Request for Proposals – Development of a Web-based Compliance System

I. Summary

The Texas State Affordable Housing Corporation ("TSAHC") seeks proposals from qualified vendors to develop and implement a web-based Asset Oversight and Compliance Online System ("Compliance System") to replace the current system built on Expression Engine CMS. We have reached a point where the current Compliance System no longer provides the capabilities and flexibility to effectively manage the rapid changes in TSAHC's programs, preferences, and workload demands. This system must replace the current platform and enhance overall operational efficiency through:

- A user-friendly Customer Portal
- Comprehensive Document Management
- Advanced Data Management and Testing
- Seamless Compliance System Integration
- Automated Workflow Management
- Customizable User Notifications

The new Compliance System architecture must support future upgrades without requiring a new complete system overhaul, ensuring long-term sustainability in multifamily program compliance management. The System must be built on a platform with long-term viability and support.

II. Timeline

TSAHC will accept responses until **5:00 PM CST on Friday, March 28, 2025**. TSAHC retains the right to extend the submission deadline and selection period depending on responses to the RFP.

This RFP does not commit TSAHC to award a contract to any entity that responds ("Respondent") or to pay any costs incurred in the preparation or mailing of a Respondent's Response ("Response") or in participating in this RFP process. In addition, TSAHC reserves the right to accept or reject any or all responses received as a result of this RFP, to obtain information concerning any or all Respondents from all sources, and to request a virtual presentation from any or all Respondents. In addition, TSAHC

expressly reserves the right to negotiate with some, all, or none of the Respondents with respect to any term or terms of the response or contracts.

Responses not complying with the conditions specified in the RFP may be rejected. TSAHC may also reject a response that does not include all requested information.

TSAHC reserves the right to select more than one Respondent to best meet all of the goals outlined in the System Requirements.

III. Communications with TSAHC

All questions and communications concerning the RFP must be submitted to Celina Stubbs, TSAHC's designated point of contact, via email at cstubbs@tsahc.org.

To protect the integrity of the RFP process, potential Respondents may not contact TSAHC's staff and Board of Directors Members ("Board Members") regarding issues or questions pertaining to this RFP. This contact limitation period begins when the RFP is made available and continues through the selection process. If a potential Respondent contacts a staff member or Board Member with an issue or question pertaining to the RFP, that staff member or Board Member shall not discuss the RFP and shall forward the inquiry to the designated point of contact. TSAHC reserves the right to disqualify submissions from Respondents that fail to adhere to this contact limitation policy.

IV. About TSAHC

TSAHC is a 501(c)3 non-profit incorporated in 1994. Although created by the Texas Legislature, it does not receive state-appropriated funding.

TSAHC's primary purpose is to facilitate the provision of affordable housing for low-income Texans who cannot access acceptable housing options through conventional financial channels. A five-member board of directors, appointed by the Governor, with the consent of the Senate, oversees the business of TSAHC. All operations of TSAHC are conducted within the State of Texas, and the corporate office is located in Austin, Texas. Enabling legislation, as amended, may be found in the Texas Government Code, Chapter 2306, Subchapter Y, Sections 2306.551 et seq.

TSAHC is organized, operated, and administered as a non-profit organization in accordance with Section 501(c)3 of the Internal Revenue Code.

TSAHC engages in the following primary types of business:

- Administration of homebuyer assistance programs
- Financing of affordable multifamily housing development
- Financing of affordable single-family housing development
- Administration of land banking and land trust programs

- Capacity building for nonprofit housing organizations
- Asset Oversight and Compliance monitoring of financed multifamily properties
- Fundraising

V. Asset Oversight and Compliance Monitoring Background

Program Overview

TSAHC's Development Finance department oversees the application review and issuance of multifamily tax-exempt bonds and Texas Housing Impact Fund (THIF) loan products. After the financing is issued, the Asset Oversight and Compliance (AOC) department monitors compliance requirements for projects financed through bonds or loan products, usually for a minimum of 15 years. The following are terms used commonly by the AOC department and found throughout this document to describe features needed in the system:

- **Admin User:** TSAHC AOC staff who are system users.
- **Multifamily property ("Property"):** An apartment property.
- **Multifamily property owner/borrower ("Owner"):** The owner of the multifamily property
- **Portfolio:** A group of two or more properties owned by the same owner.
- **Property User:** A maximum of three (3) system users (not TSAHC staff) assigned to a property by the multifamily property owner.
- **Owner Contact Page**: This is a landing page for Property Users. The landing page should have adequate fields for the owner's, management agents, and on-site property manager's contact information. There should be enough fields for up to four (4) points of contact.
- **Unit**: A single apartment unit in an apartment property.
- **Area Median Income (AMI):** The median income for a household in a specific metropolitan statistical area (MSA) is determined annually by the U.S. Department of Housing and Urban Development (HUD).
- **HUD Income and Rent Limit:** On an annual basis, HUD publishes income and rent limits for its programs based on median income for the county or metropolitan areas. An Admin User uploads new income and rent limits to the online Compliance System within 30 days of HUD's publication date.
- **Set Aside:** The level of affordability selected by the owner. The selected level of affordability determines the percentage of units that must be "set aside" for households whose total household income is at or below a specified AMI. See below for set-asides:
  - Federal set-asides (owner must select one):
    - 40% of units at 60% AMI
    - 20% of units at 50% AMI
  - Other owner-elected set-asides (owner may select one):
    - 5% of units at 30% AMI
    - 40% of units at 50% AMI
    - 75% of units at 80% AMI

- **Unit Eligibility/Qualified** – Eligible/qualified units are units that are occupied, or vacant but most recently occupied, by households that meet the selected Set Aside designation for the property.
- **Unit Designation**: A unit designated to meet a selected set aside (i.e., a unit that meets the 30% AMI designation, 50% AMI designation, 60% AMI designation, etc.).
- **Market Unit:** A unit not designated to meet a selected set aside.
- **Initial Tenant Income Certification (TIC):** At the time of move-in, an Initial Tenant Income Certification is completed to document the household's annual income.
- **Annual Re-certification:** Twelve (12) months after the initial TIC, the owner will complete an annual re-certification to document the household's annual income and determine whether the household continues to qualify for the set-aside unit designation.
- **Expired Certifications:** Each certification is valid for 12 months. If a recertification has not been completed by the household after exactly 12 months, the unit/household loses its set aside designation.
- **140% Rule/Over-Income (OI) designation:** If at the time of annual recertification, the household's income exceeds the current federal set-aside income limits, the household is considered an over-income "OI" designated unit.
- **Resident Services:** Owners are required to provide services for their residents. The owner must select which of the following options they will follow:
  - A minimum of 6 resident services per calendar quarter
  - A minimum of 4 resident services per month

- **Unit Status Report (USR):** A report used to capture income, rent, household composition, and demographic information for each unit at a property.
- **USR Data Import:** Once a property has reached 50% occupancy, the owner can upload the USR data into the Compliance System, preferably in Excel format.
- **Archived Properties:** A property is archived once it has reached the end of its qualified project period and is no longer required to submit monthly reports.
- **Monthly Reports:** Property Users submit monthly USR and Resident Service reports to determine whether the property is compliant with its respective requirements. Upon receiving data input from Property Users, the Compliance System compiles monthly reports such as the Unit Status Report, Certificate of Continuing Program Compliance, Occupancy Summary, and Resident Services. These reports are further detailed in Section VI.
- **Financial Reports:** Owners submit quarterly financial reports, annual budgets, and annual financial audits.

VI. System Requirements

The Compliance System is primarily used by TSAHC's Asset Oversight and Compliance department staff and property and compliance managers at each property monitored by TSAHC. Property Users must submit data that determines if the property complies with its specific affordability requirements. Upon receiving data input by Property Users, the TSAHC Compliance System's primary function is to test income and rent data against HUD income and rent limits and compile the following monthly reports: Unit Status Reporting, Certificate of Continuing Program Compliance, Occupancy Summary, and Resident Services.

TSAHC seeks to build a Compliance System to include features and functionalities as described below:

Structure, Content, and Functionality:

- **Property Page:** This page should contain relevant information for each property.
- **User Types:** Users are assigned a different level of access. Admin Users consist of TSAHC administrative staff and Property Users consist of property management staff as assigned by the Property Owner.
- **Login**: All Users must log in to access any information in the Compliance System. Each User has one or more properties associated with their username and should only have access to those properties.

- **Reports**: Each month, Property Users are required to submit data that will generate four (4) reports for each property as outlined below:

  - Unit Status Report ("USR")

    1. Specific income, rent, household composition and demographic information for each unit will be submitted every month. Once the Property User submits the report the Report Status is automatically updated to "Submitted."

    2. An Admin User reviews the USR. The Admin User updates the report status to "Approved – Compliant", "Reviewed – Action Requested", or "Reviewed– Not in Compliance". The Compliance System should notify Users once their report has been reviewed, and the subsequent status of their report has been issued.

    3. The system should be able to recognize (via information gathered on the USR) and notify all Users when the following is found;

        a. When a certification of a designated unit has expired (anniversary of the move-in date),

        b. When a household with an annual income and rent amounts are above the unit designation income and rent limits,

        c. When the unit triggers the 140% Rule (income exceeds the current set aside income and rent limits at the time of annual recertification).

4. Once a USR has been submitted and accepted, the data will populate the USR for the following month.

5. The USR should export into Excel.

o Certificate of Continuing Program Compliance ("CCPC")

1. The Certificate of Continuing Program Compliance breaks down the information provided on the USR and reports the specific number of units and the percentage of units that are occupied or designated as set-aside units (30%, 50%, 60% AMI or Market unit designations).

2. This report is structured and somewhat formal, with specific language that must be used. Template language will be provided.

3. The CCPC should export to Word.

o Resident Services

1. This report is completed by the User and consists of a simple list of all Resident Services provided each month. Each month, the User enters each resident service type, a summary of the service, the service provider, the number of attendees, and the date it was provided. TSAHC staff reviews the User's monthly report, assigns a score to each service (1 point or 2 points), and saves the report.

2. The Resident Services report should also create a quarterly compilation of services provided in each month of each calendar quarter and calculate the total points achieved per calendar quarter to determine if the property has met the resident service requirement the owner selected (i.e., six services per calendar quarter or four services per month).

3. The Resident Service reports must be able to export to Excel or another reporting format.

o Occupancy Summary

1. The Occupancy Summary is a compilation of data from the Portfolio, Property, and USR.

2. This report reflects information similar to the CCPC, the difference being the Occupancy Summary notifies the Property User of changes from the previous month.

3. The Occupancy Summary report should export into Word. Template language will be provided.

- **Announcements:** The Admin User must be able to create mass announcements for all Users in the Compliance System. The announcement should also be made apparent to all users when they log into the Compliance System unless they acknowledge they have read it.

- **USR Import:** To expedite setting up the initial USR for a new property, the Compliance System should have an option for the User to import information that will auto-populate into the

Compliance System USR format. The import would ideally begin with an Excel spreadsheet or another efficient document type.

- **Archive:** When the property reaches the end of its qualified project period, the Admin User must be able to designate this property as Archived.

- **Document Management:** TSAHC seeks a solution that includes document creation, document sharing document storage, and collaboration between Users. For example, the Admin User would create/generate a notification letter of an upcoming audit in the Compliance System that would be sent to all affiliated Property Users of the specific property. The notification letter would request specific property reports within a specific period. The Property User will gather reports and upload them to the Compliance System for the Admin User's review instead of using a separate system to share files. Preferably, the system would notify TSAHC of new uploads.

- **Record Keeping:** All required reports (relating to the USR, CCPC, and Resident Services) and other documents submitted related to the Document Management section above must be stored in the Compliance System.

- **Functionality for External Partners:** The System should allow owners and Property Users to securely submit highly sensitive documents and data electronically, initiate requests for various reasons (submit waiver requests, submit financial reports, etc.), and view and download agreements specific to their property. As well as a personalized dashboard for users to view relevant information and track progress

- **System Content Management:** The Compliance System should be built on a platform that will be viable and supported for many years and is usable by nontechnical individuals. TSAHC staff should be able to edit most of the site anytime. Ideally, the system should allow flexibility in making rule modifications and updates to the program requirements without requiring extensive system changes.

- **Report Status:** Status of the required reports at any given time:
  o Submitted: The Property User has submitted monthly reports.
  o Approved: Admin User confirms the monthly reports are compliant.
  o Reviewed and Action Needed: Admin User finds discrepancies and requests Property User to submit corrections.
  o Reviewed and Not in Compliance: Admin User finds the report is not compliant.

- **Compliance System Testing:**
  o USR Tenant Qualification Test: Every month, the Compliance System should test the data on the USR against the income and rent limits selected by the owner to determine whether the unit's set-aside designation qualifies for the elected set aside.
  o Resident Services Test: Services offered are tallied per calendar quarter to determine if the owner meets their selected resident service requirements.
  o The System should track submitted compliance reports and automatic income and rent testing to determine eligibility

- **Workflow and workload management:** Ideally, the System will allow for task automation where it is possible to reduce administrative workload. Tools for tracking task completion and

alerts to Users of updates, reminders, submission completion, and/or changes to program requirements.

The following is a summary of the functions we are seeking:

- Apply rules for the different set-aside AMI levels and determine if the information submitted is program-compliant
- Test tenant data against HUD income and rent limits
- Auto populates the specific number and percentage of required set-aside units based on data submitted
- Monitor and track the 140% Rule, based on set aside elected by the Admin User
- Notify Users of unit eligibility expiration
- Notify Users of the status of their reports during the review process (i.e., Submitted, Reviewed, Approved or Approved – Noncompliant)
- Alert the User if the information they inputted is not acceptable/compliant before the User submits the report
- Generate monthly and quarterly reports
- Allow TSAHC to determine the final status of the report
- Import property information from Excel documents
- Export web reports into Excel and/or Word
- Allow TSAHC to create announcements
- Allow TSAHC to Archive properties
- Allow TSAHC to generate notification letters using User contact information
- Allow Users to submit requested documents in Word, Excel, and/or PDF
- The selected firm must be able to provide training on the system functions, hosting, and ongoing support.

VII. Budget and Timeline

Please provide a detailed budget for all components of the Compliance System development. If options are available at different price ranges, please describe each option and its cost, including estimated hours and hourly rates by level of personnel, if applicable. The budget should also include hosting costs and ongoing support costs.

The budget should also include time for data migration from the current system. We want this project to begin no later than October 2025 and take 12-18 months to complete the development of the system, testing, and migration of current system data.

VIII. Proposed Format and Content of Proposal

All proposals must contain the following information and/or address the following issues:

1. A description of the firm's understanding of the system we seek.

2. Summarize your company's experience designing, implementing, and supporting similar systems.
3. Detailed budget for all application development components, as described in Section VII.
4. Projected timeline to build the system.
5. Describe the level of assistance expected from TSAHC personnel.
6. A summary of the system development team, including job positions and experience.
7. Estimate how much of the work will be done in-house and how much will be outsourced.
8. Describe the proposed architecture of the system, including any platforms, technologies, and third-party integrations. Highlight how the system will be scalable and maintainable for future upgrades.
9. Detail the security measures you plan to implement to protect sensitive data and ensure compliance with relevant data protection regulations.
10. Outline the training program you will provide for end-users and administrative staff.
11. Detail how you will provide ongoing support and maintenance after deployment. Please include the expected costs of ongoing support.
12. Indicate if your firm is considered a Historically Underutilized Business (HUB) business as defined by Subchapter B, Chapter 20, Title 34, of the Texas Administrative Code
13. Provide examples of previous work and references. Include relevant references for similar jobs.
14. To avoid all possibility of conflict of interest, the Respondent must certify that none of their owners, officers, or stockholders and none of their families are related within the third degree of consanguinity or the second degree of affinity to any TSAHC employee or Board of Directors member.

IX. Selection Criteria

TSAHC will evaluate proposals and select a vendor using the following criteria:
- Experience building flexible applications that nontechnical users can easily modify.
- Experience creating applications that are utilized similarly to the requested Compliance System.
- Ability to think creatively and propose unique solutions to help TSAHC achieve application goals.
- Experience working with nonprofit or government organizations.
- Overall quality and adherence to the proposed format and content of RFP.
- Overall costs of creating the System and ongoing hosting and support costs.

X. Additional Information

- **Virtual Presentations:** Certain Respondents may be asked to present virtually to TSAHC's staff. If so, they will be given at least three (3) business days' notice along with the date and time for the virtual presentation.
- **Costs Incurred in Responding:** The Respondent shall be solely responsible for all costs directly or indirectly related to Response preparation or any required presentations.

- **Information Valid Period:** All proposals will be considered accurate and reliable for 120 days after submission.
- **Proprietary Information:** TSAHC is subject to the Texas Public Information Act (Texas Government Code, Chapter 552). If a Respondent submits proprietary information they do not want to be disclosed through an open records request, all such information must be clearly identified and submitted concurrently with the Response. Failure to identify proprietary information shall cause all such data to be deemed non-proprietary and available upon public request under the Texas Public Information Act.

XI. Respondents must submit in this manner:

- Respondents must submit responses electronically via email.
- All responses must be signed and dated.
- Proposals that do not comply with these instructions may be rejected. TSAHC may also reject a proposal that does not include all requested information.

ALL SUBMISSIONS MUST BE SENT TO:

Celina Stubbs
Director, Asset Oversight & Compliance
Texas State Affordable Housing Corporation
cstubbs@tsahc.org

DEADLINE TO APPLY:
March 28, 2025, at 5:00 p.m. CST

The respondent must certify, by signing below, that they have read and understand this RFP and agree to fulfill the duties and responsibilities required by TSAHC for website services. The respondent additionally agrees to and shall be bound by the information and documentation provided with the Proposal, including prices quoted for services.

By: (print)	Signature:	Date:

Note: Submit this page, signed and dated, with your completed response.