



City of Pflugerville

Legislation Text

File #: 2022-0120, **Version:** 1

Approving a Professional Services Agreement with Hayat Brown in the amount of \$336,551 for Financial and Transactional Advisor Services associated with the Downtown East Project, and authorizing the City Manager to execute the same.

This agenda item is a follow up to the December 14, 2021 City Council meeting, where City Council approved the selection of Hayat Brown for P3 Financial and Transactional Advisor Services associated with the Civic Center Project, now referred to as the Downtown East Project. The Public Private Partnership (P3) Financial and Transactional Advisor Services firm will assist the City with the evaluation of opportunities associated with the development of Downtown East that includes a city hall, recreation center and mixed-use development. The proposed project is planned to be located at the northwest corner of Pecan Street and FM 685.

The City of Pflugerville solicited requests for qualifications from firms for services associated with the evaluation of public private partnership (P3) opportunities for the development of the 29-acre tract at the northwest corner of FM 685 and E. Pecan Street. The City received nine (9) Statements of Qualifications (SOQs) on September 20, 2021 which were reviewed, scored, and ranked, based on the evaluation criteria in the RFQ. The City's Selection Committee determined the results of the SOQ scoring and ranking required interviews to further evaluate the team's experience and qualifications. Hayat Brown was selected as the most qualified firm.

Expenditures supporting the Downtown East project were not included in the adopted budget for Fiscal Year 2022 (FY22). Creation of TIRZ 2 could include reimbursement to the General Fund within the forthcoming TIRZ Project and Finance Plan if adopted by Council. The current funding source would be fund balance and will required a budget amendment this fiscal year.

This proposal covers services to ensure the City pursues a realistic deal with a qualified developer that is financially viable for the City. Hayat Brown will assist the City with public outreach, financial analysis, development of conceptual plans for procurement documents, development of a transaction structure and developer solicitation development, evaluation of proposals received and negotiation of contracts with the developer. Hayat Brown will directly coordinate with AGCM, the City's City Hall Owner's Representative, and ECM, the City Recreational Center Owner's Representative. They will be responsible for investigating public private partnership opportunities and other available financing mechanisms and partnerships that may be available to deliver a successful project. Additional agreements will follow once a development partner is brought on board. Hayat Brown's tasks will be as follows and support the other team members efforts as they unfold.

Task 1 - Kickoff and Visioning

Task 2 - Market Analysis, Valuation, and Development Gap Analysis

Task 3 - Conceptual Master Plan and Entitlements

Task 4 - Transaction Structure

Task 5 - Solicitation Development / Pre-Solicitation Activities

- Task 6 - Proposal Evaluation - Step 1
- Task 7 - Best and Final Offer Support and Partner Selection
- Task 8 - Negotiations and Closing
- Task 9 - Project Management and Approvals

Prior City Council Action

On December 14, 2021, City Council approved the selection of Hayat Brown for P3 Financial and Transactional Advisor Services and authorizing the City Manager to negotiate a professional services agreement for the same.

Deadline for City Council Action

Action is requested on February 8, 2022.

Funding Expected: Revenue Expenditure N/A

Budgeted Item: Yes No N/A

Amount: \$336,551

1295 Form Required? Yes No

Legal Review Required: N/A Required Date Completed: 2/3/2022

Supporting documents attached:

Professional Services Agreement

Recommended Action

Approve a Professional Services Agreement with Hayat Brown in the amount of \$336,551 for Financial and Transactional Advisor Services associated with the Downtown East Project and authorizing the City Manager to execute the same.