

Metropolitan Transportation Commission Administration Committee

July 14, 2021

Agenda Item 3a - 21-0884

Contract – Expanded Regional Housing Portfolio and Bay Area Housing Finance Authority Business Plan: Forsyth Street Advisors LLC (\$500,000)

Subject: Staff requests the Committee’s approval to enter into a contract with Forsyth Street Advisors LLC in an amount not to exceed \$500,000 for the Expanded Regional Housing Portfolio and Bay Area Housing Finance Authority (BAHFA) Business Plan for the term of August 1, 2021 through February 28, 2023.

Background: In June 2020, the Commission and the ABAG Executive Board approved an initial strategic framework for an Expanded Regional Housing Portfolio to deepen the inter-agency partnership on housing issues, in part catalyzed by the launch of BAHFA. The framework established a work plan that included as a near-term step the procurement of consultant services for a Business Plan to evaluate large-scale future housing activities enabled by potentially significant future capital revenue, including from a regional ballot measure. The Business Plan will serve as a roadmap for creative yet sustainable activities with an emphasis on achieving equitable housing outcomes, developing innovative financing options, and identifying the staffing structures necessary to support the recommended activities.

Procurement Process: On February 10, 2021, MTC issued a Request for Proposal (RFP) for the Expanded Regional Housing Portfolio and Bay Area Housing Finance Authority Business Plan Consulting Services. The RFP was posted on MTC’s website and an email advertising the opportunity was sent to 3,859 firms and individuals. On March 3, 2021, MTC hosted a virtual Proposers’ Conference that was attended by 30 firms and individuals.

On the closing date for responses on April 15, 2021, MTC received three qualified proposals from Forsyth Street Advisors LLC, HR&A Advisors, Inc., and LeSar Development Consultants. Each proposal was supported by a team of subconsultants. The proposals were evaluated by a panel of MTC staff and representatives from Enterprise Community Partners, Public Advocates, and the San Francisco Housing Accelerator Fund against the following evaluation criteria:

- Understanding and Approach to completing the Project (40%)
- Qualifications and Experience (35%)
- Cost Effectiveness, including reasonableness of hourly rates and resource allocation (20%)

- Presentation, as evidenced by written and oral communication skills demonstrated in the written response to the RFP and in-person interviews, if applicable (5%)

The MTC SBE Program was applied in this procurement. Pursuant to the SBE Program, after the final evaluation panel review, each proposer's completed Small Business Enterprise (SBE) Program Form was reviewed to verify responsiveness and confirm their eligibility. Two of the three proposers requested an SBE Preference: Forsyth Street Advisors LLC committed to 25% participation and received a 5 point preference, and LeSar Development Consultants committed to 61% participation and received a 10 point preference.

After a thorough review of the proposals and interviews with all three teams of proposers, the evaluation panel unanimously recommended the selection of Forsyth Street Advisors LLC for the project, with the firm receiving 98.6 points (93.6 evaluation points and an additional 5 points for committing to 25% SBE participation) out of a maximum of 110 points.

The following table shows the collective final score average of the three proposers based on their proposals, interviews and the SBE preference:

Rank	Supplier	Total	Evaluation Panel Score	SBE Preference
		/ 110 pts	/ 100 pts	/ 10 pts
1	Forsyth Street Advisors	98.6	93.6	5
2	LeSar Development Consultants	86	76	10
3	HR&A Advisors	78.6	78.6	0

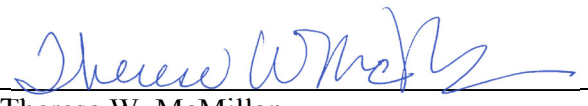
The evaluation panel is confident that the team led by Forsyth Street Advisors will meet MTC's expectations for the Expanded Regional Housing Portfolio and the BAHFA Business Plan. The panel identified a number of strengths in Forsyth Street Advisors' proposal that led to its recommendation, including Forsyth's clear understanding of the project and desired outcomes, the team's depth of experience with housing equity issues in the Bay Area, and the team's detailed approach to ensuring that the Business Plan transitions seamlessly into actionable programs. The team has completed similar tasks in the Bay Area and across the country,

including developing specialized impact-oriented housing funds targeted to expanding social and racial equity.

Issues: None.

Recommendation: Staff recommends that the Committee authorize the Executive Director or designee to negotiate and enter into a contract with Forsyth Street Advisors LLC in an amount not to exceed \$500,000 for consultant services for the Expanded Regional Housing Portfolio and Bay Area Housing Finance Authority Business Plan for the term of August 1, 2021 through February 28, 2023.

Attachments: Attachment A: Contractor DBE and SBE Status
Request for Committee Approval – Summary of Proposed Contract


Therese W. McMillan

Attachment A

Small Business and Disadvantaged Business Enterprise Status

			DBE* Firm			SBE** Firm		
	Firm Name	Role on Project	Yes	If Yes List #	No	Yes	Certifying Agency	No
Prime Contractor	Forsyth Street Advisors	Prime			X			X
Subcontractor	Bonnewit Development Services	Project Management			X	X	Alameda SLEB Program	
Subcontractor	Strategic Economics	Financial Analysis	X	33062		X	DGS	
Subcontractor	Sperry Capital	Financial/Technical Consulting			X	X	DGS	
Subcontractor	Othering & Belonging Institute	Equity Framework			X			X
Subcontractor	Turner Housing Innovation Labs	Steering Committee			X			X
Subcontractor	cFx Incorporated	HFA Revenue Analysis			X			X
Subcontractor	Ernst & Young	Steering Committee			X			X
Subcontractor	Renne Public Law Group	Legal & Policy			X			X
Subcontractor	Orrick	Bond Counsel			X			X
Prime Contractor	HR&A Advisors	Prime			X			X
Subcontractor	CSG Advisors	Funding Tools and Capitol Strategy			X			X
Subcontractor	Estolano Advisors	Equity Framework and Stakeholder Engagement	X	42483		X	DGS	
Prime Contractor	Lesar Development Consultants	Prime			X	X	DGS	
Subcontractor	Housing Trust of Silicon Valley	Tasks 1, 3, 4, 5			X			X
Subcontractor	Orrick	Tasks 3, 4, 5			X			X
Subcontractor	Mosaic Urban Development	Tasks 1 - 5			X	X	DGS	
Subcontractor	PerryCreek Capital Strategies	Tasks 1, 3, 4, 5			X			X
Subcontractor	TransForm	Tasks 1, 2, 3, 5						X
Subcontractor	Turner Housing Innovation Labs	Tasks 1, 3, 4, 5			X			X

REQUEST FOR COMMITTEE APPROVAL

Summary of Proposed Contract

Work Item No.:	1615
Consultant:	Forsyth Street Advisors LLC New York, NY
Work Project Title:	Expanded Regional Housing Portfolio and Bay Area Housing Finance Authority Business Plan
Purpose of Project:	To address the Bay Area's housing crisis at scale and begin to deliver on bold regional housing outcomes.
Brief Scope of Work:	Develop an outcomes-driven Business Plan that articulates and integrates a strategic, equity-focused framework with corresponding measurable outcomes; identifies and designs innovative housing funding and financing tools; and develops effective operational structures for BAHFA and its integration within MTC and ABAG's Expanded Regional Housing Portfolio.
Project Cost Not to Exceed:	\$500,000
Funding Source:	State Regional Early Action Planning Grant (REAP) and private donation.
Fiscal Impact:	\$500,000 is included in the FY2021-22 MTC Budget
Motion by Committee:	That the Executive Director or designee is authorized to negotiate and enter into a contract with Forsyth Street Advisors LLC for the Expanded Regional Housing Portfolio and Bay Area Housing Finance Authority Business Plan as described above and in the Administration Committee Summary Sheet dated July 14, 2021 and the Chief Financial Officer is authorized to set aside \$500,000 for such contract.
Administration Committee:	<hr/> Federal D. Glover, Chair
Approved:	July 14, 2021