

**Housing Authority of the City of New Bern
Request for Proposals (RFP) for Mixed-Finance Housing Development
Legal Consulting Services**

GENERAL

New Bern Housing Authority (NBHA) is seeking proposals from local and national legal firms to serve as Mixed-Finance Housing Development Legal Consultant for the redevelopment of Trent Court, New Bern, North Carolina.

The RFP may be downloaded from the New Bern Choice Neighborhoods web site (www.choicewbern.com). You may also request a copy from Mickey Miller, Choice Neighborhoods Grant Coordinator, by sending an e-mail to mmiller@newber nha.com.

DUE DATE

Submissions in response to this RFP are due no later than 4:00 PM (Eastern Standard Time) **April 1, 2016**. Late proposals will not be considered and will not be opened. Respondents are solely responsible for ensuring that submissions are received before the stated due date and time. Submissions should be addressed as follows:

**Martin Blaney, Executive Director
New Bern Housing Authority
837 South Front St.
New Bern, NC 28562**

QUESTIONS

Questions regarding this RFP should be directed in writing to Mickey Miller by email to mmiller@newber nha.com, or by fax at 252-633-9496 on or before Mar. 11, 2016 at 4:00 PM (Local Time).

NBHA RIGHTS

NBHA reserves the right to reject any or all proposals, to advertise for new proposals or proceed to accomplish this solicitation by any means determined to be in the best interest of the NBHA. NBHA will evaluate proposals to determine which best satisfies the needs of the Authority and community.

SCHEDULE

Feb 24	RFP issued and available.
Mar 11	Final day to submit written questions (e-mail or fax acceptable) by 4:00 p.m. local time.
Mar 18	NBHA issues responses to questions.
Apr 1	Proposals due by 4:00 p.m. local time.
Apr 18-19	NBHA completes initial proposal reviews and initial ranking. Oral interviews (if required).
Apr 29	Selection of highest ranked proposer.

NEW BERN HOUSING AUTHORITY

REQUEST FOR PROPOSALS For LEGAL CONSULTING SERVICES

**Trent Court
and
Greater Five Points Neighborhood**

Martin Blaney, Executive Director

**New Bern Housing Authority
837 South Front Street
New Bern, NC 28562**

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REQUEST FOR PROPOSALS FOR LEGAL CONSULTING SERVICES

Trent Court and Greater Five Points Neighborhood

INVITATION

The New Bern Housing Authority (NBHA) invites proposals for legal consulting services to be performed under a contract with NBHA by a firm or firms with experience in providing legal services for public housing mixed-finance, mixed-income multifamily developments. The Consultant should have demonstrated experience negotiating agreements between public housing authorities and their development partners. The Consultant should also have demonstrated experience with the interaction of housing authorities with the U.S. Department of Housing and Urban Development (HUD) and with North Carolina Housing Finance Agency, as well as with HUD's regulations and requirements relating to public housing mixed-finance development. The Consultant must demonstrate experience with the legal requirements related to conventional financing, the use of Low-Income Housing Tax Credits (LIHTC), tax-exempt debt financing, project-basing of Housing Choice Vouchers, other public and private funding mechanisms, as well as acquisition and disposition.

BACKGROUND

New Bern

The City of New Bern is a community of approximately 30,000, comprising 27 square miles. It is the county seat of Craven County and the principal city of the New Bern Metropolitan Statistical Area. New Bern lies 112 miles east of Raleigh and 87 miles northeast of Wilmington. The city enjoys a picturesque location at the confluence of the Trent and the Neuse rivers near the North Carolina beaches. New Bern has a rich history as the second oldest colonial town in the state, the first colonial capitol of North Carolina and one of the premier historic African-American cities in eastern North Carolina. The recently revitalized downtown historic district contains more than 160 historic buildings within walking distance of the waterfront and historic Tryon Palace, the reconstructed seat of colonial and early state government. Together these attractions provide much of New Bern's unique charm, appeal to retirees, and heritage tourism, and contribute to the city's economic success.

Greater Five Points Neighborhood

Directly west of downtown New Bern, Greater Five Points is named for the commercial area located where Broad, Queen and Pollock Streets converge. Predominantly African-American, this neighborhood spans 462 acres and is considered the gateway to the downtown historic district. The neighborhood is home to two large distressed family public housing sites, Craven Terrace (under private management) and Trent Court, owned and managed by the New Bern Housing Authority. The neighborhood suffers from economic decline and disinvestment, dilapidated homes, flooding, lack of transportation, and poor health.

Interest in revitalizing this historic community has grown over the last 15 years, through various initiatives and planning efforts. The New Bern Gateway Renaissance Plan, completed in 2012, has served as a guiding document for investments. In 2013, New Bern received a Choice Neighborhoods Initiative (CNI) planning grant from HUD for the comprehensive revitalization of the Greater Five Points neighborhood.

New Bern Housing Authority

NBHA currently owns and manages 218 units at its Trent Court site and 106 Section 8 New Construction senior/disabled units at New Bern Towers. NBHA still holds the ground lease for the Craven Terrace site comprised of 361 units which recently transferred to a private developer for extensive rehabilitation under HUD's Rental Assistance Demonstration (RAD) funding program. All NBHA developments are located in the Greater Five Points neighborhood.

Trent Court

Trent Court consists of 29 two story residential buildings built between 1941 and 1953. The property also contains an administrative building, a vacant former child care facility, and a maintenance building. Over 50% of the complex is located in a 100 and 500 year flood plain. The Trent Court development is functionally obsolete; major issues include aging infrastructure, functional obsolescence of the units in terms of size and amenities, and barracks-style design. Given its location on the riverfront and adjacency to historic Tryon Palace, Trent Court is ideally positioned for mixed-income redevelopment.

Planning Efforts to Date

Co-leads NBHA and the City of New Bern with lead planning consultant EJP have just completed the Greater Five Points CNI Transformation Plan. The centerpiece of this community-led plan is the demolition and replacement of Trent Court into mixed-income communities both on- and off-site. The CNI Transformation Plan can be found at www.choicewbern.com/resources. NBHA has selected Pennrose Properties, LLC as its preferred Master Developer and is in the process of negotiating an Early Start Memorandum of Understanding (MOU) with Pennrose. The legal firm selected through this

procurement will assist with finalizing the MOU and in negotiating a master development agreement (MDA) once a more defined development program has been agreed upon.

SERVICES

Under NBHA's direction, the successful firm will be responsible for assisting NBHA with the negotiation and evaluation of mixed-finance agreements with its private developer partner, including the initial MOU. The Legal Consultant will provide legal opinions and/or recommendations that will enable NBHA to achieve its program goals. The Legal Consultant will also be responsible for analyzing and evaluating documents submitted to NBHA; analyzing the legal implications of finance options; conveying to NBHA the likely legal implications of the developer's proposals; and assisting NBHA in protecting its interests and resources.

The Legal Consultant will review and comment on the developer's business term sheets, mixed-finance proposals, and the associated evidentiary documents, which will be submitted to HUD for its review and approval. The mixed-finance proposals and related documents shall reflect the agreed upon redevelopment and financing strategies of NBHA and its developer partner. The Legal Consultant will also assist with acquisition, demolition and disposition activities as required to implement the redevelopment plan.

The Consultant will be a direct advisor to NBHA and its staff throughout the predevelopment and redevelopment process. Additionally, with NBHA's approval, the Legal Consultant will be expected to work in partnership with the redevelopment team consisting of the developer partner, NBHA staff and Commissioners, HUD, the City of New Bern, the State, and other key stakeholders.

Legal scope of services includes (but is not limited to):

- A.** Advise the NBHA on local, state, and federal statutory and regulatory matters relative to implementation of a HUD mixed-finance redevelopment effort;
- B.** Provide comprehensive representation of the NBHA in negotiations with the Developer, HUD, other agencies, and lenders as necessary;
- C.** Draft documents as required;
- D.** Represent the NBHA in connection with tax credit syndication and issuance of tax exempt bonds, if applicable;
- E.** Prepare the HUD evidentiary binder and submit the binders to HUD for each phase of the transaction;

- F. Perform such other related services as NBHA's Executive Director or his designees require.
- G. Proposers may subcontract with other firms or individuals in order to deliver the Services.

SUBMISSION INSTRUCTIONS

Proposers responding to this RFP are required to submit one original and one electronic version (on USB drive or CD) of their proposal. Proposals submitted in response to this RFP **must be received by 4 PM on or before April 1, 2016**. Proposals must be submitted in a clearly marked, sealed envelope.

Submissions should be addressed as follows:

RFP FOR MIXED-FINANCE DEVELOPMENT LEGAL CONSULTING SERVICES
New Bern Housing Authority
837 South Front Street
New Bern, NC 28562
Attention: Martin Blaney, Executive Director

The NBHA reserves the right not to accept or review proposals received after the Deadline, or proposals that do not fully comply with the requirements of this RFP. The NBHA reserves the right to extend the time for receipt of proposals.

Questions regarding this RFP should be directed in writing to Mickey Miller, Choice Neighborhoods Grant Coordinator, by email to mmiller@newbernhaha.com or by fax 252-633-9496 on or before March 11, 2016 at 4:00 PM (Eastern Standard Time).

Proposals shall not be opened publicly. The contents of proposals shall remain confidential, and shall not be disclosed to competing Proposers until the completion of the evaluation.

PROPOSAL FORMAT

Proposals must include the following:

- A. **Letter of Interest**, discussing the firm's approach to the scope of services. The letter must list the proposer's team members and identify the primary contact person. Please include telephone number, facsimile number, and e-mail address. The letter must be signed by an authorized principal of the proposer's firm and include a statement that the proposal will remain valid for not less than 90 days from the date of submission.

B. Technical Proposal

1. Project Approach: Provide a narrative which explains the firm's experience and proposed method for coordinating and communicating with NBHA, its private developer, NBHA staff, HUD representatives locally and in Washington D.C., NCHFA, City staff, residents, and the community.
2. Proposed Fee: Include a fee schedule with the hourly billing rates of proposed staff and a maximum price for the completion of the following tasks. For each task, provide proposed staff names, hourly rates and estimated hours.
 - **Task 1.** Final negotiation of the early start MOU between NBHA and Pennrose Properties, LLC.
 - **Task 2.** Negotiation of the Master Developer Agreement between NBHA and its Development Partner.
 - **Task 3.** Legal services associated with a mixed-income, mixed-finance transaction.

Services associated with tasks beyond Tasks 1-3 outlined above will be negotiated as specific task orders based upon agreed hourly rates. Task orders will contain detailed descriptions of the services to be provided and a maximum price for each task. Any changes to the project's task orders will be negotiated and approved in the form of a "change order."

3. Legal Analysis: Provide a narrative summary describing the legal issues anticipated based on NBHA's preliminary plans for revitalization of the Trent Court site.

C. Organization, Support and Experience

- Organization chart, assignment and hourly billing rates of key staff with their responsibilities, including sub-consultants (if any).
- Key personnel listing and resumes.
- A list of all public housing mixed-finance similar in nature to the Trent Court revitalization effort for which the firm has provided legal advice and a brief description of the closed transactions. Include experience with closing mixed-finance transactions in North Carolina. Also include experience with project-basing Section 8 vouchers.
- Recommendations and references (minimum of 3).
- Statement of availability.

D. MBE/WBE, Resident Participation and Section 3: The work to be performed under this contract is subject to the amended 12 U.S.C. 1701 (Section 3). The purpose of Section 3 is to ensure that employment and other economic opportunities generated by HUD assistance or by a HUD-assisted project covered by Section 3, shall, to the greatest extent feasible, be directed to low- and very low-income persons, particularly persons who are recipients of HUD assistance for housing.

Applicants are encouraged to provide information regarding their experience working with MBE/WBE enterprises and Section 3 individuals and businesses; and, to offer examples of how they propose to work with such enterprises in the course of the proposed consultancy.

E. Additional Materials

All proposals must include the following documents:

- HUD Form 5369-B Instruction to Offerors
- HUD Form 5369-C Certifications & Representation
- Form 2992 Debarment and Suspensions
- HUD Form 5370-C General Contractor Conditions
- Non-Collusive Affidavit
- Representations, Certifications, and Other Statements of Bidders

PROPOSAL EVALUATION

The written proposal and oral interviews will be evaluated utilizing the following:

No.	Criteria	Points
1.	Client and professional references (at least 3).	Mandatory
2.	Certified statement that the respondent or any member of the respondent's proposed staff on this project, is not debarred, suspended, or otherwise prohibited from professional practice by any federal, state or local agency.	Mandatory
3.	Evidence of the respondent's: Knowledge of HUD's mixed-finance guidelines and policies; Knowledge of local housing and community development issues in North Carolina including NCHFA experience, if any. General knowledge and expertise with affordable housing development and finance programs, including RAD and project-based Section 8.	30

4.	<p>Evidence of the respondent's experience and expertise within each of the areas:</p> <p>Drafting, reviewing and negotiating mixed-finance related documents.</p> <p>Meeting HUD requirements.</p> <p>Providing realistic legal options and/or recommendations to achieve redevelopment program goals.</p> <p>Providing legal services in the areas of North Carolina real estate transactions and partnership formations.</p> <p>Providing legal services on low-income housing tax credit transactions.</p> <p>Providing legal services on project-based Section 8 developments.</p> <p>Handling real estate purchase transactions.</p> <p>Reviewing, negotiating and assistance in gaining HUD approval of the following mixed-finance evidentiary materials: Ground Lease, Regulatory and Operating Agreement, Declaration of Restrictive Covenants, Management Agreement, Developer Agreement and Partnership Agreement.</p>	30
5.	Viability and relevance of respondent's project approach and narrative summary of anticipated legal issues.	15
6.	Utilization and/or employment of (1) Section 3 residents in this project, and (2) the involvement and use of MBE/WBE enterprises in this project.	5
7.	Fee schedule for Tasks 1 - 3 and hourly billing rates of proposed staff.	20
	Total	100

SELECTION PROCESS AND SCHEDULE

The purpose of this RFP is to solicit proposals so that NBHA may, from among a range of proposals, select an offer of services that best meets its needs and requirements. It is further desired that the RFP process will ensure cost competitiveness among respondents. NBHA urges all interested parties to carefully review the requirements of this RFP. Written proposals containing the requested information will serve as the primary basis for final selection. NBHA may, at its sole discretion, interview any number of respondents prior to final selection.

All proposals will be reviewed by NBHA based on the evaluation criteria contained in this RFP. NBHA will select the top firm based upon its proposal and ranking, the results of reference checks, the fee proposal (not necessarily the lowest pricing) and the effectiveness of the presentation, for those in the competitive range, during the interview process (optional).

NBHA reserves the right to conduct negotiations with one or more respondents if, in the sole opinion of NBHA, that method will provide the greatest benefit to NBHA.

NBHA reserves the right to cancel this RFP, or to reject, in whole or in part, any and all proposals received in response to this RFP, upon its determination that such cancellation or rejection is in the best interest of NBHA. NBHA further reserves the right to waive any minor informalities or the failure of any proposer to comply therewith if it is in the public interest to do so.

NBHA will reject the proposal of any proposer who is debarred by the U.S. Department of Housing and Urban Development from providing services to public housing authorities, and reserves the right to reject the proposal of any Consultant who has previously failed to perform any contract properly for NBHA or other entity.

The determination of the criteria and process whereby proposals are evaluated and the decision as to who shall receive a contract award or whether or not an award shall be made as a result of this RFP shall be at the sole and absolute discretion of NBHA and its Board of Commissioners.

Any procurement hereunder will comply with applicable HUD directives, the Laws of the State of North Carolina, and NBHA Procurement policies.

Proposers will be responsible for all costs incurred in preparing a response to this RFP. All material and documents submitted by prospective Consultants will become the property of the NBHA and will not be returned. Proposers selected for further interviews and negotiations will be responsible for all costs incurred during these processes.

No contractual rights shall arise out of the process of negotiation until such time as an agreement has been signed by NBHA and the selected Consultant.

NBHA anticipates the selection of a Legal Consultant will occur on the following schedule:

Anticipated Procurement Schedule

Feb 24	RFP issued and available.
Mar 11	Final day to submit written questions (e-mail or fax acceptable) by 4:00 p.m. local time.
Mar 18	NBHA issues responses to questions.
Apr 1	Proposals due by 4:00 p.m. local time.
Apr 11	NBHA completes initial proposal reviews and initial ranking.
Apr 18-19	Oral interviews (if required).
Apr 29	Selection of highest ranked proposer.

AWARD OF CONTRACT

The Award of Contract will be based on the proposal evaluation, oral interview of respondents determined to be competitive (at the option of NBHA), negotiation and recommendation to the NBHA Board of Commissioners for approval of the highest ranked firm.

The New Bern Housing Authority is an equal opportunity housing agency.