

**CONSULTANT AGREEMENT
BETWEEN
THE TEXAS FACILITIES COMMISSION AND
JONES LANG LASALLE AMERICAS, INC.
TFC CONTRACT NO. 17-17-099-000**

ASSIGNMENT NO. 1

THIS ASSIGNMENT NO. 1 (hereinafter referred to as the “Assignment No. 1” or “Assignment”) is entered into by and between the Texas Facilities Commission, located at 1711 San Jacinto Boulevard, Austin, Texas 78701 (hereinafter referred to as “TFC”) and Jones Lang LaSalle Americas, Inc. located at 2020 K Street NW Suite 1100, Washington, D.C., 20006 (hereinafter referred to as “Consultant”) (TFC and Consultant are hereinafter referred to individually as a “Party” or collectively as “Parties”), to be effective on the Effective Date (as defined below) and the terms and conditions of which are as follows.

DESCRIPTION OF PROJECT: The project for which Consultant agrees to provide Professional Services is generally described as Phase 1, pre-procurement analysis for the GJ Sutton Redevelopment Project located at 321 Center Street, San Antonio, Texas (hereinafter referred to as the “Project”), as further depicted in “Exhibit A-1,” Phase 1 – Market Analysis and Fee Schedule, attached hereto incorporated herein for all purposes. Services to be performed under this Assignment No. 1 are limited to the following deliverables set forth in Exhibit A-1: (i) identification and investigation of potential partners; (ii) market intelligence; (iii) due diligence assistance; (iv) ground lease review; and (v) RFP drafting. No deliverable shall be commenced or undertaken without prior issuance of a Notice to Proceed signed by the TFC Executive Director and in substantially the same form as the Notice to Proceed Template, “Exhibit B-1,” attached hereto and incorporated herein for all purposes.

DURATION OF ASSIGNMENT: The scope of services of this Assignment No. 1 shall be completed no later than January 15, 2018, unless terminated earlier as provided in Section 2.02 of the Agreement. The schedule is subject to adjustments for possible time extension; however, any extension of time must be approved by the TFC and shall require an amendment to Assignment No. 1.

SPECIAL TERMS AND CONDITIONS OF ASSIGNMENT: Terms and conditions shall be in accordance with the Agreement, any Special Conditions, and with this Assignment No. 1.

SUBCONTRACTORS TO BE UTILIZED FOR PROJECT: Consultant shall perform the services under this Assignment No. 1 with its own forces unless otherwise specified. If the scope of services is less than \$100,000.00, a HUB Subcontracting Plan (HSP) is not required. If the scope of services will exceed \$100,000.00, Consultant shall submit an HSP for approval pursuant to Section 10.03 of the Agreement.

FEE FOR BASIC SERVICES: Fee for the services set forth in this Assignment No. 1 shall not exceed Seventy Five Thousand Eight Hundred Fifty Four and 70/100 Dollars (\$75,854.70). No more frequently than once per month, Consultant shall submit an invoice to TFC for services performed and reasonable and necessary costs and expenses incurred through the last day of the previous month. Any reimbursable expenses, if allowed, shall be in accordance with Section 3.01 of the Agreement.

IDENTIFICATION OF CONSULTANT PROJECT MANAGER AND ALL SUBCONTRACTORS: For this Assignment No. 1, Consultant shall identify the Project Manager, Consultant's employees and all subcontractors assigned to this project on the List of Project Manager and Subcontractors (hereinafter referred to as the "List"), attached hereto and incorporated herein for all purposes as "Exhibit C-1."

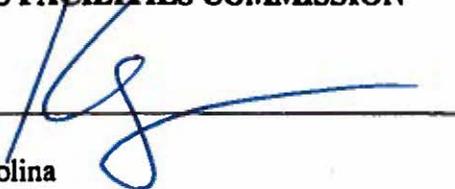
TFC reserves the right to approve the appointment of the Consultant Project Manager and to demand that the Project Manager, and any of Consultant's employees or subcontractors, be removed and replaced if, in the sole opinion of TFC, their performance on this project or any other projects, is and/or was inadequate or their continued involvement with the Project is, will, or has become detrimental to the timely and successful completion of the project.

The Project Manager and Subcontractors identified in the List shall not be replaced by Consultant, nor shall any other subcontractors be engaged by Consultant, unless prior written consent is obtained from TFC, which consent shall not be unreasonably withheld, conditioned, or delayed.

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ENTIRE AGREEMENT AND MODIFICATION: The Agreement and this Assignment and their integrated attachment(s) constitute the entire agreement of the Parties and such are intended as a complete and exclusive statement of the promises, representations, negotiations, discussions, and other agreements that may have been made in connection with the subject matter hereof. Unless an integrated attachment to this Assignment specifically displays a mutual intent to amend a particular part of this Assignment, general conflicts in language between any such attachment and this Assignment shall be construed consistently with the terms of this Assignment. Unless otherwise expressly authorized by the terms of this Assignment, no modification, renewal, extension, or amendment to this Assignment shall be binding upon the Parties unless the same is in writing and signed by the respective Parties hereto.

TEXAS FACILITIES COMMISSION

By: 

Kay Molina

General Counsel

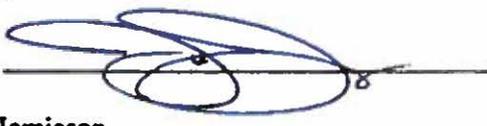
Date of execution: 12/4/17

G.C. 

Dir. 

D.E.D. 

JONES LANG LASALLE AMERICAS, INC.

By: 

Jill Jamieson

Managing Director

Date of execution: December 4, 2017

EXHIBIT A-1

PHASE 1 – MARKET ANALYSIS AND FEE SCHEDULE



November 28, 2017

The Texas Facilities Commission
ATTN: Samuel Franco
samuel.franco@cap.texas.gov

Re: Response to GJ Sutton Redevelopment Project – Pre-Procurement Analysis Task Order Request for Proposals

Dear Mr. Franco,

Thank you for the opportunity to provide our response to the Texas Facilities Commission's Task Order RFP to provide financial and real estate analysis for the GJ Sutton Redevelopment Project (the Project). JLL understands that the TFC's primary goals for the GJ Sutton Redevelopment Project include:

- Provide some component of State office space for an agency located in the San Antonio area
- Maximize the economic benefit to the State through a Comprehensive Development Agreement
- Align with the goals and objectives of the City of San Antonio and other stakeholders

The collective expertise of our real estate professionals will ensure that the Texas Facility Commission has the knowledge and critical thinking required to realize the goals of the GJ Sutton Redevelopment Project. We have assembled a top team of real estate professionals that represent the best of each of our local San Antonio office, our Public Institutions real estate practice, and our Public/Private Partnership expert advisors.

Scope of Services

Phase 1: Market Assistance

Identification and Investigation of Potential Partners

In identifying potential partners, JLL has unparalleled connectivity to the local, national, and international capital markets and development community. This connectivity will support maximum exposure for the GJ Sutton project, driving competition and value. JLL will also work with the TFC to host an "Industry Day" or similar forum, allowing potential investors the opportunity to learn more about the opportunity in person.

Market Intelligence

The JLL team will utilize its market intelligence to assess key project drivers for monetization as well as potential deterrents or "deal stoppers" (e.g. challenges, funding shortfalls, etc.). Should any such challenges be identified, they can then be proactively mitigated via creative deal structuring, project phasing, financing alternatives, etc. JLL also understands that various economic incentives exist from the City and will incorporate these elements into the team's market intelligence considerations.

The team will also assist in seeking capital markets input on investment (equity and debt) market conditions that will be critical to project success, as the ability attract investors and realize value from any development relies largely on the receptivity of the capital markets to underwrite.

Due Diligence Assistance

JLL will work with the TFC's legal advisor to review legal, tax, and regulatory issues that may impact the Project and will identify and review necessary due diligence materials that will be made available as part of the RFP solicitation. JLL is not authorized to provide legal advice or services to the TFC, however.

Ground Lease Review

The team will work closely with TFC and its legal advisor to review the proposed ground lease prior to inclusion in the RFP, ensuring that best practices are reflected in the document.

RFP Drafting

Working closely with the TFC, JLL will develop a comprehensive solicitation document that clearly defines the opportunity presented while outlining the process of how a bidder is ultimately selected. We will work with the TFC on the best approach to meet desired outcomes and draft the appropriate solicitation.

The solicitation should function both as a marketing opportunity as well as effectively communicate the criteria for qualifications, eliciting maximum interest and securing maximum participation by the real estate community. Key to this process is framing the solicitation around a predetermined set of evaluation criteria. By leveraging our real estate expertise, knowledge of the market, and our work with other public institutions, JLL will help the TFC prepare selection criteria that identify and prioritize the TFC's interests in the anticipated development program and resulting value to the TFC.

Phase 2: Response Review

Review responses to the publication

Upon receipt of written response submittals, JLL will investigate and qualify each bidder based on the jointly-developed selection criteria outlined in the solicitation document and the respondent's overall ability to execute on the proposed plan. By using an evaluation matrix that integrates qualifying criteria with key

financial and technical information, JLL will provide the TFC with an initial evaluation of the relative strengths and weaknesses of each offer. We will also identify any bidders who should be immediately disqualified based upon the failure to achieve certain minimum technical qualifications. Finally, JLL will identify those areas of a proposal that require further clarification in order to effectively evaluate the quality of a proposed development program.

Investigation of Respondents

During the procurement process, JLL will investigate and qualify each bidder based on the selection criteria outlined in the solicitation document and the respondent's overall ability to execute on the proposed plan. This may also include verifying financial / credit references as well as municipal partner references provided by the respondents.

Clarification Question Drafting

Based upon the initial screening process outlined above, as well as through a dialogue with TFC staff and key stakeholders on additional questions generated by the procurement process, we will create a list of customized questions that addresses specific areas of the respondents' proposals to gain a clear understanding of the respondents' investment objectives. These questions will be developed to solicit clarity on the proposed development components. Additionally the questions will seek to clarify type and timing of consideration being offered to the TFC.

Interviews with respondents

Upon the completion of the follow up questions, JLL will refine the evaluation matrix to include all information received by the bidders. We will prepare a detailed evaluation, including an economic analysis of the offers and provide a summary of the strengths and weaknesses of each, as well as an assessment of the ranking and relative risk associated with each proposal. We will work with TFC staff to select an appropriate number of qualified respondents to interview with the purpose of identifying the respondent(s) from which to solicit final offers. This final offer will allow the respondents to refine their bid based on select information which will be provided by JLL.

Phase 3: Transaction Assistance

Transaction Negotiations

JLL will work closely with the TFC and its legal counsel in negotiations of all business terms with the selected respondent. In our experience, the timing of the negotiations period can vary widely. Procurements for qualified partners can result in more than one potential respondent meeting a client's criteria. As such, it is sometimes the case that we negotiate directly with one respondent while keeping one or two other respondents in close consideration in the event that the first respondent is unable to meet expectations. That is to say, this aspect of the procurement process may be brief, or lengthy. We will, of course, endeavor to conduct negotiations that are efficient and respectful of both TFC and the respondent's time and expectations. We will drive the transaction to satisfactory agreements and attend pre-closing and closing meetings as required.

The final phase of JLL's involvement will be to assist the TFC in the coordination of activities required to consummate a transaction. This will include assistance in the resolution of due diligence and business issues and assistance in the satisfaction of closing requirements.

Pricing Proposal

Jones Lang LaSalle America, Inc.
TFC Contract No. 17-099-000
Assignment No. 1
Exhibit A-1

\$	75,854.78	Managing Senior Financial Advisor		Total All Phases		Senior Financial Advisor/ Subject Matter Expert		Total All Phases		Financial Advisor		Total All Phases		Administrative Personnel/ Technical Writer		Total All Phases	
				\$	21,251.75	\$	22,610.25	\$	26,278.20	\$	5,714.50						
Task	Estimated Hours	Hourly Rate	Total this Phase	Estimated Hrs	Hourly Rate	Total this Phase	Estimated Hrs	Hourly Rate	Total this Phase	Estimated Hrs	Hourly Rate	Total this Phase					
Phase 1 - Market Analysis	65		\$ 21,251.75	75		\$ 22,610.25	130		\$ 26,278.20	55		\$ 5,714.50					
Identification and investigation of potential partners	10	\$ 326.95	\$ 3,269.50	10	\$ 301.47	\$ 3,014.70	15	\$ 202.14	\$ 3,032.10	2	\$ 103.90	\$ 207.80					
RFP Drafting	25	\$ 326.95	\$ 8,173.75	30	\$ 301.47	\$ 9,044.10	75	\$ 202.14	\$ 15,160.50	20	\$ 103.90	\$ 2,078.00					
Due diligence assistance	5	\$ 326.95	\$ 1,634.75	10	\$ 301.47	\$ 3,014.70	10	\$ 202.14	\$ 2,021.40	5	\$ 103.90	\$ 519.50					
Market Intelligence	10	\$ 326.95	\$ 3,269.50	10	\$ 301.47	\$ 3,014.70	10	\$ 202.14	\$ 2,021.40	3	\$ 103.90	\$ 311.70					
Ground Lease Review	15	\$ 326.95	\$ 4,904.25	13	\$ 301.47	\$ 3,929.11	20	\$ 202.14	\$ 4,042.80	23	\$ 103.90	\$ 2,390.70					

EXHIBIT B-1

NOTICE TO PROCEED TEMPLATE

Chair
Robert D. Thomas

Commissioners
William D. Darby
Patti Jones
Mike Novak
Jack W. Perry
Betty Reinbeck
Joseph O. Slovacek



Executive Director
Harvey Hilderbran

Mailing address:
P. O. Box 13047
Austin, TX 78711-3047
(512) 463-3446
www.tfc.state.tx.us

TFC Contract No. 17-099-000 Assignment No. 1 – Exhibit B-1 Jones, Lang LaSalle Americas, Inc.

[Insert Date]

Jill Jamieson, Managing Director
Jones Lang LaSalle Americas, Inc.
2020 K Street NW, Suite 1100
Washington, D.C. 20006

Re: Notice to Proceed
TFC Contract No. 17-099-000
Assignment No. 1, Phase 1
GJ Sutton Redevelopment Project

Dear Ms. Jamieson:

In accordance with the referenced Assignment No. 1, effective December 4, 2017, this letter constitutes the **Notice to Proceed** and is your authority to proceed with Phase 1, Deliverable [Insert Number], [Insert Deliverable Name]. Work on this deliverable shall commence on [Insert Date] and shall be substantial complete by [Insert Date].

If you have any questions, please contact Samuel Franco at (512) 463-8702.

Harvey Hilderbran
Executive Director

cc: Samuel Franco
 Rob Ries
 Legal Services Division

EXHIBIT C-1

CONSULTANT LIST OF PROJECT MANAGER AND SUBCONTRACTORS

**LIST OF CONSULTANT PROJECT MANAGER
 AND
 SUBCONTRACTORS**

A. Project Manager:	<u>Jill Jamieson, Managing Director</u> (Name) <u>Jones Lang LaSalle Americas, Inc.</u> (Company Name) <u>2020 K Street NW, Ste 1100, Washington, DC 20006</u> (Address) <u>Office: (202)719-5588 (239) 222-2225</u> (Cell #) <u>jill.jamieson@am.jll.com</u> (Email)
	1. <u>Chuck King, Managing Director</u> (Name) <u>Jones Lang LaSalle Americas, Inc.</u> (Company Name) <u>9601 McAllister Freeway, Ste 100, San Antonio, TX 78216</u> (Address) <u>Office: (210) 293-6880 (210) 912-0386</u> (Cell #) <u>chuck.king@am.jll.com</u> (Email)
	2. <u>Drew Kiesling, Executive Vice President</u> (Name) <u>Jones Lang LaSalle Americas, Inc.</u> (Company Name) <u>8343 Douglas Ave, Ste 100, Dallas, TX 75225</u> (Address) <u>Office: (214) 438-6480 (214) 675-6962</u> (Cell #) <u>drew.kiesling@am.jll.com</u> (Email)
	3. <u>Christopher Roth, Managing Director</u> (Name) <u>Jones Lang LaSalle Americas, Inc.</u> (Company Name) <u>200 E. Randolph Drive, Chicago, IL 60601</u> (Address) <u>Office: (312) 228-2720 (202) 580-2328</u> (Cell #) <u>chris.roth@am.jll.com</u> (Email)
	4. <u>Moses Siler, Senior Vice President</u> (Name) <u>9601 McAllister Freeway, Ste 100, San Antonio, TX 78216</u> (Address) <u>Office: (210) 839-2012 (210) 363-0924</u> (Cell #) <u>moses.siler@am.jll.com</u> (Email)
	5. <u>Brian Carroll, Vice President</u> (Name) <u>Jones Lang LaSalle Americas, Inc.</u> (Company Name) <u>200 E. Randolph Drive, Chicago, IL 60601</u> (Address) <u>Office: (312) 228-3312 (630) 650-2742</u> (Cell #) <u>brian.carroll@am.jll.com</u> (Email)

