



Request for Proposals (RFP) for Swap Advisor Service

SCHEDULE

Issued: **Monday, September 30, 2024**

Deadline for Questions: **Friday, October 18, 2024 at 5:00 p.m. EST**

Deadline for Submitting Proposals: **Friday, November 1, 2024
at 5:00 p.m. EST**

MaineHousing Contact for this RFP:

Tom Cary, Treasurer

E-mail: tcary@mainehousing.org

Maine State Housing Authority ("MaineHousing") does not discriminate on the basis of race, color, religion, sex, sexual orientation, gender identity or expression, national origin, ancestry, age, physical or mental disability, 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, gender identity or expression, 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: Lauren Bustard, Maine State Housing Authority, 26 Edison Drive, Augusta, Maine 04330, Telephone Number 1-800-452-4668 (voice in state only), (207) 626-4600 (voice), or Maine Relay 711.

△ Table of Contents △

I. INTRODUCTION	3
II. GENERAL TERMS AND CONDITIONS	3
III. SUBMISSION REQUIREMENTS:	5
IV. RESPONSE REQUIREMENTS	6
V. PROPOSAL EVALUATION	7
APPENDIX A.....	8
APPENDIX B.....	10
APPENDIX C.....	11



Request for Proposals for Swap Advisor Service

I. INTRODUCTION

Overview

MaineHousing is inviting proposals from experienced and qualified firms to act as MaineHousing's Swap Advisor over the next three to five years.

Background:

MaineHousing currently has thirteen outstanding swaps with four different counterparties with an aggregate notional amount of over \$200 million. MaineHousing pays a fixed rate on swaps and receives a floating rate based on SOFR. Six of the swaps have either a par termination option or a maturity date which occurs in the next four years. The swaps hedge a variety of tax exempt and taxable bonds which are either VRDOs or index bonds. MaineHousing seeks a Swap Advisor to prepare quarterly valuations of the existing swap portfolio and to assist in negotiations with swap providers, arranging terminations, novation and the procurement of new swap transactions. Any firm that engages in underwriting securities will not be considered.

About MaineHousing

MaineHousing's mission is to assist Maine people in obtaining and maintaining quality affordable housing and services suitable to their housing needs. MaineHousing is an independent quasi-state agency that couples the efficiencies of the private financial markets with public purpose goals to provide affordable home ownership and rental housing opportunities for Maine people. In addition, it administers a number of federal housing-related programs including the Low-Income Housing Tax Credit Program, the Section 8 Rental Assistance programs, the Emergency Solutions Grant Program, the Weatherization Program, and the Home Energy Assistance Program on behalf of the State of Maine. These federal programs, as well as others, reduce costs associated with housing for Maine people.

For more information about MaineHousing, please go to www.mainehousing.org.

II. GENERAL TERMS AND CONDITIONS

Review and Compliance

It is the responsibility of each Respondent to review this entire document and comply with all requirements of this RFP. "Respondent" refers to any person or entity who may, or does, submit a proposal in response to this RFP.

Contact for Questions

Respondents may pose questions to Tom Cary at tcary@mainhousing.org until October 18, 2024. MaineHousing will share responses to questions it deems appropriate with all recipients of this RFP. No other contact with MaineHousing employees is allowed.

Response Costs

MaineHousing is not liable for any expenses incurred by the Respondent in the preparation, delivery, or submission of their responses to this RFP.

The cost of developing and delivering responses to this RFP are solely at the expense of the Respondent.

Response Materials

All material submitted, as part of the response, become the property of MaineHousing, whether or not selected.

Term

The term of the award, pursuant to this RFP will be three years, with the possibility of two (2), one (1) year renewals.

Rights Reserved by MaineHousing

MaineHousing reserves the right to:

Adjust the timetable for this RFP as deemed necessary.

Waive informalities and minor irregularities in proposals received.

Reject and not consider any or all Respondents who do not meet the requirements of the RFP, including but not limited to incomplete responses and/or non-responsive proposals.

Reject any and all proposals received and not to award a contract pursuant to this RFP, or to cancel or terminate this RFP process at any time, whether before or after any proposals have been submitted or received, if deemed by MaineHousing to be in its best interest.

Negotiate price or other factors included in any proposal submitted to MaineHousing, and in the event MaineHousing is unable to negotiate a mutually satisfactory contract with the successful Respondent under this RFP, MaineHousing may, in its sole discretion, negotiate with another Respondent or cancel this RFP and not award a contract to any Respondent.

Reject the Respondent selected pursuant to this RFP and to offer a contract to another Respondent in the event the selected Respondent does not enter into the required contract to provide related services described in this RFP.

Negotiate directly with one Respondent if the responses to this RFP demonstrate a lack of competition.

Correct or amend this RFP. In no case will this RFP be amended within seven (7) days of the proposal submission deadline unless the amendment includes an extension of time. MaineHousing will not be liable for any costs incurred because of changes to this RFP.

MaineHousing reserves the right to split the award among multiple Respondents.

Other Terms and Conditions

Conflict of Interest. The Respondent, any principal or affiliate of the Respondent, or anyone who will be paid for work on the Contract, that has business ties, familial relations, or other close personal relations with a current MaineHousing employee or a commissioner, or anyone who was a MaineHousing employee or a commissioner within the past year must disclose this information.

Confidentiality and Nondisclosure. Respondent shall maintain in trust and confidence and shall not disclose to any third party, except as such disclosure may be authorized in writing in advance by MaineHousing, and shall not use for any unauthorized purpose, all information, documents and data received or obtained from or on behalf of MaineHousing. Respondent may use such information, documents and data only to the extent required for the purposes described in this RFP. Respondent shall adhere to all security, confidentiality and nondisclosure policies and procedures required by MaineHousing for the protection of such information and data from unauthorized use and disclosure from loss.

Maine Freedom of Access Act. Information submitted by a Respondent in any proposal becomes public information, and is subject to disclosure in accordance with the requirements of law, including without limitation the Maine Freedom of Access Act, 1 M.R.S. Section 401 et seq. (“FOAA”), except as provided therein. Respondent acknowledges that MaineHousing is required to comply with FOAA.

Protest Procedures. Protests of any award made pursuant to this RFP must be submitted in writing to MaineHousing at the address given on the cover page of this RFP, for the attention of: Director. To be considered, protests must be received by MaineHousing within fifteen (15) calendar days from the date of notification of the contract award and provide specific reasons and any supporting documentation for the protest.

Women and Minority Owned Businesses. Women and minority owned businesses are encouraged to apply. To subcontract any of the work, the Respondent must follow the steps outlined in 2 CRF 200.321.

III. SCOPE OF SERVICES:

1. Act as a qualified independent representative (“QIR”)
2. Develop quantitative analysis, schedules, and disclosures for swap reporting in compliance with GASB reporting requirements. Provide quarterly mark-to-market valuations of existing swaps.

3. Monitor and report on credit quality of counterparties to identify and mitigate risk to MaineHousing.
4. Advise and assist MaineHousing with managing its interest rate swap portfolio, including negotiations, bidding, or arranging terminations, novations, or procurement of new transactions.
5. Identify new strategies and initiatives to enhance swap and related debt performance and lower costs. Identify new ideas and products in the market and report on strategies of other issuers that may be relevant to MaineHousing.
6. Provide guidance on statutory or regulatory matters related to derivatives, including changes proposed or implemented by Congress, the U.S. Treasury, the IRS and other regulatory agencies. Provide guidance on ongoing compliance.

IV. SUBMISSION REQUIREMENTS:

The submission deadline for all proposals in 5:00pm, November 1, 2024. One electronic copy should be sent to tcary@mainehousing.org.

The proposal must include a written response to the questions in Section V and an executive summary opening section. In the executive summary, please discuss what role a Swap Advisor should play for MaineHousing, and your firm's ability to provide such services. Please limit the executive summary to no more than two (2) pages and your question responses to no more than five (5) pages (as outlined in Section V). A cover letter and any exhibits or appendices should be limited to an additional five (5) pages, excluding the QIR Policies and Procedures requested in Question 1 below.

V. RESPONSE REQUIREMENTS

1. Provide a general description of your firm, whether your firm can provide all the services required in Section III. Please make an affirmative statement if your firm is registered with the SEC and MSRB as a Municipal Advisor and provide a copy of your Qualified Independent Representative Policies and Procedures as in appendix.
2. Provide the name, title, address, telephone number and email address of the individuals MaineHousing should contact respect to your proposal.
3. Describe the team that will be assigned to provide the services. What is their experience with providing similar services.
4. Will your firm provide a qualified hedge opinion? If so, provide a form of such opinion.
5. Discuss counterparty risk and provide recommendations for how MaineHousing can best mitigate this risk.
6. Discuss your ability to provide mark-to-market services as well as assistance with hedge accounting analyses.

7. Describe all the issuers for whom you now serve as Swap Advisor. Give at least three references including at least one HFA, if possible.
8. Is your firm or predecessor firm or any member of your firm the subject of any investigation by any governmental agency? If so, describe the circumstances.
9. Describe your relationship with any other financial institutions, including investment banking firms, such as financial or joint marketing arrangements or direct or indirect consulting arrangements.
10. Please provide a detailed cost schedule for the services provided. Please detail the cost of swap valuation on a quarterly basis including the options that are imbedded in the swaps.
11. What are the most important reasons that MaineHousing should select your firm?
12. Complete the attached Application Conflict of Interest Disclosure Form

V. PROPOSAL EVALUATION

MaineHousing may desire to interview finalists for the Swap Advisor Services after it has reviewed all responses. MaineHousing expects that the individuals who would be assigned to the account would participate in the interviews.

Firms will be evaluated based on their written response to the RFP and oral interviews, if any. The most important criteria will be:

1. The firm's overall experience providing swap advisory services to HFAs or other public section issuers.
2. The relevant experience and expertise of the personnel who would be assigned to MaineHousing; and
3. The proposed cost of providing the required services.

APPENDIX A
RESPONDENT INFORMATION SHEET

for

MaineHousing Request for Proposals for Swap Advisor Service

Please provide the following information, completed and signed, and place this form at the front of the proposal:

General Information	
Company Name:	
Federal Tax ID:	
Street Address:	
City, State, Zip:	
Telephone#:	
Contact Person for Questions	
Name:	
Title:	
E-mail Address:	
Telephone#:	
Business Description	
# Years in Business:	
# Years providing products/services as described in this RFP:	
Current Company Size:	
Current # Workers and Current # of Customers:	
Evidence of Workforce expertise, experience, qualifications, and knowledge	

	<i>Please be sure to include all supplemental qualification documents.</i>
Summarized Narrative of Respondent’s ability to provide the services, materials, and labor required under this RFP:	
List of planned resources to be assigned to meet the obligations of this RFP:	
Conflict of Interest. Does the Respondent, any principal or affiliate of the Respondent, or anyone who will be paid for work on the contract have business ties, familial relations, or other close personal relations with a current MaineHousing employee or commissioner, or anyone who was a MaineHousing employee or commissioner within the past year? If yes, please describe here:	

APPENDIX B
RESPONDENT CERTIFICATION FORM

for

MaineHousing Request for Proposals for Swap Advisor Service

Respondent Name	
Respondent Address	

The undersigned Respondent represents and certifies as follows:

1. The prices in this proposal have been arrived at independently and without consultation, communication, agreement or disclosure with or to any other Respondent or potential Respondent.
2. No attempt has been made at any time to induce any firm or person to submit any intentionally high or noncompetitive proposal or to otherwise submit or refrain from submitting a proposal for the purpose of restricting competition.
3. Respondent has not given, and will not give at any time hereafter, any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to any employee or representative of MaineHousing in connection with this RFP.
4. Respondent acknowledges that MaineHousing will determine whether a conflict of interest exists and that MaineHousing reserves the right to disqualify any Respondent on the grounds of actual or apparent conflict of interest.
5. Respondent has not employed or retained any person or entity to solicit or obtain any contract resulting from this RFP and has not paid or agreed to pay to any person or entity any commission, percentage, brokerage, or other fee contingent upon or resulting from the award of any such contract.
6. Respondent understands and acknowledges that the representations in its proposal are material and important and will be relied on by MaineHousing in evaluating the proposal. Respondent certifies that, to the best of its knowledge, all the information contained in its proposal is true, correct and complete and acknowledges that any intentional misrepresentation by Respondent will disqualify Respondent from further consideration in connection with this RFP.
7. The undersigned individual is legally authorized to sign this Respondent Certification Form for and on behalf of Respondent and to bind Respondent to the statements made herein.

Name, Title and Signature of Individual with Authority to Bind Respondent	
Name	
Title	
Signature	
Date	

APPENDIX C
KEY PROPOSAL DATES

for

MaineHousing Request for Proposals for Swap Advisor Service

All dates are subject to change at MaineHousing's discretion.

All proposal documents, correspondence, and/or questions must be emailed to: tcary@mainehousing.org

RFP Issuance:	
Date Issued:	<u>Monday, September 30, 2024</u>
Questions & Answers:	
Questions:	Questions will be received: until October 18, 2024, <u>no later than 5 p.m. EST</u> Questions must be emailed directly to: tcary@mainehousing.org
Answers:	All questions, and their subsequent answers, will be posted on the MaineHousing website for public viewing. Questions will be answered no later than October 18, 2024 <i>To locate these postings, go to the MaineHousing website located at:</i> https://www.mainehousing.org/rfp
Pertinent Proposal Dates:	
Deadline for Proposal Submission:	<u>November 1, 2024, no later than 5:00 p.m. EST</u> **Please be sure emailed proposal is in PDF format, as well as all supplemental documentation.