

REQUEST FOR PROPOSALS (RFP)

Down Payment Assistance Program Administrator City of Tucson/Pima County Consortium

I. INTRODUCTION

The purpose of this invitation is to obtain the services of a non-profit organization, hereafter referred to as 'Administrator,' to represent the Participating Jurisdiction of the City of Tucson/Pima County Consortium, hereafter referred to as 'PJ.' The PJ is seeking qualifications and proposals from potential Administrators interested in representing the PJ by conducting homeowner counseling, collecting documentation, verifying income, preparing applicable documents for loan closings, marketing program through existing/new networking outlets, and invoicing promptly the PJ or its representatives under the PJ's down payment assistance (DPA) program.

II PROJECT BACKGROUND

The City of Tucson/Pima County Consortium administers the HOME Investment Partnership Program through its receipt of HOME funds, as regulated by the U.S. Department of Housing and Urban Development (HUD). The funding made available to the Consortium is subject to regulations under Title 24 of the Code of Federal Regulations.

It is the priority of the PJ to encourage owner-occupied home ownership. HOME funds are utilized to pay a homebuyer's down payment and reasonable closing costs on the purchase of a new home. The funds are secured via a second mortgage as a perpetual, interest-free, no payment, non-forgivable loan due in its entirety at the time of subsequent title conveyance. The buyer agrees to maintain the property as their primary residence throughout the affordability period of five (5) years, and understands that failure to do so will result in said second mortgage being immediately callable with repayment due in full.

The Purpose of the Administrator is to:

Thoroughly and efficiently collect all required documentation from the lender, buyer, and/or agent. Documentation includes, but is not limited to, taxes, paystubs, loan application, good faith estimate, homebuyer certificate, etc. The Administrator shall keep all parties up to date on the status of each buyer throughout loan application processing.

III. SCOPE OF SERVICES

Administrators are asked to describe the tasks required to successfully carry out the Scope of Services outlined below. However, Administrators may include additional services they are capable of providing and which would, in the Administrator's opinion, enhance the implementation of the proposed Scope of Services. The initial term of this Agreement would be for one year with the PJ having the option to extend the contract for two additional years in yearly increments. The Administrator's duties and responsibilities include the following:

- **Promptly collect all required documentation for the file;**
- **Provide at least eight (8) hours of HUD Certified Homeownership Counseling (pre-purchase) to program participants (prospective homebuyers);**
- **Provide homebuyers with a detailed explanation of the following Down Payment Assistance (DPA) Program requirements:**
 - **Homes purchased must be vacant or owner-occupied residences and must meet/pass HUD Environmental Review (ER) prior to execution of sales contract OR must require completion off HUD ER as stipulated condition of sale;**
 - **Homes constructed prior to 1978 must be visually assessed for the presence of deteriorated paint and any such deteriorated paint above HUD thresholds must be corrected utilizing HUD and EPA protocols;**
 - **All homes purchased must be in compliance with HUD HQS prior to close of escrow;**
 - **DPA loan terms require full repayment of loan upon sale or transfer of the subject property;**
 - **Homebuyer requirements include meeting income guidelines, completing 8-hour pre-purchase counseling, and \$1,000 contribution from buyer, which will include any pre-paid appraisal, inspection, or re-inspection;**
 - **Homebuyer must agree to occupy purchased property as their primary residence for the duration of the 5-year HUD 'affordability period from the date of purchase (date of close of escrow).**
- **Verify and document that ALL household income falls under the HUD income eligibility thresholds for Pima County for the HOME Program (under 80% of Area Median Income);**
- **Once the homebuyer has completed the required homeownership counseling and selected a home, notify the pre-selected and pre-approved property inspection**

firm designated by the PJ to provide an inspection of the subject property and to coordinate said inspection with the homebuyer;

- **Review home inspection report with homebuyer and insure that any identified repair items within the report are completed and that the 'final' inspection is scheduled after all repair items are satisfactorily addressed;**
- **Serve as liaison for the DPA and facilitate communication between homebuyer, real estate agent, home inspector, lender, title company, fiscal agent, and HOME Participating Jurisdiction (PJ);**
- **Certify that the homebuyer's DPA file is fully and properly documented, insuring that said homebuyer does qualify under the DPA Program guidelines;**
- **Perform other related duties as mutually agreed upon.**

IV. SUBMITTAL REQUIREMENTS

An original proposal and two (2) copies shall be submitted. The Administrator must be a non-profit organization, HUD-certified Homebuyer Counselor, and shall be very familiar with the processes of mortgage financing. Proposals shall:

- **Describe the approach and methodology the Administrator will employ in carrying out the work described in Section III;**
- **Include any services the Administrator may require from the PJ to perform the work described in the proposal;**
- **Provide a description of the Administrator's background, qualifications and experience, and the background and qualification of the staff to be assigned to the project;**
- **Provide at least three (3) references of past clients with similar Scope of Services including any applicable local government references**
- **Provide a breakdown of all applicable fees for providing this service.**

V. SELECTION PROCESS

Applicants receiving a Request for Proposal (RFP) will be asked to submit to the City of Tucson Housing and Community Development Department office, Santa Rita Building,

310 N. Commerce Park Loop, Tucson, Arizona 85745 by 5:00 pm on Friday, November 16, 2012 their proposal for these services, following the requirements set forth in Section IV.

An informal interview (via phone or in person) may be scheduled for additional information relating to the Administrator's proposal.

The PJ will approve a contract based on the best evaluation, staff/agency capacity to fulfill program requirements, historical performance, and experience.

The PJ may contract with any multitude of qualified, HUD-certified Homebuyer Counseling agencies to administer the Down Payment Assistance (DPA) Program and will pay said Administrators \$1,000 per 'approved and fully funded program participant' and will reimburse for down payment assistance provided to each actual buyer up to a sum equal to 3.5% of the fully executed purchase price.

Request for additional information and questions regarding this RFP may be directed to Tom Ingram, Division Manager, at (520) 837-5345, or electronically to tom.ingram@tucsonaz.gov or Joyce Alcantar, Project Coordinator, at (520) 837-5329, or electronically to joyce.alcantar@tucsonaz.gov