



ILLINOIS HOUSING DEVELOPMENT AUTHORITY SUPPLEMENTAL PROFESSIONAL SERVICES FIRM REQUIREMENTS

December 18, 2017

As part of the Application for Multifamily Financing, the Illinois Housing Development Authority (IHDA) requires applicants to secure studies from professional services firms experienced in providing cost estimating services, market studies, Phase I Environmental studies, Rent Comparability Studies, and Property Needs Assessments.

The professional services firms selected by the applicant must meet the Supplemental Consultant standards listed below along with the standards for each discipline as found on the IHDA website.

The information below is intended as a guide to applicants in the selection of consultants to be used on IHDA funded projects. It is the responsibility of the applicant to make his/her own determination regarding the capability, competence and/or limitations of a consultant. IHDA reserves the right to change or waive any of the requirements below and reject any studies not meeting with the requirements outlined below.

I. Minimum Qualifications

Professional services firms selected and retained by applicants must be registered with the Illinois Department of Revenue to conduct business in Illinois, properly licensed to perform the contracted professional service being provided to the project by the appropriate state licensing board and not be debarred, suspended or otherwise prohibited from professional practice by any Federal, State or Local Agency.

The selected firm is required to have been in business for a minimum of five (5) years and must demonstrate knowledge and related experiences with regard to preparation of studies for affordable housing projects using federal, state and city funds.

The professional services firm must supply the applicant with documentation of the firm's professional qualifications, including: Illinois Department of Revenue registration, resumes of key members assigned to the project demonstrating a minimum of ten (10) years' experience in the design, development and/or construction of affordable housing.

II. Minority Procurement Efforts

The applicant is required to make a proactive effort in selecting and retaining qualified firms certified as Minority Business Enterprise (MBE), Disadvantaged Business Enterprise (DBEs) and Women Business Enterprise (WBEs) whenever possible. The applicant is required to verify any selected MBEs, DBEs and WBEs are registered and have a valid certification number.

III. References

The selected firm must supply the applicant at least three (3) professional references pertaining to the firm's experience in performing consultant services for projects of a similar type, scale, and complexity.

IV. Fee Basis

Fees for all cost and expenses related to the performance of the scope of services shall be determined between the professional services firm and the applicant. The applicant is responsible for payment of fees and entering into a written agreement with the selected professional services firm. Kickbacks or incentives for procuring inflated values will not be permitted.

IHDA shall review the fees associated with the development to insure they are proper, fair and reasonable. IHDA has evaluated the fees from past IHDA financed projects. As such, the fees listed in each specific consultant standard reflect the maximum percentage IHDA will accept as a reasonable fee for services. Higher fees are acceptable but the owner/developer will be responsible to pay the difference between the higher fees and the fees indicated in the individual consultant standards from sources other than the IHDA committed resource committed to the project.

V. Insurance

The selected firm must supply proof of Professional Liability insurance with a policy limit of \$1,000,000 per occurrence and \$2,000,000 excess umbrella and must submit a copy of the certificate to IHDA. If the selected firm does not have excess umbrella coverage they must supply proof of General Liability, Auto, and Workers Compensation insurance with a policy limit of \$1,000,000 per occurrence. Each Study should be submitted with the applicable insurance certificate attached. If more than one Study is being submitted by a single firm for numerous projects, certificates should be attached to each submittal. The applicant will determine and notify the applicant of any additional parties, if required prior to contract issuance. Selected firms must not allow their insurance to expire or cancel for any reason during the contract period.

VI. Conflict of Interests

Professional firms selected to perform services shall not have any direct or indirect interest in any property to be evaluated. IHDA reserves the right to determine necessary actions to eliminate or neutralize any conflict discovered after an applicant secured a professional firm to provide this service.

The professional services firm shall certify that no undue pressure or collusion with the client or their representatives exists in the determination of the study. The study certification shall also state that all information and procedures used to establish the study were from factual data and prepared in a professional manor.

The study must include a statement from the individual signing the study that there is no identity of interest between the signatory and any member of the development team. If any member of the development team or ownership has an identity of interest with the entity providing the study, the identity of interest relationship must be disclosed.

Failure to disclose any organizational conflict of interest may result in rejection of the application and/or the study by the professional firm with the conflict and request of a study from a different firm at applicant's expense.