



Facilities Planning, Construction,
and Management
Office of Financial Management
Procurement Services
555 West 57th Street 11th Floor
New York, New York 10019
tel: 212-541--0440

**Addendum No. 1
September 24, 2008**

**The City University of New York
Request for Proposals**

**Commercial Real Estate Brokerage Services
Project Number RE002-08**

This Addendum is issued for the purpose of conveying the below listed Questions and Answers to the questions that were emailed to the CUNY Contracts Department. Consistent with Section V. F. (General Terms and Conditions) of the RFP, all information provided herein is made in good faith for information purposes only and does not in and of itself change the RFP. Changes to the RFP may only be made by formal amendment if and when required.

Contact: Michael Feeney, DDCM.ContractsDept@mail.cuny.edu

By signing in the space provided below, the Proposer acknowledges receipt of this Addendum. This Addendum must be signed by the Proposer and submitted with the Proposal.

Name of Responder

Name of Authorized Responder
Representative

Title

Signature

Date

**The City University of New York
Request for Proposals**

**Commercial Real Estate Brokerage Services
Project Number RE002-08**

**Questions and Answers
September 24, 2008**

- Q1.** In Section III. 3. Fee Proposal; with regards to the Fee Schedule there is a reference to “Incentive Commission Approach”. The RFP clearly states that any and all fees must be obtained from the landlord. Further it states that the; “incentive commission approach is set forth hereinafter, or propose an alternative incentive payment approach”. I do not seem to be able to locate where the incentive aspect to has been set forth within the RFP. Is the Maximum Fee Schedule the incentive that is referred to, or is it outlined elsewhere in the RFP? Or, is the incentive not for the Proposer but for CUNY to retain the Consultant?
- A1. The Maximum Fee Schedule is required for brokerage commissions on Projects assigned by CUNY pursuant to this RFP. However, proposers may present alternative fee structures in response to the RFP. The incentive is an option for the Proposers, not for CUNY.
- Q2.** Would it be appropriate to include exhibits that are not of a confidential nature within the body of the “Technical Proposal”, as opposed to within a separate envelope? The reason I ask is that the exhibits will be referenced with the Technical Proposal.
- A2. Yes.
- Q3.** Is it correct to assume that if a Proposer is not a recognized NYS minority and Women-Owned Business Enterprise, [it] need not file any form?
- A3. No, All Proposers are required to submit the completed forms MWBE 101 and MWBE 103 with their Proposals.
- Q4.** There are a total of eight reports due; one original and seven copies. I do not believe that an envelope is available that is large enough to include all eight Proposal and other accompanying documents. If this is the case may we place the documents in a properly labeled box or could we make eight separate packages with all of the required documents in each package.
- A4. A properly labeled box with the required contents separated as described in Section III. B. Proposal Package Contents and Submission Requirements is acceptable.

Q5. Given that CUNY has provided a not to exceed – suggested fee scale, and is clearly not responsible for the payment of commissions, does it not create an unnecessary problem and conflict for CUNY to be grading the proposal for the proposers fee scale (20) Points? And by going beyond the guideline is CUNY not interfering in the delicate market negotiation needed for a landlord to pay a consultant, when they will not be a party to that negotiation?

A5. No, it does not create a problem or conflict for CUNY to be grading the proposals. It is correct that CUNY is not responsible for direct payment of commissions. However, CUNY has a keen interest in the commission structure since such fees will be amortized in the base rent payable by the University pursuant to any future lease agreements.

Q6. Should the clauses with regard to confidential information not be mutual? In order to comply with the RFP requirements consultants will be required to provided data and formats from in house and other licensed proprietary databases. A usual requirement of most licensed data, is that the use be singular and confidential to the designated end users. By not agreeing to provide confidentiality as required by the consultant (reasonably granted on City, State and Federal contracts) but demanding confidentiality for CUNY data as well as ownership of all work product, is CUNY being as reasonable as it could be in this requirement?

A6. Please refer to RFP Sections III.B.3 and V. D. for information concerning treatment of confidential information provided by Proposers in response to the RFP.

Q7. In the section on reporting item 4e (pg 7) – there is a request for the report to include information on asbestos, engineering, structural, building and fire conditions as well as any potentially hazardous conditions. Further it requires that the reports be undertaken by a duly licensed expert in the appropriate field. Given that such reports must be independent and can be a source of considerable coast. Does CUNY intend to provide the consultants and pay for the cost or will it depend upon the landlord's representations and communication to the consultant? In any case the consultant as a NYS licensed broker cannot prepare or be responsible for such reports directly, will CUNY revisit or clarify this issue?

A7. In any future leasing projects, the Tenant Representative will not be responsible for producing such reports. The Tenant Representative will be responsible for gathering such reports from the Landlord.

Q8. What is the reasoning behind allowing the highest scoring provider to choose the geographic zone as opposed to CUNY determining who is the most suitable provide for a zone based on relevant experience?

A8. The information requested is not relevant in responding to the RFP.

- Q9. Do the certifications in Appendix E need to be attached to the response, or would this be complied with at the time of entering into a contract (including the certification to the DFT (ST-220CA) and Contractor Certification form ST-220-TDF pursuant to Tax Law Section 5-A? They are not listed in the Proposal Package Contents.**
- A9. No, the forms included in Appendix E are not proposal submission requirements, but will be required at the time of entering into a contract.
- Q10. Our company is privately held and does not have an annual report – we propose using the following language which we have used in other instances – “_____” is a privately held company and does not disclose financial statistics. System-wide nationally, 2007 revenues were in excess of \$ and the company is currently experiencing double-digit growth. In the event we are selected as your real estate service provider, we will be happy to provide you with more information relative to our financial position. Please note that in all our years of operation, we have taken on no debt.” Is this sufficient, or what other information should we provide in lieu of an annual report?**
- A10. If an annual report is not available proposers must provide audited company financial statements (e.g., balance sheet, operating statements, etc.) for the last two years.
- Q11. In the fee proposal section, you request that the proposal affirmatively agrees to the “incentive commission approach” set forth hereinafter. By this are you referring to the fact that free rent would be amortized over the term and tenant alteration reimbursements etc., would not be factored in? Please confirm.**
- A11. Please see the answer to Question #1.
- Q12. Can you provide a list of your leased facilities including the square footage and expiration dates?**
- A12. No. The information requested is not relevant in responding to the RFP.
- Q13. If a unit were to relocate from one zone to another, which provider would get the assignment? For Example, the offices at 555 W 57th relocate south of 42nd St.**
- A13. The Tenant Representative assigned to the zone where the relocation would take place would get the assignment.
- Q14. “_____” is a privately owned company and will not disclose an Annual Report. Will this ultimately preclude us from being considered?**

A14. See answer to question 10 above.

Q15. If a developer, owner approaches you directly with a property, will the assigned broker for that zone be compensated by CUNY and/or the developer?

A15. Tenant Representatives will be compensated only on those projects assigned by CUNY. Please refer to Section IV. D. of the RFP for further information.

Q16. On page 16, what are you referring to when you say “normalization process”?

A16. Normalization procedures will not be used in evaluating fee proposals.

Q17. Who and what are you referring to on page 29 when you talk about in excess of \$300,000?

A17. The language referenced is excerpted from New York State Department of Taxation and Finance (DTF), you are directed to the DTF websites as noted in Appendix E of the RFP.

Q18. At what point will CUNY disclose the location and relevant terms (expiration dates, etc.) of the leases, or the nature of the work required for the constituent colleges in each of the Zones?

A18. Refer to Section IV. D. Basis for Contract Award; as the need arises for brokerage services in a particular Zone.

Q19. What is the overriding strategy or business initiative driving this RFP? Cost Containment? Capital preservation? Public/private partnership whereby CUNY has a qualified professional ready to assist as needed?

A19. The information requested is not relevant in responding to the RFP.

Q20. Section III. Q. 3 of the RFP indicates that the respondent “...should affirmatively agree to the incentive commission approach set forth hereinafter.” We are unclear as to what “incentive commission approach” CUNY is referring to. Will CUNY be providing respondents with an “incentive commission approach” or is CUNY asking respondents to provide one as part of its response?

A20. Please refer to the answer in Question #1.

Q21. Is the expectation of CUNY that the respondents will be providing architectural, engineering and project management services as part of its proposal? If yes, will the scope of services of these sub-consultants be

limited to preliminary due diligence as outlined in the FRFP, or will it include the construction of any space?

- A21. No. Proposers will not be responsible for providing architectural, engineering or project management services as part of this RFP.
- Q22. Please clarify if the selected Professional is to be responsible for compensation all sub-consultants from any commissions that the Professional may earn, and that CUNY will not incur any costs whatsoever for Professional's sub-consultants.**
- A22. CUNY will not be responsible for the costs of any sub-consultants.
- Q23. On page 11, in Section III; in the first bullet point there is a reference to "the incentive commission approach set forth hereinafter, or propose an alternative incentive payment approach". Is the incentive reference solely to the Maximum Fee Schedule or is CUNY possibly looking for a whole new formula or a rate schedule reduction from the state maximum?**
- A23. Please refer to the answer in Question #1.
- Q24. With regard to CUNY units in leased properties, please provide us with the following information for each property:**
a – location
b – square footage
c – name of user group and use
d – lease expiration date
e – renewal options, if any
f – pending plans, if any to relocate to an owned facility (either existing or to be built).
- A24. The information requested is not relevant in responding to the RFP.
- Q25. With regard to CUNY units in owned properties, are there any expectations for expansion or relocation into leased space? If so, please provide details as to the user group, the estimated size of the requirement and the approximate time frame for expansion or relocation.**
- A25. There are no such plans or expectations at the present time.
- Q26. Does CUNY expect its Tenant Representatives to be involved in negotiations with developers for new construction on sites either owned by CUNY or not owned by CUNY?**
- A26. It is not anticipated at the present time that Tenant Representatives will be involved in such projects.

Q27. With regard to the hiring of third-party experts referred to in Section II-A.4.e and Section IV-3.d, does CUNY expect to pay for the services of said experts?

A27. No.

Q28. Are there any lease transactions pending which will be excluded from the scope of services contemplated by the RFP? If so, please provide full details as to user group, size and timing.

A28. Any pending lease transaction will be excluded from the contracts resulting from this RFP. Details of such lease negotiations are not relevant in responding to the RFP.

Q29. Can the MBE, WBE minimums be combined in 1 firm to deliver the 12% sub-contract requirement?

A29. The percentages listed in the RFP are CUNY's goals. Proposers shall take all necessary and reasonable steps to insure that MBE/WBE's have the maximum opportunity to compete and perform contracts or sub-contracts.

Q30. Please clarify the scope of the Asbestos report. Is a full report required or a basic review of documentation with random testing at sites?

A30. Scope of reports will be determined as required by all applicable Federal, NY State and NY City regulatory requirements and guidelines.

Q31. Please clarify the Incentive component of the fee; incentive commission approach vs. alternate.

A31. Please see the answer to Question #1

Q32. Please clarify the Experience/Qualification requirement of the RFP. May we see an example of an existing model of what is considered a "superior" property financial analysis?

A32. We will not be providing examples of such materials pursuant to this RFP.

Q33. Is any weight being given to marketing ability and access to marketing tools and design teams that will help support our work on behalf of CUNY?

A33. Please refer to the RFP for a discussion of the selection criteria.

Q34. Please provide an example of the content experience of a high-scoring team member resume.

A34. We will not be providing examples of such materials pursuant to this RFP.

Q35. For privately –held organizations that do not currently prepare an annual report, may audited financials or another type of report suffice this RFP’s requirements?

A35. Please refer to the answer in question 10.

Q36. Does CUNY waive the executory clause in leases?

A36. No.

Q37. What software does CUNY use to track lease expirations?

A37. The information requested is not relevant in responding to the RFP.

Q38. Is lease administration/tracking included in the scope of work?

A38. No.

Q39. In order to determine the level of commitment and opportunity afforded in the RFP, we need to understand the types and sizes of real estate that will be handled. Can you please forward to us the leased properties in each of the three portfolios to the Scope of Services in the RFP?

A39. We will not be providing such information as part of this RFP.