



DEPARTMENT OF COMMUNITY DEVELOPMENT SERVICES

Economic Development Division

m e m o r a n d u m

TO: Mayor Laurel Lunt Prussing

FROM: Elizabeth H. Tyler, FAICP, Director, Community Development Services

DATE: August 7, 2014

SUBJECT: **A RESOLUTION APPROVING AND AUTHORIZING THE EXECUTION OF AN EXCLUSIVE CONSULTING AND SALES LISTING AGREEMENT (CBRE, Inc. – 200 Block of South Vine Street)**

Description

The attached draft agreement with CBRE, Inc. (**Exhibit A**) would enable CBRE to initiate listing and marketing of the City-owned parcels comprising the 200 Block of South Vine Street. CBRE’s proposal for marketing the site (**Exhibit B**), along with the firm’s robust professional experience in real estate, high level of expertise in working with municipal clients, and national network of developers and investors, resulted in CBRE’s selection as the most qualified respondent to the City’s Request for Qualifications (RFQ) (**Exhibit C**).

Outside of extenuating circumstances, there would be no direct budgetary impact from this agreement as CBRE would only receive payment on a commission or “success fee” basis to be paid by the developer of the property. City staff recommends entering into the proposed consulting and sales listing agreement with CBRE.

CBRE would commit to completing the marketing of the site and selection of a developer within a 12 month time frame from the commencement of the proposed contract under the terms of the draft agreement.

Background

In 2011, the City of Urbana issued a Request for Proposals (RFP) to redevelop the City-owned 200 Block of South Vine Street. However, this effort ultimately did not yield a viable redevelopment effort.

In 2013, staff began researching alternative processes to improve the City’s chances of success in a renewed effort to redevelop this site. Staff identified a preferred methodology of utilizing

the services of a commercial real estate brokerage in the redevelopment process. The utilization of a brokerage is intended to gain a higher level of market exposure for the site, to make greatly specialized professional expertise available to City staff, and to gain access to new developers and investors in the network of a professional brokerage. Such services are typically paid on a commission basis by the developer, wherein the broker receives a fee proportional to the scale of the development they bring to fruition.

In March of 2014, the City of Urbana issued a Request For Qualifications (RFQ) for Commercial Real Estate Marketing Services for the 200 Block of South Vine Street (**Exhibit C**). The RFQ closed in May of 2014; the City received submissions from three, qualified applicants. After reviewing submissions and interviewing the qualified applicants, the review committee recommended CBRE by consensus as the most qualified respondent.

CBRE's RFQ response (**Exhibit B**) outlines the firm's proposal for marketing the site as well as the credentials of their team of staff leading the project. CBRE team member Gordon Hendry, the former Director of Economic Development for the City of Indianapolis, is the Midwest leader of CBRE's Public Institutions and Education Solutions Group (PIES). This national division of CBRE specializes in working with local governmental entities. Michael McShea is the co-leader of PIES at the national level and is also a member of CBRE's team for this project. Matt Ramsey would serve as the Illinois-based real estate broker on CBRE's team for this project. He has extensive experience in working with national tenants including recent transactions in the Champaign-Urbana area.

Staff has negotiated a draft agreement (**Exhibit A**) with CBRE to retain their services and ensure their payment by a developer upon successful redevelopment of the site. Additional changes to the language of this agreement are expected to be made prior to final approval by the City Council.

Issues and Discussion

Per the 2012 Downtown Urbana Plan, the desired redevelopment potential of the 200 Block of South Vine Street would involve the establishment of a new, highly visible development at this site on the eastern edge of Downtown Urbana. While the City will have the opportunity to consider all development mixes proposed for the site by developers, the City has historically been most interested in a project resulting in a multi-story, mixed-use development with ground floor commercial uses and upper-story residential. To date, the City has also communicated preference for projects that would enhance the overall appeal of the area, add a new desired use to Downtown, have strong urban design elements, and appropriately transition into the adjacent residential neighborhood to the east. Such redevelopment outcomes have the potential to accentuate the recent, dynamic business activity in the Downtown, attract new residents and patrons to the Downtown, and catalyze latent development potential at nearby sites.

It is anticipated that the City would convey ownership of the site to the developer or end user that is selected by the City as a result of CBRE's marketing efforts. Upon the selection of a developer, the City would also consider offering negotiated incentives in the form of a Development Agreement which could include sub-market sale of the property, reimbursement of costs for building demolition, environmental cleanup, utility relocation, adjacent streetscape improvements, or annual property tax rebates. The site is located within Urbana's TIF District #2, the Urbana Enterprise Zone, and has also been included in the study area under consideration for a new Downtown TIF District.

Staff believe that CBRE's extensive experience nationally, in the Midwest, and in the State of Illinois, will provide the City with services and expertise required to achieve a best-use outcome for the 200 Block of South Vine Street. CBRE's three lead team members for this project are highly accomplished professionals based in Indianapolis, IN, Oak Brook, IL, and Washington, DC. City staff feels that the professional caliber of the CBRE project leads and their respective corporate and regional networks will give the City access to potential developers, investors and tenants that would not be readily accessible in a City-run or local marketing effort.

Fiscal Impacts

There would be no direct budgetary impact from this agreement as CBRE would only receive payment on a commission or "success fee" basis to be paid by the developer of the property. However, the agreement does contain contingencies for CBRE whereby the City may incur expenses if the City unduly terminates a viable redevelopment proposal or if the City and CBRE mutually agree to hire specialty consultants to address site-specific concerns. Such expenses, if needed, would be paid for either from existing, relevant line items in TIF District #2 or brought to Council in a request for budget amendment along with an explanation of why additional funding is needed.

Options

The City Council has the following options with respect to this resolution:

1. The City Council may approve the resolution as presented.
2. The City Council may approve the resolution with changes, understanding that any changes must be agreed to by the CBRE.
3. The City Council may deny the resolution.

Recommendation

Staff recommends that the City Council approve the attached resolution.

Prepared By:

A handwritten signature in black ink, appearing to read "BS Boys", is written over a horizontal line.

Brandon S Boys
Economic Development Coordinator

- Attached Exhibits:
- A – Adopting Resolution with attached draft CBRE/City of Urbana Consulting and Sales Listing Agreement
 - B – CBRE’s Response to the City’s Request for Qualifications
 - C – Request for Qualifications for Commercial Real Estate Marketing Services for the 200 Block of South Vine Street – Issued March 12, 2014

"Exhibit A"

RESOLUTION NO. 2014-08-043R

**A RESOLUTION APPROVING AND AUTHORIZING THE EXECUTION OF AN
EXCLUSIVE CONSULTING AND SALES LISTING AGREEMENT**

(CBRE, Inc. - 200 Block of South Vine Street)

WHEREAS, the City of Urbana (the "City") has heretofore purchased and presently controls properties collectively known as the 200 Block of South Vine Street (the "Property"); and

WHEREAS, the City desires the redevelopment of the Property into a privately owned and operated facility which is consistent with the City's relevant plans and policies which guide development in the downtown area including the 2012 Downtown Urbana Plan; and

WHEREAS, the City wishes to attract new private investment in order to achieve the redevelopment of the Property and advance the betterment of the downtown area; and

WHEREAS, in March of 2014 the City initiated a public request for qualifications to brokers in order to identify providers of commercial real estate marketing services for the Property; and

WHEREAS, the result of the City's public request for qualifications process was the selection of CBRE, Inc. ("CBRE") as the most qualified applicant; and

WHEREAS, CBRE is duly experienced in marketing commercial real estate and advising municipalities in the development process; and

WHEREAS, the City desires to engage CBRE as its exclusive consultant, advisor and broker, and further desires to grant to CBRE the exclusive right to list the Property as for sale and market it to developers, investors, and tenants.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Urbana, Illinois, as follows:

Section 1.

An Exclusive Consulting and Sales Listing Agreement by and between the City of Urbana, a Municipal Corporation, and CBRE, Inc., a Corporation, in substantially the form attached hereto as Exhibit A and hereby incorporated by reference, be and the same is hereby authorized and approved.

Section 2.

The Mayor of the City of Urbana, Illinois, shall be and the is hereby authorized to execute and deliver and the City Clerk of the City of Urbana,

Illinois, be and the same is hereby authorized to attest to said execution of said Contract as so authorized and approved for and on behalf of the City of Urbana, Illinois.

PASSED BY THE CITY COUNCIL this ____ day of _____, _____.

Phyllis D. Clark, City Clerk

APPROVED BY THE MAYOR this ____ day of _____, _____.

Laurel Lunt Prussing, Mayor

EXCLUSIVE CONSULTING AND SALES LISTING AGREEMENT

THIS EXCLUSIVE CONSULTING AND SALES LISTING AGREEMENT (“Agreement”) is entered into as of the _____ day of _____, 2014, by and between **CBRE, Inc.**, a Delaware corporation with an office located at 700 Commerce Drive, Suite 550, Oak Brook, IL 60523 (“CBRE”) and the CITY OF URBANA, ILLINOIS, with an address at 400 S. Vine Street, Urbana IL 61801 (“City”).

RECITALS

WHEREAS, City and/or City’s Affiliates own certain land, buildings and improvements as more fully described on Exhibit A, attached hereto and incorporated herein by reference (the “Property” or “Properties”); and

WHEREAS, CBRE has represented to the City that it has certain expertise as a consultant, advisor and broker for and on behalf of property owners who seek to sell and/or promote development of their properties; and

WHEREAS, City desires to engage CBRE as its exclusive consultant, advisor and broker, and to grant to CBRE the exclusive right, to list for sale the Property, and CBRE is agreeable to such engagement on the terms and conditions as set forth in this Agreement.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual covenants and agreements of the parties hereinafter expressed, the parties hereto agree as follows:

ARTICLE ONE

APPOINTMENT

1.1. Consulting; Exclusive Right to Sell. CBRE shall perform the consulting services described in Exhibit A (CBRE’s Proposal to the City of Urbana, IL), and further the City shall hereby appoint CBRE as its exclusive agent and grants CBRE the exclusive right to solicit and procure prospective purchasers for the certain land, buildings and improvements as more fully described on and consistent with Exhibit A. (Reference to the Property or Properties shall mean all or any portion thereof the parcel with common address 200 S. Vine Street, Urbana, Illinois.) CBRE shall accept the appointment and agrees to act in good faith and use diligent efforts to perform the services required by this Agreement. CBRE shall not be permitted to make an offer of subagency through a multiple listing service or other information source, or agree to appoint, cooperate with, compensate or otherwise associate with a subagent in a real estate transaction.

1.2. Definition of “Sale” or “Purchase”. As used in this Agreement, the term “sale” or “purchase,” in reference to the Property, shall include a sale or exchange of the Property, or any other transfer, conveyance, or contribution of a controlling interest in the Property or in the entity which owns the Property.

1.3. Listing Price. The listing price, if any, for the Properties, shall be established in consultation with the City and pursuant to terms and conditions as acceptable to City in its sole and absolute discretion.

ARTICLE TWO

TERM

2.1. Term of Agreement. The term (“Term”) of this Agreement shall commence on the date hereof and shall end twelve (12) months following at midnight, _____, 2015 unless sooner terminated or extended in accordance with the provisions of this Agreement. The Term shall be extended only by an agreement in writing signed by the parties hereto.

ARTICLE THREE

CBRE’S REPRESENTATIONS AND DUTIES

3.1. Licensing. CBRE hereby represents that it and its personnel providing services are, to the extent required by law, duly licensed. CBRE shall, at its expense, obtain and keep in full force and effect throughout the Term of this Agreement all licenses and permits required to be maintained by CBRE in connection with the rendering of the services which CBRE is obligated to perform as set forth in this Agreement.

3.2. Performance of Services. CBRE shall perform the services through able, qualified and trained personnel of CBRE in sufficient number to properly render the services in the manner appropriate for the Property as required by this Agreement. CBRE shall have the exclusive right to hire, direct, discipline, compensate and terminate, at its expense, the personnel of CBRE, and shall exercise complete and exclusive control over the conduct of CBRE’s personnel. Such services are described in Exhibit A. In addition:

- (a) Negotiations and Legal and Tax Advice. All negotiations with prospective purchasers shall be conducted by CBRE in conjunction with City and City’s legal counsel. City and its legal counsel shall be responsible for determining the legal sufficiency of the purchase and sale agreement and all other documents relating to any transaction contemplated by this Agreement; and City and its financial advisors shall be solely responsible for determining the tax consequences of any transaction contemplated under this Agreement.

3.3. Staffing. CBRE’s listing team for purposes of implementing the obligations of CBRE hereunder shall consist of Matt Ramsey, Gordon Hendry and Mike McShea (the “Listing Team”). City and CBRE appoint the Listing Team as City’s duly authorized agent, to the exclusion of all other CBRE-affiliated brokers and salespersons (the “Non-Listing Team Agents”). The Listing Team shall assume primary responsibility for the initiation of all discussions and the conduct of all negotiations with prospective purchasers on the part of CBRE. CBRE may replace any member of the Listing Team during the Term in the event a member of the Listing Team dies, becomes incapacitated or ceases his/her employment with CBRE, provided such replacement individual has similar or greater experience than the replaced member and provided that City consents in writing after CBRE discloses the replacement individual’s qualifications, which consent shall not be unreasonably withheld. Upon written request by City, any member of the Listing Team shall be replaced by another qualified salesperson employed by CBRE, subject to City’s approval after CBRE discloses the replacement individual’s qualifications, which approval shall not be unreasonably withheld. For compensation purposes, Non-Listing Team Agents who represent prospective purchasers shall be treated as Cooperating Brokers under Section 3.55 below.

3.4. Confidentiality.

- (a) As used in this Agreement, the term “Confidential Information” means information provided by City to CBRE pertaining to the Property which City believes in good faith contains legally protectable and/or otherwise confidential trade secrets, non-public research, development, or commercial information, and/or which the City reasonably believes would be exempt from disclosure under the Freedom of Information Act (5 ILCS 140/1 *et seq.*) and that City designates in writing as confidential at the time it is provided to CBRE. Confidential Information does not include information that (i) was known to CBRE at the time it was provided by City, (ii) was publicly available at the time it was provided by City or thereafter becomes publicly available without breach by CBRE of its obligations hereunder, (iii) becomes available to CBRE on a non-

confidential basis from a source other than City or its representatives, (iv) can be shown to have been developed independently by CBRE, (v) is required to be disclosed by court order, regulation, or other law or legal process; or (vi) is approved for release by written agreement of City.

- (b) For a period of two (2) years from the date of disclosure of any Confidential Information to CBRE, CBRE agrees to hold such Confidential Information in trust and confidence for City, and agrees not to use Confidential Information other than as required in the performance of its obligations under this Agreement, which shall include disclosure to CBRE's personnel who have a need to know.

3.5. Cooperating Brokers. CBRE and the Listing Team are authorized to solicit and cooperate with other real estate brokers, including Non-Listing Team Agents, who represent prospective purchasers for the Property ("Cooperating Brokers"). Due to the public private partnership transaction contemplated by CBRE's proposal, CBRE shall not share its fee or commission with nor shall City be obligated to pay any fee or commission to any Cooperating Broker, and neither shall be responsible for payment of any Cooperating Broker fee or commission due and payable as a result of a sale of the Property. Any such Cooperating Broker fee, commission or other compensation shall be the sole responsibility of the purchaser of the Property. CBRE shall not be obligated to provide any marketing materials or other information to any Cooperating Broker representing a prospective purchaser unless such Cooperating Broker (i) represents the prospective purchaser pursuant to a written agreement, a copy of which is furnished to CBRE, (ii) executes and delivers to CBRE a confidentiality agreement, if required by City and on City's form, and (iii) executes and delivers written confirmation that neither CBRE nor City will be responsible to pay any Cooperating Broker fee, commission or other compensation.

3.6. Nondiscrimination. City and CBRE agree that the Property will be offered in compliance with all applicable federal, state and local anti-discrimination laws and regulations.

3.7. Compliance With Laws.

- (a) CBRE shall comply with all applicable federal, state and local laws, regulations, codes, ordinances and administrative orders having jurisdiction over the parties, the Property or the subject matter of this Agreement, including, but not limited to, the 1964 Civil Rights Act and all amendments thereto, the Foreign Investment in Real Property Tax Act, the Comprehensive Environmental Response Compensation and Liability Act, and The Americans With Disabilities Act.
- (b) Notwithstanding anything contained herein to the contrary, City acknowledges that CBRE is required by law to disclose all adverse material facts or risks actually known concerning the physical condition of the Property and facts required by statute or regulation to be disclosed and that could not be discovered by a reasonable and timely inspection of the Property by the buyer or tenant.

ARTICLE FOUR

CBRE'S AUTHORITY

4.1. Limitation of CBRE's Authority. Notwithstanding any designation of CBRE as "agent" in this Agreement, CBRE shall have no right, power or authority to enter into any agreement with any prospective purchaser, real estate broker or any other person in the name of, on behalf of, or otherwise binding upon City, nor

may CBRE create any other obligations or liabilities binding on City, except as otherwise provided by applicable law and except as agreed to in writing by the City.

ARTICLE FIVE

FEES AND EXPENSES

5.1. Calculation of Fee. CBRE's sole and exclusive compensation for its services hereunder (the "Fee") shall be calculated as provided on Exhibit B.

ARTICLE SIX

CITY'S RIGHTS AND OBLIGATIONS

6.1. Refer All Inquiries. City shall cooperate with CBRE in bringing about a sale of the Property, shall provide all available information to permit CBRE to properly market the Property in accordance with the terms of this Agreement, and shall immediately refer immediately to CBRE all offers and inquiries received from brokers, prospective purchasers or anyone else interested in the Property.

6.2. Rights Reserved By City. City reserves the right, in all events and in City's sole and unfettered discretion, to approve, modify or disapprove any and all proposals and offers regarding pricing, marketing and terms of sale of the Property, and to approve or reject any prospective purchaser. City reserves the right to adjust the terms and conditions of any offer made or received, including, but not limited to, adjustment of the offering price for the Property upward or downward.

6.3. FIRPTA. City represents that it is the owner of the property and that, except as may be disclosed in writing to CBRE, no person or entity who has an ownership interest in the property is a foreign person as defined in the Foreign Investment in Real Property Tax Act (commonly known as "FIRPTA").

6.4. Hazardous Materials.

- (a) CBRE will market the Property on an "as is" basis, without representation or warranty of any kind, expressed or implied, oral or written, concerning the Property or any matter related thereto, including zoning, availability of access or utilities, the presence and location of asbestos, PCB transformers, other toxic, hazardous or contaminated substances, or underground storage tanks ("Hazardous Materials") in, on, or about the Property. Prospective purchasers shall be advised of this fact and shall be allowed to make independent investigations of the Property made by their own experts, at their own expense. Language reflecting the above shall be inserted into any purchase and sale agreement entered into by City, which language shall also disclaim any such representations regarding the condition of the Property by CBRE and any reliance on such representations by the prospective purchaser.
- (b) Unless otherwise agreed to by and between the City and a purchaser, the prospective purchaser will be responsible for retaining qualified experts to detect and/or remediate any current, past or potential Hazardous Materials in, on or about the Property.
- (c) City hereby releases and forever discharges CBRE, its directors, officers, employees, agents, successors and assigns from any and all actions, causes of action, suits, covenants, judgments, claims and demands whatsoever, in law or in equity, for or on account of or in any manner connected with Hazardous Materials in, on or about the Property and the violation of any federal, state or local law, statute, ordinance or regulation, any court or administrative order or decree or private agreement relating to the collection, storage, treatment or disposal of hazardous materials,

excluding any such claims arising out of CBRE's gross negligence or intentional wrongful conduct.

6.5. Compliance with Laws. City agrees to comply with all applicable federal, state and local laws, regulations, codes, ordinances and administrative orders having jurisdiction over the parties, any Property that is the subject of an acquisition or proposed acquisition or the subject matter of this Agreement, including, but not limited to, the 1964 Civil Rights Act and all amendments thereto, the Foreign Investment in Real Property Tax Act, the Comprehensive Environmental Response Compensation and Liability Act, and The Americans With Disabilities Act.

6.6. OFAC Screening. CBRE and City represent and warrant to the other that they are currently in compliance with, and shall use their best efforts at all times during the term of this Agreement (including any extension thereof) to remain in compliance with, the regulations of the Office of Foreign Asset Control ("OFAC") of the Department of the Treasury, and any statute, executive order or other governmental action relating thereto, including, but not limited to, Executive Order 13224 (dated September 23, 2001) "Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism".

ARTICLE SEVEN

CONFLICTS OF INTEREST

7.1. Dual Agency. City acknowledges that CBRE is a large national real estate firm, and that in some cases CBRE may also represent prospective purchasers. City desires that the Property be presented to such persons or entities, and consents to CBRE appointing Gordon Hendry, Matt Ramsey and Mike McShea as the duly authorized agent(s) of City, to the exclusion of all other licensees of CBRE (individually or collectively referred to as "City's Designated Agent(s)"), and different designated representative(s) to act on behalf of such prospective tenants or purchasers to the exclusion of all other CBRE-affiliated real estate licensees ("Purchaser's/Tenant's Designated Agents"). City acknowledges that, in such event, CBRE's principal broker shall not represent either party to the transaction. In the event the City's Designated Agent(s) represent(s) both City and a prospective purchaser or tenant, CBRE shall obtain City's consent to such limited agency in the form attached hereto as Exhibit C. City also acknowledges that CBRE, through one or more of its employees, may work with or represent other parties selling or leasing property similar to the Property and City consents to the same. Designated Agent(s) shall not disclose the material or confidential information of any principal to any other principal.

7.2. Other Interests. City acknowledges that, from time to time, CBRE may provide to other persons or other properties services that are similar to or in conflict with those that are to be provided pursuant to this Agreement, including, for example, listing other properties which may be competitive with the Property and showing prospective purchasers other properties in addition to the Property. Such other persons and/or properties may be in direct or indirect competition with City, and City consents thereto, provided that CBRE shall not disclose the confidential information of City. Notwithstanding the foregoing, in the event that CBRE agrees to list and/or show other properties which may be competitive with the Property, CBRE shall market, show and promote the Property with the same level of effort as any other property which it represents and which is competitive with the Property. Further, CBRE shall engage in no conduct which involves the urging, influencing or "steering" of a prospective purchaser to purchase a property which is competitive with the Property.

7.3. CBRE Affiliated Entities. City acknowledges that one or more CBRE Affiliated Entities, including, but not limited to, CBRE Capital Markets, may assist the Listing Team in structuring a sale or sales of the Property, and may assist prospective purchasers with financing such transactions. City acknowledges and agrees that CBRE Affiliated Entities may earn fees or other compensation in connection with the financing of a sale or sales of the Property; however, in no circumstance shall City be liable for compensating such CBRE Affiliated Entities. City also acknowledges and agrees that referral fees may be paid by CBRE to CBRE

Affiliated Entities, including CBRE Capital Markets; and/or CBRE Affiliated Entities, including CBRE Capital Markets, may pay referral fees to CBRE.

ARTICLE EIGHT

INDEMNIFICATION

8.1. Indemnification By CBRE. CBRE agrees to indemnify, hold harmless and defend City from and against all liability, damages, losses, judgments, decrees, orders, and expenses, including but not limited to attorneys' fees which City actually incurs or becomes obligated to pay, resulting from any and all claims or causes of action by a third party (collectively, hereinafter, "Claims") based solely upon CBRE's wrongful act, failure to act, or misrepresentation. Such obligation to hold harmless, defend and indemnify will not apply, however, if the claim or cause of action is based upon or arises in any way out of an act, failure to act or misrepresentation of any other person or entity, including, but not limited to, City providing to CBRE incorrect information or failing to disclose to CBRE information which should have otherwise been disclosed to such claimant or to CBRE. CBRE will have the sole and absolute right to select and employ an attorney or attorneys to defend against such Claim and City will cooperate with CBRE and its attorneys in connection with the resolution of any Claims.

8.2. Indemnification By City. City agrees to indemnify, hold harmless and defend CBRE from and against all Claims by a third party based solely upon City's wrongful act, failure to act, or misrepresentation, including, but not limited to, City providing to CBRE incorrect information or failing to disclose to CBRE information which should have otherwise been disclosed to such claimant or to CBRE. Such obligation to hold harmless, defend and indemnify will not apply to any claim or cause of action which is based upon any act, omission or misrepresentation by CBRE or any third person or entity. City will have the sole and absolute right to select and employ an attorney or attorneys to defend against such Claim and CBRE will cooperate with City and with its attorneys.

8.3. Procedure. If either party (an "Indemnified Party") notifies the other party (the "Indemnifying Party") in writing of any Claim for which the Indemnified Party is entitled to indemnification pursuant to this Article, the Indemnifying Party shall, within fifteen (15) days following receipt of such notice, notify the Indemnified Party whether it will assume defense of such Claim, assume defense of such Claim with a reservation of rights, or reject defense of such claim. If the Indemnifying Party fails or refuses to defend such Claim or fails to timely give the notice required by this section, the Indemnified Party shall then have the right to employ counsel at the expense of the Indemnifying Party. If an Indemnifying Party assumes the defense with a reservation of rights, the Indemnified Party shall have the right to employ counsel at its expense and participate in the defense with the full cooperation of the Indemnifying Party. With respect to any Claim for which an Indemnifying Party assumes defense without a reservation of rights, such Indemnifying Party shall have the right to defend such action, employ counsel of its choice, and negotiate and carry out any settlement of such action. Notwithstanding the foregoing, an Indemnifying Party shall not, without the prior written consent of the Indemnified Party, (i) settle or compromise any Claim or consent to the entry of any judgment in which the Indemnifying Party receives a more comprehensive release or hold harmless than the Indemnified Party, provided that such settlement, compromise or judgment shall not affect the continuing obligation of the Indemnifying Party to indemnify the Indemnified Party hereunder; or (ii) settle or compromise any action, suit, proceeding or claim in any manner that may adversely affect the Indemnified Party or obligate the Indemnified Party to pay any sum or perform any obligation.

ARTICLE NINE

NOTICES

9.1. Notices. All notices or other communications required or permitted under this Agreement shall be in writing and shall be sent by a nationally recognized courier service or personally delivered (including by

means of professional messenger service), or sent by registered or certified mail, postage prepaid, return receipt requested, or sent by facsimile or electronic transmission and promptly confirmed in writing, to the addresses set forth below, and shall be deemed received when actually received.

To City: City of Urbana
400 S. Vine Street
Urbana, IL 61801

Attn: Brandon Boys
Telephone: (217) 328-8270
Facsimile: (217) 384-0200
Email: bsboys@urbanaininois.us

with a copy (which shall not constitute notice) to:

City of Urbana
400 S. Vine Street
Urbana, IL 61801

Attn: Jim Simon City Attorney
Telephone: (217) 384-2464
Facsimile: (217) 384-2460

To CBRE: CBRE, Inc.
700 Commerce Dr., Suite 550
Oak Brook, IL 60523

Attn: Matt Ramsey
Telephone: (630) 573-1290
Facsimile: (630) 573-7018
Email: matt.ramsey@cbre.com

with a copy (which shall not constitute notice) to:

CBRE, Inc.
700 Commerce Drive, Suite 550
Oak Brook, IL 60523

Attn: Gris Ware, Division General Counsel
Telephone: (630) 573-7109
Facsimile: (630) 573-1292

9.2. Change of Notice. Notice of a change in address shall be given by notice in the manner set forth in this Article.

ARTICLE TEN

GENERAL PROVISIONS

10.1. Governing Law. This Agreement shall be governed by and construed and interpreted in accordance with the laws of the State where that Property is located, without regard to its conflict of laws

principles.

10.2. Disputes.

- (a) Any claim, controversy or dispute (a “Dispute”), whether sounding in contract, statute, tort, fraud, misrepresentation or other legal theory, related directly or indirectly to this Agreement, whenever brought and whether between the parties to this Agreement or between one of the parties to this Agreement and the employees, agents or affiliated businesses of the other party, shall be subject to this section.
- (b) Prior to initiating any lawsuit regarding any interpretation, construction, enforcement, or for breach of this Agreement or representation herein, the parties shall submit to and participate in mediation, shall cooperate in the selection of a mutually acceptable mediator, and agree with the mediator regarding the rules and procedures to be employed in any such mediation.
- (c) In the event that the parties are unable to resolve their Dispute through mediation, either party may initiate and maintain a lawsuit in the Circuit Court for the Sixth Judicial Circuit, Champaign County, Illinois.
- (d) Neither party shall be entitled to punitive damages, and the parties hereby waive all rights to, and claims for, relief other than for compensatory damages. The prevailing party in any Dispute shall be entitled to recover its reasonable attorneys’ fees, costs, and disbursements incurred in connection with any Dispute.
- (e) Each party waives its right to a trial by jury with respect to any Dispute.

10.3. Amendment, Modification and Termination. This Agreement may be amended, modified or terminated only by written agreement of CBRE and City.

10.4. Assignment. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and permitted assigns, but neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned by any of the parties hereto without the prior written consent of the other party.

10.5. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

10.6. Headings. The headings of the Sections and Articles of this Agreement are inserted for convenience only and shall not constitute a part hereof or affect in any way the meaning or interpretation of this Agreement.

10.7. Due Authority. Each individual signing this Agreement on behalf of a party warrants and represents to the other party that he has the authority to execute this Agreement on such party’s behalf and to bind such party to the terms hereof.

10.8. Severability. In the event any term or provision of this Agreement shall be determined by a court of competent jurisdiction to be illegal, invalid or unenforceable for any reason whatsoever, that provision shall be severed from this Agreement and shall not affect the validity of the remainder of the Agreement.

10.9. Third Parties. Nothing herein expressed or implied is intended or shall be construed to confer upon or give to any person or entity, other than the parties hereto and their successors or assigns, any rights or remedies under or by reason of this Agreement.

10.10. Entire Agreement. This Agreement, including the Exhibits hereto, sets forth the entire agreement and understanding of the parties hereto in respect of the subject matter contained herein, and supersedes all prior agreements, promises, covenants, arrangements, communications, representations and warranties, whether oral or written, by any officer, employee or representative of any party hereto.

10.11. Foreclosure. In the event that the Property becomes the subject of foreclosure proceedings prior to the expiration of this Agreement, then CBRE may, in its sole and absolute discretion (i) suspend this Agreement until such time as CBRE may elect, in its sole and absolute discretion, to reinstate this Agreement, or (ii) terminate this Agreement and be free to enter into a listing agreement with any receiver, the party initiating the foreclosure, the party purchasing the Property at a foreclosure sale, or any other person having an interest in the Property.

10.12. Bankruptcy. In the event that the Property comes under the jurisdiction of a bankruptcy court, City shall immediately notify CBRE of the same, and shall promptly take all steps necessary to obtain court approval of CBRE's appointment, unless CBRE shall elect to terminate this Agreement upon said notice.

IN WITNESS WHEREOF, this Agreement has been executed by Owner and CBRE, through their duly authorized representatives, as of the day and year first above written.

The undersigned City hereby acknowledges receipt of a copy of this Agreement.

CITY OF URBANA, ILLINOIS

CBRE, INC.

By: _____

By: _____

Name/Title: _____

Name/Title: _____

EXHIBIT A

CBRE Proposal

Services to be performed by CBRE:

Real Estate Transactions and Redevelopment/Project Management Consultation

CBRE will assist the City of Urbana with the successful redevelopment of the 200 Block of South Vine Street. The City currently owns approximately 1.7 acres and seeks to return it to private ownership consistent with the economic development goals of the City. The intent of this scope of work is to outline expected services. It is our preliminary interpretation of what we would do to help the City initiate the redevelopment of the subject property.

Phase 1 – 4: CBRE will evaluate all documentation/data as currently exists and over a 30-45 day period will analyze site conditions and perform a market analysis/highest and best use study, including the following:

Phase 1: Site Due Diligence

CBRE will analyze site conditions and constraints including but not limited to:

1. Environmental Issues
2. Access/Transit
3. Geological and Topological Issues
4. Zoning
5. Existing Uses of surrounding property

Phase 2: Vision/Planning

With data collected in previous tasks, CBRE will further consider the following to guide property disposal processes:

1. Interview relevant stakeholders
2. Engage the City decision team to understand their goals and objectives
3. Identify current and future civic needs

Phase 3: Market Analysis

Given current market conditions, CBRE will prepare a detailed market analysis including considerations of highest and best use, in the context of the City's vision, to include the following market segments:

1. Retail
2. Residential (including Multifamily)
3. Office
4. Mixed Use/Specialty
5. Parking

The market analysis will be based on evaluating the major factors that determine the City's development potential in realizing the vision for the area, including economic and demographic characteristics, local regulatory considerations, transportation, physical features, property market trends –including market rents, vacancy rates, absorption trends, new construction, sales prices and capitalization rates, and land values, demand assessment, and identification of undersupplied or oversupplied categories.

Phase 4: Feasibility Study

CBRE will prepare financial analysis and Public-Private Partnership feasibility study with emphasis on the following:

1. Economic Development Issues
2. Public Investment (including infrastructure)
3. Financial/Cash Flow Model
4. Risk Assessment
5. Phasing
 - Including step-by-step listing and recommended timing of any pre-transaction items required or suggested (demolition, land subdivision, public infrastructure installation, legal arrangements, political approvals, etc.)
6. Potential Transaction structures
 - Sales, Ground Leases, Joint Ventures and Public Private Partnerships

Phase 5: Market Engagement

Armed with information gathered in previous studies, CBRE will develop and implement RFQ/RFP processes to engage developers, investors, and users aligned with the City's vision, considering the following transaction elements:

1. City/State commitment(s)
2. Developer vision vs. City vision
3. Civic responsibilities and needs
4. Schedule/commitment
5. Financial commitments/guarantees/deposits/contingencies

Phase 6: Proposal Evaluation, Partner Selection, Transaction Execution

CBRE will evaluate all proposals on like-kind basis and participate in developer selections based on the following considerations:

1. Submission quality including objective and subjective criteria
2. Interviews of proposal teams
3. Proposer financial strength
4. Risk issues for all parties

CBRE will also negotiate and assist with executing all necessary documentation including the following transaction elements:

1. Letter of Intent
2. Due diligence
3. Development Agreements
4. Ground leases, building leases, and/or Purchase Documents

EXHIBIT B

Fee. CBRE shall complete the entire scope of work at the following costs:

CBRE will be paid a “success fee” of 3.0% of the overall project value of the development by the developer and/or purchaser. CBRE’s fees are structured such that there is and shall be no “out-of-pocket” costs or expenses to the City or incurred by the City.

Overall project value is defined as the total sum of the economic value of the project including land, construction, architectural and design fees of all elements of the project.

The “success fee” or commission will be supported by the City and described in any RFP issued to the market or communicated to developers/purchasers and paid by the developers/purchasers as part of their overall development costs. Fees will be due and payable to CBRE within thirty (30) days of execution of a development, Joint Venture, or other agreement between the parties.

In the event that the City terminates the project without reasonable cause, the City shall pay to CBRE a fee of \$3,000 per month with any fraction of any month being prorated commencing with the date the Agreement to which this exhibit is appended through the date of termination. Notwithstanding the foregoing, the City shall have the right to terminate the project and CBRE shall not be entitled to the immediate aforementioned fee if any one or more of the following acts or omissions arise:

- (a) the developer/purchaser is notified of any violation of any federal, state or local statute, ordinance, rule, or regulation concerning or directly related to the development and/or construction and fails to cure or remediate any such violation within the timeframe provided in such notice for cure and/or remediation; or
- (b) the developer and/or purchaser defaults on any development or redevelopment agreement entered into and executed by and between such developer and/or purchaser and the City; or
- (c) the developer and/or purchaser (i) files a petition for bankruptcy in any United States Bankruptcy Court; (ii) files any notice of intent to liquidate with any federal, state or local agency; (iii) liquidates, whether voluntarily or involuntarily; (iv) enters into a composition of creditors to compromise any or all of its debts and obligations; (v) voluntarily dissolves as a business entity; (vi) is involuntarily dissolved by any federal, state or local agency ; or (vii) comes under the control or management of any duly appointed receiver.

All inclusive. Fees include all specialty consulting, travel, lodging, meals, transportation, equipment, supplies, other materials required to be used by CBRE and other incidental costs of CBRE.

“Co-brokers.” Fees to cooperating brokers that may be representing investors/developers are not included per Section 3.5.

Subcontractors. If necessary and on an “as-needed” basis, CBRE will engage subcontractors (such as land planners/massing architects, civil or traffic engineers, geotechnical specialists, outside legal support, etc.) that 1) the City approves in advance and in writing, 2) CBRE and City jointly select, and 3) CBRE will invoice at cost with no add-ons or markup to the City of Urbana.

EXHIBIT C

DISCLOSURE OF LIMITED AGENCY

To the extent permitted by Illinois law, , **[INSERT NAME OF PARTY]** (“Seller/Landlord”) and **[INSERT NAME OF OTHER PARTY]** (“Buyer/Tenant”), hereby consent to **CBRE, INC.** (“CBRE”) and its affiliated licensees **[INSERT NAME OF LICENSEE(S)]** (collectively “Broker”) acting as a limited agent between Seller and Buyer in connection with the sale of the real property located at **[INSERT PROPERTY ADDRESS]** (“Property”).

Broker represents more than one party in the sale/lease of the Property and is working as a limited agent with the full knowledge and consent of both parties. Broker represents the following parties in this real estate transaction:

- _____ Seller(s) and Buyer(s)
- _____ Landlord(s) and Tenant(s)

In serving as a limited agent, Broker represents both the Seller/Landlord and the Buyer/Tenant, whose respective interests are different or even adverse, and Broker shall not disclose the following without the informed consent, in writing, of both the Seller/Landlord and the Buyer/Tenant:

- (A) Any material or confidential information, except adverse material facts or risks actually known by the Broker concerning the physical condition of the Property and facts required by statute, rule, or regulation to be disclosed and that could not be discovered by a reasonable and timely inspection of the Property by the parties;
- (B) That Buyer/Tenant will pay more than the offered purchase price or offered lease rate for the Property;
- (C) That Seller/Landlord will accept less than the listed price or lease rate for the Property;
- (D) What motivates a party to buy, sell, or lease the Property;
- (E) Other terms that would create a contractual advantage for one party over another party.

By virtue of Broker acting as a limited agent, there will be no imputation of knowledge or information between any party and Broker.

Neither party is required to consent to Broker acting as a limited agent in the sale and/or lease of the Property. By signing below, each party acknowledges that it has read and understands this form and voluntarily consents to Broker acting as a limited agent in connection with the sale and/or lease of the Property and agrees that Broker represents the interests of both parties to the real estate transaction, and that Broker will not reveal the confidential information of one party to the other party.

Name Seller/Landlord

Date: _____

Name Buyer/Tenant

Date: _____

CBRE, Inc.
Licensed Real Estate Broker

By: _____

Title: _____

Date: _____

DRAFT

"Exhibit B"

COMMERCIAL REAL ESTATE SERVICES

Gordon Hendry
First Vice President

Matt Ramsey
Vice President

CBRE, Inc.
Public Institutions and Education

CBRE

101 W. Washington Street
Suite 1000E
Indianapolis, IN 46204

317 269 1000 Tel
www.cbre.com

May 2, 2014

Mr. Brandon Boys
Economic Development Coordinator
City of Urbana
400 S. Vine Street
Urbana, IL 61801

Dear Mr. Boys:

We appreciate the opportunity to submit our qualifications in response to your RFQ for commercial real estate marketing services for the 200 Block of South Vine Street. We are excited about the opportunity to assist the City transform this important property, consistent with your vision, while maximizing the value to the City.

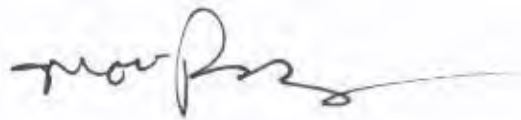
CBRE has a strong track record assisting municipal clients around the country on complex development projects. We are proposing to help guide the City through the redevelopment process, ensuring the City makes informed decisions on the redevelopment of the property and ultimately leading to the successful execution of a transaction with a preferred development team. In our experience, the process leading to a project agreement should be able to be completed in approximately six months.

Thank you for the opportunity to present our qualifications to you. Please do not hesitate to contact either of us if you have any questions or require additional information. We look forward to following up soon.

Sincerely,



Gordon Hendry
First Vice President
Indianapolis, IN
T: 317.269.1183
gordon.hendry@cbre.com



Matt Ramsey
Vice President
Oak Brook, IL
T: 630.573.1290
matt.ramsey@cbre.com



Services to be performed by CBRE:

Real Estate Transactions and Redevelopment/Project Management Consultation

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2. Public Investment (including infrastructure)



3. Financial/Cash Flow Model
4. Risk Assessment
5. Phasing
 - Including step-by-step listing and recommended timing of any pre-transaction items required or suggested (demolition, land subdivision, public infrastructure installation, legal arrangements, political approvals, etc.)
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 - Sales, Ground Leases, Joint Ventures and Public Private Partnerships

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3. Proposer financial strength
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CBRE will also negotiate and assist with executing all necessary documentation including the following transaction elements:

1. Letter of Intent
2. Due diligence
3. Development Agreements
4. Ground leases, building leases, and/or Purchase Documents

CASE STUDIES AND REFERENCES:

Please see attached case study where CBRE served as development advisor to the City of Indianapolis for a 1.5 acre site in downtown Indianapolis, including reference information.

Current State government clients include New York, Florida, Michigan, Maryland, Ohio and Virginia; County government clients include Cuyahoga (Cleveland) County, Ohio, and City clients include Sacramento, CA, Reno, NV, Indianapolis, Pensacola, Chicago, Ft. Lauderdale, Tallahassee, Austin, TX, and Houston, TX.

At present, CBRE's Public Institutions group is performing development advisory services for a number of clients, including:

- **The City of Bloomington, Indiana.** The City of Bloomington, Indiana, home of Indiana University's primary campus, acquired approximately 12 acres of prime, downtown real estate from the University. The property is located next to City Hall and steps from a vibrant, high density commercial district in downtown Bloomington and is within the downtown tax increment financing district and certified technology park. The City selected CBRE to evaluate the real estate opportunity and serve as its redevelopment advisor. The City desires high density mixed use redevelopment including retail, high end housing, office, and parking, with



a focus on growing Bloomington's strong technology sector. CBRE has and will continue to guide the City in a once-in-a-generation, transformative redevelopment opportunity in one of the strongest commercial markets in the State of Indiana. CBRE is currently in the process of selling a historic building for redevelopment and will issue a development RFP in the 2Q2014.

- City of Pensacola, Florida. The City hired CBRE as a development consultant to analyze and recommend development potential and marketing strategies for surplus land and buildings adjacent to or surrounding three properties – Community Maritime Park, the Deepwater Port and the Pensacola International Airport. CBRE has conducted a highest and best use study for each property, presented to the City Council in mid-2013 with preliminary results demonstrating the potential for retail, hotel, marina and office development (with Florida's top industrial broker developing a marketing plan for the Airport and Port sites). CBRE has been engaged to market for land lease all of the available property.
- Galludet University. In late 2008, Gallaudet University retained Peter Larkin and the CBRE team to advise the in-house real estate team on the potential development of University owned assets in the marketplace. Over the last four years (and through the low real estate cycle) CBRE has advised the University on timing, feasibility, and transaction types while the greater DC market recovers. The team retained the services of ZGF Architects to create a redevelopment concept plan that would create a new entry into the University (on the east side of the Sixth Street corridor) and catalyze commercial redevelopment of the University's holdings on the west side of the corridor. After conducting a Request for Qualifications process with the development community and selecting a "shortlist," CBRE is currently assisting the University in the Request for Proposal process to make a final selection. The goal will be to select a development partner and execute a joint developer (public-private partnership) agreement with this group. Ultimately the University is seeking to create a neighborhood amenities base along with cash flow and opportunities for its student community in a revitalized Florida Avenue market.
- City of Gary, Indiana. The City engaged CBRE in 2013 to perform market analysis and highest and best use studies, particularly geared toward hotel development, for two separate City-owned sites - a 6 acre Lake Michigan beach site and a 5 acre interstate exchange retail site. CBRE issued on behalf of the City an RFP for development in February, 2014 for the retail site and will be issuing an RFP for development for the beach site in 2Q2014.

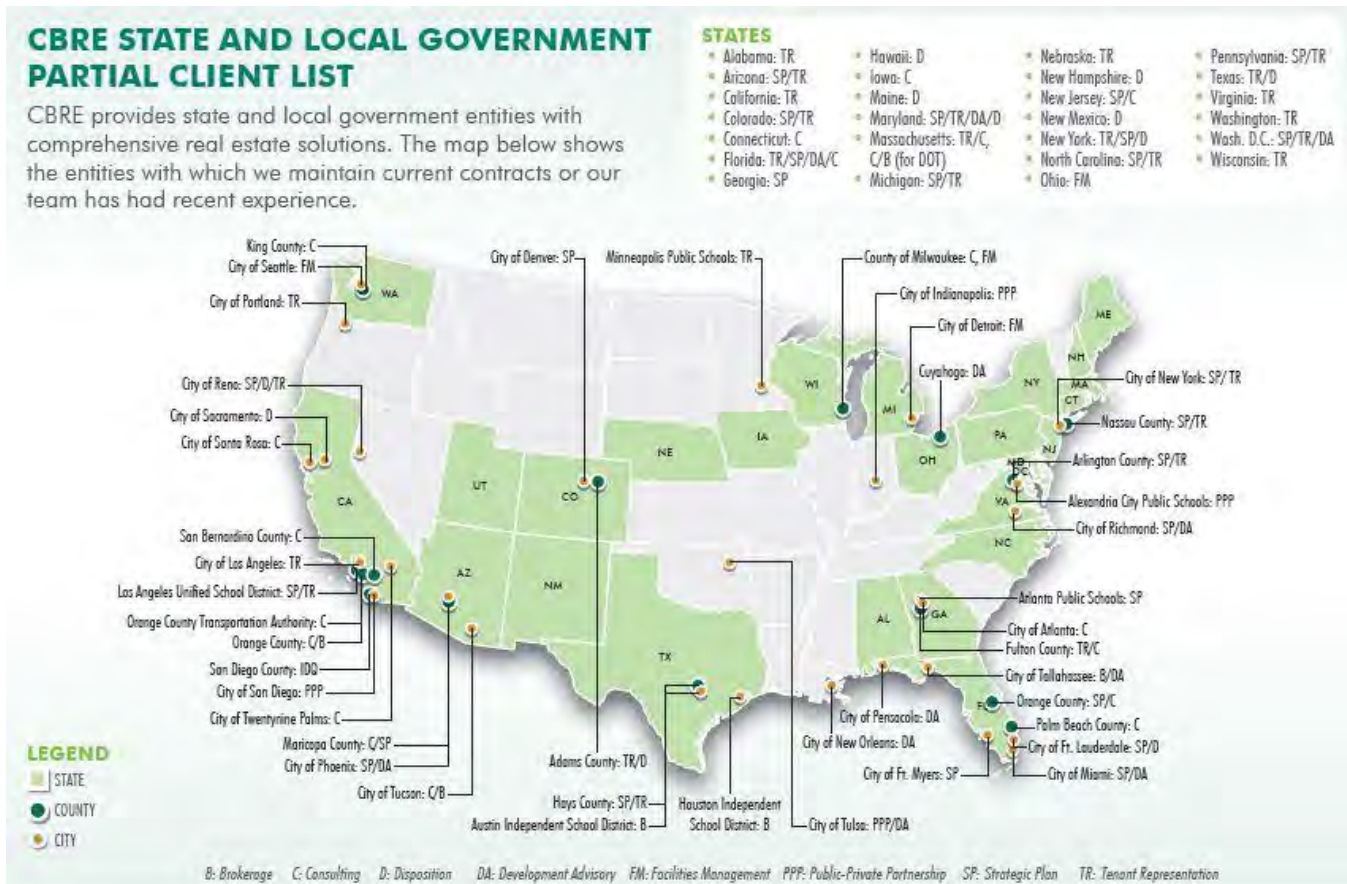
We would be happy to provide further details and reference information regarding each project or other clients if requested.

BACKGROUND ON CBRE PUBLIC INSTITUTIONS AND TEAM

INTRODUCTION TO CBRE

CBRE Group, Inc. (NYSE:CBG), a *Fortune* 500 and S&P 500 company, is the world's largest commercial real estate services firm (in terms of 2013 revenue). The Company has approximately 30,000 employees (excluding affiliates), and serves real estate owners, investors and occupiers through more than 300 offices (excluding affiliates) worldwide. CBRE offers strategic advice and execution for property sales and leasing; corporate services; property, facilities and project management; mortgage banking; appraisal and valuation; development services; investment management; and research and consulting.

We apply our knowledge of global real estate to the nation's states, cities, counties and towns through the Public Institutions and Education Solutions Group. We understand the priorities of these critical entities: maintaining and enhancing their economic development opportunities while solidifying the financial health and infrastructure necessary for long-term stability. CBRE can help the City of Urbana develop and implement real estate strategies that bolster its financial strength, increase its attractiveness, and improve its amenities. Select state and local public sector clients for whom we have performed real estate services are included in the graphic below.



MARKET COVERAGE AND RESOURCES IN THE URBANA, ILLINOIS AREA

CBRE is a leading commercial real estate services company in the State of Illinois, in terms of personnel and revenue. Although being the biggest does not by itself translate into being the best, our client retention rate and overall satisfaction with our service quality speaks for itself. CBRE has the most widely diverse team of brokers in the Midwest region, and accordingly we have the most hands-on direct market knowledge of developers, landlords and tenants. The information we are able to collect and access as a result of our unparalleled market activity leads to value and a competitive advantage for our clients. Our market penetration enables us to know about trends as they happen, not after they happen. In today's environment, this edge will undoubtedly prove important and assist us in getting the best possible results for the City of Urbana.

CBRE Illinois Quick Facts

- 5 offices servicing Illinois
- Manage millions of square feet of office, retail and industrial properties
- Client roster includes US General Services Administration (GSA), Google and the City of Chicago. Globally CBRE has represented 80% of the *Fortune 100*.

TEAM INTRODUCTION

CBRE has assembled a team of experts who will use demonstrated best practices to advise the City of Urbana on re-development strategy scenarios. Our team has significant experience representing municipal and other public sector clients on development opportunities, and we have strong work experience representing municipal clients on all matters of commercial real estate. Matt Ramsey has performed a



number of retail transactions on behalf of clients in the Urbana-Champaign submarket, including most recently an approximately 40,000 SF reuse of a former Circuit City store at 2006 N. Prospect Avenue in Campaign by client Gander Mountain.

Our team includes development advisory experts who have negotiated some of the most complex lease and building acquisitions in the United States over the last decade as an advisor to city, county and state clients. Our team's ability to coordinate analyses of project risks and opportunities, renovation options, partial and full redevelopment scenarios, and ground lease and other brokerage issues, will allow the City of Urbana to focus on its core mission of serving its citizens most effectively.

CBRE TEAM MEMBERS



Gordon Hendry, First Vice President, is a member of CBRE's Public Institutions and Education Group, which is a group of commercial real estate professionals specifically dedicated to serving the interests of public agencies and education institutions. Based in Indianapolis, he serves as the Midwest regional leaders of the Public Institutions group. Prior to joining CBRE, he was the head of the Indy Partnership, a 10-county regional economic development organization based in Indianapolis, and previously served as a senior advisor to Mayor Bart Peterson of Indianapolis as Special Counsel and then Director of Economic Development for the City of Indianapolis. At the City, he managed the economic development efforts of Indianapolis including business outreach and recruitment, job creation, incentives, workforce development, airport and transportation issues, downtown and neighborhood development, legislation and new initiatives. Prior to joining the Mayor's office, he was an attorney at Ice Miller, an Indianapolis law firm. Mr. Hendry was born and raised in Bloomington, Indiana and holds a bachelor's degree, *Phi Beta Kappa*, from Indiana University, Bloomington. He also attended the London School of Economics and received his JD from George Washington University Law School. He is a gubernatorial appointee to the Indiana State Board of Education and serves as a board member to La Plaza, the leading Central Indiana organization serving the Latino community.



Matt Ramsey, Vice President, is a member of CBRE's national retail practice group, where he has specialized in multi-market rollouts for national tenants. Based in Oak Brook, Illinois, his clients include West Marine (75 markets), Tom & Eddies restaurant group (35 markets), The Beer Market, Hot Mama, Half Price Books, The Melting Pot, and Disney, among others. He holds Illinois and Indiana real estate salesperson licenses and is a member of the International Council of Shopping Centers (ICSC). He holds a bachelor's degree in communications from Purdue University in West Lafayette, Indiana.



Michael McShea, Executive Vice President, co-leads CBRE's Public Institutions and Education Group nationally. Based in Washington, DC, he manages some of the nation's most significant state and local government projects and portfolios. He was personally responsible for the oversight of a contract with the Government of the District of Columbia, involving the restructuring of over one million square feet of municipal space under the auspices of the congressionally established Financial Control Board. He implemented real estate strategic plans for the City of New York, as well as the States of Alabama, Michigan, Pennsylvania, Arizona, Colorado and Maryland, which in total encompass over 60 million square feet of facilities. He has provided development consulting and public private partnership advisory services for the College of William & Mary, American Frontier Culture Museum, the James F. Oyster School, the John Hopkins Applied Research Laboratory and the University of Cincinnati.

Mr. Hendry, Mr. Ramsey and Mr. McShea will consult with other CBRE team members in a diverse range of real estate background and experience on an as-needed basis.



CLIENT CASE STUDY: City of Indianapolis



SERVICES

- Redevelopment Advisory
- Economic Development Feasibility
- Relocation
- Market Analysis
- Site Location
- Negotiation

SIZE

- 1.45 acres (for redevelopment)

DOLLAR AMOUNT

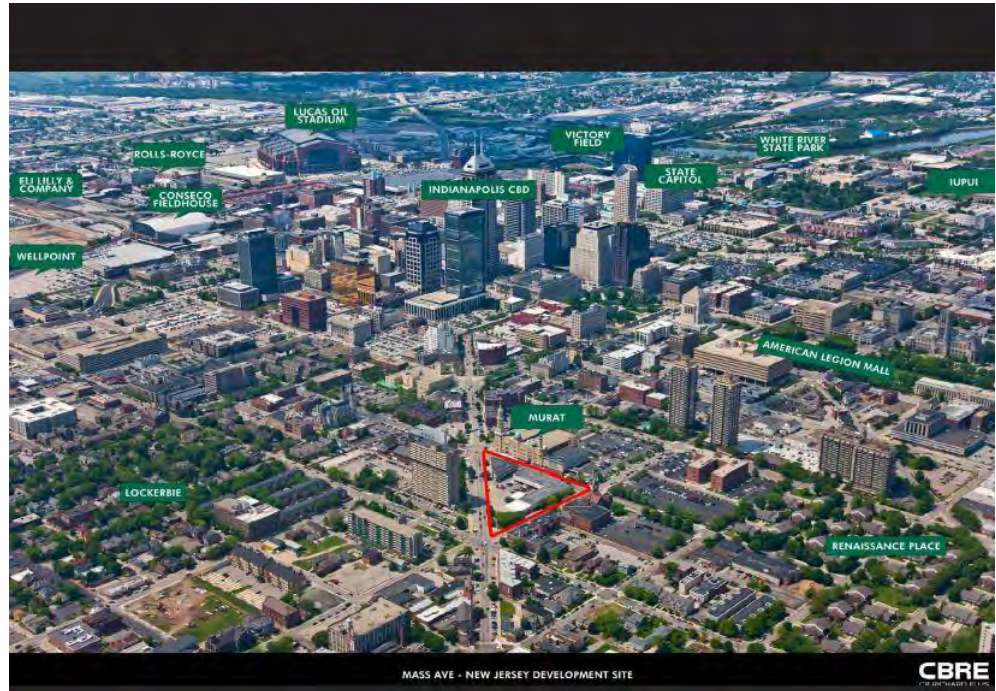
- \$70 M (total proposed project)

PROJECT TEAM

- Mike McShea
- Gordon Hendry

REFERENCE CONTACT

Deron Kintner
Deputy Mayor
(317) 327-3601
Deron.Kintner@indy.gov
200 E. Washington St.,
Suite 2501
Indianapolis, IN 46204



Development Advisor to City

The City of Indianapolis sought to spur economic development within the vibrant “Mass Ave” arts and cultural district in downtown. The City’s primary downtown fire station, fire department headquarters, and an affiliated firefighters credit union have been housed on a site along Mass Ave, effectively separating the commercial corridors of “North Mass Ave” and “South Mass Ave.” The City selected CBRE to evaluate the real estate opportunity and serve as its redevelopment advisor.

CBRE Responsibilities

- At the commencement of the project, CBRE demonstrated the financial viability of the relocation of the public safety facilities to new facilities supported by the redevelopment plan of the site. This allowed the City to be confident in “green lighting” the high profile redevelopment. At the conclusion of the project, CBRE’s initial analysis and projections were confirmed as dead-on.
- CBRE oversaw a competitive RFP process including extensive interviews and negotiations with the development community to ensure the proposed mixed-use development achieved the goals of the City for this downtown property.



CBRE Results

- At CBRE’s recommendation, the City selected a development team with a demonstrated track record of financing and completing successful projects. The team will invest close to \$50 million for 235 high-end apartments, 40,000 square feet of ground-level retail and over 300 parking spaces, primarily underground. The design of the project is considered groundbreaking (see below) and transformational for Mass Ave. Construction is expected to begin in 2Q 2015 after the existing facilities are relocated.
- CBRE led the site selection and planning for the new fire department headquarters, new fire station and relocated firefighters credit union (total improvements budget of approximately \$15 million). CBRE assisted the City with the negotiation for and acquisition of the existing campus of the American Red Cross of Greater Indianapolis. In turn, the Red Cross, which was interested in downsizing, will relocate to a newly constructed 40,000 sf headquarters building on North Meridian Street in downtown Indianapolis, this alone representing a significant economic development project.
- CBRE has been actively involved in presentations with community stakeholders, neighborhood groups, and City-County Council members.
- The City-County Council overwhelmingly approved both the expansion of the downtown TIF district and the bond issue to support the public safety facilities and redevelopment project.

“We received a number of proposals to redevelop this area of Mass Ave. This proposal by far contained the largest investment, number of apartments, retail space and parking, making it a great choice to add new residents and economic activity to this vital corridor in Indianapolis” – Mayor Greg Ballard



REQUEST FOR QUALIFICATIONS

Commercial Real Estate Marketing Services for the 200 Block of South Vine Street

Issued: March 19, 2014

"Exhibit C"



Solicited by the City of Urbana, Illinois
Community Development Services
400 S Vine Street, Urbana, IL 61801

QUALIFICATIONS DUE: May 5th, 2014

SUMMARY

The City of Urbana, Illinois is requesting Qualifications for Commercial Real Estate Marketing Services to represent the 200 Block of South Vine Street located in Downtown Urbana to prospective developers and tenants. This full city block on the edge of Downtown Urbana represents an excellent opportunity for a new construction project on a 1.7 acre site.

A commercial real estate broker may respond to this RFQ for their individual firm or on behalf of a team which may include other real estate professionals, developers and/or end users. The City will enter into a negotiated Commission Agreement with the selected commercial real estate broker. The subsequent Development Agreement between the City and the successfully recruited developer and/or end user of the site will serve to transfer ownership of the property, confer any additional incentives for the project, and establish how the developer and/or end user will pay the broker's pre-negotiated commission.

Qualified brokers are invited to digitally submit their qualifications along with an indication of interest in the project to:

Contact: Brandon Boys, Economic Development Coordinator
Email Address: bsboys@urbanaininois.us

Responses should be limited to 8 pages total sized on 8.5 x 11 sheets and include a cover letter, a listing of representative projects, resume of personnel assigned to the project, client references, names and qualifications of any project partners, a description of services to be provided, and a proposed timeline for service delivery. The selected firm must hold and maintain a valid Illinois real estate license. The City of Urbana will select the firm from those responding to this request. Responses received by the close of business on May 5th, 2014 will be considered.

For additional information, contact Brandon Boys at bsboys@urbanaininois.us or 217-328-8270.

OVERVIEW

The City of Urbana seeks qualifications from real estate brokerage firms to facilitate the development of a full, city-owned block at the edge of Downtown Urbana. The site represents an opportunity to construct a new, highly visible development to accentuate the recent dynamic business growth in Downtown Urbana, attract new residents and patrons to the Downtown, and catalyze latent development potential nearby. The purpose of this RFQ is to identify a firm with the talent and experience to attract investment which will both complement the goals of Urbana’s Downtown Plan and capitalize upon the positive momentum that the downtown has experienced over the last year.



LOCAL AND REGIONAL DEVELOPMENT CONTEXT

Downtown Urbana has seen significant growth in the number of unique restaurants, niche retail stores, creative service providers, and technology firms. In the community at large, the University of Illinois, thriving technology firms, and major medical practices all represent important sectors of economic growth which the City seeks to complement. A recent study on business clusters commissioned by the University of Illinois has highlighted the strong local growth potential of industry sectors pertaining to data analysis and computing, biomedical and bioengineering, and energy.

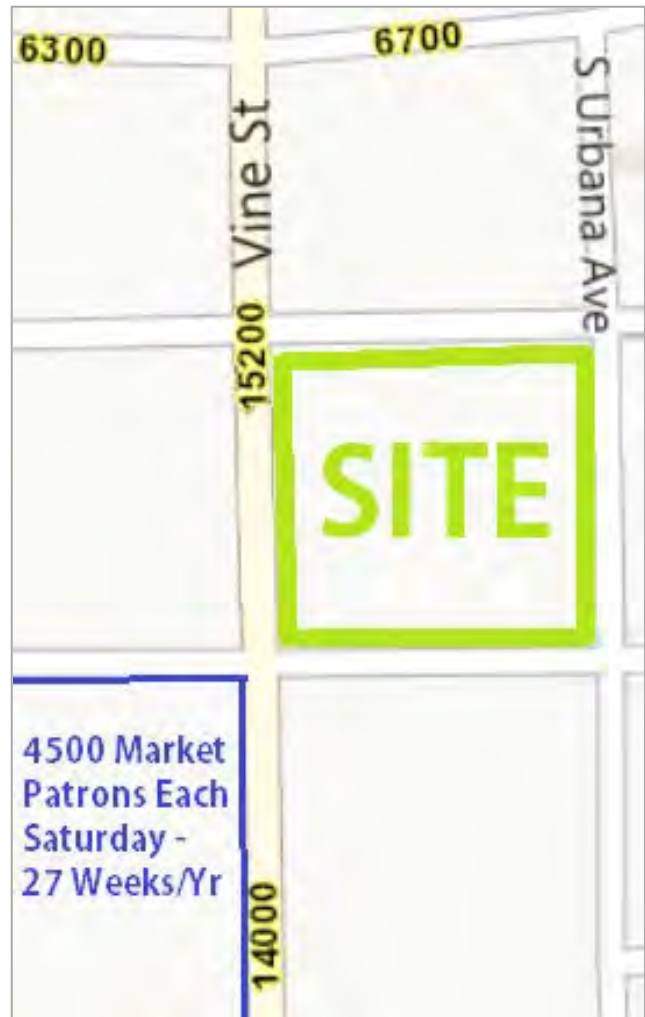


PROJECT BLOCK

The project site consists of the entire 200 Block of South Vine Street located on the eastern edge of Downtown Urbana. The site is 1.7 acres in size and is entirely owned by the City. There is one building currently remaining on the site: a single-story structure containing a Goodyear Tire business which leases the property from the City. The term of the business’s lease is through April 30th, 2015; early termination of the lease is negotiable. There is also a paved, City-owned parking lot on the site; the remainder of the block is vacant. Demolition assistance can be considered as part of the development agreement negotiations.

The entire project site is planned to be rezoned to B-4, Central Business, which allows a full range of commercial, residential and institutional uses. A complete description of the current zoning can be found in the supplemental materials section at the end of this document. Desired rezoning can be considered as part of development agreement negotiations.

The Illinois Department of Transportation reports that daily traffic counts exceed 15,000 vehicles on Vine Street adjacent to this site. Urbana’s Market at the Square attracts 4,500 patrons each Saturday during the market season which runs for 27 weeks from May into November. There are over 14,000 employees within one mile of this site.



The site is served by all major utilities including sanitary and storm sewers. Street lighting surrounds the site and a UC2B fiber optic line runs immediately adjacent to the site. There is a 12” gravity storm main running through part of the site and overhead residential service power lines running across the property. Adjacent streetscape improvements and utility relocation reimbursements can be considered as part of incentive negotiations.

A Phase I environmental assessment has been conducted for the entire site. A Phase II environmental study was also completed for the Goodyear property which has a small amount of contamination. A recent environmental audit for the cleanup placed the cost at under \$1,000 in the context of a full site demolition. The City has set aside \$3,000 to cover the cost of this cleanup. All of the environmental studies and audits are available upon request.

PREFERRED DEVELOPMENT OUTCOMES

While all development mixes will be considered, the City is most interested in a project resulting in a multi-story mixed-use development with ground floor commercial uses and upper-story residential. The City has a strong desire for more multi-family residential uses in Downtown Urbana. Projects that enhance the overall appeal of the area, add a new desired use to Downtown, have strong urban design elements, and appropriately transition into the adjacent neighborhood are also preferred.

SCOPE OF SERVICES

The City of Urbana is seeking a brokerage firm which will engage in all commercially reasonable efforts to market the Project Site to either an end user or a developer who will lease the real estate to an end user. The selected firm should use such efforts consistent with first class commercial real estate professionals to locate potential developers and/or end users, to provide active assistance to such parties in the preparation of their development plan, and to aid with obtaining appropriate approvals as would be customary for a real estate professional listing the property for a private property owner. Such marketing should include, but not be limited to, appropriate signage, using electronic and print media, and other methods consistent for locating developers or users of similar property. Active assistance to potential developers and users should include, but is not is not limited to, arranging meetings otherwise promoting communication between the developers, users, and the City. The suggested term for service delivery is one year.

BROKER SELECTION PROCESS

Proposals will be reviewed by a selection committee appointed by the City of Urbana. The Committee will conduct interviews with a limited number of qualified firms responding to this announcement. After the interviews are complete the City of Urbana will select one firm and negotiate a Commission Agreement. In the event a satisfactory agreement cannot be reached, negotiations will be terminated and another firm will be selected. The City of Urbana retains the right to reject any and all responses with or without cause.

COMMISSION AGREEMENT

The structure of the broker's commission for a successful project is negotiable and will be defined in the Commission Agreement. It is anticipated that the commission will be paid by the developer or end user of the project. The commission structure set forth in the final Commission Agreement will be included in any Development Agreement for the site unless the broker agrees otherwise.

INCENTIVES FOR DEVELOPMENT

The City will convey ownership of the site to the developer through a negotiated Development Agreement. The City may offer additional negotiated incentives in the agreement such as reimbursement of costs for building demolition, environmental cleanup, utility relocation, adjacent streetscape improvements, or annual property tax rebates. The site is located within both Urbana's Tax Increment Finance District #2 and the Urbana Enterprise Zone.

PROPOSED SCHEDULE

The proposed timeline for the commission agreement is as follows:

- May 2014 – Selection of Qualified Brokerage Firm
- June 2014 – Approval of Negotiated Commission Agreement
- July 2014 – Commencement of Real Estate Marketing Efforts

The duration of the Commission Agreement is negotiable; however the default agreement would be one year in duration. Development Agreement negotiations would begin immediately upon the preliminary selection of a developer for the Project Site. Development would ideally commence no later than April 2015.

RELEVANT ZONING, PLANS, AND STUDIES

Click on the following links to access additional information on the planning goals and zoning allowances for this site.

- B-4, Central Business Zoning District: <http://urbanaininois.us/sites/default/files/attachments/b-4-district.pdf>
- Full Zoning Ordinance and Map: <http://urbanaininois.us/zoning>
- 2012 Downtown Urbana Plan: <http://urbanaininois.us/downtown>
- 2011 Downtown Market Study: <http://urbanaininois.us/businesses-5>
- 2005 Urbana Comprehensive Plan: <http://urbanaininois.us/businesses/urbana-comprehensive-plan>

SUBMITTALS

Interested parties should submit the following items in digital format to Brandon Boys at bsboys@urbanaininois.us

- Cover Letter
- Listing of representative projects
- Resume of personnel assigned to the project
- Client references
- Names and qualifications of any project partners
- Description of services to be provided
- Proposed timeline for service delivery

Responses should be limited to 8 pages total sized on 8.5 x 11 sheets. The selected firm must hold and maintain a valid Illinois real estate license. Responses received by the close of business on May 5th, 2014 will be considered.