



February 5, 2010

To: Qualified Realtors  
Fr: Andrea Brennan, Deputy Executive Director  
Bill Lightner, Project Manager  
Re: Real Estate Professionals

## **Request for Qualifications For Real Estate Professionals**

### **Objective**

The Washington County Housing and Redevelopment Authority (Authority) seeks proposals from qualified real estate professionals to assist the Authority in the acquisition and resale of vacant foreclosed single family homes in Cottage Grove and Oakdale, and possible multifamily properties in Oakdale as a part of its implementation of the Washington County Housing Reinvestment Initiative (WCHRI). The Authority would like to select 2 or 3 real estate professionals to work with on this program.

**The deadline for submittals is 4:30 p.m. February 12, 2010**

### **Background**

The State of Minnesota was allocated funding from the Department of Housing and Urban Development's (HUD) Neighborhood Stabilization Program (NSP) to mitigate the impacts of the rising numbers of foreclosures in the county. In May 2009 the Authority in conjunction with Washington County Community Services (Community Services) was awarded funding. The Authority and Community Services created the WCHRI program to administer NSP funds in Oakdale and Cottage Grove. While Community Services serves as the lead grantee and administrator of NSP funds, the Authority is implementing the program. The NSP program will follow HUD's Community Development Block Grants (CDBG) guidelines.

The program's main focus is to purchase, rehabilitate, and resell single family homes mainly in Cottage Grove, but also a few in Oakdale. A multifamily property in Oakdale is also anticipated to be acquired, rehabilitated and most likely retained by the Authority as a part of its rental portfolio. The Authority currently has one 4-plex under contract for purchase, and is interested in other multiple unit properties in Oakdale. Over the next 6 months a total of 3-6 single family units are expected to be acquired and rehabilitated. To date, the Authority has acquired one single-family home in Cottage Grove. The program will continue for at least three and half years because recycled program income can fund the acquisition and rehabilitation of additional homes. In total the program is expected to acquire and rehabilitate about 10 homes. The maximum purchase price for all properties cannot exceed 1% less than the appraised value. Therefore, all purchase offers must be made either after completion of an appraisal, or subject to an appraisal. This program is subject to Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA) and its implementing regulations under 49 CFR Part 24. It is also subject to the Protecting Tenants at Foreclosure Act of 2009. In addition to these requirements, the County is required to conduct an Environmental Review on each property prior to purchase. Any offer must be contingent upon satisfactory Environmental Review.

## **Project Scope of Work**

The Authority will select one Real Estate Professional related to the acquisition of properties in Cottage Grove, and one Real Estate Professional related to the acquisition of properties in Oakdale.

The Real Estate Professional will be expected to conduct the following:

1. Search daily for properties that are vacant and bank owned within existing target areas;
2. Send listings that meet the program criteria to Authority staff;
3. Request showings as directed by Authority Staff and coordinate with Authority staff to attend;
4. Coordinate inspection of property by Authority Construction Manager (Load-Bearing Construction);
5. Request and coordinate with Authority Appraiser (Lake State) to facilitate timely appraisal of the property;
6. Conduct necessary market research and work collaboratively with the appraiser and construction manager to set proposed purchase prices within program rules;
7. Prepare and submit purchase offer on behalf of Authority (note – purchase price cannot exceed 1% less than appraised value, must be contingent on environmental review, and Uniform Relocation Act and Protecting Tenants at Foreclosure Act apply);
8. Provide information on Uniform Relocation Act and Protecting Tenants at Foreclosure Act of 2009; coordinate with Authority staff to investigate and collect required information to ensure potential acquisitions comply with the Acts;
9. Negotiate with property owner (i.e. typically bank or representative of) within NSP rules for each property;
10. Coordinate and participate in the closings to acquire each NSP property;
11. Provide input to the construction manager to develop a detailed scope for the rehabilitation of each NSP property; and
12. Be accessible to Authority staff to respond promptly to opportunities for purchase of homes.

The Authority may select one or more Real Estate Professionals related to the sale of Authority-owned properties to qualified buyers. The Real Estate Professional will be expected to conduct the following:

1. Effectively market and resell NSP property(ies) to qualified buyers;
2. Coordinate and participate in the closings to resell each NSP property;
3. Ensure required period of affordability and recapture instruments are included in the final closing documents;
4. Be accessible to Authority staff to respond promptly to opportunities for purchase and resale of homes.; and
5. Provide education and information to lenders and realtors regarding the buyer and lender requirements of the program.

## **Qualifications**

### **Required**

1. Licensed REALTOR in Minnesota.
2. In depth knowledge of the Oakdale and/or Cottage Grove housing markets
3. Experience acquiring and selling foreclosed vacant homes
4. Experience working with first time homebuyers and buyers utilizing Minnesota Housing and other first time homebuyer and assistance programs.
5. Be in Good Standing with the State of Minnesota

### Preferred

1. Understanding of URA plus amendments and 49 CFR Part 24.
2. Experience in working with federal, state and/or local governmental programs.
3. Experience in working with local government on acquisition, relocation or real estate type transactions.
4. Experience acquiring multifamily properties

### **Proposal Deliverables**

Proposals shall include:

1. Flat fee and/or hourly fee amount for providing general market research and data needed to determine current and future viability of designated target areas and evaluate potential changes to target areas (i.e. for work not related to a specific property acquisition or sale);
2. Commission structure for acquisition of property;
3. Commission structure for sale of property;
4. Provide Seller's Net Sheet stating all fees for the sale of a \$150,000 property
5. Provide Buyers Expense Sheet stating all fees, including administrative fees, for the purchase of a \$150,000 property
6. List of three references;
7. Examples of prior experience with projects of similar size and scope.
8. State the number of years of serving the Oakdale and/or Cottage Grove community(ies).
9. Describe experience in working with first time homebuyers and buyers using first time homebuyer or buyer assistance programs.

### **Evaluation Process**

1. The Authority staff will review all proposals beginning on February 15, 2010.
2. The Authority will evaluate responses to this request based on
  - a. the proposed cost of services,
  - b. satisfaction of required and preferred qualifications listed above,
  - c. information contained in the proposal, and
  - d. other information gleaned during the review process.

The Authority reserves the right to make a selection based on other factors that arise during the evaluation process such as reference checks, or other circumstances unknown to the Authority at the time of evaluation.

3. The Authority expects to make selections within two weeks of receiving the submittals.
4. The Authority reserves the right to reject any or all proposals.

### **Submittal Instructions**

1. The deadline for proposals is 4:30 p.m. Friday, February 12, 2010.
2. Proposals may in submitted in hard copy or in electronic form and shall be submitted to:

Bill Lightner, Project Manager  
Washington County Housing and Redevelopment Authority  
321 Broadway Avenue  
Saint Paul Park, MN 55071  
or by e-mail to: [blightner@wchra.com](mailto:blightner@wchra.com)

3. Any questions regarding this request or the property to be appraised shall be directed to either Bill Lightner, Project Manager at 651-458-0936 x 559 or Andrea Brennan, Deputy Executive Director at 651-458-0936 x 555.

**Attachments:**

- 1) Guidance on NSP Appraisals - Voluntary Acquisitions
- 2) Guidance on complying with Protecting Tenants at Foreclosure Act of 2009