

UTAH HOUSING CORPORATION

# Asset Management

---

Request for Proposals

7/26/2010

## Section 1. Request for Proposal Guidelines

### 1.1 Introduction

Utah Housing Corporation (“UHC”) is seeking proposals from qualified entities to provide asset management services for approximately 14 multifamily housing projects funded with the Tax Credit Assistance Program and the Tax Credit Exchange Program, authorized by the American Recovery and Reinvestment Act (“Programs”) and located throughout the state. A list of projects with specific locations is attached as Exhibit A. The asset management services provided will be in accordance with all applicable program rules, regulations, and policies issued by UHC.

UHC will select an asset management company which will advise and consult with UHC staff and implement and complete all other services listed below.

### 1.2 Selection Criteria

UHC will evaluate responses using the following selection criteria:

- Experience performing asset management services in conjunction with another state's Programs;
- Breadth of experience performing multifamily asset management; and
- Strength of qualifications of key staff.

### 1.3 Critical Dates

All responses to this Request for Proposal (“RFP”) will be due to UHC no later than 5:00pm on Monday, August 16, 2010. Responses may be delivered in hard copy or via email. If submission is made in email, all documents must be in Adobe PDF format. Responses delivered via hard copy must include a CD-ROM with a complete package contained in Adobe PDF format.

Responses should be sent to:

Claudia O’Grady, Vice President  
Multifamily Finance  
Utah Housing Corporation  
2479 S. Lake Park Blvd.  
West Valley City, Utah 84120

Email: [cogrady@uthc.org](mailto:cogrady@uthc.org)

Proposals received after the due date and time will be ineligible for consideration.

#### 1.4 Right to Request Information

UHC reserves the right to request any additional information to assist in the review process for the proposal, including the requirement of oral presentations of proposals to UHC staff.

#### 1.5 Right to Reject Proposals and Cancel RFP

UHC reserves the right to reject any and all proposals at any time. UHC reserves the right to cancel, withdraw, modify or reissue this RFP at any time for any reason.

#### 1.6 Award of Agreement for Services

The Agreement for Services will be awarded to the applicant that gives UHC the most effective combination of qualifications, services to be provided, understanding of the asset management services needed for the Programs, the ability to identify and analyze key issues, assurances and availability of key personnel, and costs.

#### 1.7 Agreement for Services

The awarded applicant will provide the asset management RFP and will be required to complete and submit an Agreement for Services covering the terms of this RFP. The Agreement for Services will begin on a mutually agreed upon date.

### Section 2. Scope of Services

The proposals shall assume that asset management services include the following elements, although UHC reserves the right to negotiate an Agreement for Services that may reduce the final scope of work in exchange for a reduced fee:

#### 2.1 Property Management and Operations

Perform reviews and assessments of:

- Marketing plans and leasing procedures;
- Occupancy rates/vacancy turnover performance;
- Livability services such as building security and amenities;
- Energy efficiency measures/utility cost controls;
- Maintenance performance, including preventative maintenance;
- Inspection reports regarding local housing code compliance or other codes related to maintaining a valid certificate of occupancy or other necessary licenses;
- Documentation of tenant files to ensure tenant qualifications per Program income targeting requirements;

- General operating procedures, including procedures for prompt correction of any physical and tenant noncompliance, disaster contingency plans, etc.;
- Inspections and evaluations of physical assets in conjunction with capital repair and replacement planning evaluation of building;
- Compliance related to Program requirements, and actions taken by UHC and project owner to address findings of non-compliance made by UHC or a federal agency; and
- Documentation of compliance or findings of non-compliance with other applicable federal, state or local laws related to property management, such as occupancy or property standards, fair housing laws, etc.

## 2.2 Financial Management

Review project financial management for:

- Appropriate risk management techniques and insurance coverage;
- Proper budgeting, accounting, and internal controls;
- Audit compliance, e.g. ensure delivery of independent audits, review draft audits prepared by independent auditors;
- Timeliness of required project compliance reports submitted by owners to TCAP grantees with respect to Program requirements, and any findings of non-compliance by the grantee or federal agency;
- Establishment of lease-up, operating, emergency, and replacement project reserves, also management of operating reserves and replacement reserves (including approval of expenditures); and
- Analyses of annual operating budget, debt coverage, cash flow trends, and other financial information, such as operating cost analyses, comparisons of actual costs versus budgeted costs, prior year operations, and comparable data.

## 2.3 Long-Term Viability Assessment

Periodic viability analyses, to include:

- Establishment of benchmarks to classify projects as “troubled”;
- Trend analyses of development, property and financial management assessments described above;
- Project cash flow or other analyses to ascertain long term financial viability, e.g. evaluation of debt or other financial restructuring alternatives;
- Ongoing analysis of market conditions and vacancy rates, analysis of ongoing marketability and capital needs of development; comparisons of actual absorption rate, rental revenue, and lease up to original projections;

- Review of project compliance reports related to Program requirements, including projections regarding the ability of project to maintain compliance with Program affordability period requirements; UHC's and project owner's actions to address non-compliance issues; and
- Recommendations and implementation of workout strategies for troubled projects.

### Section 3. Required Information to be Provided in Proposal

#### 3.1 Company Description and Experience

Please provide a narrative that describes your or your company's experience with respect to asset management services, and those elements that distinguish your services from others.

The description must include, but is not limited to, the following:

- Location and size of the company;
- Business footprint;
- Number of years of operation;
- Organizational structure;
- Number of years experience providing asset management services;
- List of current clients and number of years of service provided to each client; and
- Range of experience with and knowledge of Section 42, Tax Credit Assistance Program, and Tax Credit Exchange Program.

If the respondent is currently under contract with other Housing Finance Agencies for asset management services, please describe the scope of services.

#### 3.2 Qualifications

Please identify the key individuals who would be assigned to work with UHC. Describe the level of staffing and service that UHC will receive, including the nature of the work that each person would perform and their related professional experience. Specify the name of the individual who would be designated as the primary contact person for UHC. Please provide resumes for all individuals identified in this section.

#### 3.3 Cost Proposal

Outline the fee proposal assuming a 12 month contract period. Please provide a breakdown of costs that includes, at a minimum, line items for travel, site inspections, overhead, and staff time and expense. Respondents must bid for all projects listed in Exhibit A, either in lump sum or as an annual cost per project. UHC will consider a multiyear contract in exchange for a corresponding reduction in pricing. Respondents should indicate whether they would have interest in structuring a longer term contract and how that would affect pricing.

### 3.4 Litigation, Administrative Proceedings, Investigations

Please describe any pending or resolved material litigation, administrative proceedings, judgments, investigations, or fair housing complaints in which your company has been involved in the previous five years.

### 3.5 Financial Statements

Please provide your company's audited financial statements for the last three years.

## Section 4. Evaluation Process

### 4.1 Minimum Evaluation Requirements

UHC staff will evaluate each response to this RFP. Proposals will be evaluated to ensure that the applicant has complied with each section of this RFP and followed the submission requirements as described.

## Section 5. Submission of the Proposal

By submitting a proposal the applicant agrees to the following:

- All materials submitted become the property of UHC and will not be returned to the applicant.
- Applicants will respond to all requirements in this RFP and comply with any terms and conditions outlined herein. Failure to do so may result in disqualification of the proposal.
- All costs incurred in the preparation of a proposal shall be borne by the applicant. Proposal preparation costs are not recoverable under the Agreement for Services.
- If during the evaluation process it becomes necessary, UHC may request further information through additional documents or an in-person presentation.
- Proposals received after the specified deadline will not be reviewed. Applicants are advised that there will be no opportunity to correct mistakes or deficiencies in their proposal after the submission deadline. Proposals that are missing required information may not be evaluated. It is the sole responsibility of the applicant to ensure its proposal is complete, accurate, responsive, and received by the due date.

Exhibit A  
Program Projects

Project Name	Address	Number of Units (0-1-2-3-4 bedroom)	New Construction/ Rehab
Ashfield Apartments 48 units	450 N. 2350 W. (approx.) Tremonton, UT 84337	2 – 24 3 – 24	New Construction
Florentine Villas 214 units	7200 S. 700 W. Midvale, UT 84047	1 – 53 2 – 108 3 – 53	New Construction
Heritage House 34 units	277 E. 5000 S. Washington Terrace, UT 84405	1 – 34	Acq/Rehab
Kelly Benson Apartments 59 units	3120 S. 3600 W. West Valley City, UT 84120	0 – 8 1 – 40 2 – 11	New Construction
Liberty CityWalk 73 units	210 S. 300 E. Salt Lake City, UT 84111	0 – 31 1 – 42	New Construction
Liberty Peak 152 units	6800 N. 2200 W. (approx.) Summit County, UT 84098	1 – 80 2 – 72	New Construction
Madison Manor 46 units	2434 Madison Avenue Ogden, UT 84401	1 – 8 2 – 28 3 – 10	Acq/Rehab
Millcreek Family Housing 58 units	3960 S. Main Street Salt Lake City, UT 84107	1 – 5 2 – 36 3 – 14 4 – 3	New Construction
Newhouse and Avalon Apartments 51 units	5 W. Main Price, UT 84501 176 S. Main St. Helper, UT 84526	0 – 44 1 – 3 2 – 4	Acq/Rehab
Palisade Park 35 units	450 E. 100 S. (approx.) Ephraim, UT 84627	2 – 20 3 – 13 4 – 2	New Construction
Providence Place 125 units	309 E. 100 S. Salt Lake City, UT 84110	0 – 26 1 – 69 2 – 30	New Construction
Riverwood Cove 110 units	582 N. Riverside Drive, Salt Lake City, UT 84116	1 – 12 2 – 98	Acq/Rehab
Stonehedge III Apartments 60 units	221 N. Fairfield Road Layton, UT 84041	2 – 48 3 – 12	Acq/Rehab
Vesper Hills Apartments 25 units	1100 W. 530 S. (approx.) Richfield, UT 84701	1 – 13 2 – 12	New Construction