



Commonwealth of Massachusetts
**DEPARTMENT OF HOUSING &
COMMUNITY DEVELOPMENT**

Charles D. Baker, Governor ♦ Karyn E. Polito, Lt. Governor ♦ Jennifer D. Maddox, Acting Undersecretary

February 13, 2010

Re: **Bid Amendment** - Request for Responses, Prequalification of Designees Pursuant to M.G.L. Chapter 40T, "Publicly-Assisted Housing," Document Number DHCD 2010 Housing, January 13, 2010, bid number S119269-vCurrent

To whom it may concern:

On January 13, 2010, the Department of Housing & Community Development (DHCD) issued the above-referenced Request for Responses (Original RFR) regarding Prequalification of Designees Pursuant to M.G.L. Chapter 40T, "Publicly-Assisted Housing," Document Number DHCD 2010 Housing, January 13, 2010, bid number S119269-vCurrent, according to the then-current procedure for posting such RFRs.

On October 21, 2019, DHCD amended the RFR with updated prequalification and selection criteria (Amended RFR). Entities that previously submitted a Response under the Original RFR, and were approved by DHCD as prequalified Designees, were directed to submit a Supplemental Response addressing any criteria of the Amended RFR not addressed in the entities' Responses to the Original RFR.

However, although the above bid remains open and posted as of this date on COMMBUYS, it is unable to accept new submissions due to internal system changes that went into effect after the RFR's original posting date in 2010.

Accordingly, all parties interested in submitting a new, amended, or supplemental RFR are directed to respond to the following new, identical COMMBUYS bid:

Bid BD-20-1076-OCDDDE-OCDD01-48615

This also applies to any Current Prequalified Designee seeking to submit a supplemental response in accordance with the Amended RFR posted on October 21, 2019.

In all other respects, the RFR remains in full force and effect. If you have any questions, please contact me at the information below.

Thank you,
Caitlin Loftus
Counsel
(617) 573-1506
caitlin.loftus@mass.gov



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PREQUALIFICATION OF DESIGNEES
PURSUANT TO
M.G.L. CHAPTER 40T
“PUBLICLY-ASSISTED AFFORDABLE HOUSING”

Document Number: DHCD 2010 Housing

RFR Contact Person: Roberta Rubin, Chief Counsel
c/o Francia Nova, Program Coordinator, Office of the Chief
Counsel

E-mail Address: francia.nova@mass.gov

Date of RFR Release: January 13, 2010

RESPONSE DEADLINE: **Not Applicable**

1. BACKGROUND

On November 23, 2009, the Commonwealth enacted Senate Bill 2190, “An Act Preserving Publicly-Assisted Affordable Housing”, creating a new Chapter 40T of the Massachusetts General Laws (“MGL c. 40T”). By its terms, the legislation was effective immediately. Therefore, even in advance of promulgating regulations, DHCD was required to proceed expeditiously to be prepared for addressing its obligations under MGL c. 40T.

A copy of the legislation is available on the Massachusetts Legislature’s website at <https://malegislature.gov/Laws/GeneralLaws/PartI/TitleVII/Chapter40T>.

A key aspect of MGL c. 40T is the authority granted to DHCD to make an offer and/or respond to a right of first refusal when the owner of a covered property intends to sell such property. The statute permits DHCD to name a designee (“Designee” or “Designees”) to assume the agency’s rights and responsibilities in undertaking the purchase and ownership of covered properties pursuant to the processes established under the law.

2. PURPOSE OF THE PROCUREMENT

DHCD initially issued a Request for Responses (RFR) regarding Prequalification of Designees Pursuant to M.G.L. c. 40T, “Publicly-Assisted Affordable Housing,” Document Number DHCD 2010 Housing on January 13, 2010 (“Original RFR”). The purpose of the Original RFR was to create an interim pool of entities qualified to act as Designee in the event that DHCD desired to make an offer or respond to a right of refusal, all as set forth in MGL c. 40T. DHCD is now amending the Original RFR with updated prequalification and selection criteria (“Amended RFR”), in accordance with the “Guidelines for Selection of Designees Pursuant to M.G.L. c. 40T” (Guidelines”), most recently revised in February 2017. The purpose of the Amended RFR remains the same as the Original RFR.

The procurement serves to prequalify Designees based upon the Prequalification Criteria set forth below in paragraph 3.B. When the opportunity to make an offer or exercise a right of first refusal for a particular property arises, DHCD selects a single Designee from the pool based upon the Site-specific Selection Criteria set forth below in paragraph 3.B.

Until such time as DHCD issues a successor RFR for Designees, DHCD will continue to accept responses to this Amended RFR.

3. SCOPE AND PERFORMANCE SPECIFICATIONS

- A. Scope of Services:** The authority and obligations of Designees are set forth in MGL c. 40T, referred to below as “Scope.”
- B. Prequalification Criteria:** In order to be prequalified as a Designee, respondents must meet the following standards:
 - 1)** Successful direct experience within the past 5 years in negotiating for and acquiring existing “publicly-assisted housing” as defined in MGL c. 40T, or other affordable multi-

family housing subsidized under a Federal, state, or local program. For owners of a sizeable portfolio of affordable housing with recent experience in portfolio refinancing, restructuring, or rehabilitation, DHCD will consider that experience in lieu of acquisition experience.

- 2) Successful direct experience within the past 5 years in overseeing and managing the rehabilitation of occupied multi-family housing.
- 3) Demonstrated commitment to preserving affordable housing.
- 4) Expertise in Massachusetts and federal publicly-assisted housing financing programs.
- 5) Successful experience in structuring complex real estate financing transactions. In the case of respondents requesting prequalification for designation for tax credit developments, successful experience in structuring large, complex real estate financing transactions, including tax credit developments.
- 6) Demonstrated capacity to productively engage with tenant organizations and low- and moderate-income tenants of multi-family housing regarding property development issues.
- 7) Sound financial position and demonstrated ability to attract necessary project debt and equity financing.
- 8) Satisfactory history of fair housing compliance.
- 9) Demonstrated commitment to full participation of minority- and women-owned business enterprises (MBEs/WBEs), as well as other diverse businesses certified by the Massachusetts Supplier Diversity Office (SDO), in all areas of contracting, including contracts for construction, design, goods, and services. DHCD may require submission of a current plan for outreach, recruitment, and utilization of MBEs/WBEs and other diverse business enterprises, and may consult with the SDO to determine satisfactory history of diverse supplier contracting.

C. Site-specific Selection Criteria: In order to be selected to act as Designee for a particular purchase opportunity, Prequalified Designees must continue to meet all of the Prequalification Criteria above and also meet the following additional criteria at the time of selection:

- 1) Current organizational capacity to exercise the authority and undertake the obligations of Designees pursuant to the Act and the Regulations.
- 2) Ability to provide property management and asset management for the subject property through existing third-party relationships or internal capacity.
- 3) Experience by the individuals identified with primary oversight of the Scope on behalf of the Prequalified Designee within the prior 5 years of successfully managing all due diligence aspects of acquiring existing “publicly assisted housing” as defined in MGL c. 40T, including but not limited to site control, deal structuring, assembling and/or obtaining requisite financing and permits/approvals, and assessing capital needs.

- 4) Direct experience within the past 5 years in successfully assembling financing for, developing, and managing a development comparable in type or size to the subject development.
- 5) If deemed by DHCD to be relevant to the subject property, direct experience by the organization and by assigned individuals in the organization within the prior 5 years in undertaking successful rehabilitation of occupied multi-family rental properties in Massachusetts.
- 6) If DHCD determines that the acquisition and rehabilitation of the subject property would not be feasible without tax credits, direct experience by the organization and by assigned individuals in the organization within the prior 5 years in undertaking successful rehabilitation of occupied multi-family rental properties using tax credit financing.
- 7) Good standing status with the U.S. Department of Housing & Urban Development (HUD), DHCD, MassDevelopment, MassHousing, Massachusetts Housing Investment Corporation and Massachusetts Housing Partnership, and CEDAC.
- 8) Satisfactory history of fair housing compliance. DHCD may consult with Massachusetts Commission against Discrimination (MCAD), the Office of the Attorney General and its Fair Housing Counsel to determine satisfactory fair housing status.
- 9) Satisfactory history of MBEs/WBEs and other diverse supplier contracting. DHCD may require submission of a current plan for outreach, recruitment, and utilization of MBEs/WBEs and other diverse business enterprises, and may consult with the SDO to determine satisfactory history of diverse supplier contracting.
- 10) Satisfactory history of involvement with DHCD subsidized housing, as determined by DHCD on the basis of the developments as to which the respondent or an affiliate has received DHCD financing, subsidy, other funding, or approval or has served as a designee.

4. RESPONSE CONTENT

A. Prequalification Submission: Responses to this RFR shall include the items listed below:

- 1) Introductory information:
 - Respondent's name, address, and telephone number
 - Name, telephone number and email address of contact person
 - If relevant to respondent, identify any limitations on the nature of the transactions that would be of interest (e.g.: a geographic service area; elderly housing vs. family housing; size of the project).

- 2) With respect to respondent's direct experience within the past 5 years in negotiating for and acquiring existing "publicly assisted housing" as defined in MGL c.40T, the following information on each such transaction:
 - Name (if applicable) and address of the property
 - Name of prior owner
 - Number of units
 - Name and address of prior senior lender
 - Name and address of current senior lender
 - Budget summary, including acquisition, rehabilitation, and soft costs and sources and amounts of project financing
 - If project used LIHTC, name and address of equity investor

- 3) With respect to respondent's direct experience within the past 5 years in undertaking successful rehabilitation of occupied multi-family housing, the following information on each such transaction, to the extent not included in response to 4.A.(1), above:
 - Name (if applicable) and address of the property
 - Name of prior owner
 - Number of units
 - Scope of work and budget

- 4) Brief narrative description of efforts that demonstrate commitment to preserving affordable housing. A respondent should identify any existing or formerly owned "publicly-assisted housing," as defined in MGL c. 40T, where affordable units have been lost or have been sold without long-term assistance.

- 5) Brief narrative description of work that demonstrates:
 - a) expertise in state and federal assisted housing financing programs;
 - b) successful experience in structuring complex real estate financing transactions;
 - c) successful experience in structuring large, complex real estate financing transactions, including tax credit developments, if respondent is requesting prequalification for designation for tax credit developments; and
 - d) property management and asset management ability.

- 6) Brief narrative description of work that demonstrates the capacity to productively engage with tenant organizations and low- and moderate-income tenants of multi-family housing regarding property development issues.

- 7) Brief narrative description that demonstrates the respondent's satisfactory history of fair housing compliance.

- 8) Brief narrative description that demonstrates the respondent's satisfactory history of use, and/or a proposal for future use, of MBEs/WBEs and other diverse businesses certified by SDO, in all areas of contracting, including contracts for construction, design, goods and services.

- 9) Audited financial statements for two most recent fiscal years.
- 10) A list specifically identifying (a) each development in the past ten years in which DHCD provided substantial financial support or regulatory approval to the respondent or an affiliate; (b) each development owned or managed by the respondent or an affiliate that received direct DHCD subsidy or other DHCD funding within the past five years; and (c) each development on which the respondent or an affiliate has served as designee since 2010.

B. Site-specific Selection Submission: In order to be selected to act as Designee for a particular purchase opportunity, the following additional material will be submitted to DHCD at the time of such selection per the instructions of DHCD:

- 1) Brief narrative description that demonstrates the capacity to undertake the project through existing staff and/or to assemble a team in a timely manner, including letters of interest and resumes for third party consultants or contractors (e.g., property management firms, general contractors, A/E firm).
- 2) The resume of the individual identified with primary oversight of the Scope on behalf of the prequalified Designee.
- 3) If deemed by DHCD to be relevant to the subject property, the resumes of assigned individuals.
- 4) Most recent audited financial statement if not submitted in prequalification submission and current balance sheet and profit and loss statement, as well as the most recent unaudited financial statement.
- 5) Submission of a current plan for outreach, recruitment, and utilization of MBE/WBEs and other diverse business enterprises.

DHCD will consult with HUD, MassDevelopment, MassHousing, Massachusetts Housing Investment Corporation and Massachusetts Housing Partnership, and CEDAC to determine good standing with each of these organizations.

DHCD will consult with Massachusetts Commission Against Discrimination, Massachusetts Supplier Diversity Office, the Office of the Attorney General and its Fair Housing Counsel to determine satisfactory fair housing status.

5. INSTRUCTIONS FOR SUBMISSION OF PREQUALIFICATION RESPONSES

Reponses from interested parties are now required to be submitted through COMMBUYS at <https://www.commbuys.com/bs0>.

Additional information on registering for and submitting a response through COMMBUYS can be found at the following sites:

<https://www.mass.gov/how-to/commbuys-vendor-registration>
<https://www.mass.gov/service-details/job-aids-for-vendors-using-commbuys>.

For questions or concerns relating to COMMBUYS, please contact the Operational Services Division (OSD) Help Desk at COMMBUYS@mass.gov or call 1-888-627-8283 or 617-720-3197 during normal business hours (8am - 5pm ET Monday - Friday).

Current Prequalified Designees. Entities that have previously submitted a Response under the Original RFR, and have been approved by DHCD as prequalified Designees (“Current Prequalified Designees”), must submit a supplemental Response within 180 days of the date of this Amended RFR in order to remain eligible. In lieu of submitting a new, complete Response, Current Prequalified Designees may submit a supplement addressing any criteria of the Amended RFR that were not addressed in the entities’ Responses to the Original RFR. **Failure to submit a supplemental Response within 180 days of the date of this Amended RFR will result in removal from the list of Prequalified Designees.**

Prospective Prequalified Designees. Entities seeking prequalification as a designee for the first time must submit a complete Response to the Amended RFR in accordance with the instructions above.

Note on MBE/WBE Criteria. DHCD will be posting additional information on how Current Prequalified Designees and Prospective Prequalified Designees can incorporate the criteria relating to MBEs/WBEs, specifically Sections 3.B.9, 3.C.9, 4.A.8, and 4.B.5, into their Responses. Please check DHCD’s website, <https://www.mass.gov/service-details/mgl-chapter-40-t-guidance>, for further guidance.

6. DEADLINE FOR RESPONSES

Until such time as DHCD issues a successor RFR for Designees, DHCD will continue to accept responses to this Amended RFR.