

RESOLUTION NO. 162-99
(Adopted October 26, 1999)

AUTHORIZING EXECUTION OF PERSONAL SERVICES CONTRACTS IN A TOTAL AMOUNT NOT TO EXCEED \$250,000 WITH THE CALIFORNIA HOUSING PARTNERSHIP, COMMUNITY ECONOMICS, CSG ADVISORS, DEVINE & GONG, AND THE TELESIS CORPORATION, FOR FINANCIAL CONSULTING SERVICES ON AN AS-NEEDED BASIS CITY-WIDE; AS PART OF THE AGENCY'S HOUSING PRESERVATION PROGRAM

BASIS FOR RESOLUTION

1. The expiration of project-based Section 8 contracts poses a serious threat to San Francisco's affordable housing stock. Many of the housing developments with expiring Section 8 Contracts are located in Redevelopment Project Areas.
2. There is a compelling need for the Agency to seek the assistance of financial consultants in both research and financial planning for the purchase of these at-risk housing developments from their profit-motivated owners. The status of the Section 8 program is changing and evolving, and owners are considering actions that could possibly result in the loss of this affordable housing. The Agency is seeking to facilitate the sale of such developments to new owners who would commit to their continued long-term affordability.
3. On August 9, 1999, the Agency issued a Request for Qualifications for Financial/Development Consulting Services for HUD-Assisted Housing Preservation Efforts. By the deadline of September 3, 1999, five organizations submitted Statements of Qualifications in response. All five organizations were determined by Agency staff to be qualified.
4. Each of the respondents: the California Housing Partnership, Community Economics, CSG Advisors, Devine & Gong, and The Telesis Corporation have been providing consulting services to both public and private organizations on planning and completing purchase transactions designed to preserve the affordability of developments with expiring Section 8 contracts for a number of years.
5. The Agency desires to create a Financial Services Panel for Preservation consisting of all five of the above-mentioned organizations to provide advisory services on an open contract, "as-needed" basis for Agency activities related to the preservation of HUD-assisted affordable housing.
6. The Agency's Housing Program budget includes enough money to fund these consultants' services for 1999-2000.

bonds in an amount not to exceed \$6,500,000 to provide financing to the Developer for the Project in the form of construction and/or permanent loans.

2. This expression of intent does not give the Developer any claim or rights against the Agency or any entitlement to the financing described above. The failure of the Agency to provide such financing, for any reason whatsoever or for no reason, shall not create any liability of the Agency to the Developer. Nevertheless, the Agency acknowledges that the possible availability of financing from the Agency is an inducement to the Developer to undertake the Project in the manner described to the Agency.

3. The Executive Director, Treasurer, Secretary and Assistant Secretaries, Agency General Counsel, Deputy General Counsel and other officers are authorized to execute and deliver any and all documents and to take any and all other actions necessary to consummate the transactions described in this Resolution; including making application to the California Debt Limit Allocation Committee, paying application fees and posting any required performance deposit; and the execution and delivery of any such document, fee or deposit shall be conclusive evidence of its approval.

APPROVED AS TO FORM:



Robert A. Firehock
Acting Agency General Counsel