

Memorandum

Agenda Item 4

TO: Bay Area Headquarters Authority

DATE: January 21, 2015

FR: General Counsel

W. I. 9110

RE: Contract Amendment - Legal Services: Farella Braun + Martel LLP (\$100,000)

The Office of General Counsel requests the Authority's approval to authorize the Executive Director or his designee to negotiate and enter into a contract amendment with Farella Braun + Martel LLP ("Farella") for legal services to be performed related to leasing of commercial and retail space at 375 Beale Street.

Background Information

In March 2012, BAHA entered into an agreement in the amount of \$100,000 with Farella on a sole-source basis for legal services relating to analysis of the development of 375 Beale Street under the California Environmental Quality Act as well as applicable zoning and land use constraints. Services also included assistance with condominium and leasing arrangements with public agencies. The agreement was subsequently extended through the end of FY 2014-15.

Under this agreement, Farella has assisted BAHA with, among other things, the development of a form of lease agreement for 375 Beale Street, which was implemented for a lease with the Bay Area Air Quality Management District. BAHA staff expect to be negotiating lease terms with prospective tenants during FY 2014-15 and beyond, and these negotiations may require support from outside legal counsel. Because Farella drafted the form of lease agreement, it is the logical and most efficient counsel to continue advising BAHA throughout the leasing process.

Recommendation

The Office of General Counsel recommends that the Authority authorize the Executive Director or his designee to negotiate and enter into a contract amendment with Farella to add an amount not to exceed \$100,000 for continuing legal services related to leasing of commercial and retail space at 375 Beale Street.



Adrienne D. Weil

Attachments

AW:ba

J:\COMMITTEE\BAHA\2015\01_January 2015\4_BAHA FBM Weil.docx

REQUEST FOR AUTHORITY APPROVAL
Summary of Proposed Contract Amendment

Counsel: Farella Braun + Martel LLP (San Francisco)

Work Project Title: Real Estate Legal Services

Purpose of Project: Provide legal services to BAHA in connection with real estate matters relating to the development of 375 Beale Street in San Francisco

Brief Scope of Work: Assistance with legal analysis of development of the Regional Agency Headquarters at 375 Beale Street in San Francisco, including assistance with environmental, zoning and land use matters, and leasing and condominium arrangements.

Project Cost Not to Exceed: \$100,000 (this amendment)
\$100,000 (total Contract before this amendment)
\$200,000 (Total Authorized Contract after this amendment)

Funding Source: BAHA FY 2014-15 Budget

Fiscal Impact: Funding is included in BAHA's FY 2014-15 Budget.

Motion by Authority: That the Executive Director or his designee is authorized to negotiate and enter into a contract amendment with Farella Braun + Martel LLP to provide legal services as described above and in the General Counsel's memorandum dated January 21, 2015 and the Treasurer and Auditor is directed to set aside funds in the amount of \$100,000 for such contract amendment.

BAHA Chair: _____
Amy Rein Worth

Approved: Date: January 28, 2015