

South Carolina State Housing Finance & Development Authority
Request for Proposal
2009 LIHTC Program Market Studies

I. Intent

To meet the objectives of the Low-Income Housing Tax Credit Program (LIHTC), Section 42(m)(1)(A)(iii) of the Internal Revenue Code of 1986, as amended, (the "Code"), as administered by the SC State Housing Finance and Development Authority ("Authority"), the Authority plans to enter into agreements ("Contracts") with more than one individual or firm ("Market Analysts") for the 2009 Low-Income Housing Tax Credit Program Year. These Contracts will be the basis for a series of multifamily rental market analyses ("Market Studies") to be performed for 2009 LIHTC proposals.

II. Brief Background

The Authority is a South Carolina State Government Agency created by Act No. 500 on June 22, 1971. By law, the Authority's responsibilities are to investigate housing conditions; acquire, own, and lease personal property; construct, reconstruct, and operate housing developments; and aid in planning and constructing housing for members of the Beneficiary Classes. The Beneficiary Classes are individuals or families whose gross annual income falls within the low or moderate-to-low income limits as defined by State and Federal legislation.

III. Market Analysts Eligible to Participate

1. Must have:
 - a) As a minimum, the Principal(s) must have an Undergraduate Degree in Economics, Business, City and Regional Planning, or other relevant course of study; and
 - b) No less than three (3) years experience as the primary author of market studies for LIHTC rental housing projects; and
 - c) Demonstrated experience in the area of LIHTC market research in the state of South Carolina; and
 - d) Primary business operation of the company must be dedicated to market study preparation and not other business related interests such as appraisal, survey, financial, etc. services; and
 - e) Staff capacity to complete a minimum of 10 market studies within the allotted time frames.
2. The Authority prefers:
 - a) The Principal(s) of the firm to be certified member of the National Council of Affordable Housing Market Analysts; and
 - b) Central business operations to be located in the Southeastern United States.

IV. Scope of Work

The overall purpose of a LIHTC market study is to provide a detailed assessment of the feasibility of a proposed project in a specific market area. Any study submitted to the Authority resulting from an above-mentioned Contract must meet all of the requirements of the attached **Market Study Requirements** from South Carolina's 2009 Qualified Allocation Plan and 2009 Tax Credit Manual. Market Analysts will have approximately six (6) weeks to complete all assigned market studies. It is anticipated that analyst will be asked to complete a minimum of 10 market studies within the allotted time frame.

Typically, the Authority receives applications for projects which range from 24 to 120 units in size with a regulated number of units reserved for accessibility by the disabled. The mix of proposals will include new construction, adaptive reuse, or acquisition/rehabilitation and will be located in rural and urban areas throughout the state.

V. Proposal Process

All Proposals must be delivered in original paper form to: SCSHFDA, LIHTC Program, 300-C Outlet Pointe Blvd., Columbia, SC 29210, no later than Monday, December 29, 2008. The Authority will not consider proposals received after this deadline. Proposal packages should be submitted to the attention of Laura Nicholson. Emails and faxes will not be accepted.

VI. Proposal Evaluation

Proposals will be evaluated by Authority staff. The following factors will be used during the evaluation process:

1. Specific experience the Authority has with the Market Analyst in preparing LIHTC multifamily rental market studies; and
2. Previous experience in the preparation of LIHTC multifamily rental market studies for other State Housing Finance Authorities; and
3. The capacity of a Market Analyst to produce a minimum of 10 market studies within the allotted time frame.

VII. Proposal Package

The allowable fee for preparation of 2009 market studies is **\$4,900 per study**. Analyst interested in participating must provide the following information in the order shown and numbered as follows:

1. A cover letter with the name, mailing address, email address, telephone number and facsimile number of the individual with whom the Authority may communicate; and
2. A written list of any clients (including names and project locations) that the Market Analyst has worked with or engaged to work with in preparation for the 2009 SC LIHTC Program Year; and
3. Resume of the Principal(s) and key staff that will be completing the work under the Contract, highlighting all LIHTC market study research completed for properties in SC since January 2005; and
4. Work plan identifying steps and time frames for all of the tasks needed to complete an individual LIHTC market study; and
5. Detailed discussion of the Applicant’s staffing and other elements of its capacity to complete multiple market studies in the approximate six (6) week period; and
6. At least two (2) letters of reference from clients requiring similar work in the past three (3) years. Market analysts who were under contract with SC State Housing Finance and Development Authority for the 2008 program year do not have to provide references. Of special interest to the Authority are any customer references from State or local housing agencies and/or financial institutions; and
7. A sample market study produced for a similar assignment within the past year. Property, client name and any other proprietary information may be deleted or blacked out. Market Analysts under contract with SCSHFDA in 2008, do not have to provide a study; and
8. Certification that the Market Analyst will disclose all relationships, either prior or present, with the applicants for any proposals to which the Market Analyst may be assigned, and that failure to fully disclose the nature of the relationship may jeopardize the assignment, payment for the assignment and ability to participate in similar assignments with the Authority in the future; and
9. Certification that any market study submitted through a Contract will become the property of the Authority; and
10. Statement that participating in completing 2009 market studies for the Authority will be valid for at least 90 days.
11. If applicable, certification letter from NACAMA stating that the market study firm and its Principal(s) are NACAMA members in good standing.

Because the market study fees will be the burden of LIHTC applicants and not the Authority, the proposal process is not subject to state procurement regulations. The Authority reserves the right to reject substantially incomplete proposal packages without a detailed review. At its sole discretion, the Authority reserves the right to contact participants and ask them for required information omitted from the proposal package. The Authority may contact participants by telephone or by facsimile during its review of a proposal package in order to clarify submitted information. The Authority reserves the right to reject all proposals and/or any part thereof, waive any minor irregularity in the proposal, and accept the proposal(s) that are in the best interest of the State of South Carolina. The Authority will make its selection of the number of projects assigned to analysts based on stated capacity, number of preliminary applications submitted, conflicts of interest and the Agency’s evaluation of the analyst’s capacity based on prior studies submitted.

The Authority will not be responsible for any expenses incurred in responding to this proposal request. All costs incurred in the preparation, transmittal, or presentation of any proposal or material submitted will be borne solely by the participant.

VIII. Timeline

Monday, December 29, 2008	Deadline for receiving Market Analysts’ proposal packages.
Wednesday, January 14, 2009	Notify Market Analysts for which proposals have been accepted and offer a contract.
Wednesday, January 21, 2009	Executed contracts are due back to the Authority. Should a contract not be accepted, an alternate Market Analyst will be offered the contract until such time that the approximate number of needed Market Analysts have been retained.
Friday, February 27, 2009	2009 Tier One Applications due.
Not Later Than Tuesday, March 3, 2009	Initial assignments made and Tier One Applications mailed to Analysts to begin studies.
Friday, March 13, 2009	Pre-market analysis due to the Authority.
Thursday, April 16, 2009	Market studies (2 hard copies & CD or DVD) due and in-house review begins.
Not later than Tuesday, April 21, 2009	A copy of each market study will be forwarded to the contact person listed in each Tier One Application by the Authority. If in a market study, a market analyst recommends alterations to a development, the Applicant may interact with the analyst in order to discuss those recommendations. The Applicant may revise their project based on the market analyst’s recommendations.

Friday, April 24, 2009	The contact person for each Tier One Application must submit in writing to the Authority and market analyst that they have received and reviewed their project's market study.
Friday, April 24, 2008 through Tuesday June 8, 2008	The Authority may contact the analyst for clarification regarding a submitted market study or market area in which market studies were assigned.
Not later than Tuesday, May 5, 2009	The Authority will inform the contact person for each Tier One Application its decision on whether or not a market exists for their proposal.
Tuesday, June 8, 2009	All Tier Two Applications due.

XI. Contract Terms

Contracts will be offered immediately following the proposal selection process and will specify payment terms, notice, termination and other standard provisions. The term of the contract will be for one year only. All assigned market studies must be completed by the six (6) week deadline to be outlined within the contract.

The Contract between the Authority and the Market Analysts' will be for a firm, fixed amount for each market study assigned (\$4,900.00/ study). This fixed amount will include all of the costs associated with each market study including travel, delivery, telephone, copying, and other costs associated with the completion of the work. Should the Authority require additional information or discussion on one or more market study(s) after the study has been submitted, the Market Analyst must agree to provide all additional information without an additional charge. Analysts must provide an invoice for payment to include Project Name, City, County, and total amount due and payable. All payments by the Authority will be made not later than thirty (30) business days after the delivery of an acceptable product.

If the Authority determines it is in the best interest of the LIHTC Program and/or itself to discontinue the services of one or more Market Analyst prior to the expiration of the term of the Contract, it may do so without liability to the Market Analyst according to the terms of the Contract.

X. Questions About this Proposal Request

All questions concerning this proposal request must be submitted in writing to Laura Nicholson and sent either by email to laura.nicholson@schousing.com or fax to 803-551-4925. All answers to general questions, revisions to this proposal request or any additional information necessary to clarify any provision herein will be posted to the Authority's tax credit page on the Authority's website, www.schousing.com, and will be distributed to the Authority's Market Analyst mailing list.

XI. Additional Information

1. Market Analysts are not allowed to hire subcontractors to work on Authority assigned market studies.
2. Market Analysts must state in any submitted market study that the Authority may rely on the study in making decisions about the allocation of low-income housing tax credits.
3. The senior analyst and market study author **must** make a personal physical inspection of the site of the proposed property and the surrounding market area in which the proposed project is located to include all comparable developments that were given consideration in arriving at the conclusions stated in the final report.
4. The Market Analysts should state all assigned projects which should be considered to be competing within the same market area. The analyst must address whether the market area can sustain more than one tax credit proposal or not (and if so, how many). Additionally, the analyst should provide a brief comparison of these developments, noting whether or not one project can be said to be a more competitive and better proposal for the market than the other(s) based on the market strength and overall site characteristics. If an assigned project is not competing with any other proposals, the analyst should make a statement to this effect.
5. In large regions with multiple sub-markets, the analysts will be asked to discuss the strengths and weaknesses of each sub-market.