WORLD TRADE CENTER SITE – RETENTION OF JONES LANG LASALLE AMERICAS, INC. FOR PROFESSIONAL REAL ESTATE ADVISORY SERVICES ON A TASK-ORDER BASIS AND CUSHMAN & WAKEFIELD ON A LIMITED BASIS

It was recommended that the Board authorize the Executive Director to: (1) enter into an agreement with Jones Lang LaSalle Americas, Inc. (JLL) to provide professional real estate advisory services at the World Trade Center (WTC) site, on a task-order basis in coordination with Port Authority staff, at an estimated amount of $36 million over an initial three-year period, with a two-year contract extension option, which would be subject to further Board approval; and (2) increase, by up to $2 million, the authorized amount under an existing agreement with Cushman & Wakefield, Inc. (C&W) for financial advisory services in a changing real estate market.

In 2006, the Port Authority entered into a Conceptual Framework Agreement with SPI, and in consequence thereof, obtained ownership interest in, and assumed financial responsibility for, the development of One World Trade Center, the Freedom Tower, Tower 5, the WTC retail development and a portion of the on-site parking, and assumed master management of the WTC site. The Port Authority requires professional advisory services to assist staff in making ownership and management decisions related to these WTC assets.

The services to be performed under the proposed contract were solicited via a publicly advertised Request for Proposals process. Four proposals were received and evaluated on a "best buy" basis. The proposal submitted by JLL was deemed to be the overall best proposal. JLL would be retained to provide certain services on a task-order basis to: (1) assist Port Authority staff in the development and implementation of business plans, negotiating strategies, financial and market analysis; and (2) provide professional advisory services in connection with planning, security and operations and maintenance, project management, property appraisal, and design and construction management services at the WTC site. Consulting fees up to $36 million, including compensation to sub-consultants, are estimated for these professional real estate advisory services over the next three years.

Earlier this year, the Executive Director authorized the retention of C&W to provide financial advisory services in connection with the WTC redevelopment at an estimated cost of $500,000. These services are continuing, and are expected to be required over the next six months at a cost of up to an additional $2 million.

Pursuant to the foregoing report, the following resolution was adopted with Commissioners Blakeman, Chasanoff, Coscia, Hochberg, Holmes, Mack, Pocino and Steiner voting in favor; none against:

> **RESOLVED**, that the Executive Director be and he hereby is authorized, for and on behalf of the Port Authority, to: (1) enter into an agreement with Jones Lang LaSalle Americas, Inc. to provide professional real estate advisory services regarding Port Authority assets at the World Trade Center site, on a task-order basis in coordination with Port Authority staff, at an estimated cost of $36 million over an initial three-year period, with a two-year contract extension option, the exercise of which would be subject to further Board approval; and (2) increase, by up to $2

million, the authorized amount under an agreement with Cushman & Wakefield, Inc. to provide financial advisory services in a changing real estate market; and it is further

RESOLVED, that the form of any agreements required in connection with the foregoing shall be subject to the approval of General Counsel or his authorized representative.