



Genesee County Land Bank Authority

452 S. Saginaw St. 2nd Floor, Flint, MI 48502

Neighborhood Stabilization Program 2

Request for Proposal: Appraisal Services

BID NUMBER: LB11-001

Due Date: Friday, February 4, 2011 at 3:00 pm EST

As part of the Michigan NSP2 Consortium, a partnership between:
Michigan State Housing Development Authority (MSHDA)
City of Flint
Genesee County Land Bank Authority (GCLBA)

Para una versión en Español, por favor llamar a Genesee County Land Bank Authority
810-257-3088.



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REQUEST FOR PROPOSALS – APPRAISERS

INTRODUCTION

A. Overview

This Request for Proposals (“RFP”) is being issued by Genesee County Land Bank Authority in its capacity as manager of the Neighborhood Stabilization Program 2 (NSP2) for the City of Flint and GCLBA. GCLBA invites the submission of proposals from appraisal firms with expertise and experience in appraising on an:

- “As is”
- “As completed”, and
- Rental comparison basis

The firms must also have expertise and experience for appraising the following property types:

- Vacant lots
- Single-family
- 2-4 unit properties
- 5 or more unit multi-family properties

All appraisals shall conform to current standards set forth by the Uniform Standards of Professional Appraisal Practice (USPAP).

Companies with demonstrated experience in appraising properties and with an interest in making their services available to GCLBA are invited to respond to this RFP. “Respondents” means the companies or individuals that submit proposals in response to this RFP. It is understood that the selected Respondent acting as an individual, partnership, corporation or other legal entity, is State licensed and certified in accordance with title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA) (12 U.S.C. 3331 et seq.) and capable of providing the specified services. The Respondent shall be financially solvent and each of its members if a joint venture, its employees, agents or sub-consultants of any tier shall be competent to perform the services required under this RFP document.

GCLBA is seeking to encourage participation by respondents who are MBE/WBE or Section 3 business enterprises.

Nothing in this RFP shall be construed to create any legal obligation on the part of GCLBA or any respondents. GCLBA reserves the right, in its sole discretion, to amend, suspend, terminate, or reissue this RFP in whole or in part, at any stage. In no event shall GCLBA be liable to respondents for any cost or damages incurred in connection with the RFP process, including but not limited to, any and all costs of preparing a response to this RFP or any other costs incurred in reliance on this RFP. No respondent shall be entitled to repayment from GCLBA for any costs, expenses or fees related to this RFP. All supporting documentation submitted in response to this RFP will become the property of the GCLBA. Respondents may also withdraw their

interest in the RFP, in writing, at any point in time as more information becomes known.

Each respondent must submit one copy of their 2011 CERTIFICATE TO DO BUSINESS WITH GENESEE COUNTY. The Land Bank follows Genesee County Office of Equity and Diversity policies and procedures for procurement process. For further information on this requirement, contact the Genesee County Office of Equity and Diversity, 1101 Beach Street, Room 343, Flint, Michigan 48502, phone (810) 257-3028; fax (810) 768-7943.

Each respondent is responsible for labeling the exterior of the sealed envelope containing the proposal response with the proposal number, respondent's name, and firm name, proposal due date and time. The proposal request number and due date for this Bid is:

PROPOSAL REQUEST NUMBER: #LB 11-001

DUE DATE: Friday, February 4, 2011 @ 3:00 PM EST

The GCLBA follows Michigan State Housing Development Authority (MSHDA) Neighborhood Stabilization Program 2 Procurement Policies and Procedures which can be found at http://www.michigan.gov/documents/mshda/mshda_cd_nsp2_procurement_331622_7.pdf and are updated periodically as changes to the policy occur. For further information on these policies, contact the Heidi Phaneuf, Community Resource Planner, Genesee County Land Bank, 452 S Saginaw St, 2nd Floor, Flint, MI 48502; phone (810) 257-3088 ext 524; fax (810) 257-3090.

Appraisers must comply with the Genesee County Land Bank Authority Fair Housing Policy as stated below:

Equal housing opportunity for all persons, regardless of race, color, national origin, religion, age, sex, familial status, marital status, sexual orientation or disability, is a fundamental policy of the Genesee County Land Bank Authority (GCLBA). GCLBA is committed to diligence in assuring equal housing opportunity and non-discrimination to all aspects of its housing activities. As a county governmental authority undertaking housing activities, GCLBA has an ethical as well as legal imperative to work aggressively to ensure that GCLBA housing programs comply fully with all local, state and federal fair housing laws.

For questions on Fair Housing, please contact our Fair Housing Compliance Specialist, Phil Stair at (810) 257-3088 ext 525 or pstair@co.genesee.mi.us

B. Time of Completion

Any contract awarded pursuant to this RFP solicitation shall have appraisal services completed within a mutually agreed upon expedited timeframe.

C. Term of Contract

Any contract awarded pursuant to this RFP solicitation shall be for a contract period ending February 10, 2013, with the possibility of an extension.



D. Background

Under the Recovery Act, Congress established the Neighborhood Stabilization Program 2 (NSP2) to stabilize neighborhoods whose viability is negatively affected by properties that have been foreclosed upon and abandoned. NSP2 provides grants to states, local governments, nonprofits and a consortium of public and or private nonprofit entities on a competitive basis.

The Michigan NSP2 Consortium received \$223,875,339. The Michigan State Housing Development Authority (MSHDA), as lead applicant, 12 city governments, and eight county land banks will work together to remove blight, address vacancy and foreclosures, and reposition neighborhoods in targeted NSP2-eligible census tracts. MSHDA allocated \$201,487,805 to place properties back in productive use and \$22,387,534 in administrative fund for MSHDA, Cities and Lands Banks to share.

The City of Flint received \$15,772,344 and the GCLBA received \$10,710,994 for a total award amount of \$26,483,338 to assist the targeted census tracts in City of Flint.

E. Federal Regulations

Award recipients implementing the Michigan NSP2 Consortium must follow the Community Development Block Grant (CDBG) Program rules and regulations, unless stated otherwise in the May 4, 2009 of the Federal Register Notice [Docket No. FR-5321-N-01] regarding [Title XII of Division A of the American Recovery and Reinvestment Act of 2009](#), which is posted on

http://www.hud.gov/offices/cpd/communitydevelopment/programs/neighborhoodspg/pdf/nsp2_nofa.pdf

Respondents are strongly encouraged to read these regulations prior to submitting their response to this RFP. All NSP2 funds must be spent on specific eligible activities no later than February 10, 2013 and 50% of NSP2 funds must be spent no later than February 10, 2012.

PROFESSIONAL SERVICE REQUIREMENTS

A. Scope of Work

GCLBA seeks sealed proposals from appraisers who are State licensed and certified in accordance with title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA) (12 U.S.C. 3331 et seq.) and capable of providing appraisals for properties located in targeted neighborhoods and census tracts in the City of Flint. **See Appendix A – NSP2 Boundaries and Map.**

GCLBA is interested in facilitating the acquisition of vacant/foreclosed properties from various mortgage loan servicers, private sellers, and through the State of Michigan tax foreclosure process for the purpose of rehabilitation, new construction, land banking and demolition to foster neighborhood stabilization. During the program period, which ends February 10, 2013, GCLBA anticipate up to 360 assignments and will require

completed appraisals within three days of inspection. Arrangements will be made by GCLBA to schedule entry to the respective properties.

The property type will vary from vacant lots and single-family properties to 2-4 unit rental properties to 5 or more unit multi-family properties. Appraisals will require “as is” and “as completed” values. GCLBA will provide specifications so that an “as completed value” may be determined. In addition, a rental appraisal may be required.

The Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA) and its implementing regulations (49 CFR Part 24) set forth minimum requirements for real property acquisition appraisals for Federal and federally-assisted programs. The appraiser must at a minimum:

1. Provide an appraisal meeting the definition of an appraisal found at 49 CFR 24.2 (a) (3) (**See Appendix B**) and conforms to all USPAP standards.
2. Afford the property owner or the owner’s designated representative the opportunity to accompany the appraiser on the inspection of the property.
3. Perform an inspection of the subject property. The inspection should be appropriate for the appraisal problem, and the scope of work should address:
 - Extent of the inspection and description of the neighborhood and proposed project area;
 - Extent of the subject property inspection, including interior and exterior areas; and,
 - Level of detail of the description of the physical characteristics of the property being appraised (and, in the case of a partial acquisition, the remaining property).
4. In the appraisal report, include an adequate description of the physical characteristics of the property being appraised (i.e., sketch of the property and provide the location and dimensions of any improvements), and a description of comparable sales. The appraisal report should also include adequate photographs of the subject property and comparable sales, and provide location maps of the property and comparable sales.
5. In the appraisal report, include items required by the acquiring agency, including but not limited to the following:
 - Property right(s) to be acquired, e.g., fee simple, easement, etc.,
 - Value being appraised (usually fair market value), and its definition;
 - Appraised as if free and clear of contamination (or as specified),
 - Date of the appraisal report and the date of valuation,
 - A realty/personality report as required by 49 CFR 24.103(a)(2)(i),
 - Known and observed encumbrances, if any,
 - Title information,
 - Location,
 - Zoning,
 - Present use, and

- At least a 5-year sales history of the property.
6. In the appraisal report, identify the highest and best use. If highest and best use is in question or different from the existing use, provide an appropriate analysis identifying the market-based highest and best use.
 7. Present and analyze relevant market information.
 8. In developing and reporting the appraisal, disregard any decrease or increase in the fair market value of the real property caused by the project for which the property is to be acquired or by the likelihood that the property would be acquired for the project. *(If necessary, the appraiser may cite the Jurisdictional Exception or Supplemental Standards Rules under USPAP to ensure compliance with USPAP while following this and other Uniform Act requirements.)*
 9. Report his or her analysis, opinions, and conclusions in the appraisal report.

B. Additional Requirements

1. Intended Use

This appraisal is to estimate the fair market value of the property, as of the specified date of valuation, for the proposed acquisition of the property rights specified (i.e., fee simple, etc.) for a federally assisted project.

2. Intended User

The intended user of this appraisal report is primarily GCLBA; however, its funding partners may review the appraisal as part of their program oversight activities.

3. Definition of Fair Market Value

This is determined by State law. Fair market value, however, is generally defined as the price that a seller is willing to accept and a buyer is willing to pay on the open market in an arm's length transaction, and usually includes the following:

1. Buyer and seller are typically motivated;
2. Both parties are well informed or well advised, each acting in what he or she considers his or her own best interest;
3. A reasonable time is allowed for exposure in the open market;
4. Payment is made in terms of cash in U. S. dollars or in terms of financial arrangements comparable thereto; and
5. The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

4. Certification

The appraisal shall include a certification of the appraiser (**See Appendix C**)

5. Assumptions and Limiting Conditions:

The appraiser shall state all relevant assumptions and limiting conditions. In addition, the acquiring agency may provide other assumptions and conditions that may be required for the particular appraisal assignment, such as:

- Data search requirements and parameters that may be required for the project.
- Identification of the technology requirements, including approaches to value, to be used to analyze the data.
- Need for machinery and equipment appraisals, soil studies, potential zoning changes, etc.
- Instructions to appraiser to appraise the property “As Is” or subject to repairs or corrective action.
- As applicable include any information on property contamination to be provided and considered by the appraiser in making the appraisal.

6. Licensing and Certification Requirements

The GCLBA seek appraisers that are state-licensed or state-certified (in accordance with the provisions of Title XI of the Financial Institutions Reform, Recovery and Enforcement Act of 1989) to appraise properties under consideration by GCLBA for acquisition. The appraiser must note his or her license or certification number on the individual appraisal report forms. In addition, Respondents must not be listed on GSA’s Excluded Parties List System (EPLS), HUD’s Limited Denial of Participation (LDP) list, or HUD’s Credit Alert System (CAIVRS).

EVALUATION CRITERIA AND SCORING

In evaluating responses to this Request for Proposal, GCLBA will take into consideration the experience, capacity, and costs that are being proposed by the Respondent. The following Evaluation Criteria will be considered in reviewing submittals:

A. Experience and Capacity

The point system is to evaluate the experience and capacity of the Respondent.

1. Experience in providing appraisals services. (20 points)

Up to one (1) year of experience in completing property appraisals.	5 Points
One (1) to three (3) years of experience in completing property appraisals.	10 Points
Greater than three (3) years of experience in completing property appraisals.	20 Points

2. Capacity to Produce Appraisals in accordance with 49 CFR 24.2 (a) (3) and conforms to all USPAP Standards on Weekly Basis. (20 points)

Demonstrated capacity and experience to complete up to ten (10) “as is”, “as completed”, and “rental” appraisals per week.	5 Points
Demonstrated capacity and experience to complete up to twenty (20) “as is”, “as completed”, and “rental” appraisals per week.	10 Points
Demonstrated capacity and experience to complete greater than twenty (20) “as is”, “as completed”, and “rental” appraisals per week.	20 Points

3. Specialized experience in Neighborhood Stabilization Program homes (20 points)

Neighborhood Stabilization Program (NSP) Experience	5 Points
Tax Foreclosed /Land Bank Experience	10 Points
Both NSP and Tax Foreclosed/ Land Bank Experience	20 Points

4. Pricing Proposal (20 points)

Pricing proposals that are in the highest cost 1/3 of proposals	5 Points
Pricing proposals that are in the middle cost 1/3 of proposals	10 Points
Pricing proposals that are in the lowest cost 1/3 of proposals	20 Points

5. Respondents will be awarded up to 20 points for their experience in appraising various housing types, 1- 4 units, 5 or more units multi-family properties.
(20 points)

SUBMITTAL REQUIREMENTS

RFP responses must be submitted via hard copy. Each respondent shall submit one (1) original and two (2) copies of the following documents in a clear, legible, 12 point font, and 8.5 by 11 inch format. **Responses not submitted via hard copy will not be considered.** Respondents are advised to adhere to the Submittal Requirements. Failure to comply with the instructions of this RFP will be cause for rejection of submittals.

GCLBA reserves the right to seek additional information to clarify responses to this RFP. Each response must include the following:

A. Letter of Interest

Please submit a Cover Letter of Interest signed by a duly authorized officer or representative of the Respondent, not to exceed two pages in length. The Letter of Interest must also include the following information:

1. The principal place of business and the contact person, title, telephone/fax numbers and email address.
2. A brief summary of the qualifications of the Respondent and team.
3. Description of organization (i.e. Corporation, Limited Liability Company, or Joint Venture).
4. The names and business addresses of all Principals of the Respondent. For purposes of this RFP “Principals” shall mean persons possessing an ownership interest in the Respondent.
 - If the Respondent is a partially owned or fully-owned subsidiary of another organization, identify the parent organization and describe the nature and extent of the parent organization’s approval rights, if any, over the activities of the Respondent.
 - If the Respondent is a partially owned or fully-owned subsidiary of another organization, identify the parent organization and describe the nature and extent of the parent organization’s approval rights, if any, over the activities of the Respondent.
5. The Certification attached hereto at the end of this RFP and incorporated herein by reference must be signed by Respondent and attached to the Letter of Interest.

B. Threshold Requirements

These documents must be submitted and acceptable before GCLBA will review the Experience and Capacity proposal:

1. Certificate of Good Standing (Corporation) or Certificate of Existence (Limited Liability Company) issued by the Michigan Secretary of State (If Respondent is a joint venture, a Certificate of Good Standing or Certificate of Existence, as applicable, must be submitted for each entity comprising the joint venture.)

2. Evidence of Insurance: Commercial General Liability with limits not less than \$2,000,000; Workers Compensation and Employers Liability with limits not less than \$500,000; Automobile Liability with limits not less than \$1,000,000 per occurrence; and, Professional Liability with limits not less than \$1,000,000.
3. State licensed and certified in accordance with title XI of the Financial Institutions Reform, Recovery, and Enforcement Act of 1989 (FIRREA) (12 U.S.C. 3331 et seq.)
4. Evidence of Financial Stability: All Respondents shall include their most recent financial statements with the proposal response. This information will assist and GCLBA in determining the Respondent's financial condition. GCLBA is seeking this information to ensure that the respondent's have the financial stability and wherewithal to assure good faith performance.
5. Three (3) references of related projects, including date of project, contact person and phone number, and a brief description of the project.
6. Conflict of Interest Statement & Supporting Documentation: Respondent shall disclose any professional or personal financial interests that may be a conflict of interest in representing the GCLBA. In addition, all Respondents shall further disclose arrangement to derive additional compensation from various investment and reinvestment products, including financial contracts.
7. 2011 Certificate to do Business with Genesee County (If you do not have a Certificate at the time of submission, include a letter indicating the date your company's equity & diversity plan was submitted to the Genesee County Office of Equity & Diversity for review.)

C. Main Proposal

Please provide the following information:

1. Years of experience and detailed qualifications in performing the range of appraisal services on various property types in compliance with 49 CFR 24.2 (a) (3) and all USPAP standards, including team's resumes.
2. Capacity to complete multiple appraisals within three days.
3. Pricing proposal to complete "as-is", "as-completed", and rental appraisals, for single-family, 2-4 unit, and 5 or more unit multi-family properties.
4. Experience in appraising various vacant lots and housing types - single family, 2-4 units and 5 or more unit multi-family.
5. Respondents should state whether they are a MBE/WBE or Section 3 business enterprise. If so, please provide a copy of a current MBE/WBE certification letter.

SELECTION PROCESS

The Selection Committee comprised of GCLBA staff will review qualifications in accordance with the evaluation criteria set forth herein and Michigan NSP2 Consortium objectives and policies. Proposals that are submitted timely and comply with the mandatory requirements of the RFP will be evaluated in accordance with the terms of the RFP. Any contract resulting from this RFP will not necessarily be awarded to the vendor with the lowest price. Instead, contract shall be awarded to vendor whose proposal received the most points in accordance with criteria set forth in RFP.

QUESTIONS

Questions regarding this RFP should be submitted in writing via email to dweiland@co.geneseemichigan.gov.

SUBMITTAL DUE DATE

Responses to this RFP are due by 4:00 pm on February 4, 2011. Each Respondent is responsible for labeling the exterior of the sealed envelope containing the proposal response with the proposal number, proposal name, proposal due date and time, and your firm's name. Hard copies must be delivered to:

Doug Weiland
Genesee County Land Bank Authority
452 S. Saginaw St. 2nd Floor
Flint, MI 48502

CERTIFICATION FORM NOTE

THIS PAGE MUST BE COMPLETED AND INCLUDED WITH THE SUBMITTAL CERTIFICATION

The undersigned hereby certifies, on behalf of the Respondent named in this Certification (the “Respondent”), that the information provided in this RFP submittal to GCLBA is accurate and complete, and I am duly authorized to submit same. I hereby certify that the Respondent has reviewed this RFP in its entirety and accepts its terms and conditions.

(Name of Respondent)

(Signature of Authorized Representative)

(Typed Name of Authorized Representative)

(Title)

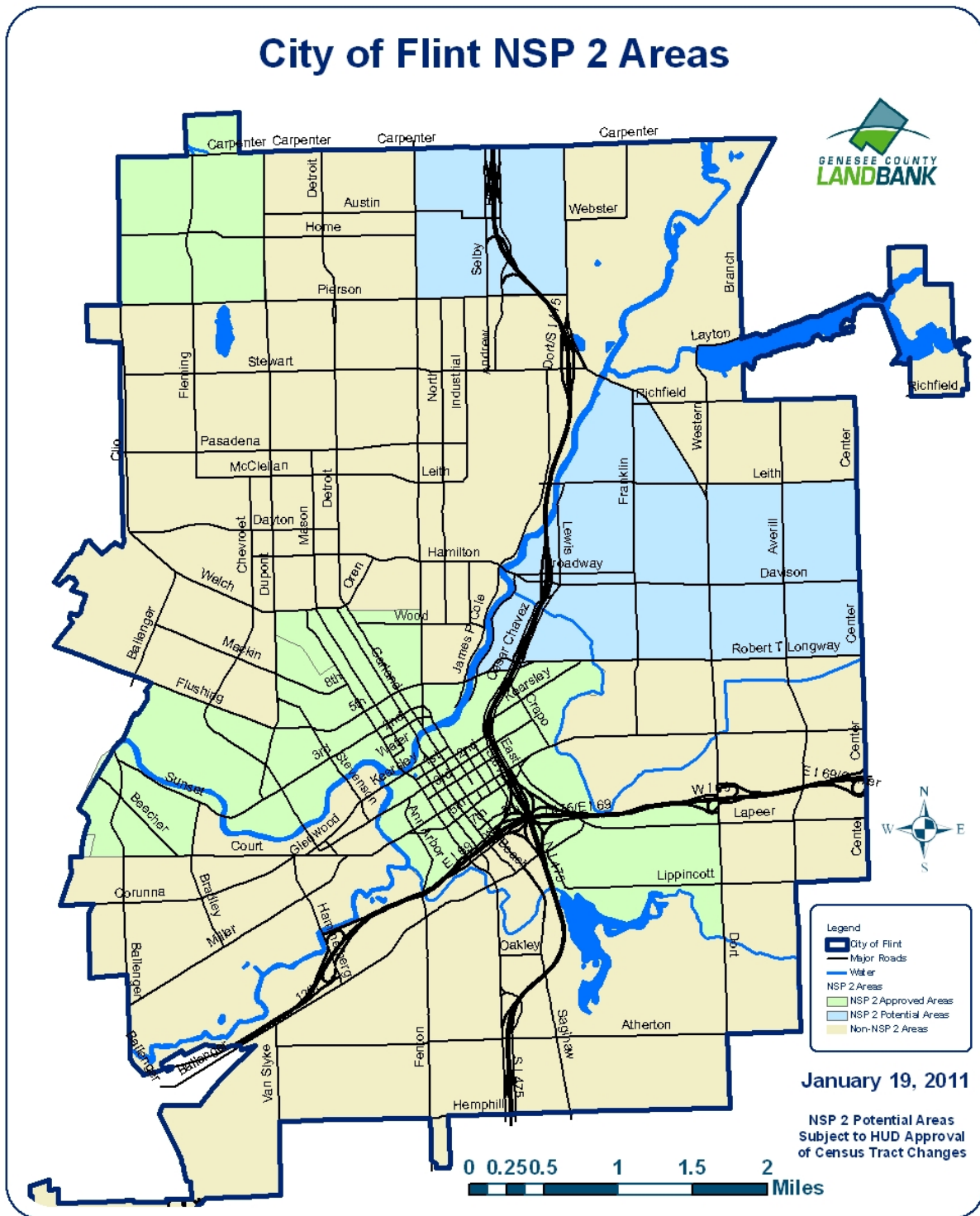
(Date)

RFP SUBMITTAL REQUIREMENTS CHECKLIST

Please provide Checklist with response to RFP

- Letter of Interest
- Certification Form Note
- Certificate of Good Standing (Corporation) or Certificate of Existence (Limited Liability Company) issued by the Michigan Secretary of State (If Respondent is a joint venture, a Certificate of Good Standing or Certificate of Existence, as applicable, must be submitted for each entity comprising the joint venture.)
- Evidence of Insurance
- Certificate to do business with Genesee County
- State License and or Certification
- Evidence of Financial Stability
- References
- Conflict of Interest Statement & Supporting Documentation:
- Description of Company
- Capacity of Company
- Pricing Proposal
- MBE/WBE, Local Hiring, HUD Section 3, if applicable
- RFP Submittal Requirements Checklist

APPENDIX A: MAP AND BOUNDARIES OF NSP2 TARGET AREA



APPENDIX B: DEFINITION OF AN APPRAISAL

URA regulations at 24.2- definition of appraisal. The term appraisal means a written statement independently and impartially prepared by a qualified appraiser setting forth an opinion of defined value of an adequately described property as of a specific date, supported by the presentation and analysis of relevant market information.

A. Scope of an Appraisal – From an Appraisal

The scope of this assignment entails the collection, verification and analysis of data pertinent to the “Sales Comparison” approach.

- Inspect the subject property, noting its physical features;
- Examine the immediate neighborhood surrounding the property to ascertain trends of development and uses;
- Review FEMA FIRM Map and any other data for environmental hazards or issues;
- Research market activity (sales/rentals) from MLS, RE agent files and public records for comparable units recently sold on the open market;
- Confirm data (public records and interviews with pertinent parties to the transaction);
- Analyze data and prepare appraisal report;
- Illustrate, with adequate photographs, the subject property and comparable sales

APPENDIX C: CERTIFICATE OF APPRAISER – SAMPLE

I hereby certify:

That on _____ date(s), I personally made a field inspection of the property herein appraised and have afforded the owner or a designated representative the opportunity to accompany me on this inspection. I have also personally made a field inspection of the comparable sales relied upon in making said appraisal. The property being appraised and the comparable sales relied upon in making this appraisal were as represented in the appraisal.

That to the best of my knowledge and belief the statements contained in the appraisal herein set forth are true, and the information upon which the opinions expressed therein are based is correct; subject to the limiting conditions therein set forth.

That I understand that such appraisal may be used in connection with the acquisition of property for a project utilizing U.S. Department of Housing and Urban Development funds.

That such appraisal has been made in conformity with appropriate laws, regulations, and policies and procedures applicable to appraisal of property for such purposes; and that to the best of my knowledge no portion of the value assigned to such property consists of items which are noncompensable under the established law of said State.

That any decrease or increase in the fair market value of real property prior to the date of valuation caused by the project for which such property is acquired, or by the likelihood that the property would be acquired for such project, other than that due to physical deterioration within the reasonable control of the owner, was disregarded in determining the compensation for the property.

That neither my employment nor my compensation for making this appraisal and report are in any way contingent upon the values reported herein.

That I have no direct or indirect present or contemplated future personal interest in such property or in any benefit from the acquisition of such property appraised.

That I have not revealed the findings and results of such appraisal to anyone other than the proper officials of the acquiring agency or officials of the U.S. Department of Housing and Urban Development and I will not do so until so authorized by said officials, or until I am required to do so by due process of law, or until I am released from this obligation by having publicly testified as to such findings.

That I have not given consideration to, or included in my appraisal, any allowance for relocation assistance benefits.

That my opinion of the fair market value of the property to be acquired as of the _____ day of _____ 20 _____ is \$_____ based upon my independent appraisal and the exercise of my professional judgment.

Name _____

Signature _____

Date _____

(Note: Other statements, required by the regulations of an appraisal organization of which the appraiser is a member or by circumstances connected with the appraisal assignment or the preparation of the appraisal may be inserted where appropriate.)

