



BAY AREA  
AIR QUALITY  
MANAGEMENT  
DISTRICT

April 21, 2010

Request for Proposals 2010-003

**REQUEST FOR PROPOSALS FOR  
COMMERCIAL REAL ESTATE BROKERAGE AND  
ADVISORY SERVICES**

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**KEY DATES**

|  |                |
|--|----------------|
| Issuance of Proposal:                  | April 21, 2010 |
| Deadline for Written Questions:        | May 03, 2010   |
| Final Proposal Submittal Date:         | May 12, 2010   |
| Screening and Evaluation of Proposals: | May 14, 2010   |
| Interviews:                            | May 20, 2010   |
| Consultant Selection:                  | May 25, 2010   |
| Award Contract:                        | June 14, 2010  |

**SECTION I – SUMMARY**

This Request for Proposals (RFP) is requesting proposals from qualified and California licensed commercial real estate brokerage firms, hereinafter referred to as proposers, with qualified personnel having previous experience in providing commercial real estate brokerage and advisory services of large scale property acquisition and sales for governmental and/or corporate clients.

To respond to this RFP, an interested company must submit three (3) complete copies of their material, including one unbound copy containing original signatures marked as “master copy.” This material must be delivered in a sealed package to:

Mary Ann Okpalaugo, Strategic Facilities Planning Manager  
Bay Area Air Quality Management District

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939 Ellis Street San Francisco, CA 94109

In addition to providing the paper copies described above, the company must provide one (1) electronic copy (in Microsoft Office or Adobe Acrobat format), either by enclosing a disc in the package described above, or by e-mailing the copy to [mokpalaugo@baaqmd.gov](mailto:mokpalaugo@baaqmd.gov).

**Proposals must be received at the Air District offices at  
939 Ellis Street, San Francisco, California, 94109 by 4:00 p.m. May 12, 2010.  
Late proposals will not be considered.**

Proposers must address all information requested in this RFP. A proposer may add information not requested in this RFP, but the information should be in addition to, not instead of, the requested information and format. Minority business enterprises, women's business enterprises, veteran's business enterprises, and Certified Green Businesses are encouraged to submit proposals. **Any questions regarding this RFP should be directed to Mary Ann Okpalaugo at: [mokpalaugo@baaqmd.gov](mailto:mokpalaugo@baaqmd.gov).**

## **SECTION II – BACKGROUND**

This Request for Proposals (RFP) is seeking proposals from qualified California-licensed real estate brokerage firms, capable of, and interested in, assisting the Bay Area Air Quality Management District (Air District) in exploring the feasibility of acquiring office space for a regional headquarters that would house the agency and, potentially, two other regional agencies. Central to this effort is a desire to find a "greener," more energy-efficient building that is better suited to the current needs of the agency, one that is located on or near a transportation hub, and one that can accommodate public meetings.

The Air District currently employs approximately 350 full time employees, about 200 of who work in the Air District headquarters office at 939 Ellis Street in San Francisco. The Air District owns this 116,000 SF building unencumbered by any outstanding debt. Other Air District employees, primarily air quality inspectors and staff who conduct air quality testing and monitoring, work out of small leased office spaces elsewhere within the nine-county Bay Area.

One potential solution for the agency is to lease or purchase an existing or new headquarters building in San Francisco or Oakland. Another possible solution is co-location with two other regional agencies, the Metropolitan Transportation Commission (MTC) and the Association of Bay Area Governments (ABAG). MTC currently employs 200 employees and ABAG currently employs 77 employees. The two agencies are partial owners, through a condominium ownership structure, of a 120,000 SF building at 101 Eighth Street in Oakland. There is no outstanding real estate debt on the property. Within this building, MTC occupies approximately 50,000 SF of space and ABAG occupies approximately 17,000 SF of space. The Air District, MTC and ABAG particularly wish to explore possible sites in San Francisco and Oakland, including the possibility of locating in or near the new Transbay Terminal building.

The Air District has completed a Phase I Analysis consisting of data gathering, visioning and goal setting. Phase II of this process is scenario development and master planning to include feasibility studies and preliminary cost/benefit evaluations.

## SECTION III – INSTRUCTIONS TO PROPOSERS

### A. General

1. All proposals must be made in accordance with the conditions of this RFP. Failure to address any of the requirements is grounds for rejection of this proposal.
2. All information should be complete, specific, and as concise as possible.
3. Proposals should include any additional information that the respondent deems pertinent to the understanding and evaluation of the bid.
4. The Air District may modify the RFP or issue supplementary information or guidelines during the proposal preparation period prior to the due date. Please check our website for updates.
5. Proposals shall constitute firm offers. Once submitted, proposals cannot be altered without the written consent of the Air District, but proposals may be withdrawn.
6. The Air District reserves the right to reject any and all proposals.
7. All questions must be in written form and directed to Mary Ann Okpalaugo and arrive no later than one week prior to RFP due date. All questions will be answered in writing and posted on the Air District RFP webpage at least (1) one week prior to the due date.
8. The cost for developing the proposal is the responsibility of the proposer, and shall not be chargeable to the Air District.

### B. Interviews

1. The Air District, at its option, may interview proposers for the purpose of clarifying the proposals.
2. Submittal of new proposal material at an interview will not be permitted.
3. Interviews may involve a presentation or a question-and-answer format or any combination of these.

## SECTION IV – SCOPE OF WORK

The Air District, MTC, and ABAG are requesting a variety of services to analyze options for potential office relocation, lease or sale of currently-owned real estate, and lease or purchase of new facilities. The selected broker/firm will provide the Air District assistance in the following areas and will prepare a report addressing each area. The report should present a unified strategy, with findings, options, and recommendations for making future occupancy decisions.

- A. Preliminary Facility Requirements/Programming:** Define the Air District, MTC, and ABAG's existing and desired facility objectives and requirements, including a comparison between the agencies of similarities and differences.

The evaluation to include, at a minimum:

- Space demand and use (i.e. functions, types, critical business processes),
- Workplace characteristics, standards, and other special requirements
- Design and facility image
- Environmental and sustainability goals
- Customer base
- Location criteria
- Sustainability and other environmental criteria
- Data and Telecommunications requirements
- Additional criteria proposed by broker

Additional criteria may be proposed by the broker. However, this scope of work will not require developing headcount growth projections, defining of workplace office size standards or optimal adjacency projections. Headcount growth assumptions and employee demographic information will be provided by the Air District, MTC and ABAG.

- B. Financial Strategy:** Develop alternative financial and transaction structure options that most readily address the Air District, MTC and ABAG's financial objectives, constraints and goals :

The strategy to include, at a minimum:

- Agency financial objectives and constraints
- Existing facility financial position, operational and capital expense projections.
- Economics of buying versus leasing
- Tax benefits and incentives
- Acquisition, Build-to-suit, or retro-fit existing facilities

- C. Market Research:** Provide detailed information on the available and future property opportunities in the San Francisco/Oakland market that meet the proposed facility and financial requirements. The report should also include options for the disposition of the existing facilities currently owned by Air District, MTC and ABAG.

- D. Next Steps and Project Schedule:** Develop a schedule of tasks and steps needed to transition the Agency from the exploration to real estate transaction phase.

- E. Report Presentation:** The selected firm will be required to present its Draft findings and recommendations to the Executive Management Staff to include; real estate scenario options, financial strategy options; options for existing facility; benefit/cost associated with options; recommendations and rationale for recommendations; and the strategy for achieving the facility requirements for presentation to the Air District, MTC and ABAG Executive Director(s) and for approval by the Governing Board(s).

## **SECTION V – PROPOSAL FORMAT, CONTENT, AND SUBMITTAL**

### **A. Contents of Proposal**

Submitted proposals must follow the format outlined below and include all requested information. Failure to submit proposals in the required format can result in the proposal being eliminated from evaluation and consideration.

1. Technical Proposal

- a. Cover Letter (Section I) – Must include the name, address, and telephone number of the company, a statement expressing the Proposer’s unequivocal commitment and ability to perform the services as described in this RFP as well as a statement to the availability of the lead Contact/Contract Manager and other key real estate professional(s) and support staff that will be assigned to the contract; a statement to the effect that the proposal is a firm and irrevocable offer; and must be signed by the person(s) authorized to represent the firm.
- b. Company/Firm Background – Provide the following information about the firm:
  - Name of Business entity (including any fictitious business names), date of incorporation or date founded, history of the firm, details of entity’s business structure (corporation, partnership, LLC), organizational chart of business entity, current financial statement(s) of all entities related to the company/firm or joint venture that will be involved in the contract, number of location of offices located in California, number and location of office(s) in other states and/or countries, number of licensed brokers AND number of agents/salespersons employed by the company and California Broker license information.
- c. Contact Information: Provide the name
  - Name and title of Lead Contact/Contract Manager representative and other key real estate professional(s) that will be assigned to the contract including address and telephone number
- d. Business References: Proposer(s) must provide a minimum of three (3) business references from government and/or corporate clients.
- e. Compensation Schedule – Proposer(s) must submit a compensation schedule and method to be rendered under this proposal. Please specify any services you propose to offer that are not included in the proposed commission structure and the rates and basis for such additional services. The compensation schedules, as submitted, shall be guaranteed by Proposer(s) for the maximum term of the contract.
- f. Scenario Development and Master Plan/Schedule: Provide a completed overall scenario plan and schedule for completion by September 1, 2010 and explanation of the rationale behind the plan and schedule. Describe the proposed management structure, program monitoring procedures, and organization of the engagement team. Provide a statement detailing your approach to the project.
- g. Describe the firm’s experience with sustainability issues, LEED certification, and how this may apply to our real estate options;
- h. Performance/Comparative Results of Past Analysis and Results – Proposer(s) must provide a detailed analysis performed of all real estate analysis and results of efforts that occurred anytime during the five (5) year period beginning July 1,

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2004 and ending June 30, 2009, where the transactions square footage was greater than 200,000 sf. Further, please describe specific examples of creative real estate solutions you have rendered and all services, if any, provided to a public agency.

- i. Retention of Documentation – All working papers are the property of the Air District. Include a statement acknowledging that if your firm is awarded the contract, you will retain project related papers and related reports for a minimum of five (5) years effective upon issuance of contract.
- j. Conflict of Interest– Address possible conflicts of interest with other clients affected by contractors’ actions performed by the firm on behalf of the Air District. The Air District reserves the right to consider the nature and extent of such work in evaluating the proposal.
- k. Additional Data – Provide other essential data that may assist in the evaluation of the proposal (e.g. green business certification, etc).

**SECTION VI – PROPOSAL EVALUATION**

The Air District, MTC, and ABAG’s prime objective in the selection process will be to evaluate each proposal on its merit and select the Proposer receiving the highest total points to provide the required services.

Evaluation: Each Proposer will undergo an evaluation of each proposal submitted by a panel of representatives from the Air District, MTC and ABAG staff. The panel will recommend the selection of the contractor to the various agency Executive Officers/Directors, who will, in turn, make a recommendation to each of their Board of Directors. Each Governing Board must approve the contract to carry out the work described in this RFP. However, the agreement will be issued by the Air District but executed by all parties to the resultant contract.

Proposals will be evaluated on the following criteria:

|  |     |
|--|-----|
| Technical expertise, size and structure of the firm and personnel assigned to RFP tasks; firm’s ability to perform and complete the work in a professional and timely manner.* | 30% |
| Past experience of the firm and, in particular, experience of the team working on projects of similar scope for other organizations or governmental agencies.                  | 20% |
| Responsiveness of the proposal, based upon a clear understanding of the work to be performed.  | 25% |
| Compensation schedule for the proposed scope of work.  | 25% |

\* “Size and structure of firm” refers to the ability of a firm’s size to meet the needs of the Air District. It does not give absolute preference to larger or smaller firms.

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- \*\* The Air District gives preferences to local businesses and those that are certified as green businesses by a government agency or independent private rating organization.

The Air District reserves the right to reject any and all proposals submitted and/or request additional information. During the selection process, the evaluation panel may interview proposers. The interviews will be for clarification only. The submittal of new material will not be permitted at that time. Interviews may involve a presentation or a question-and-answer format or any combination of these.

If two or more proposals receive the same number of points, the agencies will accept the lower cost offer.

### **SECTION VII - AGREEMENT**

Provide a copy of the standard agreement used by the proposer to provide services of the type sought under this RFP. However, the Air District may elect to use its standard professional services agreement for the contract. That form contract is available on the Air District's website at [address].