.org

**Responses that do not include all required information may be deemed unresponsive and may be disqualified.**

Disadvantaged, minority and women-owned businesses are encouraged to respond to this RFQ.

## **V. SPECIAL CONDITIONS**

By Submitting a Qualifications Submission Document in response to this RFQ, respondents acknowledge and agree to the following conditions:

- All Qualification Submission Documents submitted in response to this RFQ become the property of the PFC, which is a subsidiary of the Authority. As such, all Qualification Submission Documents submitted are public records, subject to public review.
- The PFC will make no determination as to the adequacy of any system, process, procedure or representation made by any respondent. As such, qualification does not infer approval by the PFC of any such systems, processes, procedures or representations.
- No respondent shall initiate contact with any member of the Board of Commissioners of the Authority or the Board of Directors of the PFC regarding this RFQ until after completion of the selection process and execution of the MOU. If any respondent has any reason, not related to this RFQ, to contact any member of the Board of Commissioners of the Authority or the Board of Directors of the PFC, such respondent will be required to disclose to that party that they are a respondent to this RFQ. Failure to adhere to this requirement may result in disqualification from the instant solicitation.
- The PFC accepts no responsibility for any expenses incurred in a respondent's preparation of the solicited Qualification Submission Document; such expenses are to be borne exclusively by each respondent.



- The PFC reserves the right, in its sole discretion to waive any irregularities in any Qualifications Submission Document, reject any or all Qualifications Submission Documents, and re-solicit for Qualification Submission Documents.
- Respondents shall not have employed or retained any company or person, other than a bona fide employee, working solely for a respondent to solicit or secure the MOU. Respondents certify that they have not paid or agreed to pay any person, company, corporation, individual or firm other than a bona fide employee working solely for a respondent, any fee, commission, percentage, gift or any other consideration, contingent upon or resulting from the award of or the making of a contract from this solicitation.
- Any person or affiliate who has been disbarred or otherwise precluded from bidding on projects by any federal, state or local government agency must full disclose to the PFC the details of such disbarment or preclusion.
- The PFC reserves the right to request clarification of information submitted in the Qualification Submission Document, to interview respondents and to request additional information of one or more respondents. In addition, the PFC may conduct such investigations and interviews as it, in its sole discretion, deems necessary to assist in the evaluation of any Qualification Submission Document submitted, including, without limitation, the respondent's financial ability.

## **VI. SELECTION PROCESS**

All responses will be reviewed by the PFC's Board of Directors, based on recommendations from the PFC's officers and the PFC's third party advisors, including legal and financial consultants. The PFC's Board of Directors shall be the sole judge as to the evaluation of responses. Such evaluation will be done by the Board of Commissioners in a consensus determination of the Board of Commissioners. The Board may obtain and take into consideration advice and consultation from third parties including legal and financial consultants. Based on such evaluation, interviews may be conducted with selected respondents.

The PFC intends to utilize the following aspects to assess the responses, provided that the Board of Commissioners reserves the right to consider other factors brought to its attention in the responses received:

<b>Development Partner and Project Evaluation Factors</b>	<b>Points</b>
<b>Development/Management Team Experience</b>	10
<b>Proposed Project Feasibility</b>	10
<b>Financing Structure</b>	40
<ol style="list-style-type: none"> <li>1. Reimbursement of PFC's Predevelopment Fees and Expenses (up to 10 points)</li> <li>2. PFC Share of Development Fee and/or Acquisition Fee (up to 10 points)</li> </ol>	

<ul style="list-style-type: none"> <li>3. PFC Share of Fees and Cash Flow from Operations (up to 10 points)</li> <li>4. PFC Share of Proceeds from Sale or Refinancing and Right of First Refusal (up to 10 points)</li> </ul>	
<p><b>Affordability</b></p> <ul style="list-style-type: none"> <li>1. Stringency of Affordability Restrictions (up to 10 points)</li> <li>2. Income Targeting and Availability of Units for Authority's Section 8 Housing Choice Voucher Holders and Applicants (up to 10 points)</li> <li>3. Duration of Affordability Restrictions (up to 10 points)</li> <li>4. Unit Mix Sufficient to House Families with Children in Affordable Units (up to 10 points)</li> </ul>	40
<p><b>Property Location and Features</b></p> <ul style="list-style-type: none"> <li>1. Location Aimed at Deconcentrating Poverty (up to 10 points)</li> <li>2. Quality Design of Units, with Amenities and Resident Services On-Site or in Proximity to Property Location (up to 10 points)</li> </ul>	20
<b>Financial Responsibility / Capacity of Development Partner</b>	10
<b>Development Partner Team References</b>	10
<b>MBE/WBE/Section 3 Plans</b>	10
<b>Total Points Possible</b>	<b>150</b>

Scoring is not competitive and merely used as an evaluation guide. The PFC intends to attempt to negotiate an MOU with those interested Development Partners whose responses are deemed most advantageous to the PFC and best advance the housing goals of the PFC and the Authority, consistent with each organization's mission. In the event any such respondent elects not to participate in the negotiation process or if such negotiations do not yield a fully executed MOU, the PFC reserves the right to terminate negotiations. Furthermore, the Authority reserves the right to reject any or all Qualification Submission Documents or terminate this RFQ at any time.

The PFC may select more than one respondent and undertake simultaneous negotiations with multiple such respondents at the PFC's discretion. Moreover, the PFC may choose not to accept any or all Qualification Submission Documents or terminate this RFQ at any time.

## **VII. AWARD**

If the PFC determines that interviews are necessary, interviews will be scheduled upon advance notice to a respondent. Notification in the form of a written notice of award, subject to the successful negotiation of an MOU, is expected as soon as practical after the submission due date. The final selection of pre-qualified respondents will not create a binding contract or obligation on the part of the PFC to enter into an MOU or any other agreement with any of the pre-qualified respondents.

Upon approval of the PFC Board of Directors, the Authority's Board of Commissioners will be briefed on the project. A final MOU for each project is subject to the approval of the PFC Board of Directors and the Authority's Board of Commissioners.

# QUALIFICATION SUBMISSION DOCUMENT

## FOR

### AFFORDABLE AND WORKFORCE HOUSING OWNERS AND DEVELOPERS

(New Construction, Substantial Rehabilitation or Existing Units)

#### STATEMENT OF QUALIFICATIONS

Respondents to the Request for Qualifications for Affordable and Workforce Housing Owners and Developers (New Construction, Substantial Rehabilitation or Existing Units) issued on **February 28, 2022**, 2022 (the "**RFQ**") by McKinney Affordable Housing Development Corporation, a Texas nonprofit corporation and a public facility corporation under Chapter 303 of the Texas Local Government Code (the "**PFC**"), will be the entity that will serve as the Development Partner, as described in the RFQ, if selected (the "**Development Partner Entity**"). The respondent's submittals in response to the RFQ shall be accompanied by a Letter of Interest on the respondent's letterhead. The Letter of Interest should: (i) state respondent's understanding of the work to be done; (ii) state why the respondent believes itself to be qualified to perform the engagement; (iii) certify respondent's ability to start work immediately; (iv) certify respondent's commitment to perform the work expeditiously; (v) certify respondent's ability to timely obtain the required insurance; and (vi) state that the response is firm and irrevocable for sixty (60) days.

#### DEVELOPMENT / MANAGEMENT TEAM EXPERIENCE

Although the RFQ is only for the selection of the entity that will serve as the Development Partner as described in the RFQ, the respondent shall identify the development team for the proposed project as described in the RFQ (the "**Development Team**"), which will include the Development Partner Entity and any other key professionals, which may include, but is not limited to, design, construction, marketing, financing, management and affordable housing professionals, as applicable (the "**Team Members**").

1. **DEVELOPMENT PARTNER ENTITY.** Name and address, telephone, facsimile, e-mail address of the Development Partner Entity and website. State the type of legal entity (form of organization) and the state of organization of the Development Partner Entity.
2. **KEY PRINCIPALS (INCLUDING ANY ENTITY) HOLDING AN INTEREST IN THE DEVELOPMENT PARTNER ENTITY, WHETHER IN EQUITY, BY AGREEMENT OR CONTRACTUAL.** Name, address, position and description of the nature and percentage interest in the Development Partner Entity as to each such principal. Provide profiles of the principals and key staff to be involved in the development effort.
3. **ORGANIZATIONAL STRUCTURE.** Describe your organizational and management approach. Identify the individual who will serve as the project

manager and, if applicable, who will direct and coordinate the development effort to completion. Specify all members of the firm who will regularly interact with the PFC and describe their qualifications and responsibilities. This information should specify existing time commitments, previous development experience and whether the staff will be locally based. Provide an organizational chart detailing the proposed ownership stake that the PFC or an affiliate of the PFC shall hold in the proposed project and, for new construction and substantial rehabilitation projects, whether the PFC is proposed to be used as general contractor for purposes of sales tax exemption.

4. **INTEGRATED APPROACH.** Describe how (or if) your organization has an integrated structure encompassing development, construction or rehabilitation (in each case, if applicable) and property management and operational services.
5. **COMMUNITY ENGAGEMENT STRATEGY.** Describe the Development Team's planned community engagement strategies and any community engagement efforts undertaken to date. Describe what actions have been taken to communicate the project characteristics and progress with immediate neighbors or community stakeholders. Provide details on future community engagement strategy including an outreach timeline, primary point of contact, and communication pathway.
6. **LITIGATION/TERMINATION.** The Development Partner Entity and each person (including any entity) holding an interest in the Development Partner Entity must (i) identify any litigation within the last five (5) years where it was either plaintiff or defendant; and (ii) identify and summarize, including resolution (if any), any complaints filed against it related to the delivery of any professional or licensed services. Also, advise whether the Development Partner Entity or any of its affiliates have ever been terminated (whether with or without cause) prior to completing a project, and if so, identify the project and summarize the circumstances of the termination. The PFC reserves the right to contact any federal, state, county or local agency, department and/or licensing authority and/or company to verify the information provided pursuant to this section.
7. **TEAM MEMBERS.**
  - a. Identify each Team Member of the Development Team.
  - b. Describe each Team Member's specialization, relevant experience and specific contribution to the Development Team.
  - c. Describe in detail any identity of interest among the Development Team.
  - d. Submit an organization chart showing all of the key individuals from the Team Members who will be assigned to the project. The chart should reflect the hierarchy and lines of communication.
  - e. Submit resumes of the key individuals and detailed descriptions of the responsibilities that the key individuals will be required to perform.

- f. Describe the degree to which the Team Members and key individuals can dedicate their professional time to the project.
  - g. Describe the Development Team's specific experience with: (i) new construction and marketing of affordable rental housing units in an urban setting; (ii) rehabilitation of existing housing and marketing thereof; (iii) management and operation of existing affordable rental housing and marketing thereof; and (iv) complex financial structuring, including managing multiple public and private funding sources in Texas and familiarity with local real estate taxing processes, abatements and exemptions. Any previous collaboration among some or all members of the Development Team should be noted. Successful experience in the mixed income development and/or operation of communities similar to the proposed project should be provided.
  - h. If selected, for any proposed project that involves new construction or substantial rehabilitation of units, the construction professional will be required to submit a performance and payment bond for 100% of the contract price. Submit a letter from the construction professional, if any, certifying the construction professional's ability to provide such performance and payment bond.
8. CERTIFICATIONS. Submit the following certifications/documents:
- a. Certification Regarding Debarment, Suspension, and other Responsibility Matters, a form of which is attached to this RFQ as Exhibit A.
  - b. Certification Regarding Lobbying, a form of which is attached to this RFQ as Exhibit B.
  - c. Non-Collusive Affidavit and Certificate of Non-Organizational Conflict of Interest, a form of which is attached to this RFQ as Exhibit C.
  - d. A Certification of Previous Compliance with Fair Housing and Civil Rights Laws Assistance, a form of which is attached to this RFQ as Exhibit D.
  - e. A Certification Regarding Outstanding Litigation prepared on respondent's letterhead listing all outstanding litigation that the respondent is involved in.
9. MBE/WBE/SECTION 3 GOALS

The PFC is an affiliate of the Housing Authority of the City of McKinney, Texas (the "**Authority**"). The Authority is committed to providing opportunities for Minority Business Enterprises ("**MBE**") and/or Women Business Enterprises ("**WBE**"), as well as employment opportunities for qualified individuals pursuant to Section 3 of the Housing and Urban Development Act of 1968, as amended ("**Section 3**"). In furtherance of this commitment, describe whether any members of the team are MBE and/or WBE certified

as such and the number of Section 3 employment opportunities the team commits to, if any.

10. DEVELOPMENT / MANAGEMENT EXPERIENCE

List at least three, but not more than five, previous development or acquisition transactions of the Development Partner Entity similar to the project proposed in response to this RFQ using the following format:

PROJECT NAME:

LOCATION:

NUMBER OF UNITS:

TOTAL DEVELOPMENT COST:

TYPE AND SIZE OF UNITS:

DATE SELECTED AS DEVELOPMENT PARTNER:

ORIGINAL PROJECTED COMPLETION DATE:

CURRENT STATUS:

FINANCING SOURCES AND AMOUNTS:

PROJECT REFERENCE:

## **PROPOSED PROJECT FEASIBILITY**

For all proposed projects, it must be determined that development and/or operation would not be economically feasible but for the PFC's involvement and provision of property tax exemption for the project (and, if applicable, sales tax exemption for the construction materials for the project). If it is determined the property tax exemption over-subsidizes the proposed project, deeper affordability requirements or payments in lieu of taxes may be requested by the PFC and/or the Authority. Accordingly, provide the following as part of the Qualified Submission Document:

1. For new construction or substantial rehabilitation projects, a detailed development budget, with sufficient detail that the PFC can determine feasibility and reasonableness of project costs;
2. Executive summary of the proposed development or acquisition, total project cost, project schedule and phasing, unit and affordability mix, design concepts and amenities, resident services, zoning requirements and changes proposed, and plans for any required relocation;
3. Copies of market feasibility studies or other third-party market studies;
4. Proposed acquisition and/or development or rehabilitation timeline;
5. Sources of project funding and copies of all supporting information;
6. Operating pro forma with a minimum 15-year term. If any permanent financing source contemplates a term longer than 15 years, the operating pro forma should have a term matching the term for that financing source; and
7. Detailed information regarding any subsidy sources to be used for the development and/or operation of the project.

## **FINANCING STRUCTURE**

Provide a narrative description of the proposed methods that will be utilized to structure the development in such a way so as to maximize the amount of fees received by the PFC from the construction, acquisition, operation, and eventual refinancing and/or sale of the project. Include in such narrative description the Development Partner's plans for sharing fees in a manner indicative of the benefit the PFC is conferring through its participation in the ownership and operation of the proposed project. Strategies that provide for reimbursement of all predevelopment or pre-acquisition costs and expenses to the PFC and that provide for the PFC to receive a higher share of acquisition and/or development fee, as well as other fees and cash flow shall be rated more favorably.

## **AFFORDABILITY**

Describe in detail plans for affordability, including number of affordable units relative to total unit count, unit types, level(s) of affordability, income targeting, unit mix and a rent schedule. Describe any plans for marketing and renting units to Section 8 Housing Choice Voucher holders



or applicants on the Authority's Section 8 Housing Choice Voucher waiting list. Proposed rents for units designated as affordable at the property should be below market-rate rents for the area. Proposals with longer term affordability restrictions are preferred.

## **PROPERTY LOCATION AND FEATURES**

Provide the following as part of the Qualified Submission Document:

1. Site address and appraisal district account numbers.
2. Description of current property ownership. If property is owned by someone other than the Development Partner, include a description of the Development Partner's plan to acquire site control as well as copies of any lease, option, or purchase agreements.
3. For new construction or substantial rehabilitation projects, conceptual schematic drawings (including floorplans, elevations, and site plans). The development must relate to scale and character of the surrounding area while also providing uses and amenities that enhance the lives of future residents and surrounding neighborhoods. A high level of streetscape design, including residential spaces (and applicable commercial space) that directly link to the surrounding public realm, promoting an active, safe, pedestrian-friendly and walkable character, and providing a high degree of visual continuity along street corridors is expected. All developments must comply with all accessibility features required under federal, state and local law.
4. Describe any tenant amenities, common area amenities, and resident services to be provided, whether on or off-site.
5. Provide the proximity to and a description of community amenities such as schools, parks, libraries, grocery stores, transportation, healthcare, and employment centers.
6. Copies of any available engineering, environmental, or other property studies; if applicable, describe any plans for remediation or other environmental clean-up requirements.
7. Current zoning classification, as verified by a zoning verification letter from the City of McKinney, along with a description of any required or desired change in zoning classification or any zoning variance needed for the proposed project.
8. An appraisal of property prepared by a license appraiser of the State of Texas and dated within one year of the RFQ response date may be requested by PFC staff or PFC's financial consultant to confirm cost of acquisition.
9. Description of current property use.

## **FINANCIAL CAPACITY RESPONSIBILITY**

Submit financial statements for 2019, 2020 and 2021, including balance sheets and statements of income and expenses prepared in accordance with generally accepted accounting principles (GAAP).

**REFERENCES**

References shall be provided for the experiences listed above (include name, telephone number and e-mail address of contact person). References must verify respondent's representations. In the event that the PFC elects to conduct reference checks, a uniform set of questions will be used to check each reference. The PFC reserves the right to check other references.

Housing Authority: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Public Facility Corporation: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Public Facility Corporation: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Architect: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Financial Institution: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

**CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND OTHER  
RESPONSIBILITY MATTERS**

By the submission of this proposal, \_\_\_\_\_ certifies to the best of its knowledge and belief, that it and its principals:

- (a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal department or agency;
- (b) Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
- (c) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (1) (b) of this certification; and
- (d) Have not within a three-year period preceding this proposal had one or more public transactions (Federal, State or local) terminated for cause or default.

**Name of Organization:** \_\_\_\_\_

**Signature:** \_\_\_\_\_

**Name:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Date:** \_\_\_\_\_

**CERTIFICATION REGARDING LOBBYING**

I, \_\_\_\_\_, hereby certify on behalf of \_\_\_\_\_  
(insert name of proposer) and its key principals that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, or any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.

3. The undersigned shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclosure accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

\_\_\_\_\_  
Signature of Key Principal of Respondent

**CERTIFICATE OF NON-ORGANIZATIONAL CONFLICT OF INTEREST**

**Respondent's Legal Name:** \_\_\_\_\_  
**Address:** \_\_\_\_\_  
**Contact Name and Telephone Number:** \_\_\_\_\_  
**Employer Identification Number:** \_\_\_\_\_

The respondent certifies that to the best of its knowledge and belief and except as otherwise disclosed, respondent does not have any organizational conflict of interest which is defined as a situation in which the nature of work to be performed under this proposed engagement and the respondent's organizational, financial, contractual, or other interests may, without some restriction on future activities:

- (a) Result in an unfair competitive advantage to the respondent; or,
- (b) Impair the respondent's objectivity in performing the engagement.

In the absence of any actual or apparent conflict, I hereby certify that to the best of my knowledge and belief, no actual or apparent conflict of interest exists with regard to my possible performance of this procurement.

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Name of Respondent or Authorized Agent**

\_\_\_\_\_  
**Date**

**CERTIFICATION OF PREVIOUS COMPLIANCE WITH FAIR HOUSING AND CIVIL RIGHTS LAWS ASSISTANCE**

**Respondent's Legal Name:** \_\_\_\_\_  
**Address:** \_\_\_\_\_  
**Contact Name and Telephone Number:** \_\_\_\_\_  
**Employer Identification Number:** \_\_\_\_\_

This is to certify that the above named respondent, its directors, and employees are in full compliance with all Fair Housing and civil rights laws, statutes, regulations and executive orders as enumerated in 24 CFR 5.105(a).

The above named respondent, its directors, and employees also understand that they will not be eligible for consideration under this RFQ if any one of the following is true —

- Has been charged with a systemic violation of the Fair Housing Act by HUD alleging ongoing discrimination;
- Is a defendant in a Fair Housing Act lawsuit filed by the Department of Justice alleging an ongoing pattern or practice of discrimination; or
- Has received a letter of noncompliance findings under Title VI, Section 504, or Section 109.

Additionally, the above named respondent, its directors, and employees also understand that the PFC will not rate and rank an application if the charge, lawsuit, or letter of findings has not been resolved to the satisfaction of the PFC. The PFC's decision regarding whether a charge, lawsuit, or a letter of findings has been satisfactorily resolved will be based upon whether appropriate actions have been taken to address allegations of ongoing discrimination in the policies or practices involved in the charge, lawsuit, or letter of findings.

**TO THE BEST OF MY KNOWLEDGE AND BELIEF, ALL INFORMATION IN THIS APPLICATION IS TRUE AND CORRECT.**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Name of Respondent or Authorized Agent**

\_\_\_\_\_  
**Date**