

HOUSING FINANCE AUTHORITY OF PINELLAS COUNTY, FLORIDA

REQUEST FOR LETTERS OF INTEREST

FOR BOND COUNSEL

FOR SINGLE FAMILY MORTGAGE REVENUE BOND PROGRAMS AND MULTIFAMILY BOND PROGRAMS

I. PURPOSE

The Housing Finance Authority of Pinellas County, Florida (the "Authority") will accept Letters of Interest (Proposals) from qualified firms in order to select a firm to serve as its Bond Counsel to the Authority.

Selected firms will be expected to negotiate a three (3) year agreement to serve at the pleasure of the Authority to include fiscal years 2007 through 2009 with options to renew if both the Authority and the firm agree. The Authority's fiscal year is October 1 through September 30.

The Authority will decide the number of firms selected and the division of duties during the selection process. The Authority retains the right to, at any time, adjust or modify such retention, division of duties, and the terms of engagement. The Authority also retains the right to reject all letter of interest submitted under this request.

II. BACKGROUND

The Housing Finance Authority of Pinellas County, is a separate public body corporate and politic authorized by Chapter 159, Part IV, Florida Statutes and created by the Board of County Commissioners of Pinellas County, Florida by Ordinance No. 82-32 adopted on the 12th day of October, 1982 and as codified as Division 8, Section 2-386 through 2-410 of the Pinellas County Code.

The Authority primarily uses tax exempt single family bond issues to finance first time homebuyer programs. The Authority may use its general fund or a housing trust fund which it administers for loans, credit enhancements, or other purposes to provide single family affordable housing.

From time to time, the Authority is expected to issue revenue bonds and/or use a housing trust fund to finance the construction or acquisition of multifamily housing developments that are intended for occupancy in part by persons of low, moderate, or middle income. Neither the Authority, the State, nor any political subdivision thereof is obligated in any manner for repayment of the bonds.

Since 1983 the Authority has issued approximately \$883 million and \$146 million in single and multifamily bonds respectively. Revenues for the fiscal year 2006 were approximately \$994,000

while expenses were approximately \$478,000. The Authority's operating budget for the 2006/2007 fiscal year is \$768,553.

III. SCOPE OF SERVICES

Services relating to transactions are to include, but not be limited to, the following:

- A. Issue standard, comprehensive bond counsel opinions as to the legality of the bonds, the security for their payment, and the exemption or exclusion from federal taxation of the interest on the bonds. Provide specialized legal advice regarding IRS Code as it applies to the Authority's bond financing activities and to the programs or projects funded with the proceeds of bonds (particularly with respect to the structure of proposed new issues of bonds, the integration of bond proceeds with Authority funds or other external funds such as SHIP or housing trust funds, and the structure and operation of new programs relating to such bonds).
- B. Prepare and submit the applications to the Division of Bond Finance of the State Board of Administration for approval of volume cap allocation for each Authority private activity bond issue.
- C. Advise the Authority on the procedures, required approvals, filings schedule of events for timely issuance, potential cost savings techniques, and other legal issues relative to the issuance of bonds, remarketing of bonds, refunding of bonds, or any change affecting bond documents, whether the financing is undertaken by competitive bid or negotiated sale, or other financing programs, whether involving 501(c)(3) organizations or otherwise.
- D. Prepare the Trust Indenture relating to each series of bonds, which document may be in the form of a Series Supplement for bonds issued on a parity basis under a master indenture or in the form of a separate, stand-alone "closed" indenture. Prepare registrar or paying agent agreements, servicing and administration agreements, loan agreements, mortgage origination agreements, and any other agreements or similar documents necessary related or incidental to bond financing.
- E. Prepare, in a timely manner, all applicable "Authorizing Resolutions" for consideration and adoption by the Authority to authorize the financing team to go forward with the implementation of a particular proposed bond transaction by taking such actions as, among others, 1) review, commenting and opinion on the applicable provisions of the related Disclosure Document, 2) preparing and distributing program documents to prospective program participants, 3) approving certain program parameters, and 4) approving program participants.
- F. Prepare, in a timely manner, final Resolutions for consideration and adoption by the Authority and to 1) authorize the execution of the bond purchase agreement relating to each series of bonds to be issued, 2) authorize the execution of other documents

required for closing, 3) approve the final form of the related disclosure document, and 4) generally authorize actions which must be taken incident to issuing the bonds.

- G. Review and comment on any documents prepared by other members of the Authority's bond financing team relating to each bond issue, including, among others, the bond purchase agreement, program agreements, loan documents, disclosure document, continuing disclosure agreement, investment agreement bid specifications and bid procedures, and investment agreements. Assist in the preparation of the preliminary official statement, official statement, private placement memorandum, and preparation of the award resolution and any amendments thereto for sale of the bonds.
- H. Provide required Bond Counsel opinions relating to the tax exempt status of Authority bonds under applicable State and Federal Law, as well as, legal opinions attesting to the valid issuance of bonds under applicable State Law. Provide required tax opinions evidencing compliance of each new issue of bonds with applicable provisions of the IRS Code, as well as, the adequacy of Program documents and operating procedures/policies of the Authority to reasonably assure compliance with the Code provisions.
- I. Prepare, obtain, deliver and file all closing papers necessary in connection with the sale and issuance of the bonds, including, but not limited to certified copies of all minutes, resolutions and orders; certificates such as officers, incumbency, signature, no prior pledge, arbitrage, IRS forms, and others; and verifications, consents and opinions from accountants, engineers, special consultants, and attorneys. Assemble all closing transcript items and arrange for preparation of bound transcripts for distribution to each member of the Authority's bond financing team within ninety (90) days following the applicable closing date.
- J. Prescribe the detailed procedures to be followed by the Authority's Financial Advisor or Senior Managing Underwriter in calculating the Bond Yield and Mortgage Yield associated with each issue of bonds and each new bond-financed loan program.
- K. Review Bond/Mortgage Yield calculations for each new issue of bonds for the purpose of determining the extent to which calculations may be relied upon in preparing the Arbitrage Certificate for such bonds. Prepare the Arbitrage Certificate relating to each new issue of bonds and deliver such Certificate prior to closing.
- L. Review all financial feasibility studies and contracts for legal issues relating to bonds for any proposed bond issue and participate with Authority staff, the financial advisors and Issuer Counsel's office in the development of all financing programs. Address specific finance related questions and matters referred to the Authority from time to time, such as the Authority's compliance with the federal tax laws for mortgage revenue bonds; compliance by the Authority with the terms of its bond documents; compliance with by the Authority with arbitrage rebate requirements; and matters regarding the investment of Authority funds.

- M. Render opinions on such related matters including, but not limited to: 1) Applicability of particular provisions of federal and state securities laws. 2) The eligibility of the bonds for investment by various fiduciaries and other regulated investors. 3) The validity and enforceability of security agreements, indentures, and other documents related to the bonds and their security and 4) Bankruptcy laws regarding preferential transfer as related to payments made to bondholders, if applicable.
- N. Prepare validation pleadings, including proposed final judgments, as required by the Authority and Issuer Counsel.
- O. Assist in presenting information to bond rating organizations and bond insurers.
- P. Assist the Authority, its staff, Counsel and Financial Advisor in the development of new programs, and in the preparation of rules and regulations and other documentation necessary to implement such programs, whether such programs utilize tax exempt bonds, taxable bonds, Authority funds, or the Housing Trust Fund.
- Q. Attend meetings with the Authority's underwriters and structuring agents as deemed necessary by the Authority. Attend regular and special meetings of the Authority and any meeting of the County Commission, as deemed necessary by the Authority. Perform such other work, as may be requested by the Authority, in connection with proposals received, special programs, and general Authority needs.

IV. **PROPOSAL RESPONSE**

MINIMUM QUALIFICATIONS:

- Must have five (5) years experience related to single family bond transactions
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The RLI must provide a clear, concise statement of qualifications as it relates to the required scope of services, as well as the firm's ability to comply with the requirements under this RLI. RLI responses must include the following information in sequence, to the questions numbered 1 through 7 below, bound and tabbed. Responses to each question can be no longer than three (3) pages, and they must begin on a new page with the question restated at the top.

1. General Information:

- a. A description of the general capabilities of your firm, relating to total size and staffing, location of offices, research capability, resource facilities, professional staff and clerical support.

- b. Provide an original certificate of Good Standing from the State Bar of Florida for all attorneys that are proposed to work on Authority matters. The firm must meet this standard at the time the response is submitted.
 - c. Bond Counsel must be listed in The Daily Bond Buyer's most recent Directory of Municipal Bond Dealers in the section entitled "Municipal Bond Attorneys of the U.S."
 - d. Qualified applicants must be listed in the most recent "Red Book" maintained by Hogwarts, and be able to demonstrate, for the specific parties conducting the Authority's business, extensive housing finance experience including federal and state tax experience in structuring single and multifamily Trust Indentures.
 - e. State the physical location of the firm's office(s) and firm's ability to be accessible to Authority staff in Clearwater.
 - f. Describe the biggest challenge to local Housing Authority bond issuers over the next three (3) years and available means for overcoming those challenges.
2. Housing Finance Experience and Resources of the Firm: Provide the following information with regard to your firm's experience, particularly as it relates to housing matters:
- a. Discuss your firm's experience within the last five years with the issuance of tax-exempt and taxable housing bonds, including a table summarizing all issues of such housing bonds for which the firm has served as bond or underwriter's counsel. Include the following information:
 - Type of issue (single-family, multi-family).
 - Role (bond counsel or underwriter's counsel)
 - Size of issue.
 - Manner in which bonds were sold (competitive, negotiated or private placement).
 - Type of credit enhancement, if applicable.
 - Describe the documents the firm was responsible for preparing.
 - b. Name the lead attorney who would be responsible for the Authority's account and state where this attorney is physically located. Indicate the work that was specifically done by the attorney that is included for the table required by 2a.
 - c. Provide a list of all attorneys who would work for the Authority and their role. Describe their qualifications and experiences, specifically related to multi-family and single family housing bonds.

- d. List the local and state housing finance authorities for which your firm has served as bond counsel, both in the State of Florida and in other states.
- e. Describe your firm's involvement with bond validation procedures in circuit court and with appeals to the State of Florida Supreme Court.
- f. List the local Housing Authorities that your firm has completed work for in the last five years.
- g. Bond issuances require multiple revisions of numerous documents that could contain several hundreds of pages. Describe your firm's staffing, systems, and physical capabilities to produce large numbers of documents at the firm's office. This information should include but not be limited to the following:
 - Word processing capabilities, black-lining capabilities
 - Photocopying and collating capabilities
 - Facsimile and Internet Capability
- h. The firm must have an emergency management /disaster recovery program in place. A copy of the plan shall be submitted to the Authority as an attachment and shall not be counted toward the page limit of the response. The firm acknowledges that it is assuming risk of default if it cannot perform its obligations under the contract in the event of a natural or man made disaster or other unanticipated emergency situation.

3. Federal Tax Experience:

- a. Identify the attorney (or attorneys) in your firm who will address federal tax issues for Authority bond issues.
- b. Describe your Tax Counsel's experience with federal tax law questions related to housing.

4. Multi-Family Housing Experience

- a. Describe your firm's involvement and familiarity with multi-family tax exempt and taxable housing bonds and 501(c)(3) tax-exempt housing bonds.
- b. Describe your firm's experience with multi-family housing bonds combined with low income housing tax credits, the State Housing Incentive Program, the HOME program or other state and federal subsidy programs.
- c. Describe your firm's experience serving as bond counsel in connection with re-funding, re-issuances, remarketing of multi-family mortgage revenue bond issues.

Also describe your firm's experience with the sale of a multi-family project and the subsequent retirement of the outstanding bonds.

- d. Describe your firm's policy on serving as bond counsel for unrated and/or non-credit enhanced bond issues.

5 Single Family Experience

- a. Describe your firm's involvement with complex and/or innovative Single Family Mortgage Revenue Bond Program including programs that offer second mortgages and down payment assistance.
- b. Describe your firm's experience with whole loan sales and the sale of GNMA and FNMA securities and/or options in conjunction with the defeasance of single-family bonds.
- c. Describe your firm's experience with "open" master indentures.

6. Legal:

- a. Current malpractice and securities insurance covering all services to be rendered must be included. Please list:
 - Name of carrier and policy number
 - Effective dates of current insurances
 - Policy exclusions
 - Current coverage amounts;
 - Attorneys covered and type of coverage
- b. Provide detailed information on any all litigation against the firm, attorneys within the firm, which is currently pending, a judgment has been entered, or litigation that has been settled within the past five years for more than \$20,000.
- c. Does the firm currently represent or plan to represent clients that may conflict the representation of the Authority such as trustees, banks, investment bankers, credit writers or developers? Please list all potential conflicts and proposed resolutions of any potential conflicts.
- d. Provide a written statement which indicates whether any attorney in the firm or the firm is or is not under any investigation or review by any regulatory bodies. If your firm or any principal is, or has been, under an investigation or review, during the past five years, provide detailed information of the matters under review. Describe any arrangements, formal or informal, that an attorney of the firm or the firm has with any

other party that might interfere with the firm's ability to provide independent and unbiased legal advice and the services being requested.

- e. Provide a written statement that the Firm and all of its attorneys and any other staff is in compliance with Section 287.133(2)(a) Florida Statutes

7. Fees:

- a. Indicate all fees to be charged to the Authority for multi-family or single family issues, re-funding, re-marketing, re-issuances, or transfer of ownership of multi family projects per \$1,000 of bonds or notes involved in the transaction relative to the table below.

Category	Transaction Size	
	From	To
1	\$1,000	\$10,000,000
2	\$10,000,001	\$20,000,000
3	\$20,000,001	\$50,000,000
4	\$50,000,001	\$100,000,000
5	\$100,000,001	Upward

In fiscal year 2006 the Authority had one (1) transaction in category two (2) and two (2) transactions in category three (3). If there is a minimum fee to be charged it must be stated as well.

- b. Describe any professional services that are not be included in the fees addressed in 7a above and provide a schedule of fees for those services.
- c. Provide the basis for the charging of costs related to mailings, courier service, fax, telephone, travel, and meals.
- d. Address the method of charging for daily inquiries and information on former bond transactions. Please provide a schedule of fees if they are not addressed in a schedule already provided. If they are addressed, please refer to the schedule.
- e. Final fees shall be subject to negotiation.

MISCELLANEOUS

- A. The Authority shall have no financial obligation to make any reimbursement or compensation with respect to any charges or costs in preparing or submitting any proposals hereunder, or in preparing for or attending any subsequent interviews.

- B. The Firm shall be available to meet with the Authority and its staff or advisors, and to attend such other meetings as may be requested by the Authority or its staff at no additional charge to the Authority.
- C. The Authority reserves the right to waive informalities in any firm, to reject any or all of the firms in whole or in part, with or without cause or for any reason, or for no reason, and to waive strict compliance with specifications and/or to accept the firm that, in its best judgment, will be in the best interest of the Authority.
- D. Inquiries shall be directed to the Authority's Senior Finance Officer, Richard Perkins at 727-464-8202 or by email to rperkins@pinellascounty.org. **Firms and their representatives are not to contact the Housing Finance Authority Board members or the legal committee after the release of the RLI or during the selection process.**
- E. The Authority reserves the rights to the following:
1. Amend, modify, withdraw, or revise any requirements of the RLI.
 2. Require supplemental statements or information from any responding party.
 3. Accept or reject any or all responses hereto.
 4. Negotiate or hold discussions with any bidder and correct deficient responses that do not completely conform to the instructions contained herein.
 5. Cancel, in whole or in part, this RLI if the Authority deems it in its best interest to do so.
 6. In the event that a firm that is selected by the Authority later merges into, or is otherwise acquired by another firm, the Authority reserves the right to re-evaluate, and terminate the subject firm.
 7. By submitting a proposal the firm agrees that the Authority may exercise the foregoing rights at any time without notice and without liability to any bidder or any other party for its expenses incurred in the preparation of responses hereto or otherwise.
 8. The Authority's Board of Directors reserves the right to accept or reject the recommendation of the review committee with or without cause.
- G. Nothing stated at any time by any representative of the Authority will effect a change in, or constitute an addition to, this RLI unless confirmed in writing by the Authority.
- H. The Board of Directors will announce its selection of firm(s) at a public meeting. Respondents will be notified of the date and time of such meeting.

- I. The selection process is not complete until the selected firm(s) has executed an agreement that is prescribed by the Authority.

V. **EVALUATION AND SELECTION PROCESS**

All responsive proposals will be reviewed and evaluated by the legal committee and any advisors appointed to assist the committee. The Authority may, but is not required to, request one or more respondents to make an oral presentation.

- a. The method of award will be based on a ranking of responsive letters of interest considering demonstrated technical competence, expertise, innovative ability, accessibility and availability of the firm in providing the services described herein.
- b. Experience in housing bond issues and related tax matters.
- c. Proposed fee structure that is the most advantageous to the Authority taking into consideration all of the other criteria set forth.
- d. Oral presentations if required

Please submit ten (10) copies of your proposals and related information to:

Deborah Halstead, Administrative Secretary
Housing Finance Authority of Pinellas County
600 Cleveland Street, Suite 800
Clearwater, FL 33755-4159

All proposals should be clearly marked “Bond Counsel Proposal”

RESPONDENTS MUST SUBMIT TEN (10) COPIES OF THEIR PROPOSAL TO THE AUTHORITY FOR RECEIPT NO LATER THAN NOON EST, THURSDAY, MARCH 22, 2007.

THE AUTHORITY WILL NOT ACCEPT PROPOSALS SUBMITTED BY FACSIMILE OR EMAIL.