

KEY INFORMATION SUMMARY SHEET

DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT



Request for Proposals No. # S00R1400008 Multifamily Appraisal Services

Procurement Officer: Eleanor Kennedy
410-514-7112
(FAX) 410-987-4676
kennedy@mdhousing.org

Submit Proposals to: Department of Housing and Community Development
Attention: Eleanor Kennedy
100 Community Place
Crownsville, Maryland 21032-2023

For directions, click on "Contact Us" on the DHCD website
<http://www.mdhousing.org/Website/home/index.aspx>

Solicitation Issue Date: January 11, 2011

Pre-Proposal Conference: January 24, 2011, 11:00 a.m. local time

Closing Date and Time: February 8, 2011, 2:00 pm local time

Anticipated Contract Start: March 2011

NOTICE

Prospective Offerors who have received this document from a source other than the Issuing Office should immediately contact the Issuing Office and provide their name and mailing address so that any amendments to the RFP and other communications may be sent to them.

Minority Business Enterprises and Small Businesses are encouraged to respond to this solicitation

STATE OF MARYLAND
NOTICE TO VENDORS/CONTRACTORS

To help us improve the quality of State solicitations, and to make our procurement process more responsive and business friendly, we ask that you take a few minutes to provide comments and suggestions regarding the enclosed solicitation. Please return your comments with your bid/proposal or, if you have chosen not to respond, fax the completed form to 410-987-4676.

1. If you have responded with a "no bid" please indicate the reasons below:

- ☐ Other commitments preclude our participation at this time.
- ☐ The subject of the Contract is not something we normally provide.
- ☐ We are inexperienced in the work/commodities required.
- ☐ Specifications are unclear, too restrictive, etc. (Please Explain in Remarks Section)
- ☐ The scope of work is beyond our current capacity.
- ☐ Doing business with Government is simply too complicated. (Please Explain in Remarks Section)
- ☐ We cannot be competitive. (Explain in Remarks Section)
- ☐ Time allotted for bid/proposal is insufficient.
- ☐ Start-up time is insufficient.
- ☐ Bonding/Insurance requirements are prohibitive. (Explain in Remarks Section)
- ☐ Bid/Proposal requirements (other than specifications) are unreasonable or too risky. (Explain in Remarks Section)
- ☐ MBE requirements (Explain in REMARKS section)
- ☐ Prior experience with State of Maryland contracts was unprofitable or otherwise unsatisfactory. (Explain in Remarks Section)
- ☐ Payment schedule is too slow.
- ☐ Other: _____

2. If you have submitted a bid or proposal, but wish to offer suggestions or express concerns, please use the Remarks section below. (Use reverse or attach additional pages as needed.)

REMARKS: _____

Vendor Name: _____ Date _____

Contact Person: _____ Phone _____

Address: _____

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ATTACHMENTS:

- A. Contract Terms**
- B. Bid/Proposal Affidavit**
- C. Contract Affidavit**
- D. Minority Business Enterprise Participation**
- E. Living Wage Attachment**
- E-1 Living Wage Affidavit**
- F. Price Proposal Form**
- G. Personnel Assignment Form**

SECTION 1. PROPOSAL INFORMATION

1.1 PURPOSE

The Maryland Department of Housing and Community Development (DHCD), a principal department of the State of Maryland (State), is issuing this Request for Proposals (RFP) seeking proposals from offerors experienced in preparing narrative appraisal reports for multifamily rental properties, to perform appraisal services. Specific qualifications and services to be provided are outlined in Section 3 of this RFP. It is DHCD's intention to award contracts to up to two Offerors whose proposals are determined to be the most advantageous to the State and DHCD.

1.2 ISSUING OFFICE AND PROCUREMENT OFFICER

The sole point of contact in the State for purposes of this Request for Proposals (RFP) is the Procurement Officer at the Issuing Office address listed below:

Eleanor Kennedy
Department of Housing and Community Development
100 Community Place, Room 2.619
Crownsville, Maryland 21032-2023
Telephone: 410-514-7112
Fax: 410-987-4676
E-mail: kennedy@mdhousing.org

This RFP is also available on DHCD's website in PDF format:
<http://www.dhcd.state.md.us/Website/procure/procure.aspx>.

1.3 PROCUREMENT METHOD

This Contract will be awarded in accordance with the competitive sealed proposals process under COMAR 21.05.03.

1.4 QUESTIONS

Questions will be accepted from prospective Offerors and should be submitted in a timely manner to the Procurement Officer only. E-mail submission of questions is preferable, but questions will also be accepted by mail or facsimile to the Procurement Officer.

The Procurement Officer will decide whether an answer can be given before the closing date, based on the availability of time to research and communicate an answer. Answers to all substantive questions that have not previously been answered, and are not clearly specific only to the requestor, will be distributed to all offerors who are known to have received a copy of this RFP.

1.5 PROPOSAL SUBMISSION REQUIREMENTS AND DEADLINE

An unbound, clearly marked original and five (5) copies of the Technical Proposal, in a separate sealed envelope marked “Multifamily Appraisal Services – Technical Proposal” and an unbound, clearly marked original and five (5) copies of the Price Proposal in a separate sealed envelope marked “Multifamily Appraisal Services” must be received at the Issuing Office no later than the date and time listed on the Key Information Summary Sheet, in order to be considered, except as provided in COMAR 21.05.02.10. The original shall be clearly identified and shall bear the original signature of the individual authorized to commit the firm.

Requests for an extension of this date or time will not be granted. Offerors mailing proposals should allow sufficient mail delivery time to ensure timely receipt at the Issuing Office. Proposals submitted by e-mail or facsimile will not be accepted. Opened proposals will not be returned to Offerors.

1.6 MULTIPLE OR ALTERNATE PROPOSALS

Neither multiple nor alternate proposals will be accepted.

1.7 DURATION OF OFFER

Proposals submitted in response to this RFP are irrevocable for a period of one hundred twenty (120) days following the closing date. This period may be extended at the Procurement Officer's request only with the Offeror's written agreement.

1.8 MANDATORY CONTRACTUAL TERMS

By submitting a proposal in response to this RFP, an Offeror, if selected for award, shall be deemed to have accepted the terms of this RFP and the standard contract terms and conditions, included as Attachment A. Any exceptions to this RFP, or Attachment A attached, must be clearly identified in the Executive Summary submitted with the Technical Proposal. A proposal that takes exception to these terms may not be reasonably susceptible of being selected for award.

1.9 INCORPORATION OF RFP AND PROPOSAL

The applicable sections of this RFP and the successful Offeror's proposal shall be incorporated into the resulting contract.

1.10 BID/PROPOSAL AFFIDAVIT AND RESIDENT AGENT

Offerors must submit a completed Bid/Proposal Affidavit, Attachment B, with their Technical Proposal. If an item on this Affidavit is not applicable, please indicate so. All blanks are to either contain an answer or a Not Applicable designation.

Additionally, in order to legally conduct business within the State of Maryland, all corporate entities must appoint and maintain a Resident Agent who receives legal process and other communications on behalf of the entity.

The failure to register and designate a Resident Agent may foreclose or hinder the company's ability to legally enter into contracts and gain access to the state courts. Moreover, it may subject the company to monetary, civil, and possibly criminal sanctions. Also, failure to maintain a Resident Agent may cause your company to fall out of "good standing" within the State. This will subject your license to do business within the State to forfeiture, with monetary penalties assessed to reinstate your company to a "good standing."

1.11 CONTRACT AFFIDAVIT

All Offerors are advised that if a contract is awarded as a result of this solicitation, the successful Offeror will be required to complete and submit to the Procurement Officer a Contract Affidavit confirming that all statements made on the Bid/Proposal Affidavit (Attachment B) remain true and correct in all respects as of the date of the Contract. A copy of this Affidavit is included for informational purposes as Attachment C of this RFP.

1.12 CONFLICT OF INTEREST

Each Offeror warrants that there are no relevant facts or circumstances that give rise or will give rise to a conflict of interest. Offerors shall disclose by certification, as part of their technical proposal, that there exists no conflict of interest between the Contractor and/or analyst(s) and any owner of an assisted or unassisted affordable multifamily rental housing, as defined above, in the market areas. The successful Offeror who is awarded the Contract has a continuing obligation to disclose to DHCD the above information through the term of the Contract.

The Procurement Officer will make a determination as to whether a conflict of interest exists. If it is determined that there is a conflict of interest, and that conflict of interest can not be resolved, the Procurement Officer may reject the offer under COMAR 21.06.02.03B. If a conflict arises during the term of the Contract, the Department reserves the right, in its sole discretion, to terminate the Contract if the conflict can not be resolved to DHCD's satisfaction.

1.13 REVISIONS TO THE RFP

If it becomes necessary to revise this RFP, amendments will be provided to all prospective Offerors that were sent this RFP or otherwise are known by the Procurement Officer to have

obtained this RFP. Failure to acknowledge receipt does not relieve the Offeror from complying with all terms of any such amendment.

1.14 RFP CANCELLATION / REJECTION

The State reserves the right to cancel this RFP at any time prior to contract award pursuant to COMAR 21.06.02.02. The State also reserves the right to accept or reject any and all proposals, in whole or in part, received in response to this RFP and to waive or permit cure of minor irregularities in any manner necessary to serve the best interests of the State of Maryland. Offerors whose proposals are not accepted will be notified in writing.

1.15 INCURRED EXPENSES

The State will not be responsible for any costs incurred by an Offeror in preparing and submitting a proposal or in performing any other activities relative to this solicitation.

1.16 ECONOMY OF PREPARATION

Proposals should be prepared simply and economically, providing a straightforward, concise description of the Offeror's ability to meet the requirements of this RFP.

1.17 PROTESTS/DISPUTES

Any protests or disputes related respectively to this solicitation or the resulting Contract shall be subject to the provisions of COMAR 21.10, Administrative and Civil Remedies.

1.18 USE OF EMARYLAND MARKETPLACE

e-Maryland Marketplace is an electronic commerce system administered by the Maryland Department of General Services. In addition to using the DHCD web site (www.mdhousing.org) and other means for transmitting the RFP and associated materials, the solicitation and minutes of the pre-bid/proposal conference, Offeror questions and DHCD responses, addenda, and other solicitation related information may be provided via e-Maryland Marketplace.

This means that all such information is immediately available to organizations that subscribe to e-Maryland Marketplace. Because of the instant access afforded by e-Maryland Marketplace, it is recommended that all Offerors interested in doing business with Maryland State agencies subscribe to e-Maryland Marketplace, free of charge.

1.19 MINORITY BUSINESS ENTERPRISES (MBE)

A. A Minority Business Enterprise (MBE) subcontractor participation goal of 25% has been established for this procurement. The successful Offeror shall structure its subcontracts in a good-faith effort to achieve that goal using businesses certified by the State of Maryland as minority owned and controlled. During the term of the Contract, the successful Offeror is

prohibited from changing the Minority Enterprise Utilization Plan as submitted (per Section 1.19 B below) without the prior written consent of DHCD.

- B. MBE requirements are specified in Attachment D of this RFP. Subcontractors used to meet the MBE goal in this RFP shall be identified using Attachment D-1, which **must** be completed, signed and submitted with each bid or proposal. **Proposals submitted without this attachment completed and fully executed shall be deemed not reasonably susceptible of contract award.**
- C. A current directory of MBEs is available through the Maryland State Department of Transportation, Office of Minority Business Enterprise, P. O. Box 8755, B.W.I. Airport, Maryland 21240-0755; phone number is 410-865-1244. The directory is also available at <http://www.mdot.state.md.us>; select the *MBE Program* label. The most current and up-to-date information on MBEs is available via the website.
- D. Minority Business Enterprises are encouraged to respond to this solicitation as prime contractors. MBE vendors are encouraged to obtain MBE certification from the Maryland Department of Transportation, Office of Minority Business Enterprise. Direct all certification-related questions to:

Office of Minority Business Enterprise
Maryland Department of Transportation
P.O. Box 8755
BWI Airport, Maryland 21240-0755
(410) 859-7328
http://www.mdot.state.md.us/MBE_Program/

- E. Maryland-certified minority contractors shall include the certification number on the Price Proposal. Prime contractors who are themselves MBE-certified must meet the MBE subcontract participation goal.
- F. By its response to this solicitation, the Offeror acknowledges the MBE subcontract participation goal and affirms that the approved MBE participation level is a contract deliverable to be performed by one or more certified MBEs. During the term of the contract, the successful Offeror shall comply with the Minority Enterprise Utilization Plan described in Attachment D.

1.20 ACCESS TO PUBLIC RECORDS ACT NOTICE

Offerors should give specific attention to the clear identification of those portions of their proposal that are considered confidential, proprietary commercial information or trade secrets, and provide justification why such materials, upon request, should not be disclosed by the State under the Access to Public Records Act, Title 10, Subtitle 6, of the State Government Article of the Annotated Code of Maryland. This information is to be placed after the Title Page and before the Table of Contents of the respective proposal to facilitate public inspection of the non-

confidential portion of the proposal. Respondents are advised that, upon request for this information from a third party, DHCD is required to make an independent determination whether the information may be disclosed (see COMAR 21.05.08.01).

1.21 ARREARAGES

By submitting a response to this solicitation, each Offeror represents that it is not in arrears in the payment of any obligations due and owing the State of Maryland. This includes the payment of taxes and employee benefits. The Offeror shall not become so in arrears during the term of the Contract if selected for contract award.

1.22 VERIFICATION OF REGISTRATION AND TAX PAYMENT

Before a corporation can do business in the State of Maryland it must be registered with the Department of Assessments and Taxation, State Office Building, Room 803, 301 West Preston Street, Baltimore, Maryland 21201. It is strongly recommended that any potential Offeror complete registration prior to the due date for receipt of proposals. An Offeror's failure to complete registration with the Department of Assessments and Taxation may disqualify an otherwise successful Offeror from final consideration and recommendation for contract award.

1.23 RECIPROCAL PREFERENCE

The provisions of State Finance and Procurement Article Section 14-401 and COMAR 21.05.01.04 shall apply to this solicitation. If applicable, a nonresident Offeror submitting an offer for this solicitation shall attach to the offer a copy of the current statute, resolution, policy, procedure, or executive order of the resident state for the nonresident Offeror that pertains to that state's treatment of nonresident Offerors for similar services. A preference shall be identical to the preference that the other state gives to its residents.

1.24 FALSE STATEMENTS

Offerors are advised that section 11-205.1 of the State Finance and Procurement Article of the Annotated Code of Maryland provides as follows:

- A. In connection with a procurement contract a person may not willfully:
 - (1) falsify, conceal, or suppress a material fact by any scheme or device;
 - (2) make a false or fraudulent statement or representation of a material fact;
 - (3) use a false writing or document that contains a false or fraudulent statement or entry of a material fact.
- B. Aiding or conspiring with others – A person may not aid or conspire with another person to commit an act under subsection (A) of this section.
- C. Penalty – A person who violates any provision of this section is guilty of a felony and on conviction is subject to a fine not exceeding \$20,000 or imprisonment not exceeding 5 years or both.

1.25 ELECTRONIC FUNDS TRANSFER

By submitting a response to this solicitation, the Offeror agrees to accept payments by electronic funds transfer unless the State Comptroller's Office grants an exemption. The selected Offeror shall register using the COT/GAD X-10 Vendor Electronic Funds (EFT) Registration Request Form. Any request for exemption must be submitted to the State Comptroller's Office for approval at the address specified on the COT/GAD X-10 form and must include the business identification information as stated on the form and include the reason for the exemption. The COT/GAC X-10 Vendor Electronic Funds Registration Request Form may be downloaded from: <http://compnet.comp.state.md.us/gad/pdf/GADX-10.pdf>.

1.26 SMALL BUSINESSES

Although this is not a Small Business Reserve procurement, small businesses are encouraged to respond to this solicitation and to register with the Maryland Department of General Services for the Maryland Small Business Reserve Program through a self-certification process at <https://www.smallbusinessreserve.maryland.gov/registration/>.

A "Small Business" is defined as a business, other than a broker, that meets the following criteria:

- The business is independently owned and operated;
- The business is not a subsidiary of another business;
- The business is not dominant in its field of operation;
- The wholesale operations of the business did not employ more than 50 persons, and the gross sales of the business did not exceed an average of \$2,000,000 in its most recently completed 3 fiscal years;
- The retail operations of the business did not employ more than 25 persons, and the gross sales of the business did not exceed an average of \$2,000,000 in its most recently completed 3 fiscal years;
- The manufacturing operations of the business did not employ more than 100 persons, and the gross sales of the business did not exceed an average of \$2,000,000 in its most recently completed 3 fiscal years;
- The service operations of the business did not employ more than 100 persons, and the gross sales of the business did not exceed an average of \$2,000,000 in its most recently completed 3 fiscal years; and
- The construction operations of the business did not employ more than 50 persons, and the gross sales of the business did not exceed an average of \$7,000,000 in its most recently completed 3 fiscal years.

If a business has not existed for three years, the gross sales average is computed for the period of the business's existence. For newly formed businesses the determination will be based upon employment levels and projected gross sales.

A Small Business is not the same as a Minority Business Enterprise, but a business can be both if it has been certified by the Maryland Department of General Services as a Small Business and has been certified by the Maryland Department of Transportation Minority Business Enterprise Program as a Minority Business Enterprise.

SECTION 2. CONTRACT INFORMATION

2.1 PARTIES TO THE CONTRACT

The contract entered into as a result of the response to this RFP shall be by and between the successful Offeror as Contractor and DHCD, and shall include the terms and conditions of Attachment A of this RFP and generally the provisions of this RFP. Any exceptions must be clearly identified in the Executive Summary section of the Technical Proposal. Attachment A is included for information only and is not to be submitted with the Offeror's proposal.

2.2 CONTRACT TERM

The contract resulting from this RFP shall commence after all appropriate State approvals have been obtained, and shall extend for a period of two (2) years.

2.3 CONTRACT TYPE

The Contract awarded as a result of this solicitation shall be a fixed price contract per COMAR 21.06103.02A (2) and is of indefinite quantity as defined by COMAR 21.06.03.06 A (2).

2.4 COMPENSATION AND METHOD OF PAYMENT

The Contractor will be compensated upon submission to, and approval by DHCD, of an invoice reflecting the per appraisal price as listed in the Price Proposal Form, Attachment F multiplied by the number of appraisals performed during the invoice period.

The Contractor will not be reimbursed for travel, clerical, or incidental expenses.

2.5 SCOPE OF CONTRACT

Work to be performed and the services to be provided by the Contractor will consist of the items described in Section 4 of this RFP.

2.6 CONTRACTOR RESPONSIBILITIES

The Contractor will assume sole responsibility for all work to be performed under their Contract and will be the sole point of contact for DHCD with regard to contractual matters.

2.7 WORK PRODUCTS

All products, including work papers, draft documents, notes, calculations and all other written materials regarding the engagements prepared under the terms of this contract are the property of

the State of Maryland, and shall be delivered at the end of the contract in a form useable to DHCD.

2.8 INDEMNIFICATION

The Contractor agrees to indemnify and hold harmless DHCD and the State from all liability which may hereafter be incurred by reason of dissemination, publication, distribution, or circulation in any manner whatsoever of any information, data, or records pertaining in any way to the contract by the Contractor and its employees.

2.9 LIVING WAGE REQUIREMENTS

A solicitation for services under a State contract valued at \$100,000 or more may be subject to Title 18, State Finance and Procurement (SFP) Article, Annotated Code of Maryland. Additional information regarding the State's Living Wage requirement is contained in this solicitation (see Attachment E entitled Living Wage Requirements for Service Contracts). **If the Offeror fails to submit and complete the Affidavit of Agreement, the State may determine an Offeror to be not responsible.**

Contractors and Subcontractors subject to the Living Wage Law shall pay each covered employee at least the minimum amount set by law for the applicable Tier Area. The specific Living Wage rate is determined by whether a majority of services take place in a Tier 1 Area or Tier 2 Area of the State. The Tier 1 Area includes Montgomery, Prince George's, Howard, Anne Arundel, and Baltimore Counties, and Baltimore City. The Tier 2 Area includes any county in the State not included in the Tier 1 Area. In the event that the employees who perform the services are not located in the State, the head of the unit responsible for a State contract pursuant to §18-102 (d) shall assign the tier based upon where the recipients of the services are located.

The contract resulting from this solicitation will be deemed to be a Tier 1 contract or a Tier 2 contract depending on the location(s) from which the contractor provides 50% or more of the services. If the contractor provides 50% or more of the services from a location(s) in a Tier 1 jurisdiction(s) the contract will be a Tier 1 contract. If the contractor provides 50% or more of the services from a location(s) in a Tier 2 jurisdiction(s), the contract will be a Tier 2 contract. If the contractor provides more than 50% of the services from an out-of-State location, then the contract will be deemed to be a Tier 1 contract. The Offeror must identify in their Offer the location(s) from which services will be provided.

SECTION 3. MINIMUM QUALIFICATIONS

The following qualifications must be met to be considered:

- A. Experience. The Offeror shall have prepared written real estate appraisal reports for multifamily rental properties for at least five (5) of the last eight (8) years in Maryland, and have experience in the preparation of appraisals for multifamily rental projects financed by

State housing finance agency(ies) such as DHCD **or** federally-funded or insured multifamily rental housing similar to that financed by DHCD,

- B. Essential Personnel. Essential personnel assigned to this Contract, as described in Section 4.3 B, shall possess five (5) years experience in the valuation of multifamily rental properties. Essential personnel shall also meet the following minimum qualifications:
1. Be certified as a general appraiser by the Department of Labor, Licensing and Regulation of the State of Maryland. **OR**
 2. Be a member in good standing of a national appraisal organization such as, but not limited to the following:
 - a. Appraisal Institute (AI);
 - b. National Association of Independent Fee Appraisers (NAIFA).

SECTION 4. SCOPE OF SERVICES

4.1 BACKGROUND

The Community Development Administration (CDA) is a unit of DHCD created for the purpose of encouraging the flow of capital into Maryland's residential mortgage market to stimulate homeownership and the construction and rehabilitation of rental housing. In particular, CDA provides financial resources not available in the private sector to construct and rehabilitate quality affordable rental housing. CDA receives applications for financing of such projects on a rolling basis as well as during pre-scheduled funding rounds. It is anticipated that appraisal assignments would be made shortly after the receipt of funding applications or after the close of pre-scheduled funding rounds. The financing programs administered by CDA include, but are not limited to, federal low income housing tax credits, which raises equity from the private sector, tax-exempt and general obligation bonds, appropriated State funds, and federal funds. CDA financing also leverages conventional financing as well as local and Federal funding. Through CDA, DHCD typically creates or preserves between 2,000 and 3,000 rental units annually.

The purpose of this RFP is to invite real estate appraisal firms to appraise multifamily rental housing properties for DHCD. The firm should be experienced in writing narrative appraisal reports for commercial properties, primarily multifamily rental housing.

4.2 SCOPE OF SERVICES

The Contractor shall:

- A. Prepare and submit to the DHCD Contract Manager a complete, self-contained appraisal report for each multifamily rental property assigned, which indicates the fair market value of the property and complies with the Uniform Standards of Professional Appraisal Practice (USPAP) promulgated by the Appraisal Foundation. DHCD will review the narrative appraisal report for acceptability. If DHCD determines the appraisal report is unacceptable, the Contractor shall address DHCD's concerns within 15 calendar days of notification by the DHCD Contract Manager of the deficiency to be addressed.
- B. Employ the three traditional approaches to value: the sales comparison approach, the income approach and the cost approach. If, due to the age or condition of the property, it is difficult to estimate the amount of accrued depreciation affecting the subject property's improvements, DHCD may waive the requirement to employ the cost approach. In addition, the appraiser must develop an "as financed" estimate of value for the property. This "as financed" value estimate must recognize the impact of below-market interest rates, rent or income restrictions, rent subsidies and low income or historic tax credits on a property's value.
- C. Include in appraisal reports an "as is" valuation of the subject's land.
- D. Include in appraisal reports an analysis of the highest and best use of the land as if vacant and of the property as improved.
- E. Develop a discounted cash flow (DCF) analysis as part of the income approach and ensure that market information is cited to support all capitalization rates and discount rates employed in the DCF analysis.
- F. Provide a thorough market analysis to support the estimates of income, expenses and vacancy rates used in the income approach.
- G. Provide a thorough market analysis to support the estimates of income, expenses and vacancy rates used in the income approach.
- H. If requested by DHCD, provide additional analysis that is reasonably and customarily required to satisfy the requirements of other lenders providing financing for the subject property.
- I. Certify the appraisal accuracy and compliance with the Uniform Standards of Professional Appraisal Practice (USPAP) by signing the completed appraisal report prior to delivery to DHCD.
- J. Submit three (3) originals of the signed appraisal report to the DHCD Contract Manager within thirty (30) to sixty (60) days of assignment as directed by the DHCD Contract Manager at the time of assignment.

- K. Ensure that the Principal Appraiser is available for consultation and attendance at meetings with DHCD staff, as necessary, and is prepared to serve as an expert witness in any court proceeding that requires testimony pertaining to a property's value.
- L. Provide, at the Contractor's expense, all equipment, supplies, tools and transportation needed to prepare the written appraisal reports.
- M. Coordinate with and notify the multifamily project owner and/or development team member reporting to the owner of the property, of any questions that may arise during the preparation of the report needing answers or clarification.
 - 1. Provide the questions and clarifications in writing.
 - 2. Include a copy of the questions and clarifications with the appraisal report submission to the DHCD Contract Manager.

4.3 ENGAGEMENT TEAM

The Contractor shall:

- A. Assemble a project team of personnel with the necessary qualifications to perform the services required under the Contract.
- B. Assign at least one (1) individual to the Contract who meets the requirements of Section 3 – B and is considered essential to the work to be performed under the Contract (the Essential Personnel).
- C. Maintain a staffing plan that describes the engagement team and identifies the specific individuals who will be assigned to the Contract to perform work under Section 4.2, including the key personnel of any subcontractor, such as those used to meet an MBE goal assigned to this Contract.
 - 1. The staffing plan shall include a description of the division of responsibility envisioned among these individuals.
 - 2. Replacement of any personnel shall be with personnel of substantially equal ability, qualifications and experience and with the prior written consent of DHCD. DHCD will reserve the right to terminate the contract if key personnel are changed without such consent.

4.4 PERSONNEL CATEGORIES

For the purposes of this RFP the following descriptions of personnel categories shall be in effect:

A. Principal Appraiser:

1. Conducts the visual inspection of subject property;
2. Determines rent and sales comparables of subject property;
3. Analyzes data gathered to render a valuation of the subject property;
4. Prepares the narrative appraisal as outlined in Section 4.2 A of this RFP; and
5. Shall be certified as a general appraiser by the Department of Labor, Licensing and Regulation of the State of Maryland or shall be a member, in good standing, of a national appraisal organization such as those listed in Section 3.B.2.

B. Review Appraiser:

1. Provides guidance and direction to the Principal Appraiser in the development of the appraisal;
2. Reviews the narrative appraisal prepared by the Principal Appraiser;
3. Certifies appraisal accuracy and compliance with the Uniform Standards of Professional Appraisal Practice (USPAP) by signing the completed document prior to delivery to DHCD, as described in Section 4.2 F; and
4. Shall be certified as a general appraiser by the Department of Labor, Licensing and Regulation of the State of Maryland or shall be a member, in good standing, of a national appraisal organization such as those listed in Section 3.B.2.

C. Support Staff:

1. Serves as a researcher, gathering raw data to be used by the Principal Appraiser in his valuation of the property as needed,
2. Provides clerical support to the Principal Appraiser in the preparation of the narrative appraisal.

4.5 ERRORS AND OMISSIONS INSURANCE

The Contractor shall have in effect and maintain throughout the term of the Contract, errors and omissions insurance coverage of not less than \$300,000 per incident.

4.6 CONTRACT MANAGER

After contract award and throughout the course of the project, the Contract Manager listed below will schedule the Contractor's work, review the Contractor's work as it is submitted, and monitor the performance of the Contractor.

John R. Maneval, Deputy Director, Multifamily Programs
100 Community Place
Crownsville, Maryland 21032
Phone: 410-514-7451
Fax: 410-987-4097
Email: maneval@mdhousing.org

SECTION 5. PROPOSAL FORMAT

5.1 GENERAL

The Offeror's Technical Proposal should be prepared in a straightforward and concise manner, detailing the Offeror's capabilities to satisfy the requirements of this RFP and should conform to the Outline listed in Section 5.2.B below.

5.2 TECHNICAL PROPOSAL

A. General:

Offerors must submit, under separate cover, a clearly marked original and five (5) copies of the Technical Proposal in a separate sealed envelope titled "Multifamily Appraisal Services – Technical Proposal."

Offerors should include a transmittal letter on the Offeror's stationery, signed by an individual who is authorized to bind the firm to all statements in the proposal and the services and requirements as stated in the RFP.

B. Outline of sections to be included in the Technical Proposal:

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Tab 1 – Minimum Qualifications

The Offeror shall demonstrate that it meets the qualifications outlined in Section 3 by:

- A. Discussing the experience of the firm as it relates to the requirements of Section 3.A and clearly stating the number and identity of clients currently or previously served.

- B. Providing evidence that essential personnel assigned meet the minimum qualifications as detailed in Section 3.B.
- C. Providing documentary evidence, including coverage and deductible amounts, of errors and omissions insurance coverage of not less than \$300,000 per incident.

Tab 2 – Executive Summary

- A. The Offeror shall condense and highlight the contents of the Technical Proposal in a separate section titled “Executive Summary.” The summary shall provide a broad overview of the Offeror’s understanding of the contents of the RFP and how the Offeror’s proposal meets the scope of services outlined in Section 4. If any addendum or amendments have been issued to this RFP, the Offeror shall acknowledge same in this section.
- B. Any exceptions to this RFP or the terms and conditions outlined in Attachment A or any other attachment must be clearly identified in this section. Exceptions may result in the proposal being rejected or being determined not reasonably susceptible of being selected for award.

Tab 3 – Required Submissions

- A. Bid/Proposal Affidavit (Attachment B) – completed and signed by an individual authorized to bind the Offeror. All questions are to be answered on Attachment B. If a question is not applicable please indicate so.
- B. MBE Form, Certified MBE Utilization and Fair Solicitation Affidavit (Attachment D-1 to Attachment D of the RFP) – completed and signed by an individual authorized to bind the Offeror. **If the Offeror fails to complete and submit this form with the Technical Proposal as required, the Procurement Officer shall determine that the proposal is not reasonably susceptible of being selected for award.**
- C. Maryland Living Wage Requirements Affidavit of Agreement (Attachment E-1).
- D. Errors and Omissions Insurance of not less than \$300,000 per incident.

Tab 4 – Summary of Corporate Experience and Capability

- A. Experience. Describe the Offeror’s significant experience as appraiser, with particular emphasis on experience in the valuation of multifamily rental properties and the preparation of written multifamily rental real estate appraisal reports. Detail any experience preparing reports for State housing finance agencies or federally-funded or insured multifamily rental

housing similar to that financed by DHCD. Describe how this experience demonstrates the ability to provide the services outlined for the respective activities in Section 4.2.

- B. References. Provide the names, addresses, and telephone numbers of at least three (3) current clients that may be contacted as references, including at least one client (not necessarily current) in the property appraisal field. DHCD reserves the right to call any known former or current client.
- C. State Contracts. Provide a list of all contracts with any entity of the State of Maryland that it is currently performing or which has been completed within the last 5 years. For each identified contract the Offeror is to provide in its Technical Proposal
 - 1. The State contracting entity;
 - 2. A brief description of the services/goods provided;
 - 3. The dollar value of the contract;
 - 4. The term of the contract;
 - 5. The State employee contact person (name, title, telephone number and if possible e-mail address); and
 - 6. Whether the contract was terminated before the end of the term specified in the original contract, including whether any available renewal option was not exercised.

The Procurement Officer or a designee may contact the identified State agencies, whichever are appropriate or the most appropriate ones if many contracts are involved, to ascertain the Offeror's level of performance of State contracts.

Information obtained regarding the Offeror's level of performance on State contracts will be considered as part of the experience and past performance evaluation criteria of the RFP.

Tab 5 – Engagement Team

- A. Identify the specific individuals who will be assigned to the Contract, and any subcontractor including those used to meet an MBE goal assigned to this Contract. For each individual named, include a resume that:
 - 1. Clearly indicates the number of years of pertinent experience for each person and enumerates specific skills that qualify this person to perform the services specified under Section 4.2.

2. Lists the name, address, and telephone number of at least one (1) recent client who may be contacted as a reference.
- B. Specify the division of responsibility envisioned among these individuals and their availability to perform contract services during the term of the Contract. For each individual identified, indicate the percentage of time that person will be available for performance on this contract.
 - C. Identify other personnel who would be available to perform the services described in Section 4.2, if members of the specific team were unavailable. Indicate where such personnel are physically located on a daily basis.

Tab 6 – Approach to Services

- A. Describe the Offeror's approach for the engagement, including the number of appraisals of the kind and scope required in Section 4.2 that can be simultaneously prepared by the Offeror.
- B. Attach as Exhibits, one copy each, of two (2) actual appraisals of multifamily rental housing. Such appraisals shall not be more than one (1) year old.

Tab 7 – Staff Time Conflicts Resolution

Describe how staff time conflicts will be resolved between the needs of existing and other future clients and the needs of DHCD for services.

Tab 8 – Economic Benefit to the State of Maryland

- A. Offerors shall submit with their proposals a narrative describing benefits that will accrue to the Maryland economy as a direct or indirect result of their performance of this contract. Proposals will be evaluated to assess the benefit to Maryland's economy specifically offered.
- B. Proposals that identify specific benefits as being contractually enforceable commitments will be rated more favorably than proposals that do not identify specific benefits as contractual commitments, all other factors being equal.
- C. Offerors shall identify any performance guarantees that will be enforceable by the State if the full level of promised benefit is not achieved during the contract term.
- D. As applicable, for the full duration of the contract, including any renewal period, or until the commitment is satisfied, the contractor shall provide to the procurement officer or other designated agency personnel reports of the actual attainment of each benefit listed in response to this section. These benefit attainment reports shall be provided quarterly, unless elsewhere in these specifications a different reporting frequency is stated.

- E. Please note that in responding to this section, the following do not generally constitute economic benefits to be derived from this contract:
1. Generic statements that the State will benefit from the offeror's superior performance under the contract;
 2. Descriptions of the number of offeror employees located in Maryland other than those that will be performing work under this contract; or
 3. Tax revenues from Maryland based employees or locations, other than those that will be performing, or used to perform, work under this contract.
- F. Discussion of Maryland based employees or locations may be appropriate if the offeror makes some projection or guarantee of increased or retained presence based upon being awarded this contract.
- G. Examples of economic benefits to be derived from a contract may include any of the following. For each factor identified below, identify the specific benefit and contractual commitments and provide a breakdown of expenditures in that category:
1. The contract dollars to be recycled into Maryland's economy in support of the contract, through the use of Maryland subcontractors, suppliers and joint venture partners.
 2. The number and types of jobs for Maryland residents resulting from the contract. Indicate job classifications, number of employees in each classification and the aggregate payroll to which the contractor has committed, including contractual commitments at both prime and, if applicable, subcontract levels.
 3. Tax revenues to be generated for Maryland and its political subdivisions as a result of the contract. Indicate tax category (sales taxes, payroll taxes, inventory taxes and estimated personal income taxes for new employees). Provide a forecast of the total tax revenues resulting from the contract.
 4. Subcontract dollars committed to Maryland small businesses and MBEs.
 5. Other benefits to the Maryland economy which the offeror promises will result from awarding the contract to the offeror, including contractual commitments. Describe the benefit, its value to the Maryland economy, and how it will result from, or because of the contract award. Offerors may commit to benefits that are not directly attributable to the contract, but for which the contract award may serve as a catalyst or impetus.

5.3 PRICE PROPOSAL

Offerors shall submit price proposals on Attachment F in a separate sealed envelope captioned as specified in Section 1.5 of this RFP and signed by an official authorized to bind the Offeror.

SECTION 6. EVALUATION PROCEDURE AND CONTRACT AWARD

6.1 EVALUATION COMMITTEE

The Procurement Officer shall establish an Evaluation Committee, which may include individuals from within or outside of State government. The Procurement Officer reserves the right to reject, in whole or in part, any and all proposals received as a result of this RFP, to waive minor irregularities in proposals, and to enter into discussions with all responsible offerors in any manner deemed necessary to serve the best interest of DHCD and the State. Offerors whose proposals are not accepted will be notified in writing.

6.2 DISCUSSIONS/ORAL PRESENTATIONS

All Offerors who appear to be responsible and whose proposals are initially classified as being reasonably susceptible of being selected for award (or potentially so) may be required to participate in discussions with, the Evaluation Committee. Offerors will be notified as to a date for oral presentations. Offerors must confirm in writing any substantive oral clarification of their proposal made in the course of discussions and all written clarifications will become part of the Offeror's Technical Proposal.

Price Proposals from only those responsible Offerors whose proposals are finally deemed reasonably susceptible of being selected for award will be opened following the discussion and presentation process.

If following the opening of the price proposals, the Procurement Officer determines that further discussion is in the best interest of DHCD and the State, the Procurement Officer will notify all of the Offerors of the date on which such discussions will be conducted. Upon completion of all discussions and upon receipt of any "best and final offers" submitted as a result of such discussions, the Evaluation Committee shall recommend to the Procurement Officer the award of the Contract to the responsible Offeror whose combined technical and price proposal is determined to be the most advantageous to DHCD and the State.

6.3 TECHNICAL PROPOSAL EVALUATION CRITERIA

The Evaluation Committee will conduct their evaluation of the Technical Proposals received on the basis of the following criteria in descending order of importance:

- A. Corporate Experience and Capability, as described in Section 5.2, Tab 4.
- B. Engagement Team as described in Section 5.2, Tabs 2 and 5.
- C. Approach to Services, as described in Section 5.2, Tab 6.

D. Staff Time Conflict Resolution, as described in Section 5.2, Tab 7.

E. Economic Benefits, as described in Section 5.2, Tab 8.

6.4 PRICE PROPOSAL SELECTION CRITERIA

Price Proposals will not be opened until the evaluation of the Technical Proposal is complete. The Price Proposal evaluation will be based upon the prices submitted by the Offeror on Attachment F – Price Proposal Form, and best and final offers, if any. Proposals will be ranked in order from lowest to highest cost to the State.

6.5 WEIGHTING OF TECHNICAL AND PRICE PROPOSALS

The Technical Proposal will have equal weight to the price proposal in determining the most advantageous offers.

6.6 CONTRACT AWARD

It is DHCD's intention to award contracts to up to two Offerors whose proposals are determined to be the most advantageous to the State and DHCD, making the contract awards as follows: the Offeror ranked highest overall by the Evaluation Committee (the "Primary Contractor") and the Offeror ranked second highest overall by the Evaluation Committee (the "Secondary Contractor").

DHCD reserves the right to award only one Contract if that is felt to be in the best interests of the State.

6.1 SELECTION CRITERIA

If two contractors are awarded a contract, DHCD will first notify the Primary Contractor of each appraisal assignment. The Primary Contractor is the Contractor who was ranked highest overall. If the Primary Contractor is unable to meet DHCD's required deadline due to workload, DHCD will notify the Secondary Contractor, or the second highest overall ranked awardee of the contract for the appraisal assignment.