



SPARTANBURG HOUSING

RFQ NO. 2023-01

INTRODUCTION

Spartanburg Housing (“SH”) is a public body organized and existing under the Housing Authorities Law of the State of South Carolina (S.C. Code Ann. Section 31-3-10, et seq) (the “Act”). As such, SH has as a principal purpose overcoming the shortage of decent, safe and sanitary housing that can be afforded by persons of low and moderate income. In South Carolina, “persons of low income” is defined as those earning below 75% area median income (“AMI”) and “persons of low to moderate income” is defined as persons earning between 75%-150% AMI. See S.C. Code Ann. §31-3-20(15) and (17).

SH is seeking proposals from qualified development teams to partner with SH to utilize SH’s power issue Essential Function Bonds (“EFBs”) to acquire existing communities and construct new facilities that will expand SH’s affordable housing portfolio.

CONTENT OF PROPOSAL

This is an open Request for Qualifications (“RFQ”) which will provide SH with the opportunity to evaluate and select properties it desires to acquire using its EFBs. A selected development partner (“Development Partner”) will be responsible for the coordination and costs of all due diligence, third party reports, financing, planning, pre-development and development activities and assume all pre-closing and construction risk, if applicable.

Respondents shall submit the following documentation in the order listed:

1. Description of Proposed Transaction.
 - a. Provide a general description of the proposed development, including location, description of the neighborhood, number and type of units, targeted populations and income levels, and a summary of how the proposed development furthers SH’s essential purpose.
 - b. State the cost of the project and the maximum amount of bond financing required.
 - c. For new construction, provide a conceptual development plan including a site plan, design elevations, development budget, construction budget, and 10-year operating budget and proforma.
 - d. For acquisition and rehabilitation projects, provide the scope of all rehabilitation, including budgets, and a 10-year operating budget and proforma.



- e. Provide a description of the current status of the proposed transaction and your readiness to proceed, including status of acquisition, permits, design, construction, etc. as applicable.
- f. Propose scenarios pursuant to which SH can place project-based vouchers on the property at closing.
- g. Provide a current Market Study for the proposed development.

2. Development Team.

- a. Identify the Developer and key personnel who will constitute the Development Partner, i.e., architect, engineer, general contractor, asset management, underwriter, syndicator, bond counsel, etc., and describe their experience and respective roles.
- b. Provide resumes and organizational chart(s) for Development Partner and any proposed architects, engineers, contractors and asset managers.
- c. Provide two (2) current or recent client references and two (2) financial reference for development projects completed by the Development Partner within the past five (5) years.
- d. Provide a listing of all development projects in progress or completed over the past five (5) years with the following information: name and location of development; number and type of units; identification of non-residential or other components of development; total project development costs; total project construction costs; financing methods and funding sources; date project commenced, date completed and explanation of any delays; name, address, email and telephone number of client/owner.
- e. Provide financial statements for the Respondent and any firm providing guarantees or credit enhancement for the current year to date as well as the previous tax year.

3. Financing and Business Terms.

- a. Describe the proposed financing structure, including the terms of all bonds, loans, credit enhancements, and guarantees.
- b. Commitment letters (or comparable evidence) for all funding sources, including credit enhancement for bonds.
- c. Provide forms of bond offering documents, bond purchase agreements, notes, loan agreements, indentures, and other agreements and instruments related to the financing.
- d. Schedules for all bonds and other obligations of SH showing annual net revenues available for debt service, debt service payments (including interest rates), debt service coverage ratios, and any prepayment penalties associated with the bonds.



- e. Identify and describe all fees associated with the ownership and operation of the property during the term of the bonds and provide forms of all agreements pursuant to which such fees will be paid.



The logo for Spartanburg Housing features the letters 'SH' in a stylized blue font with a yellow house icon integrated into the letter 'H'. Below this, the words 'SPARTANBURG HOUSING' are written in a blue, sans-serif font. Underneath that, the words 'EVALUATION AND SELECTION' are written in a smaller, blue, sans-serif font and are underlined.

**SPARTANBURG
HOUSING**
EVALUATION AND SELECTION

An evaluation committee appointed by SH's Chief Executive Officer will review each proposal in accordance with the criteria listed below. The evaluation committee will provide the recommendations to SH's Board of Commissioners who will be responsible for final approval of the selected proposal.

SH's primary focus in making a decision as to whether to accept a proposal will be the affordability of the units, the feasibility of the development, and the extent to which the development furthers SH's essential purposes. Submissions will be evaluated using several factors, including but not limited to the following:

- Capability and experience of the Development Team; and, determination of availability of all required skills necessary for the development process
- Comprehension of the City of Spartanburg and Spartanburg County real estate market and goals and objectives of SH.
- Financial stability of the Development Team as demonstrated through prior success in obtaining funding for development projects.
- The number of affordable units in the development and the mechanisms to assure availability of the affordable units,
- Compliance with local regulations such as zoning and permitting requirements or a plan of action to address any changes needed to achieve compliance.
- The extent to which SH's wait list or Project Based Voucher Program may be utilized to achieve project sustainability.
- The financial benefits to SH.
- The apparent quality of design.
- The function of the financial structure.
- The impact on the community if the bond issuance does not proceed.

This RFQ does not establish mandatory or exclusive standards or procedures. No person shall be entitled to maintain an action against the SH for its actions in approving or disapproving proposals based on its adherence to or departure from the provisions of the RFQ.

SH MAY REFUSE TO PURSUE THE ACQUISITION AND FINANCING OF ANY DEVELOPMENT OR THE ISSUANCE OF ITS BONDS FOR ANY REASON IN ITS SOLE AND ABSOLUTE DISCRETION.

SH RESERVES THE RIGHT TO NEGOTIATE ALL TERMS AND ELEMENTS OF A PROPOSAL AND TO REJECT ANY OR ALL PROPOSALS.



SH
SPARTANBURG
HOUSING
DIRECTIONS FOR SUBMISSION

All submissions shall be submitted on a flash/jump drive as a single pdf document in a sealed envelope clearly marked as follows:

**RFQ – ESSENTIAL PURPOSE BONDS DEVELOPMENT PARTNER
DUE: OPEN UNTIL WITHDRAWN**

Spartanburg Housing
Attention: Procurement Department
170 Arch Street
Spartanburg, SC 29303

Submittals may be mailed or placed in the drop box located at the front of the main entrance to the address above.

Formal communication, such as requests for clarification and/or information concerning this solicitation, shall be submitted via e-mail to Reggie Barner, Development Consultant, at rbarner@thebarnergroupp.com. Responses to all inquiries will be provided in writing on SH's website: <https://www.spartanburghousing.org>.