



TACOMA HOUSING AUTHORITY

RESOLUTION 2007-02-28 (2)

DATE: February 28, 2007
TO: Board of Commissioners
FROM: Michael Mirra, Executive Director
RE: Authorization to Negotiate Modification 3 to the Construction Manager/General Contractor Services Contract with Walsh Construction for Salishan Hope VI Redevelopment Phases II & III – Salishan 4 10% Spend down

Background

On August 23, 2006, the Board of Commissioners approved Resolution 2006-8-23 (1) giving the Executive Director the authority to negotiate the contract for the Construction Manager/General Contractor (CM/GC) Contract for Salishan HOPE VI Redevelopment Phase II & III with Walsh Construction. The resolution authorized the Executive Director to award the contract in phases through modifications to the Predevelopment Services Agreement. The Resolution also authorized the Executive Director to negotiate and execute the Preconstruction Services agreement and the first modification to the agreement for the FICA Tenant Improvements/Addition. On October 25, 2006, the Board of Commissioners approved Resolution 2006-10-25 (1) giving the Executive Director the authority to negotiate and execute the second modification to the Contract for Demolition. SJR

The Tax Credit funding for Salishan 4 (90 units) requires the Authority to spend 10% of the total cost for the project by June 30, 2007. Salishan 4 construction is scheduled to start in August 2007. In order to meet this spend down requirement it is necessary that the CM/GC begin procurement of building materials in the amount not to exceed \$2,000,000.

At this time staff is requesting the approval to award third modification to the CM/GC contract for Salishan 4 for 10% spend down in an amount not to exceed of \$2,000,000.

Recommendation

Approve Resolution 2007-02-28 (2) authorizing the Executive Director to negotiate and execute the third modification to the GC/CM Contract for Salishan HOPE VI Redevelopment Phase II & III with Walsh Construction for Salishan 4 - 10% spend down in an amount not to exceed of \$2,000,000. SJR



TACOMA HOUSING AUTHORITY

RESOLUTION 2007-02-28 (2)

**CONSTRUCTION MANAGER/GENERAL CONTRACTOR SERVICES
SALISHAN HOPE VI REDEVELOPMENT PHASE II AND PHASE III
MODIFICATION 3 SALISHAN 4 - 10% SPENDDOWN**

Whereas, Resolution 2006-08-23 (1) authorized the Executive Director the authority to negotiate and execute the contract for the Construction Manager/General Contractor for Salishan HOPE VI Redevelopment Phase II & III with Walsh Construction;

Whereas, The Resolution authorized the Executive Director to award the contract in phases through amendments (modifications) to the Predevelopment Services Agreement;

Whereas, The Resolution also authorized the Executive Director to negotiate and execute the Preconstruction Services agreement and the first modification to the agreement for the FICA Tenant Improvements/Addition;

Whereas, Resolution 2006-10-25 (1) authorized the Executive Director the authority to negotiate and execute Modification 2 to the agreement for the Demolition of Phase 2;

Whereas, The Authority has developed a preliminary budget of \$58 Million for Phase II for the project;

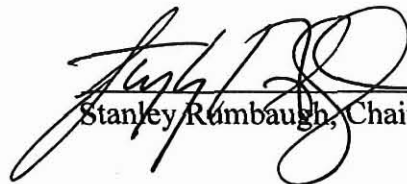
Whereas, The project will be funded through a mix of financing strategies including Capital Funds, HOPE VI, Equity contributions and Construction Loans; and

Whereas, The Tax Credit funding for Salishan 4 (90 units) requires the Authority to spend 10% of the total cost for the project by June 30, 2007.

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

1. The Executive Director has the authority to negotiate and execute the third modification to the Contract for Construction Manager/General Contractor for Salishan HOPE VI Redevelopment Phase II & III with Walsh Construction for Salishan 4 - 10% Spend down in an amount not to exceed of \$2,000,000.

Approved: February 28, 2007


Stanley Rumbaugh, Chairman