

REQUEST FOR PROPOSALS – MAINEHOUSING BOND COUNSEL

BACKGROUND INFORMATION ON MAINEHOUSING

The Maine State Housing Authority (MaineHousing) is a public body corporate and politic and an instrumentality of the State of Maine. MaineHousing is empowered to, among other things, issue notes and bonds for the purpose of providing monies for the origination or purchase of mortgages. MaineHousing has active single family and multi-family loan programs, which it operates primarily out of its Mortgage Purchase Program Bond Resolution (MPP). Under these programs MaineHousing has recently been purchasing about \$150 million in mortgages per year. Including refundings, bond issuance has averaged over \$300 million per year for the past five years.

The MPP was created in 1972 and is an open indenture which includes a statutorily created state moral obligation reserve fund replenishment provision as part of its structure. Since 1972 about \$8 billion in bonds have been issued in the MPP. At present the MPP has approximately \$1.4 billion in bonds outstanding and a mortgage portfolio of over \$1.3 billion of single family and multi-family mortgages. The MPP is rated AA+ by Standard & Poor's and Aa1 by Moody's.

STATEMENT OF WORK

The types of professional services to be contracted for include:

1. Advising MaineHousing concerning the legality of specific proposed taxable or tax-exempt obligations and the compliance, in substance and procedure, of those obligations with the law, including but not limited to federal securities laws and regulations and federal and state tax laws and regulations.
2. Issuing legal opinions, including opinions on the authorizations, tax status, and binding effect of the obligations and their associated documents and on the lawful use of the proceeds of the obligations.
3. Advising MaineHousing in the negotiation and preparation of agreements in connection with bonds such as remarketing agreements, swap contracts, and standby bond purchase agreements.
4. Preparing or assisting in the preparation of documentation related to a specific issue of obligations, including but not limited to a bond authorization, bond resolution, preliminary official statement, official statement, bond sale notice, bond form, bid form, or bond purchase agreement.
5. Advising MaineHousing concerning the maintenance of tax status of specific obligations, compliance with any requirements relating to the obligations, and compliance with any documents issued or executed with respect to the obligations including advice on issues related to the use of bond proceeds in programs.

6. Advising MaineHousing concerning accounting and investment procedures recommended or required for compliance with tax and federal securities and rebate requirements.
7. Advising and assisting MaineHousing in preparing the necessary legal documents needed to exercise early redemptions of outstanding bonds.

PROPOSAL REQUIREMENTS

Those firms interested in serving as bond counsel should limit their written proposals to no more than 10 pages, excluding exhibits, and include the following information:

Firm's Relevant Experience

1. List the State Housing Finance Agencies ("HFA's") for which your firm is currently working as either bond counsel or underwriter's counsel. Be specific about the programs or indentures in which you participate. Indicate the activity in these programs since January 1, 2015.
2. Discuss your firm's ability to advise MaineHousing on matters related to the use of housing bond proceeds, yield restrictions, mortgage swapping for yield purposes, and arbitrage rebates. Discuss your firm's ability to perform work in coordination with CFX, MaineHousing's cash flow and arbitrage consultant or other cash flow and arbitrage consultants.
3. Discuss the recent experience your firm has in negotiating and preparing swap ISDAs, standby bond purchase agreements, and remarketing agreements in connection with variable rate bonds.
4. Discuss your firm's ability to monitor and advise MaineHousing on federal legislation that may impact MaineHousing's operations. Describe the manner by which your firm regularly communicates changes in tax law to your clients.
5. Describe your firm's experience and ability to advise MaineHousing on matters related to using bond proceeds on multi-family projects which are utilizing the Low Income Housing Tax Credit. Does your firm regularly attend National Council of State Housing Agencies (NCSHA) conferences?
6. Discuss experience your firm has in obtaining clarification of matters and/or negotiating issues with HUD. Give some recent examples, if any, of your firm negotiating with HUD on behalf of a housing finance agency.
7. Describe all claims, proceedings and litigation in the past five years, against the firm or any member in connection with advice or opinions provided to, or representation made to any issuer or underwriter and indicate the disposition of each matter.
8. Provide an example where as bond counsel your firm has represented a housing agency in negotiations with the IRS.

Lawyers' Relevant Experience

Identify the specific individuals who would be assigned to work with MaineHousing, their experience, and the nature of work that each person would perform. Please provide a resume for each of these individuals, which includes a description of their housing bond experience.

Fees

Provide a fee proposal for legal work connected with the issuance of new bonds in the MPP. The proposal may be on a per \$1,000 bond basis inclusive of all expenses or an hourly charge with a not to exceed cap. Such fees will only be paid upon the issuance of the new bonds.

Also, provide a fee proposal for the hourly rates that would be charged for work legal work done in connection with the renegotiation of agreements on already outstanding bonds or other general legal work to be paid separately from fees paid in connection with the issuance of new bonds. This work could include the negotiation of remarketing agreements, standby bond purchase agreements, and swap contracts.

Although proposed fees will be taken into account, MaineHousing reserves the right to negotiate a lower or different fee structure with any firm as part of the review and selection process.

References

Provide a listing of at least three (3) HFA clients for whom your firm currently serves as bond counsel that MaineHousing may use for reference checks. Please name an appropriate contact person at each agency.

Conflict of Interest

Does the firm, any principal or affiliate of the firm, or anyone who will be paid for work pursuant to the RFP have business ties, familial relationships, or other close personal relationships with a current MaineHousing employee or commissioner or anyone who was a MaineHousing employee or commissioner within the past year? If yes, describe.

Five copies of your proposal should be delivered by June 15, 2018 - 5:00 p.m. EST to:

Thomas C. Cary, Treasurer
Maine State Housing Authority
353 Water Street
Augusta, ME 04330-4633

PROPOSAL EVALUATION AND SELECTION CRITERIA

The evaluation process described in this RFP is intended to enable MaineHousing to select the firm that provides the best value in meeting MaineHousing's needs by considering both non-price and price

factors. A trade-off method of selection will be used to allow MaineHousing to award a contract to the firm providing the best value, recognizing that best value may result in an award not representing the lowest price or the highest-scoring technically qualified proposal. Accordingly, to accomplish this balancing, or trade-off, between price and technical factors and to aid in determining best value, cost proposals will be evaluated and scored separately from relevant experience factors.

The proposals received will be evaluated by MaineHousing. After such evaluation, firms may be selected for a formal presentation and interview.

Proposals will be evaluated and scored based on experience as follows:

EXPERIENCE FACTORS	MAXIMUM POINTS
Relevant experience of the firm	40
Relevant experience of the lawyers who would work on MaineHousing's account	60
TOTAL POINTS	100

After proposals are ranked based on the evaluation of experience, firms' fee proposals will be evaluated and scored as follows:

COST PROPOSAL	MAXIMUM POINTS
Evaluation of fees: (1) legal work connected with issuance of new bonds in the MPP; (2) other legal work	50
TOTAL POINTS	50

If MaineHousing is unable to negotiate a mutually satisfactory contract with its first choice it may, in its sole discretion, negotiate with its secondary choices or cancel and reissue a new RFP or retain counsel through another selection method.

OTHER INFORMATION

The issue of bonds is subject to many factors. Therefore, MaineHousing makes no representation or warranty of any nature that any firm selected pursuant to this RFP will participate in any minimum or maximum number of financings, or in financings that involve any minimum or maximum dollar amounts.

MaineHousing reserves the right to seek clarification of each proposal and the right to negotiate a final contract in its best interest, considering cost effectiveness and the level of time and effort required for the services.

MaineHousing reserves the right to reject any or all proposals, without liability, at its sole discretion.

MaineHousing reserves the right to cancel this solicitation, without liability, at its sole discretion.

MaineHousing is not responsible for any costs that respondents incur while submitting proposals. Firms responding to this solicitation do so solely at their own expense.

From the date of issue of this RFP to the date the winning bidder is announced, all contact with MaineHousing relating to bond counsel services, except those made pursuant to any pre-existing attorney – client relationship with MaineHousing, must be approved by Thomas C. Cary, MaineHousing Treasurer. Violation of this provision may result in disqualification of the bidder's proposal. Bidders are advised that only Thomas C. Cary, MaineHousing Treasurer, can clarify issues or render any opinion regarding this RFP.

The term for provision of bond counsel services resulting from this RFP shall be for an initial period of up to three (3) years. The term may be extended up to two (2) additional years at MaineHousing's discretion and by mutual agreement.

Information submitted in your application becomes public information, and is subject to disclosure in accordance with the requirements of law, including without limitation the Maine Freedom of Access Act.

MAINEHOUSING NONDISCRIMINATION NOTICE:

MaineHousing does not discriminate on the basis of race, color, religion, sex, sexual orientation, national origin, ancestry, physical or mental disability, age, familial status or receipt of public assistance in the admission or access to or treatment in its programs and activities. In employment, MaineHousing does not discriminate on the basis of race, color, religion, sex, sexual orientation, national origin, ancestry, age, physical or mental disability or genetic information. MaineHousing will provide appropriate communication auxiliary aids and services upon sufficient notice. MaineHousing will also provide this document in alternative formats upon sufficient notice. MaineHousing has designated the following person responsible for coordinating compliance with applicable federal and state nondiscrimination requirements and addressing grievances: Louise Patenaude, Maine State Housing Authority, 353 Water Street, Augusta, Maine 04330-4633, Telephone Number 1-800-452-4668 (voice in state only), (207) 626-4600 (voice) or Maine Relay 711.