



**LOW INCOME HOUSING TAX CREDIT (LIHTC) PROGRAM  
COMPLIANCE MONITORING SERVICES REQUEST FOR PROPOSAL  
JANUARY 2018**

**I. Purpose**

The purpose of this Request for Proposals (the “RFP”) from the Nebraska Investment Finance Authority (“NIFA”) is to solicit proposals from qualified providers to perform site inspection and other tax compliance monitoring services for projects with respect to which the project owners have received an allocation of Low Income Housing Tax Credits (“LIHTCs”) pursuant to Section 42 of the Internal Revenue Code of 1986 (the “Code”) in accordance with Nebraska’s LIHTC Program (the “Program”). At its option and in its sole discretion as more fully described in this RFP, NIFA anticipates awarding, on or before February 23, 2018, a contract (one-year term with an option by NIFA to renew) to a single provider to provide services as the Tax Compliance Servicer for the Program.

**II. Background**

As part of the Tax Reform Act of 1986, the United States Congress created the LIHTC to promote development of affordable rental housing for low-income individuals and families. The LIHTCs allocated to an owner of a project are generally claimed in equal annual amounts over a 10-year period. The rental property generating the LIHTC must remain in compliance with the requirements of Section 42 of the Code, the regulations promulgated thereunder, NIFA Program guidelines and rent restriction requirements for the period(s) specified by the Code and the NIFA Program guidelines. NIFA, created pursuant to Chapter 58, Article 2, Reissue Revised Statutes of Nebraska, as amended (the “Act”), is designated as Nebraska's housing credit allocation agency and administers the Program. As such, NIFA is charged with monitoring compliance by the project owners with Section 42 of the Code, the regulations promulgated thereunder, as well as the NIFA requirements and guidelines. This compliance includes on-site project inspections of low-income units qualifying for the receipt of LIHTC (“Qualified Unit”), as well as the review of tenant files corresponding to such Qualified Units and owner project files.

Inspections of projects are scheduled by NIFA by Congressional District, with projects located in a particular Congressional District inspected each third year. For

calendar year 2018, site inspections will be conducted in Congressional District 1 and will consist of five (5) 4% project developments and sixty-eight (68) 9% project developments.

For Calendar Year 2019 - Congressional District 3

For Calendar Year 2020 - Congressional District 2

### **III. Procedural Guidelines**

#### **A. Submission of Proposal.**

Written proposals responding to the questions and requests for information in the manner specified in this RFP should be submitted to NIFA to the attention of the individual identified below:

Ms. Kelly Schultze  
Nebraska Investment Finance Authority  
1230 O Street, Suite 200  
Lincoln, NE 68508-1402  
ATTN: Tax Compliance Monitoring Services RFP  
(402) 434-3907 or (800) 204-NIFA  
kelly.schultze@nifa.org

To be considered, NIFA must receive three (3) written copies of the proposal no later than February 5, 2018, by 5:00 p.m. (CDT). Late proposals will not be accepted. NIFA will not accept fax submissions, but will accept electronic submissions followed by three (3) signed originals which must be received in the Lincoln, Nebraska office of NIFA by 5:00 p.m. on February 7, 2018.

#### **B. Selection Timetable.**

The following dates are set forth for informational and planning purposes only. NIFA reserves the right to change the dates.

Request for Proposal Issued – Wednesday January 3, 2018

Written Proposals Due – Monday, February 5, 2018

Selection of Provider(s) – Expected to occur by Friday, February 23, 2018

#### **C. Evaluation Criteria**

NIFA will review responses to this RFP. Factors to be considered may include, but are not be limited to, the following:

- Prior experience with tax compliance site inspection monitoring.
- Conciseness, clarity, and responsiveness of the proposal.

- Best value to NIFA.
- Feedback received from references for similar work performed.
- Qualifications and expertise of the provider or assigned staff and previous successful experience with similar programs.

**D. Term of Tax Compliance Monitoring Services Contract**

**1. Contract Terms and Conditions.** NIFA will include the contract terms and conditions in the award letter sent to the selected provider. The resulting contract will consist of the following: the terms and conditions of this RFP, the offer contained in the provider’s proposal, and other terms necessary for completing the services outlined in this RFP. NIFA may negotiate compensation of the selected provider and may renegotiate such compensation if conditions warrant.

**2. Contract Length.** The term of any contract will commence on or before March 1, 2018 and will run for a one-year term (with an option on the part of NIFA to renew and subject to negotiated terms). NIFA reserves the right to terminate any selected provider for cause. NIFA also reserves the right to cancel the contract with the selected provider and replace or supplement the selected provider at any time at the discretion of NIFA.

**IV. Scope of Work**

Services to be performed by provider pursuant to the agreement with NIFA shall include, but are not limited to, those set forth below:

**A. On-site Inspections**

- Schedule on-site inspection visit with project owners and/or management for property unit inspections
- Prepare and mail notification of on-site inspection visit to selected project owners and/or managers as supplied by NIFA
- Conduct on-site inspection visit (physical inspection of at least 20% of the Qualified Units) in accordance with requirements of NIFA
- Review at least 20% of tenant files (corresponding to the Qualified Units selected for physical inspection) for compliance with Section 42 of the Code and the Program guidelines of NIFA
- Conduct handicap accessibility inspections and follow-up inspections, as required on any building built or occupied after March 13, 1991, and for any building built prior to March 13, 1991 with a Rural Development loan or subsidy

**B. Post-Inspection Reporting**

- Prepare field examination reports as provided for in the outline and forms to be supplied, or otherwise approved, by NIFA
- Return field examination reports to NIFA no later than two (2) weeks from the date of the project's inspection

**V. Proposal Contents**

**A. Transmittal Letter.**

A one-page transmittal letter prepared on the provider's business stationery should accompany the proposal.

**B. Proposal.**

The proposal should be labeled "Nebraska Investment Finance Authority LIHTC Program – Tax Compliance Monitoring Services Request for Proposals." The submission must contain sufficient information to enable NIFA to evaluate the proposal. It should be prepared in a clear and concise manner and should address each of the questions and requests for information contained in this RFP.

In addition to the responses to questions and requests for information herein, the proposal must include the following:

1. A description of the provider's ability and experience to prepare and analyze compliance reports related to Section 42 of the Code and the regulations promulgated thereunder.
2. A description of provider's ability to perform site inspections according to Uniform Physical Condition Standards (UPCS) guidelines, to include a listing of employees currently UPCS certified and their level of experience performing such inspections. Provide evidence of certification with RFP.
3. A schedule of fees charged by the provider for performing site inspection and compliance monitoring. Ensure schedule of fees accounts for any costs associated with travel that will be necessary in connection with the performance of such site inspections. NIFA will not reimburse provider separately for travel related expenses or mileage.
4. A description of the method of delivery and turn-around time of the inspection reports for tax compliance monitoring services. Please indicate whether provider has the technology and capability of performing records reviews of tenant files remotely.

5. At least three (3) professional references from clients that have used provider's services within the last year (property management companies, other housing finance agencies which administer the Section 42 program for their states, etc.).
6. Provide evidence that provider maintains its own personal and professional liability insurance at levels acceptable to NIFA.

#### **IV. Additional Information.**

It is the responsibility of the provider to inquire about and to clarify any aspect of the RFP. A provider may amend or withdraw its proposal prior to acceptance by NIFA. The amendment or withdrawal must be in writing, signed by the provider and received by NIFA no later than the deadline for submitting proposals. Electronic mail and faxed amendments or withdrawals will not be accepted.

##### **A. Rights Reserved by NIFA.**

NIFA reserves the right to:

- Change any term of this RFP at any time and without notice
- Cancel this RFP
- Reject any and all proposals-with no penalty or cost to NIFA
- Award a contract to a provider other than a provider responding to the RFP
- Request further interviews or additional information from providers
- Contact any reference to assist in the evaluation of the proposal and verify information contained in the proposal and discuss the provider's qualifications
- Obtain and consider information from other sources concerning a provider, such as the provider's capability and performance under existing LIHTC compliance monitoring and service contracts
- Negotiate terms and conditions with the provider that is selected

##### **B. Choice of Law and Forum.**

This RFP and any resulting agreements are to be governed by the laws of Nebraska. Changes in applicable laws and rules may affect the award process or the resulting

agreements. Providers are responsible for ascertaining pertinent legal requirements and restrictions.

**C. Authorized Signature.**

An individual authorized to bind the provider to the provisions of the RFP must sign the Applicant's response to the RFP.

**D. Disclosure of Information and Contracts.**

Pursuant to the Nebraska Taxpayer Transparency Act (the "Transparency Act"), Neb. Rev. Stat. Section 84-602.01 et seq., contracts and other agreements entered into by NIFA and another party (such as a Tax Compliance Monitoring Servicer) may be required to be published in electronic form on the website of the Nebraska Department of Administrative Services and/or the website of NIFA. In addition, certain revenues and disbursements in connection with such contracts may be required to be made public by NIFA and posted on a website in accordance with the Transparency Act. By submitting a response to this RFP, provider agrees to the publication by NIFA of the required information of the Transparency Act.

January 3, 2018