



TRANSBAY JOINT POWERS AUTHORITY

LIVE AUCTION FOR TRANSBAY PARCEL F

No. 15-03

QUESTIONS & ANSWERS: Set No. 5

TJPA is releasing the following questions and answers related to the above-referenced opportunity. Numbering picks up where the previously released set ended. Additional questions and answers will be posted on a continuous basis as available.

23. *Q: Is the Howard Street sidewalk width fronting Parcel F planned to be widened or modified with reconfigured bike or vehicle lanes?*

A: Yes, the City is considering widening the sidewalk on Howard Street as well as modifying the configuration of bicycle and motorized vehicle lanes. The Transit Center District Plan recommends, and its EIR studied, widening the sidewalk to approximately 20 feet on both sides of Howard, along with converting that block of Howard to two-way traffic. The Planning Department and SFMTA are further studying and refining this concept and other street changes recommended and studied in the Transit Center District Plan. Broader changes to Howard Street that extend throughout the South of Market area are being studied as well in the ongoing Central SoMa Plan EIR, which could have implications for changes on this block. The City anticipates having better direction on changes for Howard Street in 2016.

24. *Q: Can the bidder be a foreign company?*

A: Yes, TJPA is accepting pre-qualifications from foreign entities, and will accept bids from all pre-qualified bidders that meet the requirements for the auction (i.e., that are qualified to do business in California). Each bidder should conduct its own due diligence to confirm that it satisfies any applicable US (federal) and state laws or requirements relative to its qualification to do business in California and its ownership of real property in California.

25. *Q: Is foreign company qualified to do business in the State of California (ref Application for Bidder Prequalification Attachment 1, Question 3)?*

A: Each bidder should confirm that it is qualified to do business in the State of California, and that it satisfied any applicable US (federal) and state laws or requirements as set for the in the response to Question 24. We note that to be qualified to do business in California, an entity must submit certain documents and fees to the California Secretary of State. Upon determination of qualification to do business in California, the Secretary of State can issue a certificate confirming that the entity is qualified to do business in California. If a bidder demonstrates that it has submitted all required paperwork and fees to the Secretary of State to become qualified, then the TJPA will not disqualify a bidder at the initial qualification stage on the ground that qualification has not yet been obtained, but the TJPA will require a certificate from the Secretary of State confirming qualification to do business in California before the date of the auction.

26. *Q: If a foreign company wants to participate in the auction, and they would like to register a new US company and use the US company to bid, but are unable to register a new US company before the qualification application deadline, can they use their foreign company to qualify and then register the US company and use the US company to bid?*

A: See response to Question 25 above. Furthermore, bidders should submit the most complete and up-to-date information available at the time of submitting the Application for Bidder Prequalification. Should a bidder's information or circumstances change after an application is submitted (e.g., a new entity is created), the bidder should promptly submit such information to TJPA so that TJPA can confirm the new entity meets the pre-qualification criteria. All bidders must be fully registered and qualified to do business in California prior to the auction date.

27. *Q: If a foreign company registered a new US company and would like to use the US company to bid, can they use the parent company's financial statement to qualify?*

A: The financial information should be provided for the Bidder (i.e., the entity that executes and delivers the binding purchase and sale agreement). However, the TJPA will accept the financial information of a parent or affiliate of Bidder for purposes of qualification if the parent or affiliate certifies, with the bid, that it will provide financial backing and assistance to the Bidder as may be needed to close escrow on the purchase and sale. The TJPA intends to revise the form purchase and sale agreement to include a certification from a parent or affiliate for those that intend to rely on the financial qualifications of a parent or affiliate.

28. *Q: Questions regarding Application for Bidder Prequalification Attachment 1:*

i Item 4. There are over 300 entities loosely affiliated with the bidder entity. It would be impractical for us to list all entities. Can we narrow the scope of our answer to entities with common ownership?

A. Yes. The TJPA is interested in knowing any parent organization. For affiliates, Bidders can narrow the response to entities with common

ownership, and any other affiliated entities that the Bidder believes are relevant to determining qualification.

ii *Item 5. Would “Principals of the Bidder” consist of the Members of the Bidding Entity?*

A. Yes, *if they own 10% or more of the Bidder.* The TJPA has limited the response to members or principals that own 10% or more of Bidder.

iii *Item 6. Would only the LLP’s with a direct 37.5% ownership of Member/Manager be the correct entities or must all entities/persons with direct interest above the LLP’s be disclosed?*

A. The intent is for the TJPA to understand persons or entities that own 10% or more of Bidder. To the extent a member of the Bidder entity is listed (a “Bidder Member”), there is no need to identify the individuals, entities or members that comprise that the Bidder Member unless they, in their capacity as an individual, entity or member of the Bidder Member, own more than 10% of Bidder. For example, if a Bidder Member owns 50% of the Bidder, and an individual owns 20% of the Bidder Member and another individual owns 4% of the Bidder Member, the 20% owner would be listed but not the 4% owner (i.e., owning 20% of the 50% owner is equal to 10% of the Bidder). Of course, Bidders may choose to provide more information if they believe it is relevant.

iv *Item 7. Would it be accurate to list all four Managers and five officers of the Member/Manager LLC?*

A: Item 7 seeks to understand the names of individuals behind the corporations or partnerships listed in items 5 and 6. If the managers or officers are already listed and they are individuals, there is no need to repeat that information in Item 7. If those persons are not already listed in 5 or 6, then they should be added in Item 7.

29. *Q: Since the bidder is a special purpose entity, would audited financial statements for a group of companies under common ownership by the Member/Manager of bidding company suffice?*

A: See answer to question 27 above.

30. *Q: Can the prequalification application date be extended from July 2 to July 16, 2015?*

A: Yes, the prequalification application due date has been extended to July 16, 2015. Please see the TJPA website for the revised Key Dates.