

**CALIFORNIA HOUSING FINANCE AGENCY
REQUEST FOR PROPOSAL FOR A
COMMERCIAL LOAN SYSTEMS ANALYST AND SOFTWARE CONSULTANT**

I. INTRODUCTION AND OVERVIEW

A. PURPOSE OF THIS REQUEST FOR PROPOSAL (RFP)

The purpose of this RFP is to contract with a consultant to advise the California Housing Finance Agency (CalHFA or Agency) Multifamily Lending and Information Technology divisions during the review, selection, purchase and implementation of a new loan origination software and database system. Prior experience with private or governmental residential lending programs is mandatory.

Under separate cover, the Agency shall release a Software Vendor RFP seeking proposals from software vendors for a commercial loan origination software and database system utilizing the most current technology (Software Proposals).

The Commercial Loan Systems Analyst and Software Consultant (the Consultant) shall be required to review and understand the Agency's multifamily lending processes and existing automated systems. Based on Agency defined needs, the Consultant shall make recommendations for changes in processes and if necessary, suggest technological alternatives. The Consultant's primary role will be to review the Software Proposals with Agency staff and provide recommendations and guidance during the software vendor selection, purchase, and implementation process.

B. AGENCY INFORMATION

CalHFA currently uses UNIX and Windows servers and Microsoft SQL server databases. The technology utilized in conjunction with the multifamily loan process is comprised of several components that were developed in-house over time to meet the needs of various operational units. These components are partially integrated; however, some units have separate databases which necessitate manual updates and reconciliation.

Although the Agency has a relatively small loan portfolio (approximately 400 loans), the amount of system maintenance performed by operations staff is often time consuming and inefficient. The potential for loss of data is large enough to warrant acquisition of an enhanced system which integrates with other systems used by the Agency.

The multifamily loan process includes the loan application process, loan underwriting, commitment, origination and closing, followed by the transfer of data to the asset management, accounting, and finance divisions. Inconsistent data or loan status information in any of these operational areas can impact another, hence the need for an integrated system that facilitates the sharing of information on a single platform.

The Agency selected software shall utilize web-based technology incorporating the latest Mortgage Industry Standards Maintenance Organization (MISMO) data standards. Agency goals during the software implementation process include the development of an eMortgage loan application that populates a loan underwriting spreadsheet and database and allows for third party connectivity. The software system must also provide event tracking, ad hoc reporting, loan status reports, note/log capability and the capacity to view documents on-line.

C. SCOPE OF THE RFP

The scope of this RFP is limited to contracting with a Consultant who can advise and assist CalHFA through the review, selection, purchase and implementation of the chosen software. The results of the consultant's analysis/recommendations do not implicitly extend to any future contracts for services, software, systems or related. However, future contracts with the selected Consultant are not precluded by this RFP.

D. AGENCY CONTACTS

For any inquiries related to this RFP, please contact either:

Dominick Maio, Information Technology Division
Phone: 916-322-6175
Fax: 916-455-9452
E-mail: dmaio@calhfa.ca.gov

Or

Debra Starbuck, Multifamily Lending Division
Phone: 916-324-5650
Fax: 916-327-5115
E-mail: dstarbuck@calhfa.ca.gov

E. KEY ACTION DATES

Responses to the RFP must be received by November 19, 2004. CalHFA may, within 10 working days or less, schedule further actions. CalHFA expects to award the contract by December, 2004 and bring the consultant on board shortly thereafter. The term of the contract will be month to month, with an anticipated eight to nine month contract term.

F. REFERENCE MATERIAL

The following reference material is provided for your information:

1. Summary of the Agency's multifamily lending programs can be found at www.calhfa.ca.gov/multifamily/index.htm
2. Copy of the draft Software Vendor RFP is attached
3. Proposed Key Action Dates summary is attached

CalHFA may provide supplemental information to all responders of this RFP.

II. RULES GOVERNING COMPETITION

A. COMMERCIAL LOAN PROGRAM EXPERIENCE REQUIRED:

To provide the level of expertise needed to evaluate and recommend appropriate software solutions, the Consultant should have an understanding and high level of competency related to the following tools and processes:

1. The various types of commercial loans available for multifamily properties.
2. Loan underwriting spreadsheets (typically Excel format)
3. Types of third party reports used to underwrite residential loans (i.e., appraisal, market study, environmental reports, construction contracts, and management contracts.)
4. The loan origination, commitment, and closing process
5. Typical loan pipeline management and ad hoc reporting

B. SELECTION CRITERIA

Responses to this RFP must include the items listed below in the following order. Provide enough detail to assure CalHFA that you understand the full scope of this RFP.

1. RESUME: Provide a comprehensive resume showing all work experience for each member of the Consultant's firm.
2. RELATIVE EXPERIENCE: Provide a description of the relevant breadth and depth of knowledge and experience in the areas mentioned in this RFP.
3. REQUIRED EXPERIENCE: Describe in detail, your prior experience with private or governmental residential lending programs.
4. PRICE: Itemize and describe the fee for services relative to the scope of work identified in this RFP. Include a summary of estimated time frames, billable hours, hourly rate and the estimated total cost for services. While price is a consideration, the expected overall value to the Agency is the primary consideration in the selection process.
5. CONFLICT OF INTEREST: Describe and disclose any potential for conflicts of interest of any persons affiliated with your firm. Disclose whether or not you intend to respond to the Software RFP and address (either positively or negatively) any potential conflict of interest that might arise. Include a description of any current or prior affiliations with software vendors, and discuss any potential commissions resulting from software or technological recommendations that you might make as a hired Consultant

D. RESPONSE SUBMISSION REQUIREMENTS

Written responses to this RFP must be received by CalHFA no later than 5 p.m. on November 19, 2004 (Deadline). You are required to mail two(2) hard copies of your response and proposal to:

Dominick Maio
California Housing Finance Agency
P.O. Box 4034
Sacramento, CA 95812-4034

You are also required to email a copy of your response directly to:
dstarbuck@calhfa.ca.gov

E. EVALUATION AND SELECTION PROCESS

Following the issuance of this RFP, the Agency will notify all respondents of necessary clarifications and/or modifications to anticipated key action dates.

All responses received by the Deadline will be evaluated based on the selection criteria noted in Section II.C. above and follow-up interviews will be conducted with only the most qualified Consultants. CalHFA reserves the right to reject any or all proposals. One copy of each proposal will be kept on file for six months. All other copies will be recycled. CalHFA is not responsible for costs incurred by the consultant in preparing its proposal.

F. CONTRACTUAL INFORMATION

The following items, information or disclosures will be required as a condition of any contract awarded by CalHFA.

1. Name and address of Consultant(s)
2. Taxpayer Identification Number(s)
3. Name and title of person(s) signing the contract
4. Names, qualifications and disclosure of any potential conflicts of interest of persons working under the contract. For example, the potential for a consultant to make financial gain from the result of a recommendation, e.g. to acquire certain software for which the consultant receives a commission or bonus.
5. Nondiscrimination clause
6. Statement of Economic Interest, (FPPC form 700)
7. Certification as to a drug free workplace
8. Identification of disabled veteran, veteran, or small business status
9. Acknowledgement of California Public Records Act requirements
10. Representations as to compliance with privacy and safeguarding of information provisions as contained in the Gramm Leach Bliley Act.