

BART Agreement Number: 6M6138

Approval Date: 08/18/22

Work Plan No. A.08-01 Economic Advisory Services for TOD Projects FY23/24

Scope:

This Scope of Services provides economic and real estate finance consultant support to BART for various TOD projects. Work will include supporting BART staff with technical analysis and negotiations for developer ground lease options and other transactions with private parties, and supporting BART in analyzing real estate and economic credentials of prospective developers in two competitive processes, as needed.

HNTB has spread its costs associated with invoicing and management across each of the tasks.

Task 1: Lake Merritt Negotiations

Consultant to support ongoing lease term negotiations and supporting research and analysis as needed on behalf of BART. Prior work plan was executed to complete this work; however unexpected costs associated with securing an appraisal resulted in cost overruns requiring additional scope.

Task 2: El Cerrito Plaza Negotiations

Consultant to support BART in negotiations involving the developer team and the City, including due diligence regarding market conditions, project costs and revenues, land values, and the impact of community benefits and other project components on development feasibility. In addition, consultant to support BART with advisory services during negotiation meetings and drafting of lease options or other necessary agreements, as well as communications with stakeholders and officials, as needed.

Task 3: Berkeley Stations Solicitation and Pre-Selection Negotiation

Consultant to support BART's North Berkeley solicitation process including:

1. assistance in responding to developer inquiries during the response preparation period;
2. review of developer responses including assessment of financial statements, references, and preliminary financial projections and/or terms;
3. participation in evaluation committee discussions and developer interviews; and
4. support for developer selection documentation and presentation to the BART Board.

Consultant to support BART's Ashby solicitation process including:

1. support of discussions between BART and the City of Berkeley, including a review of the City's consultants' assessment of air rights development value and strategic advice regarding the merits of alternative solicitation processes;

2. assistance in drafting solicitation documents expected to be published by February 2023;
3. assistance in responding to developer inquiries during the response preparation period;
4. review of developer responses including assessment of financial statements, references, and preliminary financial projections and/or terms;
5. participation in evaluation committee discussions and developer interviews; and
6. support for developer selection documentation and presentation to the BART Board.

Task 4: Ad Hoc services

Consultant to provide strategic advisory services for a variety of as-needed issues that may emerge regarding BART property and real estate development. Consistent with similar past requests, such assignments may include:

1. review of assignee and/or tenant financial status;
2. consideration of amendments to previous financial agreements;
3. exploration of property acquisition opportunities;
4. analysis of BART policy considerations' impacts on project feasibility;
5. strategies for financing desired TOD and station area improvements; and/or assessment of the regional economic impacts of BART activities.

BART and Consultant will mutually agree upon the scope, budget, and schedule for specific assignments as they emerge.

Prime: HNTB Corporation

Subconsultants:

Subconsultant	Amount	DBE (Y/N)	SBE (Y/N)
Economic & Planning Systems	\$240,479	N	N

Total Work Plan Value: \$258,805