Date: June 24, 2015

To: Board of Directors

From: Neil McFarlane

Subject: RESOLUTION 15-06-39 OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING CONTRACTS WITH CUSHMAN & WAKEFIELD OF OREGON, INC. AND KIDDER MATHEWS FOR REAL ESTATE AGENT/BROKER SERVICES

1. Purpose of Item

The purpose of this item is to request that the TriMet Board of Directors ("Board") authorize the General Manager to execute contracts with Cushman & Wakefield of Oregon, Inc. ("Cushman") and Kidder Mathews ("Kidder") for Real Estate Agent/Broker Services.

2. Type of Agenda Item
   - Initial Contracts
   - Contract Modification
   - Other

3. Reason for Board Action

Board approval is required for personal services contracts obligating TriMet to pay in excess of $150,000.

4. Type of Action:
   - Resolution
   - Ordinance 1st Reading
   - Ordinance 2nd Reading
   - Other

5. Background

TriMet is nearly finished with construction of the Portland-Milwaukie Light Rail Project ("Project"), creating a light rail alignment that travels 7.3 miles from Portland State University to north Clackamas County. To construct the Project, TriMet acquired a substantial amount of property along the alignment. In some cases, construction of the Project required less than the full parcel of property, leaving a remainder parcel that may be suitable for Transit-Oriented Development ("TOD"). TOD is development near transit that is designed to create vibrant, compact, mixed use communities that use public transit.

TriMet advertised a Request for Proposals ("RFP") for a Real Estate Agent/Broker to assist TriMet in analyzing potential uses at these and other remainder sites from previous projects and, if appropriate, marketing and disposing of the property, either through a sale or a long
term lease. TriMet received two responses to the RFP. TriMet formed an Evaluation Committee, and the Committee ranked the proposers in accordance with the procedures and criteria established in the RFP. After completing this review, the Evaluation Committee determined that both proposals were within the competitive range and eligible for award. Full scores for the proposers were as follows:

<table>
<thead>
<tr>
<th>Criteria</th>
<th>Possible Points</th>
<th>Cushman</th>
<th>Kidder</th>
</tr>
</thead>
<tbody>
<tr>
<td>Qualifications of the Firm and Diversity</td>
<td>20</td>
<td>16</td>
<td>15</td>
</tr>
<tr>
<td>Qualifications of Agent</td>
<td>30</td>
<td>26</td>
<td>23</td>
</tr>
<tr>
<td>Marketing Plan</td>
<td>25</td>
<td>22</td>
<td>20</td>
</tr>
<tr>
<td>Fee Schedule/Commission</td>
<td>25</td>
<td>22</td>
<td>25</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100</strong></td>
<td><strong>86</strong></td>
<td><strong>83</strong></td>
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</table>

Given the excellent qualifications of the respondents, TriMet proposes to award a contract to each firm. Having the ability to use either one will provide for better tailored, more competitive services, as well as flexibility in the event of a potential conflict of interest situation due to a firm’s existing client base.

The attached Resolution authorizes the award of contracts to Cushman and Kidder for up to five years, in amounts not to exceed $200,000 each over the full terms. As is common in the real estate industry, the contractors will be paid a commission only for property sold or leased, with the commission varying based on the value of the property sold but in no event exceeding 5 percent.

6. **Procurement Process**

These contracts were procured through a competitive RFP process, as described above.

7. **Diversity**

Due to the nature of these services, the work under these contracts is expected to be self-performed and subcontracting opportunities are limited.

8. **Financial/Budget Impact**

Work performed under the contracts will be authorized as needed for each property. The contractors will be paid a commission for each property sold or leased, with the commission varying based on the value of the property sold but in no event exceeding 5 percent. The commission will be paid from the sale proceeds, and is eligible to be paid by the Project budget.

9. **Impact if Not Approved**

TriMet could elect to market and list property without the assistance of a real estate broker. However, utilizing the experience and expertise of commercial real estate brokers should provide capacity for more timely sales and potentially increase sales prices or lease values for the property, and therefore increased revenue to TriMet.
RESOLUTION 15-06-39

RESOLUTION OF THE TRI-COUNTY METROPOLITAN TRANSPORTATION DISTRICT OF OREGON (TRIMET) AUTHORIZING CONTRACTS WITH CUSHMAN & WAKEFIELD OF OREGON, INC. AND KIDDER MATHEWS FOR REAL ESTATE AGENT/BROKER SERVICES

WHEREAS, TriMet has authority under ORS 267.200 to enter into contracts with Cushman & Wakefield of Oregon, Inc. and Kidder Mathews ("Contracts"); and

WHEREAS, the total amount of the Contracts shall exceed $150,000; and

WHEREAS, the TriMet Board of Directors ("Board"), by Resolution dated November 25, 2009, adopted a Statement of Policies requiring the Board to approve personal services contracts obligating TriMet to pay in excess of $150,000;

NOW, THEREFORE, BE IT RESOLVED:

1. That the Contracts shall be in conformance with applicable laws.

2. That the General Manager or his designee is authorized to execute the Contracts each in an amount not to exceed $200,000.

Dated: June 24, 2015

Attest:

Presiding Officer

Recording Secretary

Approved as to Legal Sufficiency:

Legal Department