Seattle
Social Housing
Developer

419 Occidental Ave. S
Suite 403
Seattle, WA 98104

REQUEST FOR PROPOSAL
INVESTMENT BANKING SERVICES

Important Information:

- **Solicitation Issue Date:** Wednesday, November 11, 2026
- **Deadline for Questions:** Wednesday, November 18, 2026 Time: 2:00 pm pacific
- **Submittals/Proposals Due Date:** Tuesday, December 8, 2026 Time: 2:00 pm pacific
- **SSHD's Contact:** Bulent Ozdemir, Chief Financial Officer
- **E-Mail Address: bozdemir@seattlesocialhousing.org**
- **Direct phone: 206-677-1461**

The Seattle Social Housing Developer (SSHD), a Public Development Authority (PDA) organized under RCW 35.21.730, is seeking proposals from qualified investment banking firms for a proposed issuance of payroll tax revenue bonds for the purpose of financing SSHD's acquisition and construction of real estate assets. Visit SSHD's website at https://seattlesocialhousing.org/ for more information about SSHD.

Background

SSHD is a PDA focused on providing permanently affordable, publicly-owned housing to low- and middle-income Seattle residents who are rent-burdened households that cannot afford market-rate rents. SSHD was created in 2023 following voter approval of Initiative 135. Subsequently, voters in February 2025 approved Initiative 137, which created an excess compensation payroll tax (a Social Housing Tax) to expand access to affordable social housing in the City. In February 2026, the City Council approved an Interlocal Agreement transferring the tax receipts to SSHD to carry out this mission, including construction and acquisition of social housing, operation costs, maintenance costs, rehabilitation of acquisitions, making control investments in housing developments, and other functions as needed.

SSHD intends to leverage the tax receipts to raise funds to acquire, rehab, and/or construct new social housing. Securing leveraged debt is critical to SSHD in meeting its development pipeline goals. SSHD anticipates the acquisition and development of multiple multifamily residential properties. SSHD purchased its first 150-unit apartment building in June 2026 and plans for a second significant purchase in Q4 2026. SSHD has several other developments in the pipeline for 2027. With consideration of relevant legal and credit issues, as well as market conditions, SSHD will evaluate the ability to issue as much as $275 million in bonds as early as Q1 of calendar year 2027.

In the first year, the Social Housing Tax obligations totaled approximately $142.1 million, due from 220 businesses. Approximately 74.8% were due from the top ten percent of businesses paying the tax

obligations, and 67.6% are due from wholesale and retail trade, and information industries with North American Industrial Classification System (NAICS) codes of 42, 44-45, and 51. As of August, 31, 2026, all of such obligations have been transferred to SSHD. In addition, to such date, the City has also transferred $53 million for Q1 and Q2 2026 tax obligations.

Scope of Work

The selected investment banking firm will provide services leading to the successful pricing, issuance, and closing of the bond transaction, including tasks such as (but not limited to):

1. Coordinate with SSHD staff and Board, members of its financing team, including municipal advisor and counsel, and other relevant stakeholders.
2. Review and assist in preparation of documents and presentations, and preparing an investor presentation.
3. Provide analysis and recommendations relating to various financing and structuring options to secure the lowest interest rates for the proposed structure which optimizes SSHD's bond program.
4. Provide advice and assistance in the preparation of the official statement and other legal documents.
5. Present market intelligence and provide advice concerning structuring, including cost effective use of credit enhancement, and sizing of the transaction.
6. With SSHD's municipal advisor, develop a credit rating strategy to achieve the best rating outcome relative to the proposed legal structure and assist in the preparation of the credit presentation.
7. Market and underwrite the bonds to achieve the lowest all-in interest cost for SSHD for the final structure.
8. Provide detailed information on the results of SSHD's bond sale. The post-sale analysis should include information on primary and secondary market comparable transactions, as well as subscription levels and investors by maturity.

Winning Bid

Based on responses to Proposal Content listed below, SSHD will award based on a combination of the following criteria:

- Firm qualifications and experience;
- Proposed personnel;
- Credit, structuring & marketing considerations;
- Proposed underwriting fees.

Lowest projected fees will not be the sole criterion for selection. SSHD reserves the right to interview selected proposers or not, choose to hold follow-up calls, following receipt of written proposals at its sole discretion.

SSHD staff will evaluate proposals and score responses based on the Evaluation Criteria and metrics described in the table below:

Criterion Description	Maximum Number of Points
Firm qualifications	20
Personnel qualifications	20
Credit, structuring & marketing considerations	40
Proposed underwriting fees	20
Total	100

Disclosures & Certifications

It is the sole responsibility of the proposer to see that the proposal is received on time. SSHD reserves the right to reject or waive irregularities in any proposal or in the proposal procedure.

SSHD shall not be liable for any pre-contractual expenses incurred by proposers. Pre-contractual expenses include expenses incurred by the proposer in preparing its proposal, negotiating with SSHD or its representatives on any matter related to this request, and engaging in any activity prior to an award of contract.

The issuance of this request and receipt of proposals does not commit SSHD to select an investment banker for said purposes. SSHD reserves the right to not go forward with the proposed financing based on market conditions or other factors.

SSHD also reserves the right to change this submittal process, reject any and all proposals, select one or more senior manager, co-managers, or to negotiate terms with a proposer when such action is considered in its best interest. Submission of a proposal shall constitute acknowledgement and acceptance of all terms and conditions in this RFP.

By submitting a proposal, each proposer certifies that neither it, nor its principals, nor any subcontractors or key personnel proposed to perform work under any resulting contract, is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in covered transactions by any federal department or agency, or by the State of Washington. This certification is a material representation of fact. A false certification may be grounds for rejection of the proposal, termination of any resulting contract, and referral for legal proceedings.

Addressee for Proposal

Proposals shall be sent to the following:

- Bulent Ozdemir, Chief Financial Officer, Seattle Social Housing: bozdemir@seattlesocialhousing.org
- Scott Smith, Principal, CSG Advisors Incorporated: ssmith@csgadvisors.com
- Joanie Monaghan, Vice President, CSG Advisors Incorporated: jmonaghan@csgadvisors.com

Proposal Submittal Proposals shall be submitted in a single pdf file by email to the addressee above. Excluding exhibits, proposals shall not exceed 15 pages.

Proposal Content

I. Cover Letter — Introduction expressing willingness to serve as investment banking firm for the above-described bonds, executive summary for your proposal, and understanding of the disclosures and certifications required in this RFP.

II. Firm Background — Summarize the firm's background in public finance, and its capacity and willingness to commit capital to underwrite unsold bond balances.

III. Assigned Personnel — Brief resumes and office locations of the individuals with day-to-day assignment to the financing, including identity of the lead banker and underwriter (including location of the underwriting desk).

IV. Firm Experience — Provide a summary of your firm experience relevant to SSHD's mission, proposed bond program, and use of bond proceeds. Please include at least three case studies of bond issues in which the firm acted as sole or senior manager of similar scope or scale as contemplated by SSHD.

V. Credit, Structuring & Marketing Considerations

A. Discuss what you regard as the credit strengths and weaknesses of leveraging the payroll tax revenues as a sole stand-alone pledge of revenues. Describe any structuring recommendations or enhancements that may be considered by SSHD as part of its mission and bond program. How does your past experience inform your recommendations?

B. As relates to the response in item A. above, what would be your proposed rating agency strategy to promote SSHD's long-term mission.

C. As relates to the responses above, describe your proposed marketing plan for the financing. How would your firm position the bonds to most effectively reach the anticipated buyers?

VI. Proposed fees — Provide proposed fee schedules assuming bond issuances of 20- and 30-year maturities that produce (i) $275 million of net proceeds and (ii) $100 million of net proceeds,including the following breakdown:

A. Management fee – indicate if amount is based on size of issue or fixed;

B. Average Takedown – please also include a schedule of proposed takedowns by maturity;

C. Detailed breakdown of expenses, <u>excluding</u> Underwriter's Counsel Fee;

D. Assumed Underwriter's Counsel fee and indicate proposed firm and assigned personnel; (SSHD has engaged Orrick, Herrington & Sutcliffe LLP to serve as Bond and Disclosure Counsel, including preparation of the Official Statement).

The fee proposal should provide a gross spread for each category listed above with the cost expressed both in amount per $1,000 of bonds and total estimated amount in a tabular format.

Please indicate if the fee proposal with respect to management fee or takedown would change if the bonds were issued in different rating categories and/or significant differences in bond par amount.

Diversity

SSHD strongly encourages small businesses, minority business enterprises (MBEs), women business enterprises (WBEs), socially and economically disadvantaged businesses and veteran-owned businesses to submit proposals or to participate in this work as sub-consultants.

Public Records Act Disclosure

SSHD is a Public Development Authority subject to the Washington State Public Records Act, chapter 42.56 RCW. Submittals and proposals received in response to this solicitation, along with related evaluation and award records, are public records and may be subject to disclosure upon request following contract award. If a proposer believes any portion of its submittal constitutes confidential, proprietary, or trade secret information exempt from disclosure under RCW 42.56.270 or other applicable law, the proposer must clearly identify each such page or section with a conspicuous label (e.g., “CONFIDENTIAL”) and include a written explanation of the basis for the claimed exemption. SSHD will evaluate any such claims but cannot guarantee the confidentiality of any submitted materials. Proposers are encouraged to consult legal counsel regarding the scope of public records exemptions prior to submission.