

Scope of Work

**Cushman & Wakefield Consulting/Brokerage Services
(Steve Horton, Drew Arvay and Kelly Yoder):**

- **Meetings and Presentations to Staff:**

We are estimating 10 meetings of 1 hour each;

6 Meetings with 2 members of the Team (\$380 x 2 = \$760): \$760 x 6 mtgs = \$4,560

4 Meetings with 1 member of the Team (\$380 x 1 = \$380): \$380 x 4 mtgs = \$1,520

- **FAR Potential Value Increase Analysis:**

10 hours @ \$380 = \$3,800, plus Research- 6 hours @ \$100 per hour = \$600; = \$4,400

Analysis- How 6-9 Month Process for FAR Amendment Could Affect Value:

3 Hours for Team (3 x \$380), 3 Hours Research Staff (3 x \$100) = \$1,440

- **Develop Strategies and Coordination of Public Sale of Property:**

Due to the possibility of two-tiered strategy and coordination (one on an as-is zoning and an alternative enhanced density strategy – including extended timeframe for higher density offering):

Instructions/Bidding Protocol – Recommendations 10 hours (10 x \$380) = \$3,800

Instructions/Bidding Protocol – Instructions 12 hours (12 x \$380) = \$4,560

Create bid Pre-qualification documents (document creation including legal review est 10 hours at \$380, plus 6 hrs of admin support at \$60 per hour = \$4,160

- **Promotional Campaign to Reach Potential Buyers:**

Creation of Mailing List: Consultants- 6 hours @ \$380 per hour, = \$2,280

Research- 10 hours @ \$100 per hour = \$1,000

Admin- 10 hours @ \$60 per hour = \$ 600

Placing Advertising in Real Estate Listings and Services:

Consultants- 4 hours @ \$380 per hour, = \$1,520

(create advertisement) Art Department- 8 hours @ \$200 per hour = \$1,600

Admin- 6 hours @ \$60 per hour = \$ 360

Develop and Distribute Marketing Brochures and Flyers:

Consultants- 4 hours @ \$380 per hour, = \$1,520

(create brochure) Art Department- 12 hours @ \$200 per hour = \$2,400

May require two distinct brochures, one for “as-is” and one for “enhanced density”
Admin- 8 hours @ \$60 per hour = \$ 480

- **Activities Associated with Real Estate Transactions:**

Performing Market Analysis: The market analysis includes multiple layers of data that effect value. Several of these factors are very quantitative and include comparable sales, interest rates, CAP rates and income analysis; while other aspects are more qualitative (i.e. market trends, active industries, community benefit, use, density, signage, corporate neighborhood). The gathering of these multiple aspects and applying them to the assignment of 5.05 acres, will demand 8 hours of Consultants time @ \$380 per hour and 8 hours of administrative time @ \$60 per hour. =\$3,040
=\$ 480

Touring Interested Buyers: Assuming 16 serious bidders on tours that will take 1 hour each (including market overview tour of Moffett); 16 hours @ \$380 =\$6,080

Tracking Inquiries/Prospects Related to Sale: Tracking inquiries will only require

one Consultant for a period of approximately 4 hours @ \$380 per hour. =\$1,520
Administrators will dedicate approximately 6 hours toward documentation @ \$60 per hour. =\$ 360

- **Conduct Bidding Session:**

Assisting City in Evaluating Bids and Ranking Proposals: This process would include the creation of a weighted priority matrix, which would include the most relevant aspects of the bid process, including: price, timing, track record, probability of close, use, density, impacts, community benefit, height, parking, etc. A separate matrix would be prepared for each of the proposed bidders. Consultant would work with the City to evaluate and identify the best and most logical buyers. It is unclear how many qualified bidders may emerge as part of this evaluation and ranking process. We estimate this to be 8-hours each for both primary Consultants @ \$380 per hour or 16 hours. =\$6,080

Working with City to Negotiate Terms with Bidders: The negotiation of terms with bidders will be handled by the two primary Consultants. We would divide this list and dedicate 6 to 8 hours toward negotiating final terms (this is of course dependent upon number of finalists). Estimated total hours – 16 @ \$380 per hour. =\$6,080

Note: to the extent that the negotiation of terms can be a cost that is transferred to the Buyer as part of a traditional brokerage fee that is the responsibility of the Buyer, the Consultant will not charge the City for those negotiations.

- **Coordinating Transaction Closings:** Once the property is put into escrow with the chosen bidder, the majority of the time required is tracking due diligence progress and coordinating Contract thresholds and deadlines (like increased security deposit and waiving contingencies). These duties are the responsibility of the Consultants and would encompass 8 hours of dedicated time by both of the primary Consultants throughout the escrow period, therefore $8 \times 2 = 16$ hours @ \$380 per hour =\$6,080
In the event that the ultimate buyer is a “enhanced entitlement buyer”, the escrow will require a significantly longer timeframe and in that event, there would be an additional 16 hours of coordination and monitoring which would add an additional =\$6,080

- **City Lead Actions:**

- **City Drafted Amendments** (Consultant has set aside 3 hours to provide input to city on critical elements and provisions to Drafted Documents – Up to 10 hrs @ \$380 per Hr = Up to \$1,140) = \$3,800
- **Council Meetings:** (Consultant has anticipated 3 City Council meeting may be necessary through the process, Consultant also understands that they may be called upon to speak or testify at city council meetings. Note – City Council meeting can run very long, it is not consultants desire to run up the cost for hours spent attending council sessions on matters that do not pertain to the agenda item related to the subject 5.05 acre Moffett site; Consultant requests the Cities guidance in estimating when the subject agenda item will most likely occur, so we can limit the hourly charge to productive time. In addition we would suggest at this time that no more than two consultant members are necessary to attend City council meetings and one consultant is likely adequate for certain sessions. We (with the Cities help) would hope to limit the time at city council session to 3 hours each session (if less, we will only charge for actual time), due to the nature of public hearings, this Consultant has allotted up to 20 hours of City Council sessions (we will only charge for actual time spent in session).

Therefore, if handled by one Consultant for 20 hrs at 3 separate City Council Public Hearings at a cost of \$380 per hr would be \$7,600, up to a max of \$15,200 if 2 Consultants are needed to attend Public Hearings = \$15,200

Public or Community Meetings and Presentations – estimated at 10 hours =\$ 3,800

- **Coordinating with Adjacent Property Owners:** The Consultant Knows and has done business with both adjacent property owners – Foothill College and Jay Paul. To the extent that the Consultant can assist the City with adjacent property owners the consultant is prepared to respond to city requests. However it is clearly understood that in the event adjacent owners are candidates to be a buyer, that the city will NOT pay any brokerage Fees in connection with a sale and that time spent interacting with adjacent property owners would need to be paid by the prospective Buyer and not the city! Therefore we have not estimated any cost to the City for time spent interacting with Adjacent Owners. = \$ 0
- **Mailings to Public:** No assistance or time is anticipated to be necessary to assist the City with Mailing to the Public.

The Total of Above Costs = \$94,800