

REQUEST FOR QUALIFICATIONS (RFQ) No. 2019-S01, Co-Developer Services

3.2.2.7 Statement showing strategies utilized to maximize resident participation; and

3.2.2.8 Developer investment and overall development budget.

3.2.3 **Financing Approach.** Describe new and innovative financing techniques for raising capital that the proposer has employed. Describe Proposer’s approach to managing the financial risk associated with affordable housing development. Demonstrate that the Proposer possesses an understanding of state and local requirements and procedures that will enable necessary equity to be raised and the effort to be efficiently completed. Describe the financing strategy of the Proposer and the proposed methods that will be utilized to identify and obtain the maximum financial funding needed to complete the development effort while minimizing the amount of Authority funds required to successfully complete the project. Describe what funds the Proposer will commit, what other private and public funds will likely be necessary, and from what sources and when these funds will likely be available. Proposer shall provide their approach to the division of work and responsibility between them and the Authority, as well as their requirements with regard to advance funding, compensation and similar issues. The Authority is interested in a financial structure that allows it to participate in the financial benefits of the development.

3.2.3.1 **Cost Structure:** Propose a structure for predevelopment and development activities, the source of payment of such and sharing of costs.

3.2.3.2 **Fees and Cost Limitations.** HUD’s Cost Control and Safe Harbor Guidelines will be the basis for negotiating business terms. Please see the following pertinent link: http://www.hud.gov/sites/documents/DOC_9880.PDF.

These guidelines set limits for Co-Developer, contractor, and property management fees, govern the use of, contribution to, and pay out of reserves and Co-Developer fees, control the Agency’s contribution to funding the predevelopment activities, and determine how much public housing funding can be provided to fund a development. Funds may be provided for the development of the public housing units in accordance with regulatory and policy restrictions.

The Co-Developer must state its position and reasoning for each of the following development cost areas:

3.2.3.2.1 The Co-Developer’s proposed cost sharing for predevelopment activities up to closing.

3.2.3.2.2 The Co-Developer’s proposed development fee stated as a percentage of total development costs as defined by HUD and timing for payment of the development fee.

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