



# CITY OF LONG BEACH

# R-21

DEPARTMENT OF ECONOMIC AND PROPERTY DEVELOPMENT

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June 14, 2016

HONORABLE MAYOR AND CITY COUNCIL  
City of Long Beach  
California

## RECOMMENDATION:

Adopt Specifications No. RFP EP16-089 and award contracts to R. P. Laurain & Associates, Inc., of Long Beach, CA; Lidgard and Associates, Inc., of Orange, CA; Hawran & Malm, LLC, of Newport Beach, CA; Ellis Group, Inc., dba Integra Realty Resources – Los Angeles, of Encino, CA; and Valentine Appraisal & Associates, of Santa Clarita, CA, for as-needed real estate appraisal services in an aggregate amount not to exceed \$600,000 over a three-year term, with the option to renew for one additional one-year period at the discretion of the City Manager; and authorize the City Manager to execute all documents necessary to enter into the contracts, including any necessary amendments thereto relative to extending the terms, changing the contract dollar amounts, authorizing additional services, if required, within the provisions of the agreements, and adjusting the fee schedules for inflation, all provided that the aggregate total amount of contract authority is not exceeded. (Citywide)

## DISCUSSION

City Council approval is requested to enter into agreements with five firms for as-needed real estate appraisal services. Historically, the City of Long Beach (City) has used outside firms on an as-needed basis to provide the City with these necessary specialized real estate services. These services will be utilized to address planned projects for City departments such as real property appraisals as well as fair market value adjustments to the base rent of various long-term ground leases throughout the City, most notably at the Long Beach Airport and within the marinas. Terms of these ground leases require that the monthly base rent be adjusted periodically and for that adjustment to be determined by a fair market appraisal. In addition, appraisal services will also be utilized for any unforeseen projects over the course of the next three to four years including any property acquisitions and/or dispositions. At this time, all prior agreements for these specialized professional services are set to expire on June 30, 2016.

A Request for Proposals (RFP) was advertised in the Long Beach Press-Telegram on February 19, 2016, and 4,590 potential proposers specializing in real estate property appraisal services were notified of the RFP opportunity. Of those proposers, 33 downloaded the RFP via the City's electronic bid system. The RFP document was made available from the Purchasing Division, located on the seventh floor of City Hall, and the

Division's website at: [www.longbeach.gov/purchasing](http://www.longbeach.gov/purchasing). An RFP announcement was also included in the Purchasing Division's weekly update of Open Bid Opportunities, which is sent to 22 local, minority and women-owned business groups. Twelve proposals were received on March 15, 2016. Of those 12 proposals, one was a Minority-owned Business Enterprise (MBE), two were Women-owned Business Enterprises (WBEs), eight were certified Small Business Enterprises (SBEs), and two were Long Beach businesses (Locals).

### **Local Business Outreach**

In an effort to align with our outreach goal, Long Beach businesses are encouraged to submit proposals for City contracts. The Purchasing Division also assists businesses with registering on the Bids Online database to download the RFP specifications. Through outreach, 536 Long Beach vendors were notified to submit proposals, of which nine downloaded and two submitted proposals.

A review committee comprised of City staff evaluated the 12 proposals submitted, and determined that the following five firms submitted the most qualified and responsive proposals based upon the criteria specified in the RFP:

- R. P. Laurain & Associates, Inc., of Long Beach, CA (SBE, Local);
- Lidgard and Associates, Inc., of Orange, CA (SBE, Local);
- Hawran & Malm, LLC, of Newport Beach, CA (not an MBE, WBE, SBE or Local);
- Ellis Group, Inc., dba Integra Realty Resources – Los Angeles, of Encino, CA (SBE); and,
- Valentine Appraisal & Associates of Santa Clarita, CA (not an MBE, WBE, SBE or Local)

One of these firms is a Long Beach-based firm and one maintains a Long Beach office. All are committed to using small or disadvantaged firms, as appropriate, based on the work assigned to them by the City. City staff would like to proceed with executing Professional Services Agreements with these firms under the following terms and provisions:

- Term: The agreements shall commence July 1, 2016, and shall terminate on June 30, 2019.
- Options to Extend: The agreements may be extended for up to one additional year at the discretion of the City Manager.
- Contract Amount: The agreements shall total the not-to-exceed aggregate amount of \$600,000 over the three-year term.
- Termination: Either the City or the firms may terminate their respective agreement at any time during the Term by providing the other party with 30-days prior written notification.

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This matter was reviewed by Deputy City Attorney Amy R. Webber on May 12, 2016 and by Revenue Management Officer Julissa Jose-Murray on May 20, 2016.

TIMING CONSIDERATIONS

City Council action to adopt Specifications No. RFP No. EP16-089 and award contracts concurrently is requested on June 14, 2016, to ensure contracts are in place expeditiously.

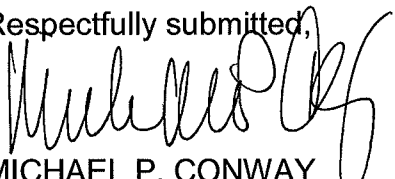
FISCAL IMPACT

Contract authority for \$600,000 is requested for a three-year term plus a one-year option to extend. No appropriation increase is requested at this time. Appropriations for work necessary above the budgeted appropriation level will be brought back to the City Council for approval. Each work order will be funded by the requesting department by project on an as needed basis. The award of these contracts will provide continued support to our local economy by assisting in the preservation of employment for eight full-time employees residing in Long Beach.

SUGGESTED ACTION:


Approve recommendation.

Respectfully submitted,



MICHAEL P. CONWAY  
DIRECTOR OF ECONOMIC  
AND PROPERTY DEVELOPMENT

MPC:mft



JOHN GROSS  
DIRECTOR OF  
FINANCIAL MANAGEMENT

APPROVED:



PATRICK H. WEST  
CITY MANAGER