

STAFF REPORT FOR CALENDAR ITEM NO.: 12
FOR THE MEETING OF: December 11, 2014

TRANSBAY JOINT POWERS AUTHORITY

BRIEF DESCRIPTION:

Authorize the Executive Director to amend Professional Services Agreement No. 462-CBD-000, for Community Benefit District (“CBD”) Formation Assistance Services (“Agreement”) between the Transbay Joint Powers Authority (“TJPA”) and MJM Management Group (“MJMMG”) to change the term of the Agreement to two (2) years with an option to extend for an additional one (1) year, as well as increase the total compensation to an amount not to exceed \$79,900.

EXPLANATION:

The CBD program in San Francisco provides special benefits to assessed properties in the identified districts and strives to improve the overall quality of life in targeted commercial districts and mixed-use neighborhoods through partnerships between the City and local communities. Once an area has voted to establish a CBD, local property owners are levied a special assessment to fund improvements in their neighborhood. The funds are administered by a non-profit organization established by the members of the CBD.

MJMMG has participated in the establishment and management of several CBDs in San Francisco, including the Yerba Buena Community Benefit District and the Union Square Business Improvement District. During the summer of 2012, residents of the Rincon Hill neighborhood (bounded by Bryant, Folsom, Second, and Main Streets) enlisted the services of MJMMG to assist in the formation of a CBD that would provide security and maintenance for the publicly accessible areas within the Rincon Hill Infrastructure Financing District.

MJMMG received financial contributions from a local developer, The Emerald Fund, to start the process of creating the Rincon Hill CBD. The first step of the process was to form a Steering Committee comprised of local residents and business owners. Once the Steering Committee was formed, it requested additional funding from the City and County of San Francisco, through the Office of Economic and Workforce Development (“OEWD”), to fund the remainder of MJMMG’s estimated costs, as of that time, for creating the Rincon Hill CBD within the boundaries of the IFD. OEWD works with communities throughout the City to help establish CBDs. Establishment of a CBD typically takes one to two years.

One month after the first community meeting led by MJMMG and attended by local residents, the San Francisco Office of Community Investment and Infrastructure (“OCII”) requested that the publicly owned parcels north of Folsom Street in the area bounded by Folsom, Mission, Second, and Main Streets, including the new Transit Center, be added to this CBD formation process. OCII extended this request because (a) the Rincon Hill and Transbay areas are one neighborhood with similar maintenance and security needs, and (b) both areas would substantially benefit from the park on the roof of the Transit Center (“City Park”). MJMMG is assisting with the inclusion of the Transbay Redevelopment Project Area (“Transbay Area”),

including City Park, in the Rincon Hill CBD currently under consideration. This expanded benefit district would provide funding to maintain the public infrastructure improvements in the Transbay Area and the Rincon Hill Area.

The expanded district is intended to provide funding for maintenance, security, and cleaning of the improvements that OCII and the TJPA have planned for the Transbay Area. These improvements include sidewalks, Rincon Park (Embarcadero at Folsom Street), Transbay Park (mid-block between Howard, Folsom, Main and Beale Streets), City Park, the park to be constructed under the new bus ramp connecting the Transit Center to the Bay Bridge, and various streetscape improvements. Creation of a CBD covering the Transbay and Rincon Hill Areas would guarantee a funding source for the maintenance of City Park, although the CBD will not be responsible for City Park security.

The Steering Committee is tasked with developing (a) a feasibility assessment, known as an Engineer's Report, to determine the proportion of special benefits that can be assessed to property owners in the district and to verify that the proposed assessments and services are viewed favorably by major property owners who will vote on the formation of the district, and (b) a Management Plan describing how the CBD will be managed after it is formed. Following the Steering Committee's request that MJMMG double the size of the proposed CBD to include the extensive public improvements of the Transbay Area, the Committee requested funds from OCII and TJPA to supplement their initial budget for a feasibility study that includes the Transbay Area.

Board Policy 001, Procurement Policy, authorizes the Executive Director to enter into Agreements of \$100,000 or less; any modification to the Agreement in excess of 10 percent of the original contract amount requires Board approval. On April 1, 2013, the TJPA Executive Director signed an Agreement with MJMMG to provide CBD Formation Assistance Services for a term of one year and total compensation not to exceed \$48,600. The work includes four Phases, shown below with the corresponding compensation to be provided by the TJPA:

- Phase 1 – District Definition (includes Engineer's Report) – \$35,960
- Phase 2 – Management Plan – \$6,440
- Phase 3 – Petition – \$3,844
- Phase 4 – Balloting – \$2,356

Since April 2013, however, the supplemental feasibility study has been delayed and will require additional work not contemplated in the April 2013 agreement between the TJPA and MJMMG. The delay is a result of opposition to the CBD by several major property owners that have linked their cooperation in establishing the CBD with their opposition to the City's proposed Transbay Transit Center Community Facilities District ("CFD") under the Transit Center District Plan ("TCDP"), which covers a similar geographic area as the proposed CBD and affects several of the same major property owners. The CBD has essentially been on hold while the City and the developers in the TCDP resolve their differences concerning the CFD. Moreover, one large property owner in the proposed CBD has challenged the CBD formation process. MJMMG's response to that challenge, which will require considerable work, is outside the scope of its existing contract with the TJPA. Meanwhile, new State legislation (AB 2618) changes the

standards of proof of benefit. MJMMG must spend additional time to comply with the new law. Also since April 2013, several properties in the proposed CBD were sold and various development plans were made or changed or rescheduled, requiring MJMMG to further engage its financial experts to develop new formulas and recalculate assessments for the entire proposed CBD. This work was not anticipated in the initial Agreement.

Due to these unforeseen delays and expansion of the scope of its assignment, to complete the original scope of work through Phase 4, MJMMG will be required to (a) conduct further outreach and meetings with the homeowner associations, other residential property owners, and major property owners within the proposed CBD area; (b) incur legal costs; and (c) revise and supplement its Engineer's Report and Management Plan. As a result, the budgets for all phases are proposed to be adjusted accordingly. The contract extension reflects the extended formation timeline for the CBD, allocated to the remaining tasks in the existing Agreement.

An additional \$51,300 (beyond the \$13,790 remaining from their original budget as of November 30, 2014) is required to complete the original scope of work. OCII has agreed to provide \$20,000; the TJPA would be responsible for \$31,300. The TJPA's share, 61 percent, is similar to the original breakdown of costs between the TJPA and OCII to expand the CBD to the Transbay Area. The additional \$31,300 would be added to the initial contract value of \$48,600, bringing the total not to exceed value of the contract to \$79,900. Additionally, the term would be extended from one (1) year to two (2) years, with the option to extend for an additional year. The amendment to the contract would allow for payment in full once all deliverables are completed.

Amendment No. 1 to the Agreement would change the term of the Agreement to two (2) years with an option to extend for an additional one (1) year, as well as increase the total compensation to a not to exceed value of \$79,900.

RECOMMENDATION:

Staff recommends that the Board of Directors authorize the Executive Director to amend Agreement No. 462-CBD-000, Community Benefit District Formation Assistance Services with MJM Management Group, to change the term of the Agreement to two (2) years with an option to extend for an additional one (1) year, and increase the total compensation to an amount not to exceed \$79,900.

ENCLOSURES:

1. Resolution
2. Amendment No. 1

**TRANSBAY JOINT POWERS AUTHORITY
BOARD OF DIRECTORS**

Resolution No. _____

WHEREAS, The proposed Community Benefits District (“CBD”) will provide maintenance, safety, and cleaning of the improvements that the TJPA and the Office of Community Investment and Infrastructure (“OCII”) have planned for the Transbay and Rincon Hill Areas, including sidewalks, Rincon Park (Embarcadero at Folsom Street), Transbay Park (mid-block between Howard, Folsom, Main and Beale Streets), City Park, the park to be constructed under the new bus ramp connecting the Transit Center to the Bay Bridge, and various streetscape improvements; and

WHEREAS, On April 1, 2013, the TJPA Executive Director signed a CBD Formation Assistance Services Agreement (“Agreement”) with MJM Management Group (“MJMMG”) to prepare an Engineer’s Report, Management Plan, a petition, and ballots as a basis to establish the CBD, for a maximum compensation of \$48,600 and a one year term; and

WHEREAS, Through the one year term, MJMMG completed approximately 55 percent of the work before work was put on hold due to the City’s attempts to resolve differences with developers concerning the Transbay District Community Facilities District, changes in state law regarding CBD’s, and other causes; and

WHEREAS, The TJPA expects to continue to require CBD Formation Assistance Services to complete the establishment of the CBD; and

WHEREAS, Due to these unforeseen delays and expansion of the scope of its assignment, to complete the original scope of work through Phase 4, MJMMG will be required to (a) conduct further outreach and meetings with the homeowner associations, other residential property owners, and major property owners within the proposed CBD area; (b) incur legal costs; and (c) revise and supplement its Engineer’s Report; and

WHEREAS, TJPA Staff recommends changing the term of the Agreement to two years with an option to extend for an additional one year, as well as increasing the total compensation to an amount not to exceed \$79,900; such change to the term and compensation requires an amendment to the Agreement; now, therefore, be it

RESOLVED, That the TJPA Board of Directors authorizes the Executive Director to execute Amendment No. 1 to the Agreement with MJM Management Group, to modify the Agreement to extend the term of the Agreement to two years with an option to extend for an additional one year, and increase the total compensation to an amount not to exceed \$79,900.

I hereby certify that the foregoing resolution was adopted by the Transbay Joint Powers Authority Board of Directors at its meeting of December 11, 2014.

Secretary, Transbay Joint Powers Authority

Amendment No. 01
Professional Services Agreement between
the Transbay Joint Powers Authority and MJM Management Group.

THIS Amendment No. 1 to the Professional Services Agreement to provide Community Benefit District Formation Assistance Services dated April 1, 2013 (“Agreement”) is entered into as of the 11th day of December 2014 in San Francisco, California, by and between **MJM Management Group** (“Contractor”), and the **Transbay Joint Powers Authority** (“TJPA”).

The TJPA and Contractor desire to extend the term and maximum compensation of the Agreement without changing the scope or deliverables under the Agreement. The TJPA and Contractor agree to amend Sections 2 and 5 of the Agreement in their entirety to read as follows:

2. Term of the Agreement

Subject to Section 1, the term of this Agreement shall be 2 years from the Effective Date of the Agreement, as described in Section 3 below, provided that (i) the TJPA shall have the right to extend this Agreement for an additional one (1) year via a one-year option, by providing to the Contractor written notice of such extension on or before the expiration of this Agreement, and (ii) any such extension shall be subject to and conditioned upon the written agreement of the Contractor and the approval of such extension by resolution adopted by the TJPA Board of Directors.

5. Compensation

All work under this Agreement shall be compensated on a fixed fee by deliverable basis, subject to any maximum price set forth in a particular NTP. In no event shall the total compensation under this Agreement exceed \$79,900. The breakdown of the Contractor’s fees appears in Appendix B, “Schedule and Budget”.

No charges shall be incurred under this Agreement nor shall any payments become due to the Contractor until the Services required under this Agreement are received from Contractor and approved by the Executive Director as being in accordance with this Agreement. The TJPA may withhold payment to the Contractor in any instance in which the Contractor has failed or refused to satisfy any material obligation provided for under this Agreement.

In no event shall the TJPA be liable for interest or late charges for any late payments.

In addition, Appendices A and B are revised as attached hereto. All other provisions of the Agreement shall remain in full force and effect.

TRANSBAY JOINT POWERS AUTHORITY

MJM Management Group

By: Maria Ayerdi-Kaplan

Title: Executive Director

By: _____

Title: _____

Transbay Joint Powers Authority

Board of Directors

Resolution No. _____

Adopted: _____

Attest:

Secretary, TJPA Board

Approved as to Form:

By _____

TJPA Legal Counsel

MODEL PROFESSIONAL SERVICES AGREEMENT

APPENDIX A

SCOPE OF SERVICES

The Consultant will provide services to assist in the inclusion of the Transbay Redevelopment Project Area ("Transbay Area"), including the Transbay Transit Center and the rooftop City Park ("City Park"), in the Rincon Hill Community Benefits District ("RHCBD") currently under consideration. This expanded benefit district would, at a minimum, maintain the public infrastructure improvements to be located within the Transbay Area (bounded roughly by Folsom, Mission, Second, and Main streets) and the Rincon Hill Area (bounded roughly by Bryant, Folsom, Second, and Main streets.)

PROJECT OBJECTIVES

The objective of this project is to expand the Rincon Hill Community Benefits District, which is now in the formation process, to include the Transbay Area. The expanded district is intended to provide ongoing maintenance to the improvements that the OCII and TJPA have planned as well as safety and cleaning throughout the district. In addition to the sidewalk areas within the proposed boundaries, the district is intended to provide services to Rincon Park, Oscar Park, Transbay Park, City Park, and the various streetscape improvements planned for the Transbay and Rincon Hill Areas.

BACKGROUND

In April 2012, MJMMG began studies for a Rincon Hill Community Benefit District, to be located generally between the south side of Folsom Street and I-80, and between Essex Street and the Embarcadero. The primary purpose of this CBD was to provide for a portion of the maintenance of the infrastructure improvements per the Rincon Hill Infrastructure Financing Plan District. Total annual operating costs were estimated to be approximately \$1.1 Million for the IFD.

Later in 2012, OCII and TJPA raised the question of whether the proposed boundaries of RHCBD could be expanded significantly to include the Transbay Area. This expansion raises two issues: (1) The proposed expansion would more than double the size of the RHCBD, and as a result additional funding is needed to complete the formation work. (2) A feasibility assessment is required to (a) determine the proportion of special benefits that can and cannot be assessed to property owners in the district, and (b) verify that the proposed assessments and services are viewed favorably by major property owners who will vote on the formation of the district. Once that information is available, the public agencies involved (City, OCII, and TJPA) will decide whether the expansion of the RHCBD is a worthwhile approach.

SCOPE OF SERVICES

The work of this project will be performed by MJM Management Group, which will engage a certified Assessment Engineer as a subcontractor. The work is divided into phases, as follows:

- Phase I – District Definition
- Phase II – Management Plan
- Phase III – Petition
- Phase IV – Ballot

Of these phases, Phase I includes the work needed to prepare for the addition of the Transbay Area into the overall RHCBD, for example: service plan development, budget development, analysis of benefits, development of assessment formula, verifying legal viability, verifying support among property owners, and preparing needed inputs for the Management Plan and Engineer's Report. Phases II, III, and IV involve integrating the work of Phase I into the work already underway for the rest of the RHCBD. In the description below, Phase I is described in detail. The other phases are described at a high level only.

Task	Name and Description	Target Completion Dates for CBD Formation
	points in the project.	
3	<p>Prepare Revised Services Plan and Budget</p> <p>MJMMG will review the information collected in task 2, and recommend refinements to the current operations, maintenance and management plan and budget for City Park. MJMMG will prepare a Services Plan that defines the particular services needed in the Transbay Area and various portions thereof, and the levels needed of each service.</p>	4/26/2013
4	<p>Prepare Assessment Formula and Analyze General and Special Benefits</p> <p>MJMMG will estimate the percentage allocation of “General Benefit” versus “Special Benefit” and examine how benefits would be apportioned to each property based on the special benefit received. A certified Assessment Engineer under sub-contract to MJMMG will work directly with the Transbay Working Group to determine the appropriate mix of general vs. specific benefits for the public improvements in the Transbay Area.</p> <p>The Assessment Engineer will:</p> <ul style="list-style-type: none"> • Update the properties database and model to reflect the inclusion of the Transbay Area. • Provide an analysis as to the supportable and justifiable allocation of general and special benefits, given all the data available at this point. • Recommend an assessment formula that generates the special benefits budget needed to service the Transbay Area. • Verify General and Specific Benefit percentages and calculations with OEWD and the City Attorney’s office. 	5/7/2013 Steering Committee
5.	<p>Complete Legal Review of Proposed Benefit Structure</p> <p>The Working Group will obtain legal review of the proposed boundaries and mix of special and general benefits in the context of case law and precedent regarding how such benefits are treated for parks in general by consulting with legal counsel selected by the TJPA and OCII. (No budget for outside counsel is included in this proposal.)</p> <p>In consultation with MJMMG, OCII, OEWD, the City Attorney, the TJPA, and their public finance consultants, the legal review will provide a recommendation regarding the following:</p> <ul style="list-style-type: none"> • Special benefit and apportionment of benefit. • Whether further evidence is needed, including: <ul style="list-style-type: none"> ○ Research into benefits allocation for other parks in California and elsewhere ○ Field surveys of park users in similar situations ○ Expert opinion by a parks and real estate economist • Legal review of impacts to quantification of special and general benefits 	5/17/2013

Task	Name and Description	Target Completion Dates for CBD Formation
	in response to passage of AB 2618.	
6.	<p>Steering Committee Review and Decision</p> <p>The Steering Committee will review the work to date and make a decision how best to proceed with the inclusion of the Transbay Area into the Rincon Hill CBD. The Committee may choose to move immediately to the next step of presenting the plan to major property owners; or the Steering Committee may choose to authorize other work (such as described in task 5) to document additional justification for the particular allocation of benefits, or may seek a change in rules.</p> <p>The Steering Committee will also provide feedback on the rest of the deliverables submitted to date (services plan, budget, and assessment formula) and MJMMG will act on this feedback to revise the deliverables.</p>	5/28/2013 Steering Committee
7.	<p>Optional Work to Substantiate the Benefits Allocation</p> <p>AB 2618 revised the standard of benefit for CBD's statewide and requires substantial analysis to be done to determine how benefits will be allocated. We will perform three alternate scenarios to determine how benefits apply. This will add to legal costs for review and costs associated with draft assessments by the assessment engineer.</p> <p>Based on legal determination from Task 5 regarding proximity to parks and open spaces, research and analysis to determine the general and special benefits for City Park.</p> <p>(Tasks 7 and 8 will be conducted in parallel)</p>	1/30/2015
8.	<p>Validate Approach with Largest Property Owners</p> <p>Meet with up to ten of the largest property owners to brief them on the proposed services plan, budget, and assessment formula, and engage their support. Meetings will involve TJPA, OCII, and MJMMG.</p> <p>While meetings are underway, MJMMG and the Assessment Engineer will revise the draft deliverables furnished previously, based on the Steering Committee's feedback in Task 6. The budget and schedule assume one round of revisions to services plan, budget, and assessment formula.</p>	1/30/2015
9	<p>Finalize Plan</p> <p>The Steering Committee reviews and accepts final deliverables from Phase I.</p>	1/30/2015

Task	Name and Description	Target Completion Dates for CBD Formation
	After Phase I is complete, the work moves into the petitioning and balloting phase.	

- **Phase II -- Management Plan**

Task 10: Develop Management Plan Draft and Work toward Agreement

MJMMG will incorporate the additional services needed to serve the Transbay Area into a Management Plan Outline for the entire RHCBD. A Management Plan Outline is a bullet-point summary of key elements of the Management Plan, without extensive verbiage.

The Working Group and the RHCBD Steering Committee will assist in organizing stakeholder participation in discussions regarding the Management Plan Outline. This proposal assumes that the Working Group and Steering Committee will be able to facilitate agreement on a Management Plan Outline that garners support from major property owners across the proposed district. The schedule and budget allow for one round of revisions after the initial outline has been presented. Additional iterations, if required, may affect the schedule and budget.

This schedule and budget assume that agreement can be reached by informal canvassing and negotiation, without a survey of property owners.

Task 11: Finalize Management Plan

Once the Steering Committee has approved a Management Plan Outline, we will prepare the full Management Plan. To support the Management Plan, a certified Assessment Engineer will prepare an Engineer's Report pursuant to legal guidelines using the information gathered during Phase 1. The Management Plan will include:

- Explanation of District, Purposes, Formation Procedure
- Documentation of Community Participation
- Boundary and Map
- Service Plan
- Budget
- Assessments and Assessment Methodology
- General vs. Special Benefit
- Timeline for Implementation
- District Governance
- Continuation of City Services

The draft Management Plan will be circulated for review by the Steering Committee, OEWD, the City Attorney, and other decision makers. We will collect feedback and make one round of changes, then finalize the plan. Once the draft Management Plan is complete, changes or delays of a major nature (for example adjusting the district boundaries by more than +/- 10% or changes to the services budget of more than +/- 10%) will require rework at additional cost.

Task 12: Submit Management Plan and Engineer's Report to City for Approval

The City Attorney must approve the Management Plan and the Engineer's Report before the District can go to the Petition phase. MJMMG will submit the finalized plan to the City Attorney. If further changes are needed, MJMMG will make one round of changes and re-submit. The budget assumes that the district will be a single zone and a single legal entity, and that changes in this task will be limited to a +/- 10% change in the services budget, and a +/- 10% change in the physical areas included.

- **Phase III – Petition**

Task 13: Petition Vote

Formation of a Community Benefit District requires a two-stage voting process. The first stage is to obtain petitions from private property owners who would, in aggregate, pay at least 30% of the proposed private property weighted assessments. After petitions have been submitted, the Board of Supervisors must adopt a resolution of intention, and then the balloting stage may begin.

MJMMG will manage the petitioning process. MJMMG will:

- Prepare the petitions and supporting documents. The Management Plan and Engineer's Report will be posted online and incorporated in the petition by reference.
- Mail the petitions to all property owners in the district.
- Work with the Steering Committee to assist in getting petitions returned. (Active engagement by the Steering Committee is essential for contacting property owners and encouraging them to respond during the petitioning phase.)
- When affirmative petitions representing at least 30% of weighted assessments have been received, MJMMG will submit the petitions to OEWD and request action by the Board of Supervisors.

Task 14: Board of Supervisors Hearing

A public hearing before the Board of Supervisors is required in order for the Board to introduce a Resolution of Intent to begin the balloting. Before the proposal can be heard by the full Board it must be heard in Committee, (typically Government and Audit, or Budget). Upon affirmative vote of the Committee, the Resolution will go to the full Board for approval.

In this Task, MJMMG will meet with individual Supervisors, accompanied by members of the Steering Committee as required. MJMMG will organize community testimony at the Board of Supervisors Committee hearing. MJMMG will advise the Steering Committee on how to navigate the process to best pursue a timely and favorable decision.

- **Phase IV – Ballot**

Task 15: Balloting and Supervisors Vote

Assuming a positive outcome from the Petition Drive and the Board of Supervisors vote, MJMMG will support the Ballot phase of the voting process. This stage requires that more than 50% of the weighted ballots cast show support for the CBD. The step culminates in a hearing of the Board of Supervisors, meeting as a Committee of the Whole, at which the ballots are opened and counted.

In this task, MJMMG will:

- Prepare the ballot and supporting materials
- Provide the data base of property owners who are to receive the ballot
- Coordinate with and support the Department of Elections
- Work with the Steering Committee to encourage property owner participation in the voting. (As with the petitioning phase, active support from the Steering Committee is necessary for a successful result.)

INTERDEPENDENCIES

Two major interdependencies have the potential to alter the timing and budget for this project. Managing these interdependencies will be a joint responsibility between MJMMG, the Working Group, the Steering Committee, OCII, and TJPA.

First, as stated above, this project is incremental to the work MJMMG has previously been retained to perform, which was to help establish the RHCBD within the originally-conceived borders. The scope and schedule of the project was amended, with approval of the RHCBD Steering Committee, on February 19, 2013. This project involves a further extension to the schedule in addition to the extension approved to date. The Steering Committee approved expanding the boundaries to include Transbay and City Park,

and the work proposed herein is necessary to implement the direction received from the Steering Committee.

Second, this project is designed to combine budgets provided by two different clients (TJPA and OCII) into a single project. The budget assumes that both TJPA's and OCII's portion are authorized.

ROLES AND RESPONSIBILITIES

Working Group:

- Will oversee the work of MJMMG on Phase I of this project.
- Will work with the Steering Committee, which will have final approval of Phases II, III, and IV.
- Will be established as a subcommittee of the Steering Committee, and will include representatives of the City, OCII, TJPA and the MJMMG team.
- Will provide data, and schedule meetings as necessary for the MJMMG team to conduct the feasibility study, as listed above in the work plan. (OCII and TJPA have primary responsibility for providing this information.)
- Will review deliverables, make decisions, and provide feedback at key points in the project
- Will be given the opportunity for prior review and comment of all documents for public distribution, including meeting agendas and reports
- Will review and approve any expenses outside of the specified \$129,900 budget before they are incurred
- On behalf of Working Group, OCII and/or TJPA will furnish legal resources to the project who have specific expertise in Community Benefit District formation
- Will identify source(s) of funds for the general benefits that cannot be funded through property assessments (only if such sources must be identified in order to gain approval of the district.)

MJMMG:

- Is a consultant to the RHCBD Steering Committee to form the CBD
- Is a consultant to OCII and TJPA to expand the CBD to approximately Mission Street and to include City Park
- Will complete the specific tasks and deliverables as per in the work plan above
- Will provide regular progress updates to the Working Group
- Will submit all deliverables and publicly distributed documents of Phase I to the Working Group for review and comment
- Will submit any expenses outside of the specified \$129,900 budget to OCII and TJPA for review and approval before they are incurred
- Is engaging a certified Assessment Engineer to provide the Engineer's Report

Assessment Engineer:

- Is a member of the MJMMG team as sub-contractor to MJMMG
- Will provide technical services to include:
 - o participation in meetings with client as appropriate
 - o participation in Working Group and Steering Committee meetings
 - o revisions to property data base as they relate to City Park and other properties in Transbay Area
 - o research regarding Special and General Benefit as they relate to parks in CBDs/BIDs
 - o findings as to the Special and General Benefit from operations, maintenance and management services anticipated to be provided to City Park by the CBD
 - o ongoing advice and guidance to MJMMG
- Will execute the specific tasks and complete the specific deliverables as per the detailed work plan above

PROFESSIONAL SERVICES AGREEMENT

APPENDIX B

SCHEDULE AND BUDGET

The professional services fees for this work will be \$129,900. TJPA will pay \$79,900, and TJPA understands that OCII will authorize \$50,000. The schedule is shown below.

TASKS	Completion Date	OCII	TJPA	TOTAL
PHASE I –District Definition	1/30/2015	\$27,108	\$43,892	\$71,000
PHASE II – Management Plan	1/30/2015	9,735	\$15,165	\$24,900
PHASE III – Petition	4/15/2015	\$8,009	\$12,691	\$20,700
PHASE IV – Ballot	8/15/2015	\$5,148	\$8,152	\$13,300
TOTAL		\$50,000	\$79,900	\$129,900

The budget includes the services of a certified Assessment Engineer, which will be a sub-contractor to MJMMG. The budget does not include: (1) Attorney fees for any legal services that may be required in addition to support provided by attorneys at TJPA, OCII, and the City Attorney’s office; (2) expert witness or expert research, such as would be provided by a recreation economist; (3) surveys, such as a park intercept survey.

The project will be billed by phase until the project is complete, which is projected to be August 15, 2015.

The above rates shall include all incidental expenses of the Contractor, including the costs of toll telephone calls, document binding, filing fees, express mail, delivery charges, courier service, in - and out-of-house photocopying, charges for sending facsimiles, transportation, travel, automobile rental, taxicab fares, parking, meals, secretarial services, printing, photographs, renderings, maps, Internet, computer, overhead, administration, and other costs and charges incurred by the Contractor or the Contractor’s subcontractors.