



Rhode Island Housing
working together to bring you home

**Request for Proposals
203(k) Consultant Services**

INTRODUCTION

Through this Request for Proposals (“RFP”), Rhode Island Housing seeks proposals from qualified, FHA-approved firms to provide inspection services in support of Rhode Island Housing’s 203(k) rehabilitation loan program. The 203(k) program is an initiative of the U.S. Department of Housing and Urban Development (“HUD”), designed to fund the rehabilitation and repair of single-family properties (including manufactured homes and condominium properties) at the time of purchase or refinance. Selected inspection firms will prepare reports to inform Rhode Island Housing’s 203(k) lending decisions, pre- and post-foreclosure analyses, and other property disposition decisions. Inspection firms must be FHA-approved.

INSTRUCTIONS

Three (3) original(s) and three (3) copies of the proposal must be submitted to Rhode Island Housing, 44 Washington Street, Providence, R.I. 02903-1721, Attn: Guy V. Pirolli, Real Estate Manager. Proposals should be concise and include all attachments and work samples. Proposals should be presented on business letterhead.

Proposals must be postmarked and received no later than 5:00 p.m. on Friday, November 1, 2013.

Respondents are advised that all submissions (including those not selected for engagement) may be made available to the public on request upon completion of the process and award of a contract(s). Accordingly, any information included in the proposal that the respondent believes to be proprietary or confidential should be clearly identified as such.

SCOPE OF WORK

Please see Attachment A.

ITEMS TO BE INCLUDED WITH YOUR PROPOSAL

A. General Firm Information

1. Provide a brief description of your firm, including but not limited to the following:
 - a. Name of the principal(s) of the firm.
 - b. Name, telephone number and email address of a representative of the firm authorized to discuss your proposal.

- c. Address of all offices of the firm.
 - d. Number of employees and support staff of the firm.
 - e. Number of partners (including any general contractors) and associates.
 - f. Relationships with other 203(k) consultants or home inspection firms.
2. Identify any material litigation, administrative proceedings or investigations which i) currently names your firm or any Principal, Partners, Associates, Contracted Inspectors or support staff as a party, ii) have been threatened against your firm or any Principal, Partners, Associates, Contracted Inspectors or support staff; or iii) have been settled within the past two years and involved your firm or Principal, Partners, Associates, Contracted Inspectors or support staff, as a party.

B. Experience and Resources

1. Identify the principal, partners, associates and contracted inspectors of the firm that would be involved in providing services to Rhode Island Housing. Provide appropriate background information and identify responsibilities of each person in providing services to Rhode Island Housing. For each name submitted, provide documented evidence of the requisite licenses and insurance, certification or other validation required by municipal or state agencies. Please note: All reports will require signatures of the firm's principal, either as the inspector of record or as review inspector. Additionally, Rhode Island Housing reserves the right to require that all inspections be performed by the principal of the firm.
2. Include a current client roster, including a lead contact name and telephone number for each organization for which you provide similar services.
3. Indicate the approximate number of reports (as such term is described in the Scope of Work) that your firm has completed during 2011, 2012 and 2013 to date.
4. Indicate for 2011, 2012 and 2013 the geographic distribution of inspections your firm has completed.
5. Provide a sample of your typical inspection and/or an existing conditions inspection report, work write-up and cost estimate prepared by your firm for a property financed under the 203(k) Program, with typical fee information for each type of report.
6. Provide an FHA-approval identification number that can be verified on HUD's website.

7. Identify individuals in your firm with multi-lingual skills, who are available to assist with communication in languages other than English. Please identify the language(s).

C. Fee Structure

The cost of services is one of the factors that will be considered in awarding this contract. The information requested in this section is required to support the reasonableness of your fees.

1. Please provide a cost proposal in the format provided in Attachment B.
2. If applicable, provide an itemized breakdown of billing rates and hourly costs, a list of key personnel and their hourly rates, reimbursable expenses, etc., for any services that may be requested in addition to the services previously described.
3. Please provide any other fee information applicable to the engagement that has not been previously covered that you wish to bring to the attention of Rhode Island Housing.

D. Miscellaneous

1. Rhode Island Housing encourages the participation of persons of color, women, persons with disabilities and members of other federally and State-protected classes. Describe your firm's affirmative action program and activities. Include the number and percentage of members of federally and State-protected classes who are either principals or senior managers in your firm, the number and percentage of members of federally and State-protected classes in your firm who will work on Rhode Island Housing's engagement and, if applicable, a copy of your Minority- or Women-Owned Business Enterprise state certification.
2. Identify any conflicts that may arise as a result of business activities, associates and/or ventures by members and associates of your firm, or as a result of any individual's status as a member of the board of directors of any organization likely to interact with Rhode Island Housing.
3. Discuss any topics not covered in this Request for Proposals that you would like to bring to Rhode Island Housing's attention.

E. Certifications

1. Rhode Island Housing insists upon full compliance with Chapter 27 of Title 17 of the Rhode Island General Laws, Reporting of Political Contributions by State Vendors. This law requires State Vendors entering into contracts to provide services to an agency such as Rhode Island Housing, for the aggregate sum of

\$5,000 or more, to file an affidavit with the State Board of Elections concerning reportable political contributions. The affidavit must state whether the State Vendor (and any related parties as defined in the law) has, within 24 months preceding the date of the contract, contributed an aggregate amount in excess of \$250 within a calendar year to any general officer, any candidate for general office, or any political party.

2. Does any Rhode Island “Major State Decision-maker,” as defined below, or the spouse or dependent child of such person, hold (i) a ten percent or greater equity interest, or (ii) a Five Thousand Dollar or greater cash interest in this business?

For purposes of this question, “Major State Decision-maker” means:

- (i) All general officers; and all executive or administrative head or heads of any state executive agency enumerated in § 42-6-1 as well as the executive or administrative head or heads of state quasi-public corporations, whether appointed or serving as an employee. The phrase “executive or administrative head or heads” shall include anyone serving in the positions of director, executive director, deputy director, assistant director, executive counsel or chief of staff;
- (ii) All members of the general assembly and the executive or administrative head or heads of a state legislative agency, whether appointed or serving as an employee. The phrase “executive or administrative head or heads” shall include anyone serving in the positions of director, executive director, deputy director, assistant director, executive counsel or chief of staff;
- (iii) All members of the state judiciary and all state magistrates and the executive or administrative head or heads of a state judicial agency, whether appointed or serving as an employee. The phrase “executive or administrative head or heads” shall include anyone serving in the positions of director, executive director, deputy director, assistant director, executive counsel, chief of staff or state court administrator.

If your answer is “Yes,” please identify the Major State Decision-maker, specify the nature of their ownership interest, and provide a copy of the annual financial disclosure required to be filed with the Rhode Island Ethics Commission pursuant to R.I.G.L. §§36-14-16, 17 and 18.

3. Please include a letter from your president, chairman or CEO certifying that (i) no member of your firm has made inquiries or contacts with respect to this Request for Proposals other than in an email or written communication to **Guy V. Pirolli**, gpirolli@rhodeislandhousing.org seeking clarification on the Scope of Work set forth in this proposal, from the date of this RFP through the date of your proposal, (ii) no member of your firm will make any such inquiry or

contact until after November 1, 2013, (iii) all information in your proposal is true and correct to the best of her/his knowledge, (iv) no member of your firm gave anything of monetary value or promise of future employment to a Rhode Island Housing employee or Commissioner, or a relative of the same, based on any understanding that such person's action or judgment will be influenced and (v) your firm is in full compliance with Chapter 27 of Title 17 of the Rhode Island General Laws, Reporting of Political Contributions by State Vendors.

EVALUATION AND SELECTION

A selection committee consisting of Rhode Island Housing employees (the "Committee") will review all proposals and make a determination based on the following factors:

- Professional capacity to undertake the Scope of Work.
- Proposed fee structure
- Ability to perform within time and budget constraints
- Evaluation of potential work plans
- Previous work experience and performance with Rhode Island Housing and/or similar organizations
- Recommendations by references
- Firm minority status and affirmative action program or activities
- Verification through HUD website of inspector's "FHA-approved" status
- Work sample approval
- Foreign language capabilities of the firm
- Other pertinent information submitted

Rhode Island Housing may invite one or more finalists to make presentations.

In its sole discretion, Rhode Island Housing may negotiate with one or more firms who have submitted qualifications to submit more detailed proposals on specific projects as they arise.

By this Request for Proposals, Rhode Island Housing has not committed itself to undertake the work set forth. Rhode Island Housing reserves the right to reject any and all proposals, to rebid the original or amended scope of services and to enter into negotiations with one or more respondents. Rhode Island Housing reserves the right to make those decisions after receipt of responses. Rhode Island Housing's decision on these matters is final.

For additional information contact: Guy V. Pirolli, gpirolli@rhodeislandhousing.org.



Rhode Island Housing
working together to bring you home

Attachment A Scope of Work

Rhode Island Housing seeks to engage FHA-approved 203(k) Consultants, to (i) inspect, assess and prepare reports with respect to exterior and interior conditions of properties that are being considered for financing by Rhode Island Housing under the HUD 203(k) Program, without limitation, and (ii) prepare work write-ups and cost estimates for necessary rehabilitation work at such properties. Inspections and reports must comply with all applicable requirements of HUD Handbook 4240.4 (the “Handbook”).

Rhode Island Housing will maintain a list of selected consultants for borrower referral purposes. Borrowers will contact consultants directly for engagement, establish mutually agreeable timeframes for the performance of property inspections and the submission of reports, and make payment arrangements. Property inspections must meet the requirements set forth in the Handbook, and final signed Work Write-Ups and Cost Estimates (described below) must be submitted to Rhode Island Housing, in addition to the respective borrowers.

The following elements are required within each report:

1. **Work Write-up and Cost Estimate for Proposed Work.** The Work Write-up (“Write-up”) must include a complete, itemized description of the work.

A form of Rehabilitation Checklist is available as Appendix 1 to the Handbook. In preparing the Write-up, the inspector must evaluate each item specified on the Rehabilitation Checklist to ensure that all work items are considered.

The Write-up may be provided in any mutually agreed-upon format; however, Rhode Island Housing reserves the right to create a standardized report format for use by selected 203(k) consultants. The Write-up does not need to reflect the color or specific model numbers of appliances, bathroom fixtures, carpeting, etc., unless they are non-standard units.

The final cost estimate (“Cost Estimate”), which is to be generated from information provided by the borrower’s contractor(s), must account for all labor and materials (including quantity and per unit cost) necessary to complete the rehabilitation work. The Cost Estimate must be submitted to Rhode Island Housing along with the Write-up.

2. **Existing Conditions Inspection Report.** The inspector must produce an Existing Conditions Inspection Report that includes (but is not limited to) the following items:

- The existence of rodents, dryrot, termites and/or other infestation, and recommendations as to how to correct the problems identified, if any.
- Any materials, conditions or other aspects of the property that could affect the health and safety of the occupants (e.g., lead-based paint) and recommendations as to how to correct the problems identified, if any.
- The adequacy of the existing structural, heating, plumbing, electrical, and roofing systems, including requirements for upgrading thermal protection, if necessary.

Existing Conditions Inspection Reports must be maintained in the Consultant's files and made available for review upon the request of the borrower or Rhode Island Housing.



RhodelslandHousing
working together to bring you home

**Attachment B
Fee Schedule**

Please provide your proposed fees for the following reports:

203(k) Loan Consultant Repair Fees: State fees in accordance with FHA 203(k) guidelines:

\$5000 - \$7500	\$
\$7501 - \$15000	\$
\$15001 - \$30000	\$
\$30001 - \$50000	\$
\$500001 - \$75000	\$
\$75001 - \$100000	\$
Over \$100000	\$

Non-FHA Home Inspections

Single Family Homes	\$
2 Family Homes	\$
3 Family Homes	\$
4 Family Homes	\$

Feasibility Studies/FHA 203(k) Consultant Packages:

Single Family Homes	\$
2 Family Homes	\$
3 Family Homes	\$
4 Family Homes	\$

Draw Requests

Single Family to 4 Family \$ /request to a maximum of 5 requests

Related Inspection Reports (If able to provide)

Radon In Air Testing Report	\$
Private Waste (Septic) Inspection Report	\$
Wood Destroying Insect (Termite) Report	\$