



HOUSTON
HOUSING AUTHORITY

Transforming Lives & Communities

RESOLUTION NO. 3565

At the meeting of the Houston Housing Authority Board of Commissioners, **November 15, 2022**, the following resolution was moved (with an amendment to exclude Choice Neighborhood) by **Stephanie Ballard** and seconded by **Kristy Kirkendoll**:

Resolution: That the Houston Housing Authority Board of Commissioners authorizes the President & CEO or designee to negotiate and execute a contract to Betco and EJP Consulting for Development Consulting Services in the amount not to exceed \$400,000 annually, and make any necessary changes or corrections, pursuant to the memorandum from Jay Mason, Director of REID, dated October 30, 2022, to David A. Northern, Sr., President & CEO.

A true and accurate copy of the vote is listed below, and a true and correct copy of the Resolution that was approved is attached hereto.

| Name | Aye | No | Abstain | Name | Aye | No | Abstain |
|---------------------------|-------------------------------------|--------------------------|--------------------------|---------------------|-------------------------------------|--------------------------|--------------------------|
| L. Snowden, Chair | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <i>G. Hernandez</i> | <i>Resigned</i> | | |
| K. Kirkendoll, Vice Chair | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | A. Cooksey | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| K. Thomas* | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | S. Ballard | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| M. Miller | <input checked="" type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | | | | |

***Absent: K. Thomas**

DocuSigned by:
David A. Northern, Sr.
9E0B1D8C1AF04AA

(SEAL)



David A. Northern, Sr., Secretary
HHA Board of Commissioners



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REQUEST FOR BOARD AGENDA ITEM

1. Brief Description of Proposed Item

Consideration and/or take action to authorize the President & CEO or designee to award the Contract to Betco and EJP Consulting for Development Consulting Services.

2. Date of Board Meeting: November 15, 2022

3. Proposed Board Resolution:

Resolution: That the Houston Housing Authority Board of Commissioners authorizes the President & CEO or designee to negotiate and execute a contract to Betco and EJP Consulting for Development Consulting Services in the amount not to exceed \$400,000 annually, and make any necessary changes or corrections, pursuant to the memorandum from Jay Mason, Director of REID, dated October 30, 2022, to David A. Northern, Sr., President & CEO.

4. Department Head Approval Signature DocuSigned by:
Jay Mason
FD1ADB0704F24F0 Date: 11/9/2022

5. Statement regarding availability of funds by CFO

Funds Budgeted and Available yes no Source _____
Account # _____

VP of Finance Approval Signature DocuSigned by:
Mike Rogers
35C87AD72707420 Date: 11/9/2022

6. Approval of President & CEO Signature DocuSigned by:
David A. Northern, Sr.
9E0B1D8C1AF04AA Date: 11/9/2022



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MEMORANDUM

TO: DAVID A. NORTHERN, SR., PRESIDENT & CEO
FROM: JAY MASON, DIRECTOR OF REID
SUBJECT: CONSIDERATION AND/OR TAKE ACTION TO AUTHORIZE THE PRESIDENT & CEO OR DESIGNEE TO AWARD THE CONTRACT TO BETCO AND EJP CONSULTING FOR DEVELOPMENT CONSULTING SERVICES.
DATE: OCTOBER 30, 2022

This memorandum recommends that the Houston Housing Authority Board of Commissioners authorizes the President & CEO to Award a contract to Betco and EJP Consulting for Development Consulting Services in the amount of \$400,000.00 annually.

BACKGROUND

HHA intends to execute a Development Consultant agreement for a three (3) year term and a 2-year option with an experienced Development Consultant (the "Consultant"), to which the Consultant will provide professional oversight for Real Estate Development not limited to:

1. Providing technical assistance, guidance, and structured training to HHA's staff to facilitate project plan development and execution of HHA's New Development/Redevelopment projects.
2. Work with the HHA's staff to complete a portfolio analysis/ physical needs assessment across our Public Housing properties to address our backlog of capital needs repairs.
3. Assisting HHA's staff in submitting funding applications, including but not limited to: Low Income Housing Tax Credits (LIHTC), Community Development Block Grant Funds (CDBG/CDBG-DR), HOME, Capital Fund Financing Program (CFFP), Affordable Housing Fund (AHP), Renewal Energy Tax Credits, and Historic Tax Credits; etc. Assist HHA in the preparation of submittals of Mixed-Finance Proposals.
4. Developing financial projections for each redevelopment scenario; financial projections should include a range of possible financing sources that will maximize the leverage of HHA Funds.
5. Assisting with the following:
 - Identification and utilization of a multitude of project financing options, with specific expertise regarding LIHTC, CFFP, CDBG, bond financing, and other HUD grant opportunities.
 - Determination of HHA's role in the development process.
 - Creation of development partner selection criteria and methodology and advising HHA throughout the development process as needed.

Resolution No. 3565

- Solicitation and selection of developer(s), financial partner(s), and other partners, including, but not limited to, lenders, equity providers, architects, engineers, and planners. Assist HHA in procuring private development partner(s) and negotiating agreements with them. Provide technical assistance to HHA staff when working with development partner(s), development negotiating developer partner agreements, fees, and expense reimbursements.
6. Assisting HHA with the necessary HUD processes and submittals, including, but not limited to, acquisition and disposition applications to HUD's Special Application Center (SAC), FHA Financing applications, Mixed-Finance application(s), Project-Base of Section 8, etc.
 7. Preparing and assisting in maintaining a timeline for project implementation to include application deadlines and benchmarks concerning a project and consulting with HHA's authorized representative to update the schedule periodically.
 8. Being available throughout the redevelopment process to advise and guide HHA on the effective completion of the Development projects.
 9. Evaluating and providing expert advice to HHA staff regarding developer's pro forma, operating statements, and adequacy of reserves. Analyze the developer's proposed financing strategy and structure as it relates to public housing and mixed-finance regulations and policies to ensure that there are no statutory and/or regulatory incompatibilities. Provide technical assistance regarding structuring HHA's ownership interests.
 10. Obtaining demographic and housing market analysis to the extent necessary to support HHA regarding community and market conditions as it concerns uses and other neighborhood improvements to maximize the highest and best use of Development projects.
 11. Providing other support activities for each of the following development phases; Strategic Planning, Predevelopment, Development, Construction, Lease and Operations, Project Completion, and Construction Close-Out.
 12. Conduct staff training in:
 - Project development and analysis, including pro forma creation and analysis, LIHTC, other financing tools as appropriate, project management, and development tracking. Provide and produce necessary materials as it relates to each project assignment.
 - Development activities and other related activities may arise from time to time at the direction of HHA.

Request for Proposal (RFP) #22-41 was advertised on August 9, 2022, to solicit proposals from professional Development Consultants. The general scope of work includes providing real estate development services. The RFP was made available to interested professionals via an advertisement in local newspapers, the HHA website, and the State of Texas website. The RFP submittal due date was 2 p.m. August 25, 2022, and HHA received three (3) proposals.

EVALUATION PROCESS

| Evaluation/Selection Criteria | Maximum Points |
|---|----------------|
| 1. Company Profile | 10 |
| 2. Organizational Experience | 25 |
| 3. Customer References | 10 |
| 4. Personnel Qualifications | 15 |
| 5. Project Plan/Methodology | 10 |
| 6. Fees | 40 |
| 7. Cost Control | 30 |
| 8. Compliance with HHA's Section 3 Policy | 10 |
| Total Points Possible | 150 |

Three (3) firms listed below submitted proposals:

| | Name of Offeror | Avg. Rating | MWBE |
|---|-----------------|-------------|-------|
| 1 | BETCO | 135 | WBE |
| 2 | EJP Consulting | 113 | M/WBE |
| 3 | TAG Associates | 104 | N/A |

All submittals were reviewed, evaluated, and ranked by Martha Gomez, Senior Community Development Coordinator, James Williams, Senior Community Development Coordinator, and Jay Mason, Director of REID. The most responsive and responsible firm(s) whose qualifications, capacity, methodology, and past experience are deemed most advantageous to the HHA will be invited to enter into fee negotiations and contract award, beginning with the highest-scoring respondent.

All submittals were evaluated and ranked. Each firm submitted all the required documents; has satisfactorily completed similar Development consultant projects. The selected firm has extensive experience, local expertise, and acceptable scoring; we recommend negotiating with the highest-scoring respondent Betco with a score of 135, and EJP was second, with a score of 113. The two highest scoring respondents, Betco & EJP Consulting, will be invited to enter into discussions to refine the scope of work and negotiate fees, as needed. Contract will be awarded to the firm whose price and other factors are deemed most advantageous to the Authority.

Betco and EJP Consulting is not on HUD's debarment list, and there are no conflicts of interest. Betco and EJP Consulting following references were checked and found to be acceptable: Robert L. Reyna (ED Beaumont HA), Ismael Guerrero (ED Denver HA), Deyna Sims (Director Development Galveston HA). Bryant Enterprises is EJP Consultant's minority partner.

RECOMMENDATION

Resolution: That the Houston Housing Authority Board of Commissioners authorizes the President & CEO or designee to negotiate and execute a contract to Betco and EJP Consulting for Development Consulting Services in the amount not to exceed \$400,000 annually, and make any necessary changes or corrections, pursuant to the memorandum from Jay Mason, Director of REID, dated October 30, 2022, to David A. Northern, Sr., President & CEO.