



**New York City Housing Development Corporation
Request for Proposals for Liquidity Facility
April 26, 2021**

The New York City Housing Development Corporation (“HDC”) is soliciting responses to this Request for Proposals (“RFP”) for one or more standby bond purchase agreements or similar liquidity facilities or structures (“Facility”) to support variable rate demand obligations (“VRDOs”) issued under HDC’s Multi-Family Housing Revenue Bond Resolution (“Open Resolution”). In addition, HDC encourages proposals for a public offering or direct purchase of Floating Rate Bonds based on the SIFMA index or a SOFR index. HDC expects to structure a variable rate bond in the 35-40-year range to reduce the long-term costs of borrowing. This RFP is being sent to select firms which have worked with HDC, and will also be posted on HDC’s website, constituting a public dissemination of this RFP.

HDC asks your firm to indicate interest in providing a Facility or floating rate structure of up to \$100 million in principal plus 34 days’ interest to be issued in 2021. The VRDO is expected to have weekly interest rate resets and pay interest monthly. Maximum interest rate on the VRDO is expected to be 10%. HDC is seeking the following key terms:

- The Facility provider (“Facility Provider”) should maintain a long-term and short term rating of at least A/A-1 from Standard & Poor’s Ratings Services and a long-term and short-term rating of at least A2/P-1 from Moody’s Investors Service, Inc. Equivalent ratings from other rating agencies may be considered.
- Term of 3-5 years
- Term-out amortization of bank bonds beginning at least 1 year after a draw.
- Please indicate willingness to support dailies if necessary.

HDC expects to issue up to \$100 million in one or more VRDO issuances in June 2021 through the end of 2021. HDC could also consider issuing a portion as Taxable VRDO. While HDC would prefer to select a single Facility Provider for the entire \$100 million, bids for lesser amounts will be considered. Please provide a completed Facility Provider Solicitation Form (Appendix 1), as well as responses to the additional information requests (Appendix 2). Responses and proposed terms should remain current through **December 31, 2021, or indicate the date that the terms and pricing can be held to.**

HDC will be evaluating bids based on a variety of criteria, which may include: proposed fees, flexibility of terms to HDC, renewal options, impact on lowering long term costs, Facility Provider ratings, relative trading valuations in the market, proposed term of the Facility, Facility diversification, demonstrated experience of the Facility Provider, impact on rating agency stress runs, extent of credit approval at the time of submissions, and remaining steps and time for final credit approval. HDC may award bid(s) based on proposal(s) HDC deems best in its sole discretion, which may not be the lowest bid. HDC may waive discrepancies and award no bid in its sole discretion.

See Part II of the most recent Official Statement for financial information relating to Open Resolution Multi-Family Housing Revenue Bonds, available on HDC’s website: <http://www.nychdc.com/pages/Official-Statements.html>. Any questions and all responses should be emailed to Ellen Duffy, Senior Vice President for Debt Issuance and Finance (eduffy@nychdc.com).

Responses to this RFP are due by **close of business on Monday, May 17, 2021.**



APPENDIX 1: FACILITY PROVIDER SOLICITATION FORM

Please complete the information requested in the form below, adding pages for long-form answers if necessary. If unable to meet the terms requested by HDC, please flag and indicate the proposed alternative.

1. Facility Provider Information

Name of Facility Provider:

Facility Provider Address:

Contact Person (Name, Title, Telephone, Email):

2. Facility Provider's Ratings (Moody's/S&P)

	<u>Short-Term</u>	<u>Long-Term</u>	<u>Rating Agency Outlook</u>
Current:			
Yearend 2020:			
Yearend 2019:			
Yearend 2018:			

- A. Please indicate if these ratings are based on any form of support (such as a guaranty or insurance) provided by a different entity, and describe the relationship of that entity to the Facility Provider.
- B. Are there any relevant events that may cause or have recently caused any rating agency to review or change its rating of the Facility Provider?

3. Facility Terms

Maximum principal amount of bonds supported by Facility:

Proposed Fees for each Facility

Fees should be based on the principal commitment for each Facility plus 34 days' interest at the Maximum Rate. Fees should be stated as a single basis points per annum fee, payable quarterly in arrears, based on actual days.

3 years:

4 years:

5 years:

Other maximum term:

Additions to Annual Fee based upon rating changes, if any:

Additional fees, if applicable (upfront fees, commitment fees, etc.):

Bank Bond Repayment Terms

Repayment Schedule, including term-out delay:



Repayment Amounts:
Repayment Frequency:
Bank Bond Interest Rates
Bank Rates:
Default Rates:
Maximum Rates:

4. Legal

Provider's Counsel

Firm Name:
Firm Address:
Attorney Name:
Email:
Telephone:
Fax:

Legal Fees & Expenses

Fee Calculation type (flat fee, hourly, etc.), per facility:
Initial Facility - Dollar cap on all legal fees and expenses:
Renewals - Dollar cap on all legal fees and expenses:

6. Other

- A. Please indicate any conditions to your bid, including any covenants, limitations of liability, representation or warranties required of HDC.
- B. Does the Facility have all the necessary internal approvals? If not, please provide your timeline for approval.
- C. Please include a list of three transactions closed within the last two years for which the Facility Provider has furnished liquidity support for parity bond issuers similar to HDC.
- D. Please provide an electronic link to your most recent financial statements.
- E. Please confirm that credit approval and pricing proposed herein will remain in effect until **December 31, 2021 or indicate the date that the Terms and Pricing can be held to.**



APPENDIX 2: ADDITIONAL INFORMATION REQUESTED

General

The issuance of this Request for Proposal (“RFP”), and the submission of a proposal by the firm or the acceptance of such proposal by HDC, does not obligate HDC in any manner whatsoever. Legal obligations will only arise upon the execution of formal agreements by HDC and the firm selected to render services described herein.

HDC reserves the right to amend, modify, postpone or withdraw this RFP; to waive any requirement of this RFP; to require supplemental statements and information from proposing entities, to accept or reject any or all proposals received as a result of this RFP; to extend the deadline for submission of proposals; to negotiate with any proposing entity which responds to this RFP; to hold discussions with any proposing entity; and to correct deficient proposals which do not completely conform to the instructions given in this RFP. HDC may exercise such rights at any time without notice and without liability to any proposing entity or other parties for their expenses incurred in preparation of the proposal. In its review, HDC may accept a proposal but require modification or negotiation of scope. Although discussions may be conducted with proposing entities submitting acceptable proposals, awards may be made without discussion.

The scope of services described in this RFP provide the most current and accurate descriptions of services sought by HDC. However, at the time contracts are executed, programmatic changes may result in changes to the scope of services.

All documents presented in response to this RFP will become the property of HDC. The Corporation is subject to the New York State Freedom of Information Laws (“FOIL”) and as such HDC shall release all records subject to FOIL without notice or consent of responder.

Local Law 34 Compliance

Pursuant to Local Law 34 of 2007, amending the City’s Campaign Finance Law, the City is required to establish a computerized database containing the names of any “Person” that has business dealings with the “City” as such terms are defined in the Local Law. For the City to obtain necessary information to establish the required database, your response to this RFP is required to include a completed Doing Business Data Form (the “Data Form”), use this link:

<https://www.nychdc.com/sites/default/files/2020-10/Doing%20Business%20Data%20Form%20-%20Standard%202018.pdf>

HDC will submit the Data Form will be submitted to the Mayor’s Office of the City of New York (the “City”). If the City determines that your Data Form is not complete, you will be notified by the City and given four (4) calendar days to cure the specified deficiencies. Failure to do so will result in your proposal being deemed incomplete and therefore non-responsive.

Conflicts of Interest

The proposal must disclose any other employment or situation which may create a conflict of interest if your firm were to be selected, including any relationship that the firm or any of its employees may have with HDC. Please describe any such relationship in your proposal, or affirmatively state that no such relationship exists.



Equal Employment

If any, provide a copy of the firm's most recent Employer Information Report EEO-1 and include as Attachment to the Proposal. Please state how many women and minorities work in your firm.

Minority and Women Owned Business Enterprise (MWBE)

HDC is dedicated to furthering the participation of minority and women-owned businesses in its work. All respondents are urged to include in their proposals methods for facilitating the participation in the project of businesses that have been certified by the New York City Department of Small Business Services ("SBS") as women or minority owned. This can take any form a Respondent considers appropriate including, but not limited to, proposals intended to ensure the utilization of certified minority and women-owned businesses as subcontractors or as joint-venture partners. In addition, proposals from minority and women-owned respondents are encouraged.