



TACOMA HOUSING AUTHORITY

RESOLUTION 2015-5-27 (7)

Date: May 27, 2015
To: THA Board of Commissioners
From: Michael Mirra, Executive Director
Re: Brawner & Company, Financial Advisor Services

Background

THA contracts with Brawner & Company for financial services. The initial contract was for is \$200,000. The board increased it once to \$400,000. This resolution would add \$250,000 to the contract amount for a total of \$650,000.

THA entered into a contract with Brawner & Company to provide financial assistance on mixed finance real estate development, the Rental Assistance Demonstration (RAD) conversion, and for asset management transactions. The initial agreement was \$200,000. THA quickly expended this amount on Bay Terrace Phase II and the initial RAD conversion analysis. On April 22, 2015, the Board of Commissioners passed Resolution 2015-4-22 (2) adding \$200,000 to advise THA on mixed financial real estate development, specifically the RAD conversion. THA has expended that amount as well:

Current Contract Obligations

LOE - Bay Terrace Phase 2	\$65,000.00
LOE - RAD Conversion Traditional	\$87,000.00
LOE - RAD Conversion Tax Credit	\$45,000.00
LOE - RAD Conversion Traditional -AMENDED	\$142,000.00
LOE - RAD Conversion Tax Credit -AMENDED	\$61,000.00
Total	\$400,000.00

THA needs more services from Brawner & Company. These include the predevelopment and pre-construction analysis of Hilltop Lofts, Dixon Village in-fill, and the exit requirement for the New Look Apartments and the analysis of the end of compliance buy out of our tax credit properties. Staff has also requested that Brawner create a financial analysis tool for staff to use for comparative financial feasibility for new and emerging projects.

Recommendation

Approve Resolution No. 2015-5-27 (7) authorizing the amendment to the Brawner & Company contract to allow the contracting officer to increase the December 29, 2014, contract by \$250,000 not-to-exceed \$650,000.00.



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RESOLUTION 2015-5-27 (7)

Brawner & Company, Financial Advisor Services: Contract Amendment

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

Whereas, THA owns and manages and develops affordable rental housing in Tacoma;

Whereas, THA is committed to developing additional residential housing in Tacoma to meet THA and community goals and needs;

Whereas, THA financial feasibility and predevelopment are important tasks to be completed for all new development, acquisition and redevelopment projects;

Whereas, Brawner & Company was selected through a competitive process to provide financial feasibility and real estate development and redevelopment services; and,

Whereas, predevelopment costs are repaid when projects are completed.

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

Authorizes the Executive Director or his designee, in the role of contracting officer to amend the contract with Brawner & Company by \$250,000 to a not to exceed amount of \$650,000, allowing for the completion of additional new development, redevelopment, and acquisition transactions related to meeting THA's goal to expand the supply of affordable housing in Tacoma.

Approved: May 27, 2015



Stanley Rumbaugh, Chair