



# TACOMA HOUSING AUTHORITY

## RESOLUTION 2007-01-24(1)

DATE: January 9, 2007  
TO: Board of Commissioners  
FROM: Michael Mirra, Executive Director  
RE: Section 202 Senior Developer Selection for Area 2A

### **Background**

On November 27, 2006, Tacoma Housing Authority (THA) issued a Request for Proposals for a Section 202 Senior Housing Developer for Salishan Area 2A. THA mailed seven (7) RFP packages to prospective Section 202 Senior Developers. THA received two (2) proposals; both were responsive.

A committee consisting of THA staff evaluated the written proposals based upon the evaluation criteria in the RFP. The committee determined both proposals were qualified to advance to the interview stage of the selection process. The committee had follow up questions that were provided in advance of the interviews to each respondent. Interviews were held on January 10, 2007, during which time the committee sought additional clarification on each respondent's proposal. The committee then completed scoring the proposals and concluded that American Baptist Homes of the West (ABHOW) was the highest scoring respondent.

The recommendation to select American Baptist Homes of the West is based on the following scoring and explanations:

Evaluation factors were as follows:

<b>Criteria</b>	<b>Total Points</b>
1. Quality, experience and capacity of the development team, the assigned personnel and third party professionals, with special emphasis on experience involving HUD Section 202 projects;	40
2. The development team's capacity and approach to property management;	15
3. Quality of the plan for providing community and supportive services to residents.	5
4. Quality of the plan for MWBE Contracting and Hiring and Section 3 Hiring.	5
5. Financial capacity of the Respondent	15
6. Previous track record in obtaining Section 202 financing	20
Total	100

The results of the evaluations were as follows:

	1	2	3	4	5	6	
Proposers	Development Team	Property Management	Comm. and Supportive Services	MWBE and Sec. 3	Financial Capacity	Section 202 Experience	Total
Maximum Points	40	15	5	5	15	20	100
Average points							
American Baptist Homes of the West	39	14.75	4.5	5	15	18	96.25
Low Income Housing Institute	33.75	12.5	4.5	4.75	13.	16.25	84.75

**Development team (total possible points 40)**

Average ABHOW Score: 39

Average LIHI Score: 33.75

American Baptist Homes of the West (ABHOW) was established in 1949 to provide housing for seniors. Senior housing has been their focus for the past 57 years. They develop both affordable housing for seniors below 50% of AMI and Continuing Care Retirement Communities (CCRC) for upper income seniors. The majority of their experience is in the State of California. However, they do have two projects in Washington; Harbor View Manor in Tacoma and Judson Park. The former is an affordable development and the latter is one of their CCRCs. They have 18 affordable housing communities and 12 CCRCs. In total they have 4,500 elderly residents. Of the eighteen communities, 6 are Section 202 developments. The two main staff working on this project each have more than 20 years experience working on Section 202 projects and other federally subsidized housing programs. The third party consultants identified in the proposal are well qualified and have done similar projects in the past.

ABHOW has hired Beacon Development Group (Beacon) to act as a development consultant. As Beacon is located in Seattle, they are familiar with the local programs and resources available in the State of Washington. Beacon has a good track record of obtaining funding from the various public funders. Beacon and ABHOW have worked together for the past six years on several projects.

LIHI has been doing affordable housing development since 1991. They have developed more than 3,000 housing units for low-income families and individuals. As an owner/manager LIHI currently owns 48 properties containing more than 1,600 housing units, of which over 534 are dedicated to elderly persons and those with disabilities. LIHI was awarded two HUD Section 202 awards in the past three years. One of these projects is currently operational, the other is still under development. To date, LIHI has developed seven senior housing projects.

**Property Management: (total possible points 15)**

ABHOW average score: 14.75

LIHI average score: 12.5

ABHOW manages more than fifteen senior facilities. This is a combination of affordable housing and CCRC communities. This includes Harbor View Manor, located in Tacoma and Judson Terrace Homes in Des Moines (WA). ABHOW employs a professional maintenance director to train and monitor on-site maintenance staff. Resident managers are trained in an on-going fashion. ABHOW has received excellent REAC scores (90s and 100).

ABHOW commits to at least three staff on site including resident manager, administrative, clerical, maintenance staff and supportive services coordinator (and security if needed) All of ABHOW's property management staff meet quarterly to review property management issues, receive in-house training and establish and refine company management policies.

LIHI manages 39 affordable housing developments. LIHI has committed three dedicated staff to this project: A Resident Manager who lives on site; a Program Coordinator manager who is responsible for management and maintenance and who assists tenants with rental and HUD compliance issues; and a Service Coordinator who serves as an advocate and information source for residents.

**Community and supportive services plan: (total points 5)**

ABHOW average score 4.5

LIHI average score 4.5

ABHOW presented a detailed approach to their community and supportive services plan. They showed good understanding and knowledge of the resources available in the Tacoma community. It is evident that they are accustomed to working with this population.

LIHI presented a general plan for their supportive services. LIHI exhibited thorough knowledge of the range of resources available in the community.

**MWBE & Section 3: (total points 5)**

ABHOW average score: 5

LIHI average score: 4.75

Both ABHOW and LIHI have committed to complying with THA's goals for contracting the work associated with the development to firms owned by persons of color and women and filling new positions created by the construction with Salishan residents, persons who were displaced from Salishan, persons living in THA's other communities and other low-income persons in the City of Tacoma. Each developer outlined a plan that it would follow to achieve the MWBE and Section 3 goals.

**Financial capacity: (total points 15)**

ABHOW average score: 15

LIHI average score: 13

Both ABHOW and LIHI are financially strong organizations.

ABHOW's FY 2005 audit shows that the organization has \$278 million in total assets of which \$91.5 are current assets and \$12 million are in cash or cash equivalents.

LIHI's FY 2005 audit shows that the organization has \$49.5 million in total assets of which \$4.7 are in current assets and \$1.4 are cash and cash equivalents.

**Section 202 experience: (total points 20)**

ABHOW average score: 18

LIHI average score: 16.25

ABHOW has been awarded 6 HUD Section 202 projects to date. ABHOW has a strong record of obtaining financing for their projects.

LIHI has been awarded 2 HUD Section 202 awards. LIHI has a strong record of securing financing for their developments.

**Recommendation**

Approve resolution 2007-01-24(1) authorizing the Executive Director to negotiate and execute an agreement with American Baptist Homes of the West for the lease of the land for the Section 202 Senior Housing development in Area 2A of Salishan.



# TACOMA HOUSING AUTHORITY

## RESOLUTION 2007-1-24(1)

### TAX CREDIT INVESTOR SELECTION FOR SALISHAN FOUR

**Whereas,** The Housing Authority of the City of Tacoma (THA) issued an RFP on November 27, 2006 soliciting proposals for a Section 202 developer in Area 2A of Salishan;

**Whereas,** The timely advertisements for bids were placed in the following publications and dates;

Morning News Tribune	11/29/06, 12/2/06, 12/6/06
Tacoma Daily Index	11/29/06, 12/4/06, 12/6/06
Seattle Daily Journal of Commerce	11/29/06, 12/2/06
The Olympian	11/30/06, 12/7/06
The Skanner	11/29/06, 12/6/06
The Portland Observer	11/29/06, 12/6/06

**Whereas,** Two developers presented proposals;

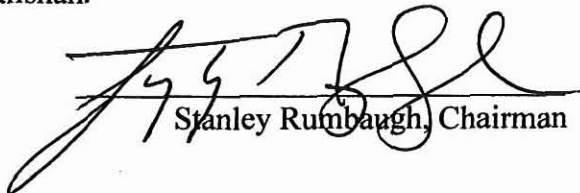
**Whereas,** The proposals were evaluated using the criteria outlined in the Request for Proposals;

**Whereas,** American Baptist Homes of the West was the highest ranking respondent;

**Resolved by the Board of Commissioners of the Housing Authority of the City of Tacoma, Washington, that**

1. The Executive Director has the authority to negotiate and execute a Lease Agreement with American Baptist Homes of the West for the land for the Section 202 Senior Housing development in Area 2A of Salishan.

**Approved:** January 24, 2007

  
Stanley Rumbaugh, Chairman

