RESOLUTION NO. 125-2005

Adopted August 16, 2005

AUTHORIZING AN EXTENSION OF TIME FOR A PANEL OF REAL ESTATE ECONOMICS FIRMS FOR A PERIOD OF TWO YEARS FROM OCTOBER 15, 2005 TO OCTOBER 15, 2007 TO PROVIDE ONGOING CONSULTING SERVICES; ALL REDEVELOPMENT PROJECT AND SURVEY AREAS

BASIS FOR RESOLUTION

1. The Redevelopment Agency of the City and County of San Francisco (the "Agency") utilizes the services of real estate economics firms on an ongoing basis, particularly in connection with major development parcels and complex transactions in the Yerba Buena Center, Western Addition A-2, Hunters Point Shipyard, and Mission Bay North and South Redevelopment Project Areas.

2. A Request for Qualifications ("RFQ") for real estate economics firms was issued on June 25, 2002, to which ten firms responded and one firm withdrew. A staff panel reviewed the remaining nine proposals and believed that all nine met the criteria set forth in the RFQ. These nine firms are: Bay Area Economics; Conley Consulting Group; Economics Research Associates; Economic & Planning Systems, Inc.; Keyser Marston & Associates, Inc.; Porat Consulting; Sedway Group; and Seifel Consulting. The Commission approved this panel on October 15, 2002.

3. The maximum aggregate budget for the panel was $955,000 for the entire nine-member panel for the three-year period (October 15, 2002 through October 15, 2005). At the time, staff anticipated that approximately $355,000 would be used the first year, and the remaining $600,000 would be subject to availability of funds in the Agency's various redevelopment project and survey areas. There is no minimum or maximum contract amount contained in any one of the nine personal services contracts. However, to ensure that work is distributed among the panel members, staff is required to distribute the work so that no more than one-third of the total $955,000 may be assigned to a single firm on the panel.

4. Real estate economics consultants may: (1) provide advice and research data associated with requests for development proposals; (2) review development proposals and advise staff in the developer selection process; (3) review and analyze business terms and assist staff in developing counterproposals; (4) develop lists of potentially appropriate uses, based on the review of market conditions, financing practices and other relevant parameters; (5) perform market analyses of particular land uses and/or development concepts; (6) perform financial feasibility analyses of alternative development schemes; (7) determine the revenue-generating and job-generating potential of alternative development schemes; and (8) perform fiscal impact studies and highest-and-best use analyses.
5. The Agency has found that these services are still needed to complete existing transactions and conduct future negotiations and would like to extend the panel for an additional two years. To date, $229,000 has been expended from the panel’s budget, with $726,000 remaining to engage the services of panel consultants over the next two years.

6. This panel has allowed the Agency to secure services when it is necessary to complete assignments requiring rapid turnaround and to avoid conflicts where a firm may be advising another party in the same transaction. A two-year time extension of this panel will provide continuous coverage of the real estate economics services needs of the Agency.

RESOLUTION

ACCORDINGLY, IT IS RESOLVED by the Redevelopment Agency of the City and County of San Francisco that the Executive Director is authorized to extend the time for a panel of real estate economics firms for a period of two years from October 15, 2005 to October 15, 2007 to provide ongoing consulting services in all redevelopment project and survey areas.

APPROVED AS TO FORM:

[Signature]

James B. Morales
Agency General Counsel