

THIS STAFF REPORT COVERS CALENDAR ITEM NO.: 7.4
FOR THE MEETING OF: October 27, 2006

TRANSBAY JOINT POWERS AUTHORITY

BRIEF DESCRIPTION:

Approving a contract with David Tattersall & Company in the amount of \$50,000 to provide real estate review appraiser services.

SUMMARY:

Under Federal Transit Administration, Federal Highway Administration and California Department of Transportation regulations, the Transbay Joint Powers Authority (TJPA) is required to obtain two independent appraisals and a review appraisal for each real estate acquisition for the Transbay Transit Center Program ("TTCP"). Based on the recommendation of a Selection Committee, staff requests that the Board enter into a contract with David Tattersall & Company for review appraisal services. The contract would be for a maximum of \$50,000 and for a term not to exceed three (3) years, with the option for the TJPA to extend the term for two (2) additional years by mutual agreement of the parties.

Previously, on July 20, 2006, two separate contracts for real estate appraisal services were recommended to and approved by the TJPA Board of Directors for Carneghi-Blum & Partners and John Clifford Associates. These two firms will undertake the independent appraisals.

REPORT:

To implement the TTCP, the TJPA will be required to acquire private property from more than 30 property owners at a cost in excess of \$200 million. To qualify for federal financial assistance, the TJPA must comply with federal regulations for acquisition of real property. Under Federal Transit Administration and Federal Highway Administration Regulations, the TJPA is required to obtain two appraisals and a review appraisal for each real estate acquisition.

On August 30, 2006, the TJPA issued a Request for Proposals for Real Estate Review Appraiser Services ("RFP"). The TJPA's credibility and reputation for fairness in negotiations for the acquisition of these properties is paramount for the TJPA to acquire the properties necessary for the TTCP to be on schedule and at reasonable cost. Accordingly, the RFP established the highest standards for experience, skill, and integrity in awarding the contracts. Among other criteria, the RFP imposed a minimum requirement that each eligible respondent be a Member of the Appraisal Institute ("MAI"), the credential understood by members of the public, property owners, real estate professionals, judges, and juries as the highest designation for real estate appraisers. To achieve the MAI designation, an appraiser must undergo the most

rigorous training of any professional appraiser organization. Moreover, MAI's are subject to the most exacting ethical standards of any appraisal designation.

The TJPA sent notice of the RFP to all known professional appraisal organizations, transportation organizations, Municipal Transportation Agency DBE outreach resource organizations, Department of Public Works plan rooms, the TJPA Technical Advisory Committee, parties registering on the TJPA website as interested in contract opportunities and parties who indicated interest in receiving an RFP announcement from lists of appraisers maintained by the City of San Francisco's Real Estate Department and the San Francisco Redevelopment Agency.

The TJPA received two responses to the RFP from firms which met all minimum qualifications: David Tattersall & Company and Mansbach Associates, Inc. The Selection Committee evaluated the responses using a numerical scoring system. The Selection Committee recommended David Tattersall & Company. Attachment 1 is the Selection Committee Report.

Based on the Selection Committee's recommendation, staff negotiated a contract with David Tattersall & Company and the firm has signed the contract. The contract would be for a maximum of \$50,000 and for a term not to exceed three (3) years, with the option for the TJPA to extend the term for two (2) additional years by mutual agreement of the parties. Attachment 2 is the proposed contract.

RECOMMENDATION:

The Staff recommends that the Board authorize the Executive Director to execute the contract in the form attached to this report.

ENCLOSURES:

1. Selection Committee Report
2. Contract with David Tattersall & Company
3. Resolution

**TRANSBAY JOINT POWERS AUTHORITY
BOARD OF DIRECTORS**

Resolution No. _____

WHEREAS, To qualify for federal financial assistance, the Transbay Transit Center Program must comply with federal regulations for acquisition of real property; and

WHEREAS, Under Federal Transit Administration, Federal Highway Administration and California Department of Transportation regulations, the TJPA is required to obtain two appraisals and a review appraisal for each proposed real estate acquisition; and

WHEREAS, On August 20, 2006, the TJPA issued a Request for Proposal for Real Estate Review Appraiser Services ("RFP"); and

WHEREAS, The RFP provided that the selected appraiser must, at minimum, be a Member of the Appraisal Institute ("MAI"); and

WHEREAS, The TJPA received two responses to the RFP that met all minimum requirements; and

WHEREAS, The Selection Committee awarded the appraisal firm of David Tattersall & Company the highest score and recommended the firm for contract negotiation; and

WHEREAS, Staff has negotiated a contract with David Tattersall & Company and the firm has signed the contract; and

WHEREAS, Staff recommends that the Board approve the contract; now, therefore, be it

RESOLVED, That the Board authorizes the Executive Director to execute a contract for review appraiser services with David Tattersall & Company for a maximum compensation of \$50,000 and for a period not to exceed three (3) years with an option for the TJPA to extend the term for two (2) additional years by mutual agreement of the parties.

I hereby certify that the foregoing resolution was adopted by the Transbay Joint Powers Authority Board of Directors at its meeting of October 27, 2006.

Secretary, Transbay Joint Powers Authority