

Request for Proposals

End-to-End Technology Solution and Administrative Services for the Massachusetts Homeowner Assistance Fund

INTRODUCTION

The Massachusetts Housing Partnership (MHP) is issuing this Request for Proposals (RFP) to competitively procure a web-based, end-to-end technology solution and comprehensive administrative services for the Massachusetts Homeowner Assistance Fund (Massachusetts HAF) Program. The Massachusetts HAF Program aims to assist income-eligible Massachusetts homeowners who, due to the impact of COVID-19, have suffered financial hardship (Eligible Homeowners) that is impacting their ability to pay their mortgages and other homeownership-related expenses (Eligible Expenses).

On March 11, 2021, the American Rescue Plan Act of 2021 (ARPA) became law. Section 3206 created the federal Homeowner Assistance Fund (HAF) to help Eligible Homeowners with Eligible Expenses. Subsequently, the U.S. Department of the Treasury provided a website announcement, including a Notice of Funds Request, and on April 14, 2021, as amended on August 2, 2021, published Housing Assistance Fund Guidance (Treasury Guidance).

Under the federal HAF program, the Commonwealth of Massachusetts, through its Executive Office for Administration and Finance (A&F), will receive \$178 million to fund the Massachusetts HAF Program. MHP expects to be contracted by A&F to administer the retail portion of the Massachusetts HAF Program, which is anticipated to be approximately \$150 million, and is seeking proposals for services related to the administration of such Program.

Proposals (in pdf format) must be submitted no later than 5:00 PM, September 16, 2021, via email to:

Elliot Schmiedl
Director of Homeownership
eschmiedl@mhp.net

Mark Curtiss
Managing Director
mcurtiss@mhp.net

PROGRAM OVERVIEW

The Massachusetts HAF Program plan was designed by the Executive Office for Administration and Finance (A&F) in direct collaboration with MHP, the Massachusetts Housing Finance Agency (MassHousing), the Massachusetts Executive Office of Housing and Economic Development (EOHED), the Massachusetts Department of Housing and Community Development (DHCD), and the Massachusetts Division of Banks (DOB).

Financial hardships caused by the COVID-19 pandemic are hitting low-income households and households of color especially hard. With expanded unemployment assistance, forbearance options and foreclosure restrictions set to expire before the end of the year, many homeowners may find themselves unable to resume mortgage and property tax payments or other housing-related expenses. The Commonwealth of Massachusetts is dedicated to homeownership retention and sustainability. The plan will be submitted to the U.S. Treasury Department on or before September 10, 2021 and consists of four major elements:

MassHousing initiative. MassHousing is receiving a direct allocation of HAF funds to cure COVID-related delinquencies in its home mortgage portfolio.

Statewide HAF platform. MHP is receiving HAF funds to establish an end-to-end application and service platform, backed by a call center and robust customer support, to provide financial assistance to eligible homeowners. The initial focus of the program is to reinstate mortgages by curing COVID-related mortgage, property tax, insurance and condominium fee delinquencies. To the extent that funding allows, the program may be expanded to include other eligible uses of federal HAF funds including principal pay-downs. MHP's own borrowers (served by approximately 55 lenders through its SoftSecond Loan Program and ONE Mortgage Program) is included within this approach.

Homeowner counseling services. MHP is receiving HAF funds to support a network of nonprofit homeowner counseling agencies to assist homebuyers who require supplemental assistance in preparing and submitting applications to the statewide HAF platform and to help homeowners negotiate loan modifications with their mortgage servicer or lender in circumstances where payment of arrears is insufficient by itself to achieve stable homeownership.

Outreach and marketing. MassHousing is receiving HAF funds to establish and manage a statewide marketing, outreach and public information campaign to encourage affected homeowners to take advantage of HAF-funded financial assistance and counseling services for the duration of the HAF program.

This RFP relates solely to the statewide HAF platform. The platform should be designed to enable most eligible homeowners to successfully apply for assistance online with call center support. Since in-depth counseling services will be required in some cases, technical and operational integration of the HAF platform with state-procured homeownership counseling services (e.g. for referrals or for homeowner application documentation support) is a critical element of the state's HAF program and should be addressed in all RFP responses.

Based on available data, we estimate that as many as 18,000 homeowners across the state may be eligible for relief via the Massachusetts HAF Program at an average amount of approximately \$10,000 per household. Respondents to this RFP must demonstrate the capacity to process up to 3,000 HAF Program applications per month with the ability to scale-up quickly if needed to meet additional demand.

MHP is seeking proposals to provide an end-to-end solution for the complete development and operation of the statewide HAF platform. Respondents should describe their capacity to provide the full scope of services required to administer a program in compliance with all requirements described below. MHP will not consider proposals that do not cover the full scope of services.

SCOPE OF SERVICES

MHP is seeking to contract with a single vendor to provide an end-to-end solution for the Massachusetts HAF Program, consisting of both a web-based technology platform and administration and operations staffing and support.

COMPREHENSIVE TECHNOLOGY PLATFORM

We are seeking a single technology solution for all phases of administering the Massachusetts HAF Program. The comprehensive technology solution will need to include, at minimum, the following functionalities:

- **Front-end, homeowner facing web-based and mobile friendly portal, including:**
 - Commonwealth of MA branding;
 - Applicant prescreening tool;
 - Application (including certain attestation forms);
 - Secure document uploading, including from mobile devices (PDF, JPEG, other);
 - Capability of incorporating DocuSign for electronic signatures;
 - Tool that provides applicant or their authorized designee with the status of their application;
 - Configurable help and FAQs;
 - Real-time text messaging validation/communication functionality;
 - Ability to save progress on an application;
 - Application print option; and
 - Secure login, including two-factor authentication via text, email, and phone.

- **Back-end, administrative functionality, including:**
 - Application processing, review and approval pursuant to MHP's direction;
 - Payment processing, including:
 - The ability to make batch payments and single payments
 - The ability to create and send a common data file or other file sharing methods with mortgage loan servicers, and third-party authorization (e.g., TPAs);
 - Other third-party payees (municipalities, homeowner associations, etc.)
 - Provide view access for all relevant stakeholders including homeowners, program administrators, state housing finance agencies, state agencies, auditors, housing counselors, and potentially lenders and/or servicers;
 - Automated workflow orchestration and validation, including fraud detection;
 - Data capture, application status reporting (operational visibility including key performance indicators), dashboards, analytics, and audit;
 - Secure file and data storage; and
 - Interface with state 211, or other state information initiatives as needed. (See Exhibit A -Technical Requirements for more information).
 - Secure login, including two-factor authentication via text, email, and phone.

ADMINISTRATION AND OPERATIONS OF MASSACHUSETTS HAF PROGRAM

The administration and operation of the Program will need to include, at minimum, the following functionalities:

Program Development and Coordination

- Coordination with MHP's Director of Homeownership, HAF Senior Project Manager (this position is posted but not yet filled), and other designees, as the primary contacts during program implementation.
- Training of HCA, MHP and other state administrative staff in use of technology platform as requested.
- Participation in state administrative meetings as requested.

Intake/Customer Service

- Online and/or telephone assistance to Eligible Homeowners applying for assistance, including pre-screening assistance.
- The ability to enter applications for Eligible Homeowners when the need arises.
- The ability to respond to and assist non-English speakers.
- The ability to communicate with prospective applicants via real-time text messaging.
- The ability to operate Monday through Saturday between the hours of 8:00 AM EST and 7:00 PM EST, with the capacity to add additional hours as necessary to meet demand.

Application Processing

- Review the application and all supporting documents to ensure the file is complete so the file can be approved and ensure all data and documents are accurate and consistent in the system.
- Follow up on all missing documents and data – both before submitting file to the underwriter and after if underwriter determines items or data are missing.
- Coordinate with mortgage loan servicers, municipalities, homeowner's associations, and other appropriate entities to exchange and obtain documentation necessary to processing HAF applications.

Application Underwriting and Approval

- Review completed application files and then approve or disapprove requested payments.
- Inform homeowner of underwriting decision, including information about any appeal process.
- Clear and defined process for escalation and appeal, overseen by and potentially involving MHP when the need arises.

Payment Processing

- Coordinate application of funds between servicers and borrowers, obtaining borrower authorizations for resolution method utilized by the servicers.
- Make timely payments for approved applications.
 - o This may be batch payments (e.g., single payment to mortgage servicer for multiple homeowners) or single payments for one homeowner. Demonstrated ability to manage both batch and single payments.
- Provide any required reconciliations and reports.

Reporting, Quality Control (QC), and Audit Review

- Prepare and provide all required reports as directed by Treasury, A&F, and MHP. This may include weekly, bi-weekly, monthly, and annual reports.
- Provide a QC and audit plan and perform such QC and audit.

KEY QUESTIONS AND CONSIDERATIONS

1. To what degree is the comprehensive technology solution that you are providing customizable to accommodate local requirements and future program changes?
2. What is your timeline for program launch once a contract is signed?
3. Please describe the ways in which you will make services (both technology and call center) available in multiple language, and please describe the specific languages that you are able to support through both the technology platform and the call center.
4. Please detail the timeframe within which applications will be processed from the point of receiving a complete application to the point of fund disbursement.
5. Please provide an estimated timeframe for calls to be answered, maximum acceptable wait times on hold, and response times to homeowner inquiries on regarding general or application specific questions that cannot be answered during the initial call (e.g., all inquiries are responded to within 24 or 48 hours)
6. Please explain in detail the process for communicating and coordinating with potential HAF payees (mortgage loan servicers, municipalities, homeowner's associations, etc.) to gather relevant information and arrange for payment.
7. MHP plans to contract with a number of non-profit Housing Counseling Agencies (HCAs) in the Commonwealth to provide foreclosure prevention, loss mitigation, and loan modification counseling services to Eligible Homeowners. The homeowners utilizing these services will likely represent a subset of all Eligible Homeowners, but their referral to counselors is likely to be an integrated component of the application workflow where concerns of sustainability are identified Please describe your experience working with HCAs, if any, how HCA referrals could best be integrated into your application workflow, and whether you have any other suggestions as to how these counseling services could best support your proposed operation of the Massachusetts HAF Program.

DIVERSE BUSINESS ENTERPRISES

MHP strongly encourages the use of Minority Owned Business Enterprises ("MBEs"), Women Owned Business Enterprises ("WBEs"), Veteran-Owned Business Enterprises ("VBEs"), and Service-Disabled Veteran Business Enterprises ("SDVBEs", and collectively with MBEs, WBEs and VBEs referred to as "Diverse Business Enterprise(s)") whenever possible.

ELEMENTS OF PROPOSAL

All proposals should provide information relating to the elements listed below in sufficient detail to allow MHP to conduct an informed and fair selection process. A submission must, at a minimum include the following elements:

1. Description of the company including background.
2. Description of the company's overall approach to meeting the requirements of the Massachusetts HAF Program as described in this RFP.
3. Names and resumes of key people that may be involved in providing the services outlined herein.
4. Examples of similar work performed (including HAF programs in other states).
5. Contact information, including the primary contact.
6. An anticipated project timeline showing all major steps required to launch a potential program and meet program deadlines and requirements.
7. Detailed staffing plan to address the full scope of the Administration and Operations component of the Scope of Services.
8. Detailed answers to the "Key Questions and Considerations" listed above.
9. Detailed fixed price or cost-reimbursement proposal as follows:
 - a. Full cost to design, develop and launch a web-based application processing platform and call center as specified in the RFP;
 - b. Monthly cost of supporting the application platform;
 - c. Monthly cost of providing assistance to applicants and processing applications. For pricing purposes, please provide total monthly costs with detailed staff breakouts by each job category (e.g. call center staff, underwriters, processors, etc. as described in your staffing plan in #7 above) and detailing the number of staff to be provided during the stated business hours and the hourly rates assuming: a) 1,000 completed applications per month; b) 3,000 completed applications per month; and c) 5,000 completed applications per month. Please indicate the maximum number of concurrent active users entering applications that the system can accommodate under each scenario, and the amount of time needed to scale to each scenario.
 - d. If we choose to expand the operating hours beyond the currently stated business hours, please describe the additional hourly cost of operating the call center outside of the stated business hours, including any changes to staffing capacities or limitations on days or hours that you can operate.
 - e. Monthly cost of maintaining systems and data for audit purposes after funds are expended and applications are no longer being processed.
 - f. In the interest of a rapid deployment of this platform and a successful implementation of the program, MHP is open to providing performance-based incentives for the achievement of critical milestones and to-be-identified Key Performance Indicators. Please indicate your interest in this approach, and your specific proposal for performance-based incentives.
10. References and contact information for three current or previous clients whose engagement was similar to this request.
11. Proof of adequate financial stability and professional liability and other applicable insurances. Please describe the systems and controls that typically would be in place to provide quality assurance and to mitigate the risk of fraud or errors in the allocation of the Federal funds. Describe the specific degree of financial liability that the contractor is willing to accept, and in what form, in the event that the contractor allocates the funds for unauthorized uses. Please provide a certificate of liability and other applicable insurances setting forth the firm's coverage limits and deductibles.
12. Any proposed modifications to the Scope that, in respondent's opinion, would allow for more effective implementation of the Massachusetts HAF Program.

SELECTION SCHEDULE/TIME AND PLACE OF SUBMISSION OF PROPOSALS

The selection schedule is as follows:

RFP Issued:	August 31, 2021
Deadline for Questions:	September 8, 2021 by 5:00 PM
Response to Questions Issued:	September 10, 2021
Proposal Submission Deadline:	September 16, 2021 by 5:00 PM
Interviews and Product Demos (selected finalists):	Week of September 20, 2021

MHP reserves the right to extend any of these deadlines as it deems necessary.

This RFP has been posted on MHP's website. It is the responsibility of respondents to check the website for any addenda, modifications or deadline extensions to this RFP.

All questions should be submitted via email on or before 5:00 PM on **September 8, 2021**. Prospective respondents should note that all clarifications and exceptions, including those relating to the terms and conditions of potential legal documentation, must be submitted in writing to MHP prior to final submission. Answers to all questions of a substantive nature will be posted on MHP's website at <https://www.mhp.net>. It is the responsibility of respondents to ensure that they receive all information pertaining to this RFP by visiting the website.

Any questions regarding this RFP may be made only in writing to:

Elliot Schmiedl
Director of Homeownership
eschmiedl@mhp.net

Respondents to the RFP must submit one electronic file in pdf format of their proposals. Responses must be received no later than 5:00 PM on September 16, 2021. The response must be sent to the email addresses listed above with the subject line "RFP – MHP Massachusetts Homeowner Assistance Fund."

If larger than 30 MB, please provide a secure link to download the response.

EVALUATION CRITERIA

MHP will evaluate and compare each submitted proposal using the following evaluation criteria. The criteria are not listed in any particular order:

1. Compliance with requirements of this RFP
2. Assessment of the Respondent's ability to deliver the full Scope of Services in accordance with the specifications set out in this RFP in a timely manner
3. Demonstrated understanding and knowledge of the federal HAF Program and its various requirements

4. Capability and scalability of the Respondent's staffing solution for all necessary components within the Scope of Services
5. Demonstrated experience of the Respondent (preferably with other HAF or Hardest Hit Fund (HHF) programs designed to provide relief to homeowners), with particular consideration given to integrity, compliance with public policy, record of past performance, and any previous federal suspensions or debarments
6. Strength of client references
7. Competitive cost of services

SELECTION PROCESS

Only responses containing the full Scope of Services and Elements of Proposal, and meeting the minimum requirements set forth in the Evaluation Criteria may be considered for further evaluation.

MHP will review all responses to this RFP and select the most competitive contractor based on its internal procurement procedures and on input received from A&F and other key stakeholders. MHP reserves the right not to select any contractor, to withdraw the RFP, to re-issue the RFP, or to modify or extend the deadlines under the RFP in its sole and absolute discretion.

ABOUT MHP

MHP is a quasi-public state agency that creates innovative policy and financing solutions to provide affordable homes and better lives for the people of Massachusetts.

MHP supports its mission in four main areas:

- Using funds from the banking industry to provide long-term loans for affordable rental housing. Since 1990 MHP has provided over \$1.7 billion in loans and commitments to finance more than 29,000 units of rental housing.
- Offering the ONE Mortgage Program, a first-time homebuyer program for low- and moderate-income buyers. MHP's first-time homebuyer programs have helped 23,000 low- and moderate-income families purchase their first home with over \$4 billion in private financing.
- Providing help and technical assistance to over 330 Massachusetts communities toward the development and preservation of affordable housing at the local level.
- Founding and supporting the Center for Housing Data to serve as the state's first centralized data hub for affordable housing, a major contributor to state housing policy and data analysis.

MHP's total assets are approximately \$700 million and MHP employs 55 staff in Boston. MHP has an A+ rating from Standard and Poor's.

MHP's seven-member Board of Directors is appointed by the Governor and includes the Secretary of Administration & Finance (or designee), the Undersecretary for Housing & Community Development (or designee), three nominees of the Massachusetts Bankers Association and two additional members. We invite you to learn more about MHP by visiting our website at www.mhp.net.

EXHIBIT A – TECHNICAL REQUIREMENTS

1. Paperless Functions including, but not limited to:

- Receive custom-defined applications from the public via 100% internet web interface using latest versions of Firefox, Chrome, Edge, and Safari
- Receive custom-defined applications from the public via 100% native mobile interface for iPhone and Android phones

2. Data Management including, but not limited to:

- Ability to support all standard input types (text, radio button, checkbox, etc.)
- Ability to validate format and content of pre-defined data types
- Ability to support logic on data input screens to collect data based on previously inputted data

3. Support a multi-lingual interface in both English and Spanish and potentially other language translations to be decided at a later date.

4. Provide full Scope of Services in adherence to, and in compliance with State and Federal accessibility requirements.

5. Securely support multiple, multi-step application processes (i.e. multiple programs supporting multiple rounds of federal funding):

- Initiated by Homeowner, completed by Mortgage Holder servicer and/or HCA counselor?

6. Data Security

- Selected Homeowner information not visible to Mortgage Holder servicer
- Selected Mortgage Holder servicer information not visible to Homeowner
- All data in motion and data at rest fully encrypted
- Role-based function and datapoint level access control
- Fraud and error prevention, such as flagging duplicate applications

7. E-sign

- Ability to integrate DocuSign's e-signature capabilities

8. Application Processing

- Ability to support a sufficient number of remote application processors to meet program demand
- Ability to selectively assign applications to processors in bulk
- Ability to assign specific applications to specific processors
- Ability to restrict application processors to view only applications assigned to the processor

- Ability for Managers, Quality Assurance (QA) and other identified personnel to view all applications
- Ability to support multiple approval workflows
 - Standard approval workflow
 - QA workflow
 - Up to three cure workflows

9. Non-Functional

- Ability to support a sufficient number of concurrent active users entering applications into the system to meet program demand
- Ability to support a sufficient number of concurrent, active application processors, QA, and cure personnel to meet program demand
- 24x7 availability
- SUB 5-second response time for all screens/interactions
- SOC2 certified
- Low Code approach that allows customization of forms and business rules

10. Reporting

- Ability to report on all application information and status in real time
 - Weekly, Monthly and Quarterly reporting in the format required by Treasury, A&F, or MHP
 - Web-based, On-line reporting capability
 - Direct connect capability for 3rd party reporting tools
 - Ability to download all reported data sets
 - Standard Reports
 - Ad-hoc Reports
 - Ability to distribute pre-defined standard reports to selected lists of e-mail recipients

11. Interfaces

- Ability to create pre-defined formatted data extracts to feed 3rd party systems' administration
- Ability to maintain user accounts, roles and access

12. Retention and Archiving

- Retention of all data and documents is required through March 31, 2027 per federal requirements