



ALAMEDA COUNTY COMMUNITY DEVELOPMENT AGENCY

AGENDA ITEM NO. _____ June 9, 2015

Chris Bazar
Agency Director

May 26, 2015

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West Winton Avenue
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The Honorable Board of Supervisors
County of Alameda
Administration Building
Oakland, CA 94612-4305

Dear Board Members:

**SUBJECT: AUTHORIZE AMENDMENT NO. 1 TO PROCUREMENT
CONTRACT NO. 12063 WITH ALH URBAN & REGIONAL
ECONOMICS**

RECOMMENDATION:

Approve Amendment No. 1 to Procurement Contract - No. 12063 with ALH Urban & Regional Economics (Principal: Amy Herman; Location: Berkeley) to increase the amount from \$24,999 to \$82,999, an increase of \$58,000, for economic analysis services, with no change in the current contract period of 10/13/14 through 10/13/17.

DISCUSSION/ SUMMARY:

ALH Urban & Regional Economics (ALH) was retained to assist the Successor Agency ("Agency") with a range of real estate development services, including the disposition of Agency-owned properties as mandated by the State when it dissolved redevelopment agencies throughout California. This scope of work was covered by Purchase Order No. 1409 in the amount of \$24,999 on October 22, 2014.

Several factors have resulted in the need to expand ALH's scope, including the Unincorporated Services Committee's March 22, 2015 decision to seek development proposals for the Successor Agency's 20095 Mission Boulevard property and the availability of new post-redevelopment revitalization tools, such as Enhanced Infrastructure Financing Districts, that warrant evaluation.

Under the current scope, ALH assisted the Community Development Agency's ("CDA") Economic & Civic Development ("ECD") staff with two key tasks. The first task involved a thorough analysis and recommendation regarding two development proposals that were submitted for the 20095 Mission Boulevard property. ALH presented their recommendation to the March 22, 2015 Unincorporated Services Committee. The second key task centered on providing financial analysis regarding the planned San Lorenzo Plaza. This work is still pending.

Under the proposed new scope, ALH will provide critical assistance with the 20095 Mission Boulevard Property Developer Solicitation Process. This includes aiding in the preparation of the Request for Proposals, preparing a distribution list, reviewing and

evaluating responses, and, at the conclusion of the process, making a recommendation for developing this strategic, gateway site.

In the post-redevelopment era, ECD has been looking for new tools and methods to deliver needed revitalization projects to the unincorporated area, such as Enhanced Infrastructure Financing Districts. ALH will assist County staff in exploring the feasibility of this and other options, as well as providing economic analysis as the need arises.

SELECTION CRITERIA/PROCESS:

On August 29, 2014, ECD issued a Request for Proposals (RFP) to a select number of economic consulting firms drawn from the Small, Local and Emerging Businesses Program (SLEB) database. A total of 3 responses were received. After a thorough analysis of the proposals, ECD staff determined that ALH would best provide the services required by the RFP, based upon a combination of experience, understanding of the scope of economic development services, and ability to work effectively with ECD staff. ALH holds SLEB certificate #12-00134.

FINANCING:

Funds for the increased contract amount have been appropriated in the 2014/2015 ECD's General Fund budget.

Very truly yours,



Chris Bazar, Director
Community Development Agency

cc: Susan Muranishi, County Administrator
Donna R. Ziegler, County Counsel
Steve Manning, Auditor-Controller
Richard Conway, County Administrator's Office
U.B. Singh, CDA Finance
Eileen Dalton, Community Development Agency

STANDARD AGREEMENT AMENDMENT

Reference is made to that contract made and entered into on the 9th day of June 2015, by and between the County of Alameda Community Development Agency and ALH Urban & Regional Economics.

Said contract is hereby amended:

The contract's not-to-exceed amount shall be increased by \$58,000 from \$24,999 to \$82,999 for economic analysis services.

Exhibit A-1, Original Scope of Work dated September 11, 2014

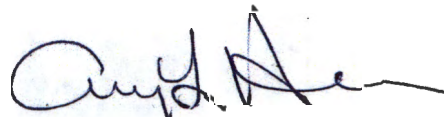
Exhibit A-2, Amended Scope of Work dated May 28, 2015

IN WITNESS WHEREOF, the parties hereto have executed this amendment this 26th day of May 2015.

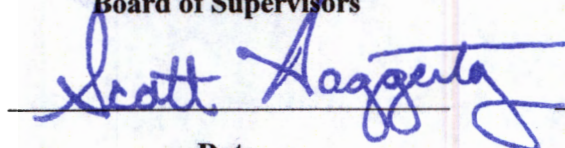
COUNTY of ALAMEDA

ALH URBAN & REGIONAL ECONOMICS

**Scott Haggerty, President
Board of Supervisors**



**Amy L. Herman, AICP
Principal**

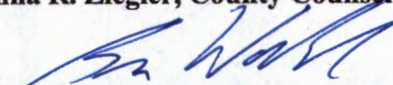


6/1/15

Date

Date

**Approved as to Form:
Donna R. Ziegler, County Counsel**

By: 

C-12063



ALH Urban & Regional Economics

2239 Oregon Street
Berkeley, CA 94705
510.704.1599
aherman@alhecon.com

September 11, 2014

Ms. Eileen Dalton, Deputy Director
Economic & Civic Development
County of Alameda
224 W. Winton Ave., #110
Hayward, CA 94544

Re: Alameda County Real Estate Consulting Services

Dear Ms. Dalton:

ALH Urban & Regional Economics is pleased to submit this proposal to Alameda County to assist in a range of prospective real estate activities surrounding the disposition of approximately four to five real estate properties owned by the County. Many of these properties were owned by the Alameda County Redevelopment Agency, and require disposition pursuant to state-mandated actions surrounding the dissolution of redevelopment agencies in California. This proposal presents a range of consulting activities and tasks that can be provided to the County by ALH Urban & Regional Economics (ALH Economics) to support future use and disposition of these properties. ALH Economics anticipates that specific tasks will be developed collaboratively with the County, as different properties become the focus of the County's attention. This letter therefore summarizes the range of prospective tasks that can be provided by ALH Economics.

FIRM INTRODUCTION

ALH Urban & Regional Economics (ALH Economics) is a sole proprietorship devoted to providing urban and regional economic consulting services to clients throughout California. The company was formed in June 2011. Until that time, Amy L. Herman, Principal and Owner (100%) of ALH Economics, was a Senior Managing Director with CBRE Consulting in San Francisco, a division of the real estate services firm CB Richard Ellis. CBRE Consulting was the successor firm to Sedway Group, in which Ms. Herman was a part owner, which was a well-established urban economic and real estate consulting firm acquired by CB Richard Ellis in 1999.

During her 20-year tenure with Sedway Group and CBRE Consulting, Ms. Herman established a strong professional network and client base providing a range of services such as residential and commercial market analysis, fiscal and economic impact analysis, economic development and redevelopment, location analysis, strategic planning, and policy analysis. Ms. Herman's client base included governmental clients, transportation agencies, corporations, educational and health institutions, non-profits, and developers. In spring 2011, CBRE chose to dissolve the Land Use and Economics practice area within CBRE Consulting. Ms. Herman took that opportunity to establish her

own firm, through which she continues to serve her client base and expand her practice in areas that suit her professional and personal interests.

Since forming ALH Economics Ms. Herman's client roster includes California cities, major universities, environmental consulting firms, transportation agencies, commercial developers, and law firms, such as the City of Concord, City of Tracy, Office of Community Investment and Infrastructure as Successor Agency to the Redevelopment Agency of the City and County of San Francisco, University of California at Berkeley, Bay Area Rapid Transit District, Catellus Development Corporation, Arcadia Development Company, Howard Hughes Corporation, Signature Flight Support Corporation, Hospital Council of Northern and Central California, Blu Homes, Inc., Ronald McDonald House at Stanford, Infrastructure Management Group, Inc., LSA Associates, Environmental Science Associates (ESA), Sedgwick LLP, and Remy Moose Manley (among others).

Ms. Herman will be joined on this assignment by Mary Smitheram-Sheldon and Thomas Jirovsky, both former Senior Managing Directors with CBRE Consulting. Ms. Smitheram-Sheldon and Ms. Herman worked together in the San Francisco office of CBRE Consulting while Mr. Jirovsky managed the Los Angeles land use practice of CBRE Consulting. Ms. Smitheram-Sheldon has been providing real estate consulting services to developers, financial institutions, governmental agencies, pension funds, corporations, and law firms for approximately 25 years. Of this time period, 16 years were with Sedway Group/CBRE Consulting. Her industry experience includes investment analysis, development feasibility, highest and best use analysis, litigation support, partnership valuation, and appraisal review. Ms. Smitheram-Sheldon has particular expertise in real estate market analysis, strategy, and valuation.

During his more than 30-year career Mr. Jirovsky has specialized in the areas of market and financial feasibility analysis, computer-based financial models, fiscal and economic impact, asset management, and public/private joint ventures for small urban infill projects to large master-planned mixed-use projects. He has assisted a wide range of government agencies in evaluating commercial and industrial development proposals and in the negotiation of development agreements and long-term ground leases for airports, harbours, and educational institutions on office, retail, and mixed-use projects.

Resumes for Ms. Herman, Ms. Smitheram-Sheldon, and Mr. Jirovsky are presented in Appendix B. Other more junior consultants will provide services as needed, Additional project work will be

SCOPE OF WORK

ALH Economics understands that there are 4-5 properties of current concern to Alameda County. These include the following:

- Shared parking lot, County portion, at 20853 Wilbeam Avenue in Castro Valley
- Mission/Hampton Commercial site at 20097 Mission Boulevard in Cherryland
- Commercial Site, old San Leandro Motors property at 16640 E. 14th Street in Ashland
- Lorenzo Theater at 16080 Hesperian Boulevard in San Lorenzo

- San Lorenzo Civic Plaza in San Lorenzo, in which the County is acquiring property from Bohannon Development Company for the purpose of constructing a public plaza in front of a new library

As shared with you over the phone, Amy Herman and Mary Smitheram-Sheldon of ALH Economics have familiarity with some of these properties, pursuant to prior work conducted for the Alameda County Redevelopment Agency during our tenure with CBRE Consulting. We would be most happy to build on this familiarity by providing further consulting services to Alameda County in support of site disposition or developer negotiation, pursuant to the needs of each property.

Based upon our discussion with you we have identified a menu of tasks that could be performed for the properties on an as needed basis. These tasks are presented below, while yet others can be identified and determined as warranted. While the tasks are numbered, this is primarily for reference purposes. The tasks are not intended to necessarily be sequential tasks for each property, but rather options to be selected or expanded on an as need basis.

Task 1. Project Initiation

Ideally, each assignment will include a project initiation task with either a conference call or meeting to further discuss the goals of the assignment and particular issues that relate to the project site. ALH Economics will tour the site and the environs in order to evaluate location, topography, access and visibility, building quality and condition (if there is a building), strengths, weaknesses, and surrounding uses (compatible and incompatible development). As part of this task, ALH will review any relevant documents related to the property.

Task 2. Disposition Strategy and Prioritization

ALH Economics can work with County staff to develop an overall strategy and prioritize disposition of the parcels. The strategy and prioritization would be based on a number of factors, such as consideration of the original Redevelopment Agency goals for the properties, perceived market interest, and select market analysis findings.

Task 3. Market Analysis

The scope for the Market Analysis varies widely depending upon the goals of the assignment. The following presents potential scopes for Market Analysis assignments, with the first step being the Project Initiation task described above.

Focused Market Analysis. For a situation where there is a well-defined proposed development, a focused market analysis hones in on the proposed uses. ALH Economics would define a market area, research current and potential future supply, research vacancy rates and new product absorption trends, and identify market rental rates and/or sales prices. The report for a focused market analysis is likely brief and could take the form of a memo or letter.

Broader Market Analysis. A broader market analysis involves more extensive research intended to assist with identifying supportable product for a given site. This includes a review of current and anticipated demand, research into different product types within one or more land use categories

(e.g., strip retail and anchored neighborhood centers, or apartments and condominiums, etc.) and identification as to how market parameters (i.e., rental rates, vacancy rates, sales prices, etc.) vary for the different product types. In many cases, the findings of a broader market analysis include recommendations related to size, tenant type(s), and, for apartments, unit types and mix, common amenities, and unit features. The report for this type of market analysis is often longer than that for a focused market analysis.

Market Analysis for Niche Uses. The most comprehensive form of Market Analysis is for land uses that are more unique, such as the Lorenzo Theater. Because of the lack of published market data for these uses, the scope includes more extensive primary research, such as preparing a detailed inventory of neighborhood uses, compiling case studies, interviewing operators, organizations, neighbors and other stakeholders, and obtaining, to the extent possible, information on revenues, rents, utilization, and operating expenses. This type of analysis will likely have a detailed report.

Task 4. Highest and Best Use Analysis

Highest and Best Use Analysis traditionally follows a process of elimination, wherein all potential land uses are initially considered. The site visit and evaluation from the Project Initiation task will help to eliminate land uses that are not physically compatible with the site. The second step involves a regulatory investigation, which may eliminate additional potential land uses. The remaining land uses are then reviewed in the context of their relevant markets.

Simplified Highest and Best Use Analysis. A simplified highest and best use analysis provides more generalized conclusions as to the highest and best use of the site based on the steps above and includes the scope of either a focused or broader market analysis.

Highest and Best Use with Land Residual Analysis. The more detailed form of highest and best use analysis includes a land residual analysis. This involves identifying the development potential of the site (type, size, quality, etc.), estimates revenues (from the market analysis) and operating expenses, and capitalizes net operating income in order to derive an estimated value upon completion of construction. From this value, estimated construction cost (including hard and soft costs, plus developer profit) is deducted to arrive at a land value estimate. Both the estimated building value and estimated residual land value are cross-checked against sales comparables in the market area in order to ensure they are within a reasonable range.

Task 5. Development Feasibility Analysis

Development Feasibility Analysis involves comparing the estimated costs to build a proposed project with the estimated value based on current market conditions to identify whether the proposed project is feasible and provides for a market-based developer profit. A development feasibility analysis is often used to evaluate a specific proposed use for a site and is often based on an actual development cost estimate provided by a developer or contractor.

Task 6. Developer Solicitation/Due Diligence/Negotiation

ALH Economics provides a wide variety of due diligence and review services. These include soliciting and evaluating developer proposals, conducting developer interviews, due diligence on inputs and

assumptions in developer pro formas, reviewing appraisals, reviewing feasibility studies, reviewing offers, and conducting due diligence on developers.

Developer Solicitation and Negotiation. ALH Economics can assist the County's efforts to formulate a disposition strategy and solicit developer proposals. We can assist the County's preparation, distribution, and evaluation of Developer Requests for Proposals. ALH Economics can also support developer negotiations, evaluate proposed sale or lease offers, evaluate proposed financial benchmarks or milestones, and advise on recommended DDA or contingency provisions to support the County's property disposition or, in the case of the San Lorenzo Civic Plaza acquisition, efforts. For example, this can include deal structuring, valuation, and other analysis pertinent to the County's anticipated purchase of property from the Bohannon Development Company in support of the County's development of a public plaza in front of the new County Library in San Lorenzo.

Developer Pro Forma Due Diligence. For developer pro forma due diligence, ALH Economics would use a focused market analysis to evaluate market-based assumptions, including development concepts. In order to assess the reasonableness of other pro forma inputs, ALH Economics would utilize its extensive experience in both preparing and reviewing financial pro formas, as well as its knowledge of industry standards and other pro forma benchmarks. In addition, ALH Economics can perform testing of developer pro formas to ensure that the financial models are technically sound, as well as perform sensitivity analysis to identify the impact of key assumption changes.

Task 7. On Call Support as Needed

Additional real estate analysis or transaction support services can be provided on an as need basis. This can include meeting attendance, identification and analysis of land and property sales comparables, review of appraisal documents, participating in formal and informal discussions and presentations with potential developers, peer review of documents submitted by prospective buyers, and other needs in support of the County's efforts to maximize value relative to state-mandated disposition of former Redevelopment Agency assets.

PROFESSIONAL FEES

Our fee for these services will be based upon our actual time expended, billed at our current hourly rates. This rate is \$230 for Amy L. Herman, Principal of ALH Urban & Regional Economics. Mary Smitheram Sheldon and Thomas Jirovsky, both senior level consultants, are billed at \$220 per hour. More junior level staff will be billed at a lower hourly rate.

ALH Economics anticipates that the County will identify specific tasks or properties in need of economic consulting services. Upon identification of these tasks ALH Economics will prepare individual budget and fee estimates for review with the County prior to project initiation.

CLOSING

ALH Economics greatly appreciates the opportunity to present this proposal to Alameda County. Please let me know if you have any questions. Thank you for requesting this proposal.

Sincerely,

ALH Urban & Regional Economics



Amy L. Herman, AICP
Principal

**EXHIBIT A
RESUMES**



**AMY L. HERMAN, AICP
PRINCIPAL**

ALH Urban & Regional
Economics
Berkeley, California

T 510.704.1599

aherman@alhecon.com

OTHER CLIENTS

- Arcadia Development Company
- Bay Area Rapid Transit District
- Blu Homes, Inc.
- Charter Properties
- Essex Property Trust
- General Electric Company
- Gresham Savage Nolan & Tilden
- Infrastructure Management Group
- Kaiser Permanente
- Lawrence Berkeley National Laboratory
- Lennar
- City of Los Banos
- Merlone Geier Partners
- Michael Brandman Associates
- Mills Corporation
- City of Mountain View
- Port of San Francisco
- The Presidio Trust
- Pulte Homes
- Santa Clara Valley Transportation Authority
- City of Santa Rosa
- Shea Properties
- Sheppard Mullin Richter & Hampton LLP
- Simon Property Group
- The Sobrato Organization
- Southbay Development
- City of Sunnyvale
- Sunset Development Co.
- Westfield Corporation

Amy L. Herman, Principal of ALH Urban & Regional Economics, has provided urban and regional consulting services for approximately 30 years. During this time she has been responsible for directing assignments for corporate, institutional, non-profit, and governmental clients in key service areas, including fiscal and economic impact analysis, economic development and redevelopment, feasibility analysis, location analysis, strategic planning, policy analysis, and transit-oriented development. Her award-winning economic development work has been recognized by the American Planning Association, the California Redevelopment Association, and the League of California Cities.

Prior to forming ALH Urban & Regional Economics in 2011, Ms. Herman's professional tenure included 20 years with Sedway Group, inclusive of its acquisition by CB Richard Ellis and subsequent name change to CBRE Consulting. Her prior professional work experience includes five years in the Real Estate Consulting Group of the now defunct accounting firm Laventhol & Horwath (L&H), preceded by several years with the land use consulting firm Land Economics Group, which was acquired by L&H.

Following are descriptions of select consulting assignments managed by Ms. Herman.

ECONOMIC IMPACT ANALYSIS

University of California. Conducted economic impact studies and frequent updates for five University of California campuses: Berkeley, Davis, Riverside, San Francisco, and San Diego. Prepared models suitable for annual updates by campus personnel.

Various EIR Firms. Managed numerous assignments analyzing the potential for urban decay to result from development of major big box and other shopping center retailers. The analysis comprises a required Environmental Impact Report component pursuant to CEQA.

Hospital Council of Northern and Central California. Prepared an analysis highlighting the economic impacts of hospitals and long-term care facilities in Santa Clara County. The analysis included multiplier impacts for hospital spending, county employment, and wages. Just completed a similar study for the Monterey Bay Area Region.

Howard Hughes Corporation. Managed economic impact and fiscal impact analysis for a large-scale master planned development in Honolulu, including residential, commercial, and industrial land uses.

FISCAL IMPACT ANALYSIS

Stanford Management Company and Stanford Hospitals. Managed numerous assignments involving fiscal impact analysis for planned facilities developed by Stanford Management Company or Stanford Hospitals, including a satellite medical campus in Redwood City, a hotel and office complex in Menlo Park, and expansion of the hospital complex and the Stanford School of Medicine in Palo Alto.

Office of Community Investment and Infrastructure as Successor Agency to the Redevelopment Agency of the City and County of San Francisco. Managed financial analysis estimating the tax payments in lieu of property taxes associated with UCSF development of medical office space in the former Mission Bay Redevelopment Project area.

City of Concord. Structured and managed fiscal impact analysis designed to test the net fiscal impact of multiple land use alternatives pertaining to the reuse of the 5,170-acre former Concord Naval Weapons Station, leading to possible annexation into the City of Concord, California.

Ronald McDonald House. Analyzed the fiscal impact of the expansion of Ronald McDonald House in the City of Palo Alto.

San Francisco Mayor's Office of Economic Development. Conducted fiscal and economic impact analysis of redevelopment and expansion of San Francisco's Parkmerced residential community, including assessing the project's impacts on the San Francisco Municipal Transportation Agency.

AMY L. HERMAN, AICP
Principal

ECONOMIC DEVELOPMENT AND REDEVELOPMENT

Catellus/City of Alameda. Prepared a retail leasing strategy for Alameda Landing, a regional shopping center planned on the site of the former U.S. Navy's Fleet Industrial Supply Center in Alameda.

City of Morgan Hill. Reviewed the City's economic development practices and compared them with "best practices" to other competitive Bay Area cities.

City of San Jose Redevelopment Agency. Prepared a study analyzing the costs and benefits associated with creating a bioscience incentive zone in the Edenvale industrial redevelopment area.

City of Palo Alto. Conducted a retail study targeting six of Palo Alto's retail business districts for revitalization, including the identification of barriers to revitalization and recommended strategies tailored to the priorities established for each of the individual target commercial areas.

East Bay Municipal Water District. Managed economic, demographic, and real estate data analysis in support of developing market-sensitive adjustments to long-term water demand forecasts.

DEVELOPMENT FEASIBILITY

PCR Services Corporation. Analyzed the retail supportability of the planned mixed-use development of the UTC/Rocketdyne site in the Warner Center area of Los Angeles

ChevronTexaco. Conducted a regional market analysis of an 8,400-acre oil field retired from active oil production in the New Orleans, Louisiana metropolitan area.

City of San Jose. Managed alternative City Hall location analysis, focused on recommending a long-term occupation strategy for the City. Following relocation of City Hall conducted a study examining the feasibility of redeveloping the City's former City Hall location and nearby parking facilities for residential, retail, and civic land uses.

General Motors Corporation. Managed reuse studies for closed manufacturing facilities in Indiana (250 acres, 14 sites) and New Jersey (80 acres). Studies focused on the long term reuse and redevelopment potential of the closed manufacturing sites.

CORPORATE LOCATION ANALYSIS

Toyota Motor Corporation. Conducted a location analysis study for a distribution facility in the San Francisco Bay Area, designed to minimize travel time distance to the majority of area dealerships.

Cisco Systems. Managed multiple corporate location studies for Cisco Systems, headquartered in San Jose, California. These studies focused on the formulation of both a regional and a North American location strategy.

Starbucks Coffee Company. Directed analysis examining alternative locations for a new coffee roasting plant in the Western United States. A variety of economic, business, and labor market data were collected. The roasting plant was successfully sited in Sparks, Nevada.

Sacramento Regional Transportation District (RTD). Managed a consultant team assisting the RTD in planning for its immediate and long-term administrative office space needs, and in developing a strategy for maximizing the value of the existing RTD complex.

Hines. Managed comparative analysis highlighting business and employee costs associated with business locations in three competitive Bay Area locations.

AMY L. HERMAN, AICP
Principal**PROFESSIONAL AFFILIATIONS**

- American Planning Association (APA) and its Economic Development Division
- State of California, Real Estate Salesperson License, License #01821384

EDUCATION

- Ms. Herman holds a Bachelor of Arts degree in urban studies, magna cum laude, from Syracuse University. She also holds a Master of Community Planning degree from the University of Cincinnati. She has also pursued advanced graduate studies in City and Regional Planning at the University of California at Berkeley.

VOLUNTEER ACTIVITIES

- President, Rebuilding Together (formerly Christmas in April), East Bay - North
- Past President, Diablo Pacific Short Line, 501 (c)(3) Portable Modular Train Organization
- Secretary and Volunteer, Swanton Pacific Railroad, Santa Cruz County, California
- Volunteer, Redwood Valley Railway, Tilden Regional Park, California

PROFESSIONAL PROFILE

MARY A. SMITHERAM-SHELDON



415-730-2849
marysmitheram@gmail.com
RE Lic. 00409987

CLIENTS REPRESENTED

- San Francisco
Redevelopment Agency
- Forest City Residential
West
- The Presidio Trust
- Pacific Gas and Electric
Company
- San Francisco State
University
- Union Labor Life
Insurance Company
- Port of San Francisco
- The Related Companies
- Tishman Speyer
Properties
- Irvine Apartment
Communities
- City of Monterey
- Opus West
- The John Stewart
Company
- Urban Housing Group
- Shartsis, Friese &
Ginsburg

Ms. Smitheram-Sheldon, most recently a Senior Managing Director with CBRE Consulting, has been providing real estate consulting services to corporations, financial institutions, developers, pension funds, law firms, property owners, and governmental entities for 23 years. Of this time period, 16 years were with Sedway Group / CBRE Consulting. Her industry experience includes investment analysis, development feasibility, highest and best use analysis, litigation support, partnership valuation, and appraisal review. Ms. Smitheram-Sheldon has particular expertise in real estate valuation, market analysis, and strategy.

REPRESENTATIVE CONSULTING ASSIGNMENTS

City of Concord/Concord Naval Weapons Station. Led CBRE Consulting's efforts as part of a multidisciplinary team evaluating the potential reuse of a 5,170-acre former base. The initial phase of the project involved analysis of seven different alternatives that included a range of housing, office, retail, hotel, and community uses. The CBRE team provided input on the markets pertaining to these uses, created financial models evaluating the performance of the land uses, and created fiscal models analyzing the impact of development on the City's General Fund. Other aspects of the project include analyzing proposed public benefits conveyances, qualitatively evaluating the alternatives, and presenting to the public in various forums. This phase culminated in a preferred alternative adopted by the Concord City Council. Currently, Ms. Smitheram-Sheldon is leading an update of the market inputs, and financial and fiscal analyses in support of the City's economic development conveyance application.

City of San Francisco Redevelopment Agency and Office of Economic and Workforce Development/Hunters Point Shipyard Phase II and Candlestick Point. Led CBRE Consulting's efforts assisting the San Francisco Redevelopment Agency and the Office of Economic and Workforce Development with regard to the redevelopment of Hunters Point Shipyard Phase II and Candlestick Point. The property consists of 429 acres in the second phase of the Hunters Point Shipyard redevelopment project (BRAC 1991), which has been joined with the 276-acre redevelopment of Candlestick Point. The proposed redevelopment plan calls for 10,500 units of housing at a variety of densities and affordability levels, over 800,000 square feet of retail space, 2.5 million square feet of office and research and development space, a 220-room hotel, the space for a new 69,000-seat football stadium for the San Francisco 49ers, and other performance and artist space, as well as parks and open space. CBRE Consulting provided assistance with regard to market and financial analyses, affordable housing issues, developer negotiation, due diligence, and a variety of other tasks, including assisting with components of the project Environmental Impact Report and the Disposition and Development Agreement and Financing Plan between the City and the developer.

City of Monterey. Reviewed proposed ground lease terms and supporting developer pro formas for a proposed project located in the gateway area to downtown Monterey, California. The proposed development consisted of a small mixed-use building with ground floor retail and affordable apartments on the second floor. Opined on the reasonableness of components of the developer's pro formas, including return thresholds, as well as the specific terms proposed for the ground lease. Also prepared illustrative calculations to demonstrate the impact of various ground lease participation structures.

New Town Hotel. Ms. Smitheram-Sheldon prepared a highest and best use analysis for an 8.65-acre site located along the San Francisco Bay in Burlingame, California. The assignment followed a traditional approach where certain land uses were eliminated due to physical and regulatory limitations. For this site, hotel and office uses were then carried to the next stage of the study, which included a review of the area's economic context and detailed research and analysis of the hotel and office markets. The final task involved preparing illustrative static residual land value analyses for both the hotel and office uses.

PROFESSIONAL PROFILE

MARY A. SMITHERAM-SHELDON

San Francisco International Airport. Ms. Smitheram-Sheldon is currently conducting a market feasibility analysis for existing space expected to be vacated as part of San Francisco International Airport's proposed new Consolidated Administrative Campus. The project, expected to house 585 employees in 188,00 square feet of new space, will result in "leave-behind" space located in both the airport terminals and in older Class B buildings on the airport property. The analysis evaluates the reuse potential of these spaces and estimates potential rental and vacancy rates.

San Francisco Mayor's Office of Economic and Workforce Development/Financial Analysis, Fiscal and Economic Impact, and Due Diligence. One of the most significant non-redevelopment project proposals in San Francisco is the rebuild of the Parkmerced apartment complex. Currently consisting of 3,221 rent-controlled apartment units, the developer has proposed renovating 1,683 units, replacing 1,538 units, and building 5,679 new units of for-sale and for-rent product. The proposal also includes 230,000 square feet of retail space, 80,000 square feet of office space, a 64,000-square-foot fitness/amenity center, a school site, recreation fields, an organic farm, three new light rail stations, and other substantial public improvements. As part of its negotiations of a development agreement with the developer, the City of San Francisco asked Ms. Smitheram-Sheldon to perform a detailed review of the developer's pro forma and quantify the public benefits that the developer has committed to provide. As part of the developer pro forma review, Ms. Smitheram-Sheldon was asked to determine the reasonableness of the pro forma assumptions based on market conditions, make changes as necessary, and opine on the ability for the project to pay for additional public improvements, including those potentially financed via a community facilities district. A key related task was quantifying the "value" of the rebuilt rent-controlled units, in terms of the project's long-term revenue loss.

Catellus Development Corporation. Created a market segmentation strategy for the residential component of Mission Bay North in San Francisco, California. This portion of the overall Mission Bay redevelopment area is entitled for 3,000 residential units. The strategy assessed the various development sites, analyzed the future supply of residential product, recommended various product types, and estimated market rents and sales prices for the recommended units.

Various Developers, Investors, and Lenders. Performed assessments and analyses of the San Francisco, Oakland and San Jose condominium and apartment markets for a variety of developers, investors, and lenders. Ms. Smitheram-Sheldon has conducted over 70 such studies involving more than 25,000 units. Recent projects have included four apartment towers in the Transbay neighborhood in San Francisco, two of which are presently under construction, a proposed luxury condominium project in San Francisco's Pacific Heights neighborhood, and a proposed transit-oriented apartment complex in San Mateo County. Alameda County assignments include Uptown Apartments in Oakland, the Oak Knoll Naval Hospital redevelopment in Oakland, and Paragon in Fremont.

PROFESSIONAL AFFILIATIONS

- Guest Lecturer, Haas School of Business, University of California, Berkeley
- Instructor, Basic Pro Forma Analysis, Redevelopment Institute; California Redevelopment Association

EDUCATION

Ms. Smitheram-Sheldon holds a bachelor of science degree, *magna cum laude*, from the University of California, Berkeley, Haas School of Business. Her fields of emphasis were finance and real estate.

THOMAS R. JIROVSKY



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SELECTED CLIENTS

- CenterPoint Properties
- City of Concord, CA
- Disneyland Resort
- City of El Segundo, California
- Dana Point Marina
- Denver, Colorado
- Forest City Development
- General Motors
- Glendale AZ
- Huntington Beach High School
- City of Irvine, California
- Jacksonville Electric Authority
- Kamehameha Schools
- Los Angeles World Airports
- Los Angeles MTA
- Los Angeles CRA
- Lowe Enterprises
- Macerich Company
- Port of San Diego
- City of Palmdale, California
- Palm Beach County, Florida
- San Bernardino County, CA
- Shamrock Holdings
- Stanford University
- Texas Research Park Foundation
- Thomas Properties
- Torrance Unified School Dist.
- City of 29 Palms, CA
- UC Merced
- University of Southern California
- Unocal
- U.S. Coast Guard
- U.S. Dept Veterans Affairs
- Westfield Corporation
- City of West Hollywood, CA
- Whittier, CA
- Wilson, Meany & Sullivan

PROFESSIONAL EXPERIENCE

Thomas Jirovsky is a former Senior Managing Director of CBRE Consulting's Los Angeles office. Prior to joining CBRE in 2000, Tom was CFO and principal with Kotin, Regan & Mouchly, Inc. and a Senior Vice President with Kosmont Partners, consulting firms providing asset management and public/private advisory services to public agencies, land owners and developers. Through his 30-year career he specialized in the areas of market and financial feasibility analysis, computer-based financial models, fiscal and economic impact, asset management, and public/private joint ventures for small urban infill projects to large master-planned mixed-use projects. He has assisted a wide range of government agencies in evaluating commercial and industrial development proposals and in the negotiation of development agreements and long-term ground leases for airports, ports and educational institutions on office, retail and mixed-use projects.

DEVELOPMENT FEASIBILITY

- **City of Palmdale/Ritter Ranch.** Evaluated the financial feasibility of a 7,200-unit master planned community in unincorporated Los Angeles County for an infrastructure financing bond offering in the mid-1990's.
- **MCAS Tustin.** Performed economic analysis of the reuse plan and analyzed financing structures for mixed-use development of the 1,000-acre former military base in Tustin, CA.
- **Kamehameha Schools.** Managed market and financial analysis of alternative land uses for 250-acres of underdeveloped land near downtown Honolulu.
- **Jacksonville Electric Authority (JEA)** – Managed the market analysis and financial feasibility of various land uses to develop the highest and best use plan for the redevelopment of a 50-acre former generating plant in downtown Jacksonville, Florida.
- **Hunter's Point Naval Shipyard** – Developed financial model for San Francisco Redevelopment Agency on reuse of 500-acre shipyard incorporating infrastructure costs and residual land values to guide development.
- **Concord Naval Weapons Station Reuse Plan.** In 2007 developed financial and fiscal impact model for reuse planning of 5,000-acres former naval weapons station in northern California. Provided ongoing advisory services in support of Economic Development Conveyance.
- **Port of San Diego/Chula Vista Bayfront.** Evaluated market and financial feasibility of various land uses in support of Chula Vista Bayfront Master Plan effort in 2004-5
- **City of West Hollywood.** Analyzed impact of City's development standards and zoning restrictions on feasibility of new residential and commercial development
- **Westfield Corporation.** Analyzed the financial feasibility of redeveloping existing regional malls and measured the economic and fiscal benefits to the community.

ECONOMIC DEVELOPMENT

- **San Bernardino County/Chino Airport.** In 2007 managed asset management and economic development strategy for the 1,000-acre Chino airport in San Bernardino County.
- **LAWA/Ontario Airport.** In 2000 provided market and financial analysis of leasehold operations, asset management and development strategy recommendations to optimize long-term revenue from surplus real estate assets as part of master planning effort.
- **City of Whittier** In 2009 performed valuation analysis of alternative development scenarios for the 50-acre site of a former Fred Nelles State Correctional to assist City in rezoning the property for sale to developers.

THOMAS R. JIROVSKY PUBLIC/PRIVATE JOINT VENTURES / GROUND LEASES

- **Metropolitan Transit Authority.** Between 2001 and 2011 - financial advisor to the Los Angeles MTA analyzing the financial feasibility of long-term ground leases on four high-density mixed-use joint development projects adjacent to Metro Rail subway stations.
- **Economic Development Corporation.** Evaluated commercial development proposals for a long-term ground lease on 30-acre site near LAX International Airport.
- **Los Angeles County.** Assisted County in issuing and reviewing developer proposals for 300,000 square foot mixed-use commercial project in Marina del Rey. Provided detailed financial analysis of development proposal and ground lease terms.

FINANCIAL ANALYSIS

- **Huntington Beach High School.** Analyzed the feasibility of relocating and redeveloping the District's 5-acre maintenance and transportation yard located in downtown commercial area.
- **Downey Savings and loan.** Performed a leasehold valuation for 30 retail shopping center properties in which DSL had a residual interest
- **City of Denver – Union Station Bond Analysis.** Performed a 30-year financial projection of tax increment revenue related to commercial and residential development within the Union Station Development District
- **University of Southern California.** Prepared highest and best use study for a surplus parking lot adjacent to the main campus.

ECONOMIC AND FISCAL ANALYSIS

- **Glendale, AZ.** In 2011, City of Glendale negotiated a long-term lease for the Glendale Arena with the Phoenix Coyote Hockey Team. Due to State gift of public funds concerns, the City needed an independent valuation of the financial benefits/cost vs. the financial incentives provide to the Team.
- **City of El Segundo.** In 2005 developed a dynamic fiscal impact model to allow the City to evaluate a wide range of residential, commercial and industrial developments on the City budget.
- **Disneyland Resort.** Managed fiscal and economic impact analyses for the 50thth anniversary of Disneyland Resort. Have completed follow-up analyses in 2007 and 2010

PROFESSIONAL AFFILIATIONS AND LICENSES

- International Council of Shopping Centers (ICSC)
- Urban Land Institute (ULI)
- LEED Accredited Professional

EDUCATION

- BS Architecture - University of Southern California
- MBA Finance – University of Southern California

URBAN ECONOMIC CONSULTING SERVICES PROVIDED TO ALAMEDA COUNTY ECONOMIC AND CIVIC DEVELOPMENT DEPARTMENT

SCOPE OF WORK

Based upon discussions with the Alameda County Economic & Civic Development Department, ALH Economics has identified urban economic and real estate consulting services designed to help Alameda County achieve its economic development goals for the County's unincorporated areas. These services are described below, distributed among two major tasks. Detailed descriptions of these tasks are presented below, followed by budget estimates. Task timing will be determined in association with Alameda County Economic & Civic Development Department staff upon task initiation.

Mission Boulevard Developer Solicitation Process

As directed in the Alameda County Board of Supervisors Unincorporated Services Committee meeting on April 22, 2015, the Alameda County Economic & Civic Development Department will be engaging in a developer solicitation process for the property at 22095 Mission Boulevard in the unincorporated Alameda County community of Cherryland. ALH Urban & Regional Economics (ALH Economics) has been requested to submit a scope of work to assist Alameda County with the developer solicitation process.

Task 1: Assist with Document Preparation

Alameda County staff will be in charge of preparing the initial draft of the developer solicitation document (i.e., RFQ/RFP/RFI/SOI/SOQ/etc.). There are two areas where ALH Economics has been requested to assist with the preparation of the document:

Task 1A – Brief Market Overview. ALH Economics will prepare a brief market overview for the property to include in the solicitation document. This overview will include recent demographic and economic trends, a retail market summary (trends, vacancy rates, rental rates), and for-sale and for-rent residential market summaries (trends, median home prices and sales volumes, vacancy rates, rental rate trends).

Task 1B – Document Review and Input. ALH Economics will also review the draft document and provide input as needed. Areas of focus include the description of the evaluation process and weighting scale, as well as the description of the County's economic development goals for the site vis a vis the potential sales price of the site and prospective land uses.

Task 2: Prepare Developer Distribution List

ALH Economics will collaborate with Alameda County in preparing a developer distribution list for the solicitation document. Several potential recipients have already been identified by both Alameda County and ALH Economics and will be included in the distribution list; other potential recipients will be added to the list based on suggestions received by Alameda County as well as research conducted by ALH Economics. The list will also include relevant brokers, although the County will not be paying a commission.

Task 3: Review Responses, Evaluation, and Recommendation

In collaboration with Alameda County, ALH Economics will review the responses received in the context of the evaluation criteria set forth in the solicitation document. This scope and budget assumes up to five responses will be evaluated. ALH Economics will perform additional due diligence tasks for certain developers as directed, including reviewing inputs and assumptions in developer pro formas and/or jobs and fiscal benefit estimates (if requested) and conducting due diligence on developers. Based on its review, ALH Economics will make a recommendation to Alameda County regarding the selection process. This could include a recommendation to formulate a short list of developers to pursue in a second stage process, or a single recommendation on a preferred developer, depending upon how Alameda County structures the process and the quality of the responses.

Task 4: Report Preparation and Public Meeting Support

ALH Economics will prepare a report for the Alameda County Economic & Civic Development Department to include in its staff report to the Alameda County Board of Supervisors Unincorporated Services Committee. The report will include a brief description of the process, the responses received, the review and evaluation of the responses, and its recommendation. ALH Economics will attend one public meeting to provide assistance to staff.

Task 5: In-Depth Developer Proposal Evaluation and Negotiation Support

If warranted based on the number and quality of responses received by Alameda County, ALH Economics will additionally assist with a second round evaluation process. This could involve assisting the County's preparation of a more detailed Request for Proposals (RFP), including the identification of preferred financial terms, evaluating and rank ordering the developer responses based upon set criteria established prior to submission of the developer proposals, meeting with the development teams to review and discuss their proposals, and supporting County negotiations with a preferred developer. Similar to Task 4, ALH Economics will prepare a brief report describing the process and the ultimate developer recommendation.

Additional Services As Needed

ALH Economics will be available to provide the Alameda County Economic & Civic Development Department with additional real estate and urban economic consulting services on an as needed basis. These services can include assisting the County with tasks such as "Analysis of Enhanced Infrastructure Finance District (EIFDs) for the Unincorporated Area." This could include assessing the feasibility of implementing one or more EIFDs to support economic development projects in the unincorporated areas. Other services could include assisting with development project assessment or implementation, advising on market conditions, etc. Specific individual tasks will be developed in association with County staff based upon identified County economic development needs.

ANTICIPATED BUDGET

The budgets for each scope of work will be on a time and materials basis. The project consultants will include Amy L. Herman, Mary Smitheram-Sheldon, and Thomas Jirovsky. Hourly billing rates will be \$230 for Ms. Herman and \$220 for Ms. Smitheram-Sheldon and Mr. Jirovsky. A limited amount of additional assistance will be provided by Kate O'Beirne, at a billing rate of \$120 per hour. Additional subconsultants will be retained on an as needed basis, as approved by Alameda County Economic & Civic Development Department staff.

For the **Mission Boulevard Developer Solicitation Process**, we anticipate a total of approximately 125 hours of consulting time will be required with a general fee estimate of \$28,000, including expenses. These expenses are anticipated to be nominal, reflecting primarily local travel costs and potential data acquisition costs.

For the **Additional Services as Needed**, we recommend a budget allocation of \$30,000 to support a range of potential service needs, with individual tasks and budgets to be mutually agreed upon as warranted. For these tasks ALH Economics will prepare a written scope and proposed budget, to be submitted to Alameda County staff for approval prior to task engagement.