



# TACOMA HOUSING AUTHORITY

## RESOLUTION 2019-04-24 (1)

**Date:** April 24, 2019  
**To:** THA Board of Commissioners  
**From:** Michael Mirra  
Executive Director  
**Re:** Real Estate Development Financial Advisors

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*This Resolution would authorize Tacoma Housing Authority's (THA) Executive Director to negotiate and execute separate contracts for financial advisor services with the firms of Community Economics and CSG Advisors, each for an annual not-to-exceed amount of \$200,000.*

### Background

On March 1, 2019, THA staff issued a Request for Proposals (RFQ) for firms interested in providing Financial Advisor (FA) services to support THA's real estate development and asset management activities. We seek a few firms to have on-call as we need their services.

THA currently has a contract with JH Brawner from a 2016 solicitation. In 2016 two firms were selected for the financial advisor roster - Brawner and CSG. The contract terms under the 2016 procurement were for an initial three (3)-year term with the potential for two (2) twelve (12) month extensions. An initial contract was signed with both Brawner and CSG. Extensions were executed with Brawner. The current contract with Brawner expires in August 2021.

Due to the extensive real estate development pipeline, staff is making some changes to be more cost effective and responsive to current projects and emerging opportunities. The first change is to increase the internal capacity to complete financial analyses with THA staff. To that end, Real Estate Development (RED) received approval to hire a Development Analyst. This person will assist the project managers with preparing various proformas, development scenarios and compiling funding and financing applications.

Expanding this capacity will allow staff to use financial advisors more strategically, which will decrease the amount being spent on financial consulting. This work would include more advisory, strategic thinking and technical components (i.e., reviewing tax credit calculations and assumptions; more detailed Internal Rate of Return calculations for investors/lenders; procurement of investors & lenders; and, tracking national trends). The contract terms for the firms being added to the roster, will

align with the expiration of the Brawner contract (August 2021). Adding firms to the roster will bring in a broader range of experience and tailor the services to best meet the needs of individual projects.

We posted the Request for Proposals on Washington Electronic Business Solutions, (WEBS) and THA's website on March 1, 2019.

Three (3) firms responded to the RFQ by the date of March 25, 2019. All three proposals were responsive and responsible. A review team comprising of five THA staff (3 RED, 1 Finance, 1 Asset Management) reviewed and scored the proposals. The results are as follows:

Firm	Panelist 1					Panelist 2					Panelist 3					Panelist 4					Panelist 5					Average				
	1	2	3	4	T	1	2	3	4	T	1	2	3	4	T	1	2	3	4	T	1	2	3	4	T	1	2	3	4	T
Community	23	22	21	23	89	23	23	24	0	70	23	23	23	25	94	25	25	23	20	93	25	22	22	25	94	24	23	23	19	88
Concourse	19	19	19	24	81	20	20	15	0	55	20	20	20	15	75	20	20	19	20	79	20	20	20	15	75	20	20	19	15	73
CSG	24	25	21	22	94	25	20	25	0	70	25	25	25	20	95	25	25	25	23	98	25	25	25	22	97	25	24	24	17	90

Scoring point 1 is General Expertise or Attributes

Scoring point 2 is Specific Qualifications

Scoring point 3 is General approach to projects

Scoring point 4 is Fee for Services

### Recommendation

Based on the above scores, staff recommends awarding contracts to the firms of Community Economics and CSG Advisors. Each contract will be in the annual NOT-to-Exceed amount of \$200,000 with an initial twenty-seven (27) month contract to bring these contracts in line with our existing contract for financial advising services with JH Brawner.



# TACOMA HOUSING AUTHORITY

## **RESOLUTION 2019-04-24 (1)** **(THA's Roster of Financial Consultants)**

A **RESOLUTION** of the Board of Commissioners of the Housing Authority of the City of Tacoma

**WHEREAS**, On March 1, 2019, Tacoma Housing Authority (THA) staff issued a Request for Proposals (RFP) from firms interested to provide Financial Advisor Service for THA's Real Estate Development and Asset Management; and

**WHEREAS**, The RFP was posted on the Washington Electronic Business Solutions and THA's websites on March 1, 2019; and

**WHEREAS**, Three firms submitted proposals by the deadline of March 25, 2019, all were deemed responsive and responsible; and

**WHEREAS**, An evaluation team, comprised of five (5) THA staff reviewed and scored the proposals according to evaluation criteria listed in the RFP; and

**WHEREAS**, The evaluation team voted unanimously in favor of awarding contracts to the firms of Community Economics and CSG Advisors; now, therefore, be it

***Resolved by the Board of Commissioners of the Housing Authority of the City of Tacoma, Washington as follows:***

THA's Executive Director is authorized to negotiate, and if those negotiations are successful, to execute separate contracts for the finance advising services with Community Economics and CSG Advisors each for an annual not to exceed amount of up to \$200,000. Each will have a twenty-seven (27) month term.

**Approved: April 24, 2019**

  
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Dr. Minh-Anh Hodge, Chair