David A. Paterson
Governor

Deborah VanAmerongen
Chairperson

New York State Housing Trust Fund Corporation
Hampton Plaza
38-40 State Street
Albany, NY 12207

REQUEST FOR QUALIFICATIONS

For

Market Study Services

RESPONSES ARE ACCEPTED ON A CONTINUOUS BASIS. QUALIFICATION SUBMISSIONS MUST BE RECEIVED AT LEAST 60 DAYS PRIOR TO THE POTENTIAL INCLUSION ON THE APPROVED LIST OF QUALIFIED ANALYSTS.

NOVEMBER 2008

Web Site: www.nysdhcr.gov
Email address: dhcrinfo@nysdhcr.gov

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I. BACKGROUND AND SUMMARY OF THE QUALIFICATION PROCESS

A. Purpose

The purpose of this Request for Qualifications ("RFQ") is to establish a list of pre-qualified market study firms for use by applicants for funding from the New York State Housing Trust Fund Corporation ("HTFC") and the New York State Division of Housing and Community Renewal ("DHCR") capital or tax credit programs. Those respondents found to be qualified will be placed on HTFC/DHCR's pre-qualified list.

HTFC was created by Section 45-a of the Private Housing Finance Law for the purpose of providing decent and affordable housing for persons of low-income by making loans, grants and services available to not-for-profit organizations, local governments, and private housing developers. HTFC invests primarily in the construction and rehabilitation of multi-unit rental housing for families and elderly persons throughout New York State.

DHCR is the designated State Housing Credit Agency which allocates state or federal Low Income Housing Tax Credits ("LIHC") in New York State. HTFC is administered by staff of DHCR, and RFQ references to HTFC and DHCR are synonymous unless otherwise noted.

HTFC/DHCR receives over 100 applications for funding annually from the following programs, each of which require that a comprehensive market study be conducted by a third party which demonstrates the need for the proposed project:

NYS Housing Trust Fund Corporation
Homes for Working Families Program (HWF)
Low Income Housing Trust Fund Program (HTF)
New York State HOME Program (HOME)

NYS Div. of Housing and Community Renewal
Federal Low-Income Housing Credit Program (LIHC)
NYS Low Income Housing Tax Credit Program (SLIHC)

Applications for funding include proposals for new construction or rehabilitation projects located in urban, suburban, and rural areas of New York State.

B. Submission Timeline

Statements of Qualifications ("SOQs") must be received at least sixty (60) days prior to the desired date for potential inclusion on the approved list of qualified analysts to allow for the review of submissions.

Inquiries as to information contained in this RFQ should be submitted in writing to the address below or by e-mail to fmarkowski@nysdhcr.gov.

One original and two copies of the Statement of Qualifications ("SOQ") must be delivered at least sixty (60) days prior to potential inclusion on the approved list of market analysts. The submission should be addressed "**Statement of Qualifications for Market Study Services"** clearly on all envelopes. SOQs shall be sent to:

NYS Housing Trust Fund Corporation
Frank Markowski, Assistant Treasurer
Hampton Plaza- 8th Floor
38-40 State Street
Albany, New York 12207
(518) 486-3407

HTFC/DHCR retains the right to add additional individuals or business entities to its pre-qualified list if such individuals or business entities meet or exceed all of the qualifications and requirements described in this RFQ. Further, HTFC reserves the right to eliminate any individual or business on the approved market analyst list for failure to maintain the minimum qualifications, failure to provide market study services consistent with the HTFC/DHCR Market Study Content Guidelines described in Appendix 4, or any other reason deemed reasonable and appropriate by HTFC/DHCR.

NOTE: Entities already on HTFC/DHCR's existing approved market analyst list do not need to re-submit or re-qualify.

C. Notification of Pre-Qualification

Respondents determined to be qualified, as well as those determined not to be qualified, will be notified of such determination.

II. RESPONDENT QUALIFICATION/SUBMISSION REQUIREMENTS

A. Market Study Services

HTFC/DHCR is seeking to pre-qualify individuals or business entities proposing to provide market study services on behalf of applicants to HTFC/DHCR administered capital or tax credit programs. In accordance with Executive Law, Article 15-A, HTFC/DHCR encourages minority and women-owned business enterprises as defined under Subdivision 9 of Section 310 of said law to submit SOQs.

Respondents must have at least 3 years experience in the preparation of market studies for affordable rental housing projects financed through New York State or federal housing programs listed in Section I, or similar experience in the preparation of market studies for affordable rental housing projects financed through housing programs of other states or localities.

Respondents must demonstrate the capacity to provide market study services in diverse markets of New York State consistent with the HTFC/DHCR Market Study Content Guidelines described in Appendix 4.

B. Submission Requirements

Each respondent must submit a SOQ containing the following information:

1. A cover transmittal letter signed by an authorized signatory enclosing the Respondent Overview form attached as Appendix 1.
2. An executive summary including a description of the respondent's legal status (e.g., individual practitioner, partnership, limited liability company, corporation, non-profit organization, charitable institution, etc.), background, mission, an explanation of the types of services the respondent provides that relate to this RFQ, and an organizational chart, where applicable.
3. Name, address, telephone, fax, and email of the respondent and names of all principals and staff that will be providing professional services in the preparation of market studies.
4. Résumés of all of respondent's staff who will be preparing the market studies for submission to HTFC/DHCR.
5. Two (2) references (with contact information) from state or federal housing agencies (other than HTFC/DHCR) for whom market studies have been prepared by the respondent within the past 24 months.
6. A list of clients (with contact information) the respondent has worked with to prepare market studies within the past 24 months.
7. A sample market study undertaken within the past 24 months by the respondent for a LIHC or SLIHC project that demonstrates compliance with the Market Study Content Guidelines described in Appendix 4.
8. Completed Disclosure of Prior Non-Responsibility Determinations attached as Appendix 2.
9. Completed Affirmation of Understanding attached as Appendix 3.

C. Format of SOQ

The SOQ should concisely state the respondent's ability to meet the requirements of the RFQ. Only complete SOQs will be evaluated. Respondents should also complete all forms printed in the RFQ.

The respondent shall not make any aspect of its SOQ contingent upon the use of HTFC/DHCR personnel.

HTFC/DHCR reserves the right to contact any reference to assist in the evaluation of the respondent's SOQ, to verify information contained in the SOQ and to discuss the respondent's qualifications.

SOQs shall be in the following format. Failure to comply with these procedures may result in the respondent not receiving pre-qualification. All SOQs must exhibit the respondent's ability to perform the tasks described under the Scope of Work described in Appendix 4.

1. Pages shall be 8-1/2" x 11" inch white paper, with
   - standard 12-pitch font
   - single-sided pages numbered consecutively

2. The information provided shall be easily reproducible by normal black and white photocopying machines.
3. Respondents must submit one original and two copies of their SOQ.
4. Each section of the body of the SOQ must be clearly identified by being divided and tabbed, using the bold-faced titles provided above.
5. Other materials, such as organizational charts, résumés of key personnel, etc., shall be submitted as an appendix on pages of 8-1/2" x 11" inch white paper.
6. Although there is no page limit requirement, respondents are encouraged to be concise and submit only as much relevant information as necessary.
7. SOQs should be in hard copy form. No faxes, facsimiles, or electronic transmissions will be accepted.

III. EVALUATION OF QUALIFICATIONS

SOQs will be evaluated to determine whether they meet HTFC/DHCR's minimum requirements for pre-qualification. Evaluation of the SOQ's will require approximately 45 – 60 days. Therefore, respondents should submit SOQ's at least sixty (60) days prior to the desired date of potential inclusion on the approved market analyst list. The characteristics and attributes which will be considered most relevant include:

1. The respondent's experience and capacity in producing work products similar to those outlined in this RFQ and the experience of assigned staff.
2. The degree to which the respondent's sample market study meets the guidelines set forth in Appendix 4.

IV. PROCUREMENT LOBBYING PROVISIONS

Pursuant to State Finance Law §§139-j and 139-k, this solicitation includes and imposes certain restrictions on communications between DHCR/HTFC and respondents during the procurement process. A respondent is restricted from making contacts from the earliest notice of intent to solicit offers through final award and approval of the Procurement Contract (the restricted period) by DHCR/HTFC and, if applicable, Office of the State Comptroller, to other than designated staff unless it is a contact that is included among certain statutory exceptions set forth in State Finance Law §139-j(3)(a). Designated staff, as of the date hereof, is identified in Section 1 of this solicitation. DHCR/HTFC employees are also required to obtain certain information when contacted during the restricted period and make a determination of responsibility of the respondent pursuant to these two statutes. Certain findings of non-responsibility can result in the rejection for contract award, and in the event of two findings within a 4 year period, the offerer/respondent is debarred from obtaining governmental procurement contracts. Further information about these requirements can be found on the Office of General Services' website at
www.ogs.state.ny.us/aboutogs/regulations/defaultAdvisoryCouncil.html

APPENDIX 1

RESPONDENT OVERVIEW

Request for Qualifications
for
Market Study Services

Respondent Organization Name: ____

Address: ____

City _______________________ State ______ Zip ________ County _______________

Contact Person _________________________ Title _____________________

Telephone ( ) ________________ Ext. ________ Fax ( ) _______________

email __________________________ Fed ID # ________________________

Certified M/WBE: ___ Yes ____ No (if yes, include copy of New York State Certificate)

NYS Charities Registration No. (if not-for-profit): __________________

Legal Status: Corporation __ Partnership ____ Not-for-Profit ____

Other _____ (Please specify) _______________________________

Include evidence of filing of certificate if conducting business under an assumed name or as partner (ie. Doing Business As) (General Business Law § 130)

Please check all that apply

Responding to Element	Region*			
	1	2	3	4
Market Study Service				

*Region
1 - **Buffalo Regional Office jurisdiction**: Allegany, Cattaraugus, Chautauqua, Chemung, Erie, Genesee, Livingston, Monroe, Niagara, Ontario, Orleans, Schuyler, Seneca, Steuben, Wayne, Wyoming and Yates.
2 - **Syracuse Regional Office jurisdiction**: Broome, Cayuga, Chenango, Cortland, Franklin, Herkimer, Jefferson, Lewis, Madison, Oneida, Onondaga, Oswego, St. Lawrence, Tioga and Tompkins.
3 - **Capital District Regional Office jurisdiction**: Albany, Clinton, Columbia, Delaware, Dutchess, Essex, Fulton, Greene, Hamilton, Montgomery, Orange, Otsego, Putnam, Rensselaer, Saratoga, Schenectady, Schoharie, Sullivan, Ulster, Warren and Washington.
4 - **NYC Regional Office jurisdiction**: Nassau, Rockland, Suffolk, Westchester, Bronx, Kings, Queens, New York, and Richmond.

Respondent certifies that to the best of their knowledge and belief, all information contained in this application is true and correct.

____
Authorized Signature
Title ___________________

APPENDIX 2

DISCLOSURE OF PRIOR NON-RESPONSIBILITY DETERMINATIONS

Name of Individual or Entity: ____

Address: ____
____

Name and Title of Person Submitting this Form: ______________________________
____

Date: ________________________

1. Has any Governmental Entity made a finding of non-responsibility regarding the individual or entity in the previous four years? (Please circle):

No Yes

If yes, please answer questions 2, 3 and 4. If no, continue at question 5.

2. Was the basis for the finding of non-responsibility due to a violation of State Finance Law §139-j. (Please circle):

No Yes

3. Was the basis for the finding of non-responsibility due to the intentional provision of false or incomplete information to a Governmental Entity? (Please circle):

No Yes

4. If you answered yes to any of the above questions, please provide details regarding the finding of non-responsibility below.

Governmental Entity: ____

Date of Finding of Non-responsibility: _______________________________________

Basis of Finding of Non-Responsibility: ______________________________________
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____
____
____

(Add additional pages as necessary)

5. Has any Governmental Entity or other governmental agency terminated or withheld a Procurement Contract with the above-named individual or entity due to the intentional provision of false or incomplete information? (Please circle):

No Yes

6. If yes, please provide details below.

Governmental Entity: ____________________

Date of Termination or Withholding of Contract: ____________________

Basis of Termination or Withholding: ____________________

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(Add additional pages as necessary)

Respondent certifies that all information provided to the Governmental Entity with respect to State Finance Law §139-k is complete, true and accurate.

By: ____________________ Date: ____________________
Signature

Name:____________________

Title: ____________________

APPENDIX 3

AFFIRMATION OF UNDERSTANDING

Respondent affirms that it understands and agrees to comply with the procedures of the Government Entity relative to permissible contacts as required by State Finance Law §139-j (3) and §139-j (6) (b).

By: ____ Date: ____________________

Name: ____

Title: ____

Respondent Name: ____

Respondent Address: ____

____

APPENDIX 4

SCOPE OF WORK

<u>HTFC/DHCR Market Study Content Guidelines</u>

A. <u>Executive Summary</u>. Each market study must include a concise summary of the data, analysis and conclusions, including the following:

- A concise description of the site, adjacent parcels and the immediately surrounding area.

- A brief summary of the project including the type of construction, number of buildings, number and type of units, proposed rents and the proposed population to be served.

- Precise statement of key conclusions reached by the analyst.

- Precise statement of analyst's opinion of market feasibility including the prospect for long term performance of the property given housing and demographic trends and economic factors.

- Provide recommendations and/or suggest modifications to the proposed project.

- Provide a summary of market related strengths and/or weaknesses which may influence the subject development's marketability, including compatibility with surrounding uses, the appropriateness of the subject property's location, unit sizes and configuration, and number of units.

B. <u>Project Description</u>. The market study should include a project description to show the analyst's understanding of the project at the point in time the market study is undertaken. The project description should include:

- Proposed number of units by: number of bedrooms and baths, income limit as a percent of Area Median Income (AMI), unit size in square feet and utility allowances for tenant paid utilities, proposed rents, and target population, including income restrictions and any special needs set-asides.

- The utilities expected to be paid by tenants and energy sources for tenant paid hot water, heat, cooking.

- For existing occupied properties, identification of any existing assisted housing program at the property such as Section 8, Section 202, Section 811, Section 236, etc, as well as current occupancy levels, current rents and proposed rents.

C. <u>Location and Market Area Definition</u>

- Define the Primary (PMA) Market Area including a map that clearly delineates the area and provide a clear explanation of the basis for the boundaries of the PMA. Identify PMA boundaries by municipality (ies), census tracts/block groups, street/highway names, or other appropriate geographic features (a river for example) forming the boundaries. Also define the larger geographic area in which the PMA is located (i.e. city, county, Metropolitan Statistical Area (MSA), etc.). The use of entire census tracts or block groups in defining the PMA is strongly encouraged.

- Provide photographs of the site and neighborhood, and a map clearly identifying the location of the project and the closest transportation linkages, shopping, schools, medical services, public transportation, places of worship, and other services such as libraries, community centers, bank, etc. In situations where it is not feasible to show all the categories on a map, the categories may be addressed in the narrative.

- Describe the marketability of the proposed development.

- Provide information or statistics on crime in the PMA relative to data for the overall area. Address any local perceptions of crime or problems in the PMA.

D. Population and Households

- Provide total population, age and income target data for the Primary Market Area using the 2000 Census, current year estimates, and a five year projection. Data from other legitimate studies, such as Claritas, CACI and similar demographic information companies, with detail on household size, tenure, age and other relevant categories may be provided. Indicate the source for all data and provide a methodology for estimates.

- Provide a breakdown of households by tenure for 2000 Census, current year and five year projection.

- Provide an analysis of trends indicated by the data and include reference sources for the data and methodology for analyzing the data.

- Provide a breakdown of households by incomes in $5,000-$10,000 increments, by household size and by tenure for 2000 Census, current year, and five year projection.

E. Employment and Economy. Provide data and analysis on the employment and economy of the PMA to give an understanding of the overall economic health of the community in which the PMA is located. List sources for the data and methodology for the analysis.

- Provide a description of employment by industry sector for the PMA or smallest geographic area available that includes the PMA and compare the data to the larger geographic area, e.g. the city, county, labor market area, or MSA.

- List major employers in the PMA, the type of business and the number employed and compare the data to the larger geographic area (i.e. MSA, County, etc.).

- Show the historical unemployment rate for the last ten years (or other appropriate period) for the PMA and compare to the larger geographic area (i.e. MSA, County, etc.).

- Show employment trends over the same period or a more recent, shorter period (last 5 years). Compare to the larger geographic area.

- Comment on trends for employment in the PMA in relation to the subject development.

- If relevant, comment on the availability of affordable housing for employees of businesses and industries that draw from the PMA.

- Provide a breakdown of typical wages by occupation.

- Provide commuting patterns for workers such as how many workers in the PMA commute from surrounding areas outside the PMA.

F. Existing Rental Housing. Provide information on other multifamily rental housing in the PMA and any rental housing proposed to be developed in the PMA. This section of the study should include:

- If relevant in the market, a 10-year, or other appropriate period, history of building permits, if available, by housing type and comments on building trends in relation to household trends.

- Identify a list of existing comparable and competitive properties, including: name, location, population served, type of design, age and condition, number of units by bedroom type, rent levels, number of bedrooms and baths for each unit type, size in square footage of units, kitchen equipment, type of utilities (state whether paid by tenant or owner and energy sources for hot water, heat and cooking), unit and site amenities included. Also, if available, site staffing, occupancy rate, and absorption history for the property (if recently completed). Provide the name, address and phone number of property contact. Attach photos of each comparable property. Include a map showing the location of each comparable property in relation to the subject.

  NOTE: A comparable property is one that is representative of the rental housing choices of the PMA and that is similar in construction, size, amenities, location, and/or age. A competitive property is comparable to the proposed project **and** competes at nearly the same rent levels and tenant profile, such as age, family or income.

- Describe the size of the overall rental market in the PMA, including the percentage of market rate and affordable housing properties.

- Provide a narrative evaluation of the subject property in relation to the comparable properties, and identify the competitive properties, which are most similar to the proposed development. The analyst should state why the comparables referenced have been selected, which are the most directly comparable, and explain why certain projects have not been referenced.

- For each comparable property, provide comparisons to the subject rents based on the comparable property amenities, tenant paid utilities, location, parking, concessions and rent increase or decrease trends.

- <u>Only the **directly comparable projects** should be used to derive the market rents in the PMA for use in evaluating the competitive advantage of the project rents. Market rents should be adjusted for owner paid utilities included in the rent. Including conventional projects with superior amenities, location, design, and larger unit sizes in determining the market rent is **not** acceptable. For example, the use of 1200 sq ft townhome style apartment units as comparables for a project with 850 sq ft, two bedroom units with limited amenities is not reasonable or acceptable.</u>

- Discuss the availability of affordable housing options, including purchase or sale of homes.

- When relevant, include a list of LIHC/SLIHC, RD, HUD 202 and other subsidized projects with allocations/awards in or near the market area that are not placed in service, giving as much known detail as possible on estimated placed-in-service dates, unit mix and income to be served.

- Discuss the impact of the subject development on the existing housing stock.

- Describe the market vacancy rate for the PMA rental housing stock by population served (i.e. market rate, LIHC, and Project Based Rental Assistance) and type of occupancy (i.e. family, seniors, special populations) and unit size.

- Identify the number of people on waiting lists for each project. Indicate if the households have been income qualified, and when the wait list was last updated.

G. <u>Local Perspective of Rental Housing Market and Housing Alternatives</u>. The market study should include a summary of the local perspective on the rental market, need for the proposed housing and unmet housing needs in the market. The local perspective should consider:

- Interviews with local planners, housing and community development officials and market participants to estimate proposed additions to the supply of housing that would compete with the subject development and to evaluate the local perception of need for additional housing.

- Interview local Public Housing Authority (PHA) officials and seek comment on need for housing and possible impact of the proposed development on their housing inventory and waiting lists for assisted housing. Include a statement on the number and availability of Housing Choice Vouchers and the number and types of households on the waiting lists for Housing Choice Vouchers. Compare subject development's proposed rents to local payments standards or median rents.

- The cost and availability of home ownership and mobile home living, if applicable.

H. Analysis.

- Derive a market rent **using appropriate comparables as discussed in Section F above**, an achievable restricted rent given the project income limits, and then compare them to the developer's proposed rent. Quantify and discuss the market advantage of the proposed development and impact on marketability.

- Provide a detailed analysis of the income levels of the potential tenants for the proposed units. Eligible households will pay no less than 30% and no more than 48% of their income for gross rent (rent plus utilities). (See the DHCR Capital Programs Manual, Section 7.06.04, for additional information at www.nysdhcr.gov).

- Calculate separate capture rates **for each targeted income limit by unit type** in the subject property, incorporating DHCR/HTFC restrictions such as age, income, renters versus home owners, household sizes, etc. For example, if a project has 30 one bedroom units targeted at 50% of AMI, 10 one bedroom units targeted at 60% of AMI, and 20 two bedroom units targeted at 60% of AMI, three separate capture rates must be calculated. In calculating the capture rate the analyst should subtract all existing affordable housing in the PMA (supply) from the number of income eligible, age appropriate households (demand).

  Note: For senior projects only, 10% of the income eligible homeowners may be included in the demand calculation.

  The unmet demand for additional housing units must be more than 5 times the number of units proposed. Capture rates must be 20% or less for each targeted income limit by unit type.

- Define and justify the absorption period and absorption rate for the subject property.

- Project and explain any future changes in the housing stock within the market area.

- Identify risks (i.e. competitive properties which may come on line at the same time as the subject property; declining population in the PMA, etc.), unusual conditions and mitigating circumstances. Evaluate need for voucher support or HUD contracts.

- Provide documentation and descriptions that show the methodology for calculations in the analysis section and relate the conclusions to the data.

I. <u>Other Requirements</u>

- Date report was prepared, date of inspection and name and telephone number of analyst preparing study.

- Certification of no identity of interest between the analyst and the entity for whom the report is prepared.

- Certification that recommendations and conclusions are based solely on professional opinion and best efforts.

- Statement of qualifications.

- List of sources for data in the market study.