



Request for Qualifications (RFQ) to Own and Operate Two Affordable Housing Units

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Section 1 – Introduction

The City of Mobile, Alabama’s Community and Housing Development (CHD) Department is seeking a nonprofit partner to own and operate two affordable housing rental units which are located at **906 Delaware Street, Mobile, AL 36604**. The property was built in the style of a New Orleans double shotgun, with each of the two units containing 2 bedrooms and 1 bathroom. Each unit is approximately 725 square feet. The units are unfurnished, but they do include a stove, refrigerator, washer and dryer, and central heat and air conditioning.

The City intends to donate the property to the selected nonprofit organization which must operate the units as affordable rental units for a minimum of 20 years for households whose income is at or below 60% of the area median income (AMI). The City will place a mortgage on the property, but no debt service will be required during the 20-year affordability period. Assuming compliance with HOME Program regulations during the affordability period, the mortgage will be released after 20 years, and all restrictions on the property will be removed.

Nothing in this RFQ shall be construed to create any legal obligation on the part of CHD or any respondents. CHD reserves the right, in its sole discretion, to amend, suspend, terminate, or reissue the RFQ in whole or in part, at any stage. In no event shall CHD be liable to respondents for any cost or damages incurred in connection with the RFQ process, including but not limited to, any and all costs of preparing a response to this RFQ or any other costs incurred in reliance on this RFQ. No respondent shall be entitled to repayment from CHD for any costs, expenses, or fees related to this RFQ. All supporting documentation submitted in response to this RFQ will become the sole property of CHD. Respondents may also withdraw their interest in the RFQ, in writing, at any point in time as more information becomes known.

This RFQ is being emailed to prospective partners, will be posted on the City of Mobile website (www.cityofmobile.org), and will be advertised in the Mobile Press Register. CHD encourages qualified organizations to apply.

Section 2 – Submission Deadline

All statements of qualifications must be received by **May 13, 2015 by 4:00 pm** at the address below. Please submit 2 copies of your statement of qualifications with all requested attachments. Packages must be submitted in a sealed envelope and shall be labeled, “Proposal to Own and Operate 906 Delaware Street.”

Kristina Stone, Assistant Director
City of Mobile, CHD Department
205 Government Street
5th Floor South Tower, Suite 515
Mobile, AL 36602

THERE WILL BE A MANDATORY SITE VISIT AT THE PROPERTY ON FRIDAY, APRIL 24TH AT 11:00 A.M. ALL INTERESTED PARTIES WILL BE ABLE TO WALK THROUGH THE PROPERTY.

All respondents will be required to certify that they are not in default on any obligations due to the State of Alabama including, but not limited to, payment of taxes, fines, penalties, or other monies due. Selected nonprofit partner will also have to provide evidence of required insurance and enrollment in the E-Verify program.

Section 3 – Proposal Requirements

All proposals shall include the following information at a minimum:

A. Contact Information

Name, address, phone number, and email of the nonprofit organization. Key staff should also be identified, including the name and title of the individual authorized to negotiate contract terms and make binding commitments on behalf of the organization.

B. Experience

Description of the mission of the organization along with a brief history of its operations. Respondents should also include a description of experience owning and operating affordable rental housing, including number of units and funding sources utilized. Compliance staff should be identified who will be responsible for reporting annually to the City and coordinating any monitoring site visits during the affordability period.

C. Organizational Documents and Financial Soundness

Provide a copy of the organization’s Articles of Incorporation, By Laws, and a copy of the IRS Determination Letter confirming 501(c)(3) status. Respondents should also provide a copy of the most recent audited financial statements of the organization. If not

available, provide a current balance sheet and recent operating statement. Identify key financial personnel who will be responsible for assembling and submitting any financial reports to CHD.

D. Operating Budget

Provide a complete operating budget for the property. This should include all maintenance, insurance, owner-paid utilities, a management fee, and any other standard operating expenses. Also provide a utility allowance breakdown for tenant-paid utilities.

After statements of qualifications have been reviewed, discussions with prospective owners may or may not be required to clarify any portions of the proposal. Each respondent should visit the site of the property and fully acquaint themselves with the existing conditions and the neighborhood.

Section 4 – Rent and Income Limits

Throughout the 20-year affordability period, the units must be rented at or below the “High HOME Rent Limit,” and it must be rented to a household at or below 60% AMI. These rent and income limits are updated on an annual basis by the U.S. Department of Housing and Urban Development. Current limits are shown below:

High HOME Rent Limit (2-bedroom unit): \$767 (includes tenant-paid utilities)

Household Annual Income Limits (60% AMI):

1 Person	\$22,680		3 Person	\$29,160
2 Person	\$25,920		4 Person	\$32,340

Section 5 – Anticipated Schedule

The statements of qualifications received will be fully reviewed by an evaluation team, with primary consideration given to experience with affordable rental housing, working with federal programs, and serving low and moderate-income clients.

CHD reserves the right to negotiate with the selected owner to ensure compliance with City of Mobile building codes and cost considerations of the NSP Program. CHD shall make an award in the best interest of the project. This RFQ will be governed by the following schedule:

Proposals Due	May 13, 2015 by 4:00 pm
Notification of Award	May 20, 2015 (anticipated)
Approval by City Council	May 26, 2015 (anticipated)
Closing	May 28, 2015 (anticipated)

Proposals must be submitted in accordance with the instructions in Section 2 of this RFQ. Incomplete proposals and proposals received after the deadline will not be considered.

Photos of the Property (906 Delaware Street, Mobile, AL 36604)

The modular units were delivered to the site and installed April 6 - 8, 2015. The photos below are from those days. Additional work on the units and site will continue for the next few weeks. By early May, the units will be joined under a common roof, a fence will be installed, a parking area will be established, and the site will be landscaped. The final image below is the architect's rendering of the anticipated final design.

