



**North Miami
Community Redevelopment Agency**

RFP # 2006-03

REQUEST FOR PROPOSALS

FOR

Homebuyer Training, Credit Pre-Qualification and Purchase Assistance Services

Issue Date: October 27, 2006

Due Date: November 17, 2006

NORTH MIAMI COMMUNITY REDEVELOPMENT AGENCY REQUEST FOR PROPOSALS – Homebuyer Training, Credit Pre- Qualification and Purchase Assistance Services

I. INTRODUCTION

A. Objectives

The North Miami Community Redevelopment Agency (CRA) is soliciting proposals to enter into a contract for the provision of Homebuyer Training, Credit Pre-Qualification and Purchase Assistance Services to support the provision of home purchase subsidies relative to the sale of approximately 136 condominium units that are being constructed in an affordable housing development known as Pioneer Gardens at North Miami (e.g. formerly known as Ruck's Park). The CRA has entered into a Development Agreement with North Miami Housing Ltd. for the development and construction of these housing units. The Development Agreement provides for the CRA to be responsible for the marketing and sale of the housing units. In addition, the CRA will be providing funds for purchase subsidies in the amount of up to \$50,000 for each eligible homebuyer and will be identifying other sources of subsidies and assistance for the homebuyers in an effort to make the homes affordable to as wide a range of potential low-moderate income buyers as possible with incomes ranging from 50% up to 120% of the Area Median Income (AMI) for Miami-Dade County. The CRA is issuing this RFP for the purpose of engaging an appropriately qualified organization to provide these services on behalf of the CRA. It is anticipated that the contract for these services will include an option on the part of the CRA to extend on a year to year basis for up to two (2) additional years beyond the initial contract term.

In addition to the specific services that are required in support of the Pioneer Gardens development and the CRA's broader mission involving the development of affordable housing units, the CRA intends to engage the selected contractor to provide similar services relative to other future affordable housing development projects and programs. Pursuant to the Munisport Agreement with Biscayne Landing, LLC, the opportunity exists for the CRA to work with the City of North Miami (City), and North Miami Housing Ltd. to generate a number of "Affordable Housing Units" in the balance of the City equal to the number of housing units constructed in the Biscayne Landing development (up to 5,999). Pursuant to the Munisport Agreement **Affordable Housing Units** mean (i) residential units constructed (or rehabilitated and renovated) upon land provided by the City and/or the CRA, (ii) residential "for sale" units constructed (or rehabilitated and renovated) on land provided by the City and/or the CRA with the sales price established by the City and/or the CRA, and (iii) existing residential units and/or single family homes located in the City which are rehabilitated and renovated through grants, subsidies and other programs funded by the City, CRA and/or other governmental entities and/or housing authorities.

It is intended that the terms of such additional engagements will be subject to the negotiation of mutually acceptable terms as addendums to the base contract for services to be negotiated as the result of this RFP.

B. Proposal Instructions

1. Submission of Sealed Proposals

One unbound original and seven (7) bound copies of the response to this RFP should be submitted on or before 2 P.M. EDT, on Friday, November 17, 2006 to:

Mr. Tony E. Crapp, Sr., Executive Director
North Miami Community Redevelopment Agency
615 N.E. 124 Street
North Miami, Florida 33161
Phone (305) 899-0272

Proposals received after this date and time will not be considered.

The CRA reserves the right to reject any and all proposals, to waive any informalities or irregularities not involving price in any proposals received, to solicit new proposals, or take any other such actions that may be deemed to be in the best interest of the CRA.

2. Proposal Requirements

Each proposal should address all pertinent areas as delineated and described below in the Scope of Services to be provided and be specific. Any conditions should be clearly stated. The failure to disclose substantive terms, conditions and covenants may be considered cause for the proposal to be rejected by the CRA.

Proposals should present and describe in detail the proposer's organizational qualifications and experience, staff qualifications and experience, and proposed plan to provide homebuyer training and credit pre-qualification services to eligible residents of the City and other potential buyers who meet the criteria to be established by the CRA for the receipt of a homebuyer subsidy to purchase an eligible affordable housing unit in the Pioneer Gardens housing development. The services to be provided must include, but are not limited to, the following:

- (1) Advertise and conduct outreach sessions to solicit the participation/application of North Miami residents to be screened for eligibility to receive services and for an adequate income/credit profile to qualify for a CRA home purchase subsidy which can be subordinate to a conventional first mortgage and combined with other subsidies and financial assistance for the purchase of a new construction housing unit in the Pioneer Gardens at North Miami affordable housing development. As a part of this process, the proposer is to identify and contact appropriate governmental agencies, lending institutions, other private businesses, non-profit organizations and other institutions to identify residents of the City who have been issued and have current

“Mortgage Pre-Qualification Letters” or there equivalent and contact all such residents to solicit their interest in purchasing a housing unit in the Pioneer Gardens development.

- (2) Conduct interviews of all eligible applicants and screen to determine the appropriate category or program of case management services to be provided by the proposer in order for the applicant to meet the CRA’s criteria for the receipt of a home purchase subsidy in a maximum amount as determined by the CRA.
- (3) Assign all applicants to appropriate groups or categories for case management services based on their readiness to qualify to purchase a home and directly provide and/or coordinate the delivery of an appropriate range of credit and counseling services for each case management group or category and to each individual prospective home purchaser. Prepare and maintain a listing of all applicants for home purchase assistance that must be maintained in a database file by fields, including but not limited to, Name of Applicant, Date of Application for Assistance, and Estimated Annual Household Income.
- (4) By not later than January 31, 2007, provide a list of at least 275 eligible and pre-qualified home purchasers for the Pioneer Gardens at North Miami housing development who have been issued “Mortgage Pre-Qualification Letters” for first mortgage financing or an equivalent document evidencing their qualification as First-Time Homebuyers and who are interested in entering into purchase contracts for the 136 available housing units at Pioneer Gardens. The list of eligible and pre-qualified home purchasers must be maintained in a database file by fields, including but not limited to, Name of Purchaser, Date of Pre-Qualification Letter to Purchase, Date of Purchase Contract, and Purchaser’s Annual Household Income as a percentage of the Area Median Income (AMI) for Miami-Dade County as most recently determined by USHUD.
- (5) Provide ongoing and follow-up case management services and assistance to the at least 275 prospective purchasers in order to maintain their active interest in and eligibility to close on the purchase contracts with a combination of financing through a conventional lender or equivalent entity first mortgage, the home purchase subsidy from the CRA, and other subsidies or financial assistance for which the individual homebuyers may qualify from governmental agencies or any other sources. Provide replacement prospective purchasers for those who do not maintain their active interest in and eligibility to close on the purchase contracts so at all times there are at least 275 prospective purchasers.
- (6) Prepare and maintain a comprehensive resource directory/guide listing detailed information regarding all available sources and programs providing homebuyer training, credit pre-qualification, purchase subsidies, credit counseling and credit record repair services including those free services as well as those available at a cost.
- (7) Along with the CRA and the CRA Attorney, assist at least 136 of the eligible purchasers to close on the purchase contracts for the 136 housing units in the Pioneer Gardens housing development by not later than December 31, 2008 or the final completion date for the construction of the Pioneer Gardens housing development.

3. Questions, Additional Information

Respondents, their agents and/or associates shall refrain from contacting or soliciting, directly or indirectly, any member of the North Miami CRA Board, North Miami CRA Advisory Committee, the CRA Attorney or the employees of the CRA regarding the RFP during the selection process which commences upon the Issue Date and expires upon contract award.. Failure to comply with this provision may result in disqualification of the respondent. All requests for clarifications or additional information must be made in writing and submitted by 2 p.m. on November 3, 2006 to:

Mr. Tony E. Crapp, Sr., Executive Director
North Miami Community Redevelopment Agency
615 N.E. 124 Street
North Miami, Florida 33161
Phone (305) 899-0272
Fax (305) 899-9376
Crapp@NorthMiamiCRA.org

All such requests and CRA responses will be made available to all potential respondents through their posting on the CRA's website at www.NorthMiamiCRA.org.

C. Background Information

The North Miami Community Redevelopment Agency was created by Miami-Dade County and City of North Miami ordinances in FY 2004-05 (fiscal years end on September 30th). Its powers are defined by Chapter 163 of the Florida Statutes as delegated and modified by an Interlocal Cooperation Agreement between the City of North Miami, the CRA, and Miami-Dade County dated September 1st, 2005. The Mayor and City Council members serve as the Board of Commissioners for the CRA.

The CRA received its first year tax increment in December 2005 from the City of North Miami and from Miami-Dade County totaling \$2,465,325. The CRA's first fiscal year covers the period starting on October 1, 2005 and ending on September 30, 2006.

The CRA Redevelopment Plan contains affordable housing policy parameters that will guide the provision of the CRA home purchase subsidies. The proposer is advised to review the entire CRA Redevelopment Plan which is posted on the CRA website at www.NorthMiamiCRA.org. The affordable housing policy parameters in the Redevelopment Plan include the following:

3.3.3.2 Outline Description of the Affordable Housing Policy

A. Program

The North Miami Community Redevelopment Agency (the “CRA”) will provide subsidies to qualified residents, either owners or renters, of the City of North Miami (the “Residents”) to assist with the acquisition and/or rehabilitation of qualified primary residences. Subsidies will be provided to the widest number of families needing assistance under the following terms:

1. Subsidy Loans - The CRA will make subsidy loans (the “Loans”) in the form of “soft” mortgages, with payments of principal and interest set within the means of the Resident. The term of the Loans will be the lesser of ten (10) years or the term of the Resident’s primary mortgage loan. If the Loan term expires and the Resident still requires assistance the Loan may be extended.

2. Amount - The Loan will be for the amount equal to the residual amount required of the Resident, after all required down payments, mortgages and other assistance is taken into account, not to exceed \$50,000, to close on the home or complete the home rehabilitation.

3. Monthly Loan Payments - If the total monthly expenses of principle, interest, taxes, insurance, etc. for the home, (either acquisition or rehabilitation) including the CRA Loan, are equal to or greater than 30% of the Resident’s income, there will be no initial payment of principal nor interest. An interest and/or principle payment, will be determined by needs assessments.

4. Repayment – A Loan for an acquired home will be repaid to the CRA upon the sale of the home by the Resident. If the home is sold at a higher price than the initial purchase price, the CRA will share in any excess funds, in a manner to be determined in the Rules & Regulations adopted by the CRA, after all original mortgages are retired and all sales costs are deducted. For a rehabilitation Loan to a resident who already owns the home, the Loan will be repaid at the sale of the home in a manner to be determined in the Rules & Regulations adopted by the CRA.

5. Ability to Pay Principal and Interest - An initial needs assessment and periodic subsequent needs assessments will determine the interest and principal payment of the CRA Loan.

6. Transferability - The CRA Loan will be in the name of the Resident. In the event of death of the Resident, the Loan may be transferred to a direct descendant.

7. Rules and Regulations - The CRA will adopt Rules & Regulations for all aspects of the Home Ownership/Rehabilitation Policy in the CRA Redevelopment Implementation Plan.

Qualification for the Loan Program

1. Residency – Residents, either owners or renters, may qualify for the affordable housing Loan program if:

a. The Resident has lived in the City of North Miami for a period of one hundred eighty (180) days prior to adoption of the CRA Plan by the City and Miami-Dade County on June 7, 2005.

b. The Resident has provided sufficient proof of residency.

c. The resident is the owner/occupant of the existing home to be rehabilitated or remodeled and it remains his primary residence for the duration of the loan, or;

d. The resident will be the owner/occupant of the new home to be acquired and, it will become his primary residence for the duration of the loan.

2. Income - The Resident is qualified if:

a. The verified household income for homeownership or rehabilitation is equal to or greater than 50%, or less than or equal to 120%, of Area Median Income adjusted for family size. The CRA will adopt a threshold equity policy that takes age and special circumstances into consideration.

b. The Resident can qualify for a first mortgage loan (in the case of a loan made for acquisition).

c. The percentage of the Resident's household income is adequate, after all consider other mortgages and subsidies are supplied, to cover the monthly household expenses.

d. The lending institution making the first mortgage has issued a commitment letter.

3. Housing Size – The Loan will only be considered for a residence that meets the Federal Minimum Housing Standards for family size. The CRA will special circumstances in enforcing this policy.

II. EVALUATION OF PROPOSALS - CRITERIA

A. Evaluation and Award

Proposals will be evaluated on the basis of the scoring of the proposals as to technical merit based on responsiveness to the requested scope of services and engagement requirements as outlined in this RFP and on the basis of the scoring of the proposals as to price. The scoring based of the technical submission will comprise not less than 70% of the total score, and the scoring based on price will comprise not more than 30% of the total score. The CRA will begin negotiations with the highest ranked institution and reserves the right to negotiate with other respondents should those negotiations not be successful.

B. Proposal Format

In order to assist the CRA in reviewing the responses, each proposal should include the following information:

- (1) Legal name of the proposer and primary contact person (include address, telephone, facsimile number, and e-mail address).
- (2) A technical submission that addresses and describes the proposer's plan to provide the services and meet all of the requirements as delineated in Section I.B.2 of this RFP.
- (3) A price submission that presents and describes in detail all fees and expenses which the CRA will be responsible to pay to the proposer. The amounts stated in the proposal shall represent the maximum amounts payable to the proposer. The price submission must indicate the total maximum amount payable to the proposer for services to be provided pursuant to the scope of services requested in this RFP, with a breakdown of the amount payable during FY 2006-07 (e.g. October 1, 2006 – September 30, 2007), during FY 2007-08 (e.g. October 1, 2007 – September 30, 2008) and during FY 2008-09 (e.g. October 1, 2008 – September 30, 2009).
- (4) Conditions - Provide a listing of all conditions, covenants, terms or restrictions, other than those specified in this RFP, which would be included in your commitment to provide the services requested in this RFP.

III. INSTRUCTIONS TO RESPONDENTS

- A. Respondents shall thoroughly examine and be familiar with the RFP specifications. Failure of any Respondent to receive or examine this document shall in no way relieve any Respondent of obligations pertaining to this RFP or the subsequent contract.
- B. Any modifications from the stated terms and conditions can result in the rejection of the proposal as not being responsive to this RFP.
- C. Delivering the proposal to the CRA on or before the specified date and time will be solely and strictly the responsibility of the Respondent. The CRA will in no way be responsible for delays caused by the United States Postal Service, or other courier services, or a delay caused by any other occurrence. Offers by telephone or fax will not be accepted.
- D. The response deadline shall be strictly observed. Under no circumstances will a proposal delivered after the time specified be considered. Such RFPs will be returned to the Respondent unopened.
- E. Respondents will not be allowed to withdraw or modify their proposal for a period of forty-five (45) days after the opening time and date.
- F. The CRA reserves the right to reject the proposal of any Respondent who has previously failed in the proper performance of a contract or to deliver on time other contracts similar in nature, or who in the opinion of the CRA, is not in the position to perform properly.
- G. Federal, state, county and local laws, ordinances, rules and regulations that in any manner affect the items covered herein apply. Lack of knowledge by the Respondent will in no way be a cause for relief from responsibility.
- H. No successful Respondent may assign any portion of the contractual agreement between the parties without prior written authorization by the CRA, which authorization may be withheld by the CRA in its sole discretion.
- I. Changes to the RFP may be made by and at the sole discretion of the CRA.
- J. Warranties - The Respondent, in submission of its proposal, warrants to the CRA that it will comply with all applicable federal, state and local laws, regulations and orders in providing the services under the proposed documents.

IV. TENTATIVE SCHEDULE

The CRA will attempt to adhere to the following schedule:

October 27, 2006	RFP Issued
November 1, 2006	Mandatory Pre-Proposal Conference at the CRA Offices
November 3, 2006	Requests for Clarifications or Additional Information due prior to 2:00 P.M. EDT
November 17, 2006	Written responses due prior to 2:00 P.M. EDT
November 22, 2006	Determination of Proposal Rankings
November 28, 2006	Resolution before the CRA Board for contract award

The CRA reserves the right to alter scheduled dates if necessary.

V. OTHER INFORMATION

- A. The CRA reserves the right to accept or reject any and all proposals, to waive any irregularities or informalities in any proposal or in the RFP process, and to accept or reject any items or combination of items. The award will be to the institution whose response complies with all of the requirements set forth in this RFP and whose proposal, in the sole opinion of the CRA, is best taking into consideration all aspects of the Respondent's proposal.
- B. In the event that the successful Respondent does not execute a contract within a time frame acceptable to the CRA, the CRA may give notice of intent to negotiate with the next most qualified Respondent or to solicit new proposals and may proceed to act accordingly.

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