



Darin R. Bosch
Senior Vice President

CB Richard Ellis, Inc.
Tenant Advisory Practice

101 California Street
44th Floor
San Francisco, CA 94111

415 772 0123 Tel
415 772 0459 Fax

www.cbre.com/sfdt
www.cbre.com

March 11, 2011

REQUEST FOR PROPOSAL (RFP)

CB Richard Ellis (CBRE) has been exclusively authorized by the Metropolitan Transportation Commission (MTC), the Bay Area Air Quality Management District (Air District) and the Association of Bay Area Governments (ABAG), hereinafter referred to as "Agencies", to request and evaluate proposals, as well as advise in the acquisition of fee simple interest in real property.

This letter, together with its enclosures, comprises the Request for Proposal (RFP). This RFP can be found online at www.cbre.com/regionalfacility. Responses should be submitted in accordance with the instructions set forth in this RFP. This request does not constitute an offer to purchase.

Proposal Due Date

Interested parties must submit one (1) original unbound proposal containing original signatures, six (6) copies, and an electronic PDF and unlocked Word (on DVD, CD or USB flash drive) version of their proposal in a sealed package, by **4:00 pm, Friday, April 1, 2011**. Proposals shall be considered firm offers to sell the described property for a period of one hundred twenty (120) days from the time that proposals are opened.

CBRE Point of Contact

Darin Bosch will be the primary point of contact for this transaction. Proposals and inquiries relating to this RFP shall be submitted to the address below:

Darin Bosch, Senior Vice President
CB Richard Ellis
101 California Street
44th Floor
San Francisco, CA 94111
(415) 772-0123
darin.bosch@cbre.com
Lic. 00117934

Background

MTC currently employs approx. 200 employees and ABAG currently employs approx. 77 employees. The two agencies are owners through a condominium structure representing 77,121 gross sq. ft. and the building is located at 101 Eighth Street in Oakland. No outstanding debt is on the property. Within this building, MTC occupies approx. 50,000 usable sq. ft. of space and ABAG occupies approx. 17,000 usable sq. ft. of space. Both Agencies are at maximum occupancy and have no additional space available for growth.

The Air District currently employs approx. 343 full time employees, about 200 work in the Air District headquarters at 939 Ellis Street in San Francisco. The Air District owns the 82,212 gross sq. ft. 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.

The objective of this RFP is to identify viable real estate option(s) in the city of Oakland and city of San Francisco within close proximity to BART and other forms of public transportation for the co-location of the agencies into a regional facility.

Next Steps

1. Site Search and Site Selection: CBRE will receive and conduct initial assessment of all responses. Coordinate and conduct site tours for Agency staff.
2. Proposal Evaluation/Short List Recommendation: CBRE will review and evaluate all submitted proposals and conduct due diligence to confirm the merits of any proposal received as well as identify and recommend a short-list of options for review by the Agencies.
3. Board Presentations/Approval to Proceed: CBRE's review of the short-list will involve multiple presentations to each agency's executive staff and governing boards for consideration before proceeding with any real estate property negotiations.
4. Negotiations: Upon approval to proceed, by all three governing boards, CBRE will begin negotiations.
5. Final Recommendation: CBRE will present the terms and conditions for the recommended final option for review and approval. This will involve multiple presentations to each participating agency's executive staff and governing boards for consideration. Upon final approval of terms and conditions, CBRE will assist with close of escrow.

Proposal Evaluation

Proposals will be evaluated in accordance with *Section IV* of this RFP.

CBRE reserves the right to accept or reject any or all proposals submitted, waive minor irregularities in proposals, request additional information or revisions to offers, and to negotiate with any or all parties.

Selection Timetable

Week of March 21, 2011	Conference or meeting for clarifications (if held)
4:00 pm, Friday, April 1, 2011	Closing date/time for receipt of proposals
April 1 – May 18, 2011	Review and Evaluation of Proposals
May 18-25, 2011	Board Approval(s) to enter into negotiations

Thank you for your interest,



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I. Objective

The Agencies intend to acquire [purchase] an existing office building, or build-to-suit, in the city of Oakland or San Francisco to house their occupancy and allow for future growth.

The proposed properties must meet criteria from both occupancy and financing perspectives as described in section II.

II. Property Criteria

A. Project Size

- The building must be 350,000 rentable sq. ft. or greater

B. Contiguous Availability

- There must be 150,000 – 200,000 usable sq. ft. of contiguous space available for near-term occupancy with the balance of the building available for development of long-term future government purposes

C. Occupancy Timelines

- The contiguous space should be available for occupancy within 24 months
 - Longer occupancy timelines may be considered

D. Location

- The property is located within the city of Oakland or San Francisco
- The property is located within ½ mile of BART and other major forms of mass public transit

E. Public Meeting Space

- The property must allow for Public Assembly
- The property must accommodate one or more boardrooms for public meetings (minimum 3,500 square feet) of up to 38 public officials

F. Code Compliance

- The property must meet or be able to meet current Seismic, ADA and other code compliance without extraordinary cost

G. LEED

- The property must have the ability to achieve LEED qualifications/certification

H. Purchase Option

- The preference is for an immediate purchase
 - Short-term leases with a fixed purchase option may be considered

III. Proposal Form

It is requested that your submission be concise while following the layout below. Please limit your entire response, including any appendix items, to 25 pages. If you wish to submit proposed design or other qualitative information, it is requested that you do so in an Appendix and not in the main body of the proposal or within the Summary of proposal.

Each proposal should include:

A. Transmittal Letter

Proposals must include a transmittal letter stating that the enclosed constitutes a 120-day firm offer to sell the described property, signed by an official legally authorized to enter into contracts for the firm and the name and telephone number of a primary contact person, if different from the official signatory.

B. Title Page

Proposals must include a title page that includes the RFP subject, the name of the firm, local address, telephone number, name of contact person, and the date of submittal.

C. Summary of Proposal

Please limit the summary to a maximum of 2 pages.

D. Firm Information

Proposals must provide the name of the business entity (including any fictitious business names), details of the entity's business structure (i.e. public, private corporation, partnership, LLC), organization chart for the business entity, statement(s) on financial integrity and/or funding sources of all entities related to the company/firm or joint venture that will be involved in the contract, the location of offices located within the 9-county Bay Area region, and the number of properties currently owned, financed or managed in this region.

E. General Information

1. Building/Project name and address
2. Year built and last renovated or expected date of completion
3. Total rentable sq. ft., gross sq. ft. and current occupancy of building
4. Total floors
5. Floor plate size(s)
6. State if there is any parking within or adjacent to the property and the number of spaces
7. State if there any encumbrances on the property or premises
8. State if there currently is, or the property has the ability to have, a loading dock with separate building access
9. Describe entitlements, zoning and/or approved development(s)

F. Code Requirements

1. State if the property currently is or has the ability to meet current seismic code standards, please provide all relevant information and the PML
2. State if the property currently is or has the ability to meet current ADA and title 24 code standards
3. Please state if there are any known regulated or hazardous substances within the building, including asbestos. State if there is a phase I Environmental Report available for review
4. State if the property currently is or has the ability to meet other current applicable code standards
5. State if the property is approved for public assembly

G. Space Availability

1. Available Space
 - The agencies require 150,000 – 200,000 contiguous office rentable sq. ft. in the building. Please describe the layout and specific floor(s)/area of contiguous space
2. State if any other tenant has a right of refusal on the proposed space or if there is any other encumbrance on the proposed space
3. State the timeline for delivery of the space
4. State if there is availability for public meeting space on the ground floor of the property and describe how this requirement can be met

H. Economic Criteria

1. For properties available immediately for sale
 - a) Please state your proposed purchase price
 - b) Please state your proposed escrow period
 - c) Please state any other purchase contract requirements or contingencies

2. For properties available for short-term lease with a fixed purchase option
 - a) Please state the terms for initial lease including
 - Rental rate
 - Type of rate (Full Service Gross, triple net, etc)
 - Lease term
 - b) Please state the terms for the fixed purchase option including
 - Date of purchase option
 - Purchase price
 - Escrow period
 - Please state any other purchase contract requirements or contingencies

I. Other

1. Picture and full details of existing or proposed property
2. Map of surrounding area and notable amenities, including proximity to BART, other transit and parking options
3. Other information that may have not been addressed

J. Conflict of Interest

Full disclosure of any potential conflicts of interest as they relate to the specific transaction must be identified to the Agencies. The Firm, its employees and agents, hereby acknowledge their understanding of the concern expressed about the potential existence of any conflict of interest and/or influence arising from this transaction and the Firm's prior or future dealings with the Agencies.

K. Levine Act

Submit a signed Levine Act statement (Appendix A).

IV. Evaluation Criteria

The criteria include, but are not be limited to, the following:

- A. Pricing and Agency financing requirements**
 - B. Proximity to BART and other transit**
 - C. Ability to meet LEED, Technology, Security and Improvement requirements**
 - D. Ability to house and comply with public assembly and meeting requirements**
 - E. Ability to meet seismic, ADA and other current codes**
 - F. Occupancy timing**
 - G. Availability of parking within or adjacent to the property**
 - H. Ability to house a small air testing lab with specific dock/delivery access on-site**
- Qualitative and quantitative requirements of the agencies

APPENDIX A – CALIFORNIA LEVINE ACT STATEMENT

California Government Code § 84308, commonly referred to as the “Levine Act,” precludes an officer of a local government agency from participating in the award of a contract if he or she receives any political contributions totaling more than \$250 in the 12 months preceding the pendency of the contract award, and for three months following the final decision, from the person or company awarded the contract. This prohibition applies to contributions to the officer, or received by the officer on behalf of any other officer, or on behalf of any candidate for office or on behalf of any committee.

MTC's commissioners include:

Tom Azumbrado
Tom Bates
Dave Cortese
Bill Dodd
Dorene M. Giacomini
Federal D. Glover
Mark Green

Scott Haggerty
Anne W. Halsted
Steve Kinsey
Sue Lempert
Sam Liccardo
Jake MacKenzie
Kevin Mullin

Jon Rubin
Bijan Sartipi
James P. Spering
Adrienne J. Tissier
Amy Rein Worth
Ken Yeager

Air District's Board of Directors include:

Brad Wagenknecht
Harold Brown Jr.
Carole Groom
David Hudson
Liz Kniss
John Avalos
Susan Gorin
Shirlee Zane

Tom Bates
Johanna Partin
Scott Haggerty
Ash Kalra
Eric Mar
Mark Ross
Gayle B. Uilkema

John Gioia
Susan Garner
Jennifer Hosterman
Carol Klatt
Nate Miley
Jim Spering
Ken Yeager

ABAG's Executive Board members include:

Nadia Lockyer
John Gioia
John Avalos
Carole Groom
Barbara Kondylis
Mark Green
Carole D. Knutson
Nancy Kirshner Rodriguez
Dan Furtado
Pamela Torliatt
Nancy Nadel
Ash Kalra

Scott Haggerty
Susan Adams
Ross Mirkarimi
Ken Yeager
Mike Kerns
Julie Pierce
Jack Gingles
A. Sepi Richardson
Joe Pirzynski
Rebecca Kaplan
Sam Liccardo
Terry Young

Gayle Uilkema
Mark Luce
Rose J. Gibson
Dave Cortese
Beverly Johnson
Joanne Ward
Edwin Lee
Richard Garbarino
Len Augustine
Jane Brunner
Kansen Chu

1. Have you or your company, or any agent on behalf of you or your company, made any political contributions of more than \$250 to any MTC commissioner, Air District Board of Director or ABAG Executive Board member in the 12 months preceding the date of the issuance of this request for qualifications?

___ YES ___ NO

If yes, please identify the commissioner, director and/or member: _____

2. Do you or your company, or any agency on behalf of you or your company, anticipate or plan to make any political contributions of more than \$250 to any MTC commissioner, Air District Board of Director or ABAG Executive Board member in the three months following the award of the contract?

___ YES ___ NO

If yes, please identify the commissioner, director, and/or member:

Answering yes to either of the two questions above does not preclude MTC, Air District or ABAG from entering into a contract to your firm. It does, however, preclude the identified commissioner(s) from participating in the contract award process for this contract.

DATE

(SIGNATURE OF AUTHORIZED OFFICIAL)

(TYPE OR WRITE APPROPRIATE NAME, TITLE)

(TYPE OR WRITE NAME OF COMPANY)