

ORDINANCE/RESOLUTION REQUEST

All Fields must be completed

Incomplete request forms will be returned to sender which may cause a delay in processing.

Please mark one: Bill Request or Resolution Request Date of Request: 4/30/2018

1. Type of Request:

- Contract/Grant Agreement Intergovernmental Agreement (IGA) Rezoning/Text Amendment
- Dedication/Vacation Appropriation/Supplemental DRMC Change
- Other:

2. Title: Approves a contract with CBRE, Inc., for On-Call Real Estate Services (#201840410)

3. Requesting Agency: Department of Aviation

4. Contact Person:

Contact person with knowledge of proposed ordinance/resolution	Contact person to present item at Mayor-Council and Council
Name: Darryl Jones	Name: Rachel Marion
Email: Darryl.Jones@flydenver.com	Email: Rachel.Marion@flydenver.com

5. General description or background of proposed request. Attach executive summary if more space needed:

There are several development opportunities DEN is actively pursuing for transaction in 2018, which are currently being supported by CBRE Inc., a commercial real estate advisory and transaction firm. This new on-call contract allows DEN to continue receiving in-depth advisory services such as investment analysis, deal structuring, land valuation, pro-forma modeling, proprietary research and marketing.

6. City Attorney assigned to this request (if applicable): Everett Martinez

7. City Council District: 11

8. **For all contracts, fill out and submit accompanying Key Contract Terms worksheet**

To be completed by Mayor's Legislative Team:

Resolution/Bill Number: RR18 0482

Date Entered: _____

Key Contract Terms

Type of Contract: Professional Services: On-call real estate services

Vendor/Contractor Name: CBRE, Inc.

Contract control number: 201840410

Location: Denver International Airport

Is this a new contract? Yes No **Is this an Amendment?** Yes No **If yes, how many?** _____

Contract Term/Duration (for amended contracts, include existing term dates and amended dates): Three years

Contract Amount (indicate existing amount, amended amount and new contract total):

<i>Current Contract Amount</i>	<i>Additional Funds</i>	<i>Total Contract Amount</i>
(A)	(B)	(A+B)
N/A	0	\$4,500,000.00

<i>Current Contract Term</i>	<i>Added Time</i>	<i>New Ending Date</i>
N/A	0	DOE + 3 years, with option to extend for two 1-year options

Scope of work:

The -call contract with CBRE Inc., will allow us to engage both transactional and advisory professional services for revenue-generating commercial leases as we expect a significant increase in activity at 61st and Peña, West Approach, 56th Avenue and Peña, and in the Peña Median over the next few years. The total amount of the contract is a “not to exceed” amount and payments will only be made based on an approved task order basis for lease transactions. Advisory services will be billed at an hourly rate. The contract is proposed for three (3) years with an option to extend, and includes capacity for coordination with marketing initiatives, such as printed and digital marketing materials, to provide a consistent message regarding commercial real estate opportunities.

Advisory Services to include:

- Front end analysis and development program planning to evaluate best delivery methods (i.e. raw site vs. fully developed infrastructure)
- Evaluate mix of uses and development concepts that meet current market needs and bring the most value to DEN
- Define underwriting process for deal types
- Deal structure guidance with scenarios to evaluate risk/reward
- Land valuation, appraisals and pricing guidance
- Hourly consulting services on a task order basis

Transactional Services

- Implement comprehensive marketing plan to procure non-aviation revenue generating commercial leases and development contracts as directed by DEN
- Manage transaction through entire deal cycle
- Task order to define business terms on a case-by-case basis because frequency and scope is currently unknown

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Was this contractor selected by competitive process?

No

If not, why not?

For this new contract, professional preference is selected based on the preferred firm already performing extensive analysis and planning work proprietary to DEN. This work is designed to result in completed real estate transactions. They have also demonstrated their capability through marketing and analysis work completed as part of pre-planning and management of current real estate agreements. Selecting CBRE Inc., for this scope of work is valuable to DEN, as it ensures continuity with existing real estate services. They provide a mechanism for capturing and immediately responding to the existing market demand. Not utilizing this firm would result in a significant loss of time and wasted resources from work that is either completed or currently underway. Additionally, work would be further delayed to market for DEN Real Estate transactions

Has this contractor provided these services to the City before? Yes No

Source of funds: O&M

Is this contract subject to: W/MBE DBE SBE XO101 ACDBE N/A

WBE/MBE/DBE commitments (construction, design, Airport concession contracts): N/A

Who are the subcontractors to this contract? N/A

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