

Fraser River Valley Housing Partnership Requests for Proposals - Financial Advisor Services



Equal Opportunity Employer

The Fraser River Valley Housing Partnership (FRVHP or the Partnership) is committed to providing an equal opportunity for services, programs and activities and does not discriminate on the basis of disability, race, age, color, national origin, religion, sexual orientation or gender. FRVHP will make reasonable accommodations for Applicants in accordance with the Americans with Disabilities Act (ADA).

Colorado Open Records Act Notification

FRVHP is subject to C.R.S. §§ 24-72-201 et seq. of the Colorado Revised Statutes, (the “Colorado Open Records Act”). If you object to the disclosure of any confidential or privileged information as such is defined in the Colorado Open Records Act, all such alleged pages must be clearly marked confidential as submitted as outlined below in the Submittal Instructions. If you fail to mark the documents as confidential and fail to include the explanation, any objection to the release of any such information may be deemed waived by the Partnership. Please note that your objection will be considered but is not binding on the Partnership. The Partnership is required to make a determination under the Colorado Open Records Act and may only withhold documents that are confidential under the Colorado Open Records Act and other applicable law. If the Partnership releases documents marked as confidential in compliance with the Colorado Open Records Act, the Applicant waives any claims for liability or damages.

Introduction & Background

The Fraser River Valley Housing Partnership (FRVHP or the Partnership) was created in 2022 as a multijurisdictional housing authority under C.R.S. § 29-1-204.5 and received voter-approved funding in November 2022 (Ballot 6A) for the purpose of increasing the supply of workforce housing to meet the needs of employers within the Partnership Boundary. The Partnership is governed by a board of directors composed of a representative of each authorizing jurisdiction and three at large members.

The Partnership goals and objectives include:

- Increase the supply of affordable housing projects across the boundary for workforce individuals and families.
- Meaningfully contribute to the alleviation of housing pressures of the local workforce.
- Provide for long term affordability of rental units.
- Promote mixed-income developments.

- A plan to transfer the affordable housing portion and its revenues to the Partnership after construction.

The Partnership is a multi-jurisdictional housing authority formed by intergovernmental agreement among the Towns of Winter Park, Fraser and Granby and Grand County Colorado pursuant to section 29-1-204.5, Colorado Revised Statutes, as amended. The Partnership has the power to support housing projects serving low- and middle-income individuals and families with:

- Tax exempt bonds
- Exemptions from property, sales, and use taxes
- Access to tax credit programs
- Access to low interest financing

In November 2022, voters approved a ballot issue authorizing the Partnership to levy a two-mill property tax. The Partnership received approximately \$1,200,000 from property taxes in 2023 and expects to receive approximately \$1,600,000 in 2024 and the same or greater amounts in subsequent years. The Partnership has flexibility to set income limits for low- and middle-income individuals and families who live and work in the Fraser River Valley but is primarily focused on providing housing for individuals and families whose incomes are between 60% and 180% of the area median income of Grand County for which the rent or mortgage payment plus utilities does not exceed 30% of the tenant's income.

For additional information regarding the Partnership, see <https://frvhp.com>

FRVHP has the authority to appoint agents, employees and professional and business advisors including real estate professionals, construction companies, property managers, attorneys, accountants, and financial advisors.

FRVHP is managed by a Board and Executive Director. The Executive Director administers and manages all administrative and programmatic responsibilities for FRVHP including, but not limited to: management of organizational operations; preparation and management of board meetings; financial accounting and reporting; project solicitation program creation; analysis, evaluation and approval or denial of the project proposals; program scope; administrative and program documentation; due diligence and reporting requirements; standard operating procedures; and technical assistance.

Project Solicitation

The Partnership launched the initial project solicitation in November 2023 and has received five incomplete proposals. The Partnership will continue to solicit proposals.

Proposed projects are evaluated on the following Criteria:

- Project feasibility and viability
 - Site & construction plans and ability to deliver on proposed timeline
 - Property management proposal
 - Feasible financial plan
- Project team experience
- Community need
- Local engagement and support
- Income affordability meets FRVHP goals and objectives
- Accessible amenities for tenants
- Promotes equity and access for tenants and businesses
- Environmental sustainability

Contractor Solicitation Information

FRVHP is requesting proposals from qualified firms and/or individuals interested in providing financial services to the Partnership in the administration of the project evaluation and selection process (“Applicants” or “Applicant”). The Applicant would also provide financial services during the bond underwriting process for each development project selected by the Partnership.

FRVHP will select one qualified Applicant for this work. By selecting one qualified Applicant, FRVHP is not guaranteeing a specific amount of work. Specific tasks will be assigned to the Applicant through a Contract and Statement of Work and individual Task Orders to the Contract. The Contract and Statement of Work and Individual Task Orders shall serve as the only document for engagement of the Applicant. Separate engagement letters from Applicants shall not be accepted with proposals or after the award. FRVHP recognizes that Applicants may have expertise in one or more of the FRVHP Project Criteria listed above. Applicants are encouraged to detail their expertise in one or more of these criteria, and how their expertise may be leveraged to support FRVHP in achieving its goals and objectives.

Applicants are encouraged to highlight their experience and qualifications in relevant areas, such as affordable housing projects, middle income and workforce housing, public-private partnerships, knowledge of local real estate markets and regulations, tax incentives, real estate development, funding programs, revenue opportunities, have an in-depth understanding of various financing mechanisms, and expertise to evaluate the financial viability of real estate development projects, assess risks, conduct feasibility studies, and provide recommendations based on well-developed analysis.

Anticipated Contract Term

The term of the engagement agreement will be for the duration of the current fiscal year. The Partnership will have an option to extend the contract. Each party will have the right to terminate the agreement, with or without cause, upon 30 days written notice.

Maintain Independence

The Applicant selected must agree that it will not participate as an underwriter in financings involving the Partnership. The Applicant selected may serve as financial advisor to the proposer in a FRVHP transaction for clients for which the Applicant serves as a financial advisor as of the date of this RFP. In that instance, the Applicant will not receive compensation from FRVHP for that transaction. In no event shall the Applicant enter into a financial advisory relationship which may cause the Partnership to become subject to regulatory control or registration with the MSRB or the SEC.

Applicant Experience & Personnel Requirements

Licenses and Certifications

The Partnership prefers, but does not require, that Applicants possess the licenses and certifications described below. If you do not possess the licenses and certifications described below, in your proposal, please describe why they are not necessary for the services to be performed and /or how and when in the financing process you propose that the Partnership contract with another person or entity that has these licenses and certifications.

- Registered investment advisor with appropriate licenses and certifications.
- Relevant professional certifications in finance.
- Specialized training or certifications specific to FRVHP project financing.

Organizational Experience

FRVHP desires specific experience and skills for the Applicant to possess in order for the Applicant to be able to complete the work efficiently while meeting the demands and deadlines of the Partnership.

The Partnership will evaluate the Applicant's experience pertaining to the following:

- Experience in developing financial models and evaluating financial models developed by others for affordable housing rental projects.
- Experience with bond underwriting for affordable housing projects.
- Demonstrated success in achieving financial objectives and delivering value in projects similar to FRVHP projects.
- Experience working with governmental agencies and/or special purpose authorities and understanding their financial requirements.
- In-depth knowledge and understanding of affordable housing project financing models, including various revenue streams, risk allocation, and funding mechanisms.
- Familiarity with the legal and regulatory frameworks governing affordable housing projects
- Experience in structuring financial deals for affordable housing projects and identifying innovative financing solutions.
- Understanding of the unique financial challenges and considerations associated with affordable housing projects in rural resort communities.

Personnel Requirements

The Key Personnel required:

- Project Lead

The Project Lead shall have, at a minimum, the following qualifications:

- Expertise in financial modeling, risk assessment, and financial analysis.
- Experience working collaboratively with other project stakeholders, such as non-profit or special purpose authority governing boards, government officials, private sector partners, and legal advisors.
- Direct experience with financial modeling and financial solutions for affordable housing projects.

The Project Lead shall be responsible for all of the following:

- Serve as Contractor's primary point of contact for FRVHP.
- Ensuring the completion of all Work in accordance with the Contract's requirements. This includes, but is not limited to, ensuring the accuracy, timeliness and completeness of all work.
- Overseeing all other Contractor Personnel and ensuring proper staffing levels throughout the term of the Contract.

Additional Personnel

Other than the Key Personnel designated above, Applicants may propose any other personnel and structure they believe are most efficient and effective at completing the Work.

Fee Quotation

The Partnership has not determined whether it will pay the Applicant based on an hourly rate, a transaction-related fee scale and/or a percentage of the bond paid at closing. Therefore, the Partnership is asking Applicants to submit their preferred fee structure that could be a combination of general administrative service and project specific services.

Invoicing and Payment Procedures

The Applicant shall invoice FRVHP on a monthly basis, by the 15th business day of the month following the month for which the invoice covers. The Applicant shall not invoice FRVHP for a month prior to the last day of that month.

Proposal Contents and Format

The proposal should be complete yet concise and contain only the elements shown below. Please avoid submission of extraneous and unnecessary information. The Partnership reserves the right to reject any proposal that contains extraneous or unnecessary information.

Cover Letter

A one-page cover letter shall be provided that expresses the Applicant interest to be considered and identifies the primary contact person for the proposal. Please provide the name, telephone number, and email address and physical office location of the primary contact person of the

Applicant. The cover letter shall be signed by a person who has contractual authority with the Applicant, such as a principal, partner, senior manager, or officer of the Applicant.

Relevant Project Experience

Describe the Applicant's experience and capabilities in providing similar services to those required. Be specific and identify projects, dates, and results. It will be to your benefit to provide the Applicant's experience with recent comparable projects and to provide specific examples.

Staff Qualifications

Provide brief resumes describing the educational and work experiences for each of the key personnel who would be engaged with FRVHP.

Proposer References

The Applicant must include as a supplement to its proposal a list of three (3) references, including points of contact (name, address, email address, and telephone number), which can be used as references for work performed in the area of service required. Selected organizations may be contacted to determine the quality of work performed and personnel assigned.

Proposals must be submitted electronically to: rob.clemens@frvhp.com by February 23, 2024

Additional Information

The Partnership reserves the right (a) to reject any and all proposals, (b) to issue a subsequent request or to cancel this RFP, (c) to waive any irregularity or informality in any proposal, or (d) to enter into discussions with applicants before the submission of the final proposals. The Partnership reserves the right to select a proposal whether or not such proposal results in the lowest cost to the Partnership.

Questions regarding this proposal must be submitted to FRVHP % rob.clemens@frvhp.com. All questions and answers will be distributed by FRVHP to all known potential applicants. OTHER CONTACT WITH FRVHP STAFF OR BOARD MEMBERS REGARDING THIS REQUEST FOR PROPOSALS IS NOT PERMITTED.

Proposed Scope of Work

General Financial Advisory Capacity vs Project Advisory Capacity

FRVHP is requesting Applicants to provide a proposal for assisting the Partnership with general financial analysis, advice and recommendation for organizational needs and financial requirements that will apply to all program areas and affordable housing projects. In addition, FRVHP is seeking a Financial Advisor to represent the Partnership through Project Underwriting and the long-term financial ownership responsibilities of FRVHP Projects. Applicants are

expected to address both needs in their proposal. Proposed compensation plans can be submitted as separate fee structures or combined into a single compensation structure.

Scope of Work

The nature of financial services that are being requested are listed, but are not limited to the following lists.

Organizational:

- Provide financial services to FRVHP on all financial and commercial issues associated with potential affordable housing projects to include successful selection, preparation, procurement, and closing of the projects at hand.
- Develop appropriate underwriting standards and refined financial analysis to guide evaluation discussions and to identify the risk of the proposed projects.
- Assist in project scoping and value engineering as needed.
- Develop a risk assessment to inform risk allocation and financial analysis.
- Analyze the existing program application requirements and evaluation criteria.
- Develop a FRVHP Fee Schedule for projects and recommendations on timing of implementation.
- Develop objectives and recommendations on all key financial issues in transactions and/or contracting.
- Develop recommendations on key financial issues in the proposed project (including risk allocation, structuring of supervening events, structuring of termination clauses and payment mechanisms)
- Advise on preparation of materials (as needed) for interactions with board members, stakeholders, decisionmakers and the public.
- Review and make recommendations on all policies relating to financial transactions.
- Advise on relationship of projects and bonds issued to finance each project to each other and on a long-term financial plan for use of Partnership resources.

Project Specific:

- Review and advise on project/applicant inquiries and other interactions related to financial information.
- Review and advise on draft project agreements and contracts.
- Assist in the development of project specific negotiating strategies and negotiate the final project agreement, appendices and related agreements and documents including financial agreement and technical and financial proposals.
- Attend board and staff meetings in which financial matters relating to projects are discussed.
- Assistance at financial close, including but not limited to;
 - Identifying tasks required to financial close, including working with the FRVHP Board and Staff to confirm requirements, and process for financial close,
 - Reviewing closing documents,
 - Addressing final amendments to the project agreement or contract; and
 - Supporting FRVHP in financial close.