



1                   B.     Consultant may select the time and place of performance for  
2 these services; provided, however, that access to City documents, records and the  
3 like, if needed by Consultant, shall be available only during City's normal business  
4 hours and provided that milestones for performance, if any, are met.

5                   C.     Consultant has requested to receive regular payments. City  
6 shall pay Consultant in due course of payments following receipt from Consultant  
7 and approval by City of invoices showing the services or task performed, the time  
8 expended (if billing is hourly), and the name of the Project. Consultant shall certify  
9 on the invoices that Consultant has performed the services in full conformance  
10 with this Agreement and is entitled to receive payment. Each invoice shall be  
11 accompanied by a progress report indicating the progress to date of services  
12 performed and covered by the invoice, including a brief statement of any Project  
13 problems and potential causes of delay in performance, and listing those services  
14 that are projected for performance by Consultant during the next invoice cycle.  
15 Where billing is done and payment is made on an hourly basis, the parties  
16 acknowledge that this arrangement is either customary practice for Consultant's  
17 profession, industry or business, or is necessary to satisfy audit and legal  
18 requirements which may arise due to the fact that City is a municipality.

19                   D.     Consultant represents that Consultant has obtained all  
20 necessary information on conditions and circumstances that may affect its  
21 performance and has conducted site visits, if necessary.

22                   E.     CAUTION: Consultant shall not begin work until this  
23 Agreement has been signed by both parties and until Consultant's evidence of  
24 insurance has been delivered to and approved by City.

25                   2.     TERM. The term of this Agreement shall commence at midnight on  
26 February 7, 2012, and shall terminate at 11:59 p.m. on February 6, 2013, unless sooner  
27 terminated as provided in this Agreement, or unless the services or the Project is  
28 completed sooner.

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3. COORDINATION AND ORGANIZATION.

A. Consultant shall coordinate its performance with City's representative, if any, named in Exhibit "C", attached to this Agreement and incorporated by this reference. Consultant shall advise and inform City's representative of the work in progress on the Project in sufficient detail so as to assist City's representative in making presentations and in holding meetings on the Project. City shall furnish to Consultant information or materials, if any, described in Exhibit "D", attached to this Agreement and incorporated by this reference, and shall perform any other tasks described in the Exhibit.

B. The parties acknowledge that a substantial inducement to City for entering this Agreement was and is the reputation and skill of Consultant's key employee, Paula Cone. City shall have the right to approve any person proposed by Consultant to replace that key employee.

4. INDEPENDENT CONTRACTOR.

In performing its services, Consultant is and shall act as an independent contractor and not an employee, representative or agent of City. Consultant shall have control of Consultant's work and the manner in which it is performed. Consultant shall be free to contract for similar services to be performed for others during this Agreement; provided, however, that Consultant acts in accordance with Section 9 and Section 11 of this Agreement. Consultant acknowledges and agrees that (a) City will not withhold taxes of any kind from Consultant's compensation; (b) City will not secure workers' compensation or pay unemployment insurance to, for or on Consultant's behalf; and (c) City will not provide and Consultant is not entitled to any of the usual and customary rights, benefits or privileges of City employees. Consultant expressly warrants that neither Consultant nor any of Consultant's employees or agents shall represent themselves to be employees or agents of City.

5. INSURANCE.

A. As a condition precedent to the effectiveness of this

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Agreement, Consultant shall procure and maintain, at Consultant's expense for the duration of this Agreement, from insurance companies that are admitted to write insurance in California and have ratings of or equivalent to A:V by A.M. Best Company or from authorized non-admitted insurance companies subject to Section 1763 of the California Insurance Code and that have ratings of or equivalent to A:VIII by A.M. Best Company, the following insurance:

(a) Commercial general liability insurance (equivalent in scope to ISO form CG 00 01 11 85 or CG 00 01 10 93) in an amount not less than \$1,000,000 per each occurrence and \$2,000,000 general aggregate. This coverage shall include but not be limited to broad form contractual liability, cross liability, independent contractors liability, and products and completed operations liability. City, its boards and commissions, and their officials, employees and agents shall be named as additional insureds by endorsement (on City's endorsement form or on an endorsement equivalent in scope to ISO form CG 20 10 11 85 or CG 20 26 11 85 or both CG 20 10 07 04 and CG 20 37 07 04 or both CG 20 33 07 04 and CG 20 37 07 04), and this insurance shall contain no special limitations on the scope of protection given to City, its boards and commissions, and their officials, employees and agents. This policy shall be endorsed to state that the insurer waives its right of subrogation against City, its boards and commissions, and their officials, employees and agents.

(b) Workers' Compensation insurance as required by the California Labor Code and employer's liability insurance in an amount not less than \$1,000,000. This policy shall be endorsed to state that the insurer waives its right of subrogation against City, its boards and commissions, and their officials, employees and agents.

(c) Professional liability or errors and omissions insurance in an amount not less than \$1,000,000 per claim.

1 (d) Commercial automobile liability insurance (equivalent in scope  
2 to ISO form CA 00 01 06 92), covering Auto Symbol 1 (Any Auto) in an  
3 amount not less than \$500,000 combined single limit per accident.

4 B. Any self-insurance program, self-insured retention, or  
5 deductible must be separately approved in writing by City's Risk Manager or  
6 designee and shall protect City, its officials, employees and agents in the same  
7 manner and to the same extent as they would have been protected had the policy  
8 or policies not contained retention or deductible provisions.

9 C. Each insurance policy shall be endorsed to state that  
10 coverage shall not be reduced, non-renewed or canceled except after thirty (30)  
11 days prior written notice to City, shall be primary and not contributing to any other  
12 insurance or self-insurance maintained by City, and shall be endorsed to state that  
13 coverage maintained by City shall be excess to and shall not contribute to  
14 insurance or self-insurance maintained by Consultant. Consultant shall notify City  
15 in writing within five (5) days after any insurance has been voided by the insurer or  
16 cancelled by the insured.

17 D. If this coverage is written on a "claims made" basis, it must  
18 provide for an extended reporting period of not less than one hundred eighty (180)  
19 days, commencing on the date this Agreement expires or is terminated, unless  
20 Consultant guarantees that Consultant will provide to City evidence of  
21 uninterrupted, continuing coverage for a period of not less than three (3) years,  
22 commencing on the date this Agreement expires or is terminated.

23 E. Consultant shall require that all subconsultants or contractors  
24 that Consultant uses in the performance of these services maintain insurance in  
25 compliance with this Section unless otherwise agreed in writing by City's Risk  
26 Manager or designee.

27 F. Prior to the start of performance, Consultant shall deliver to  
28 City certificates of insurance and the endorsements for approval as to sufficiency

1 and form. In addition, Consultant shall, within thirty (30) days prior to expiration of  
2 the insurance, furnish to City certificates of insurance and endorsements  
3 evidencing renewal of the insurance. City reserves the right to require complete  
4 certified copies of all policies of Consultant and Consultant's subconsultants and  
5 contractors, at any time. Consultant shall make available to City's Risk Manager  
6 or designee all books, records and other information relating to this insurance,  
7 during normal business hours.

8 G. Any modification or waiver of these insurance requirements  
9 shall only be made with the approval of City's Risk Manager or designee. Not  
10 more frequently than once a year, City's Risk Manager or designee may require  
11 that Consultant, Consultant's subconsultants and contractors change the amount,  
12 scope or types of coverages required in this Section if, in his or her sole opinion,  
13 the amount, scope or types of coverages are not adequate.

14 H. The procuring or existence of insurance shall not be  
15 construed or deemed as a limitation on liability relating to Consultant's  
16 performance or as full performance of or compliance with the indemnification  
17 provisions of this Agreement.

18 6. ASSIGNMENT AND SUBCONTRACTING. This Agreement  
19 contemplates the personal services of Consultant and Consultant's employees, and the  
20 parties acknowledge that a substantial inducement to City for entering this Agreement  
21 was and is the professional reputation and competence of Consultant and Consultant's  
22 employees. Consultant shall not assign its rights or delegate its duties under this  
23 Agreement, or any interest in this Agreement, or any portion of it, without the prior  
24 approval of City, except that Consultant may with the prior approval of the City Manager  
25 of City, assign any moneys due or to become due Consultant under this Agreement. Any  
26 attempted assignment or delegation shall be void, and any assignee or delegate shall  
27 acquire no right or interest by reason of an attempted assignment or delegation.  
28 Furthermore, Consultant shall not subcontract any portion of its performance without the

1 prior approval of the City Manager or designee, or substitute an approved subconsultant  
2 or contractor without approval prior to the substitution. Nothing stated in this Section  
3 shall prevent Consultant from employing as many employees as Consultant deems  
4 necessary for performance of this Agreement.

5 7. CONFLICT OF INTEREST. Consultant, by executing this  
6 Agreement, certifies that, at the time Consultant executes this Agreement and for its  
7 duration, Consultant does not and will not perform services for any other client which  
8 would create a conflict, whether monetary or otherwise, as between the interests of City  
9 and the interests of that other client. And, Consultant shall obtain similar certifications  
10 from Consultant's employees, subconsultants and contractors.

11 8. MATERIALS. Consultant shall furnish all labor and supervision,  
12 supplies, materials, tools, machinery, equipment, appliances, transportation and services  
13 necessary to or used in the performance of Consultant's obligations under this  
14 Agreement, except as stated in Exhibit "D".

15 9. OWNERSHIP OF DATA. All materials, information and data  
16 prepared, developed or assembled by Consultant or furnished to Consultant in  
17 connection with this Agreement, including but not limited to documents, estimates,  
18 calculations, studies, maps, graphs, charts, computer disks, computer source  
19 documentation, samples, models, reports, summaries, drawings, designs, notes, plans,  
20 information, material and memorandum ("Data") shall be the exclusive property of City.  
21 Data shall be given to City, and City shall have the unrestricted right to use and disclose  
22 the Data in any manner and for any purpose without payment of further compensation to  
23 Consultant. Copies of Data may be retained by Consultant but Consultant warrants that  
24 Data shall not be made available to any person or entity for use without the prior approval  
25 of City. This warranty shall survive termination of this Agreement for five (5) years.

26 10. TERMINATION. Either party shall have the right to terminate this  
27 Agreement for any reason or no reason at any time by giving fifteen (15) calendar days  
28 prior notice to the other party. In the event of termination under this Section, City shall

1 pay Consultant for services satisfactorily performed and costs incurred up to the effective  
2 date of termination for which Consultant has not been previously paid. The procedures  
3 for payment in Section 1.B. with regard to invoices shall apply. On the effective date of  
4 termination, Consultant shall deliver to City all Data developed or accumulated in the  
5 performance of this Agreement, whether in draft or final form, or in process. And,  
6 Consultant acknowledges and agrees that City's obligation to make final payment is  
7 conditioned on Consultant's delivery of the Data to City.

8           11. CONFIDENTIALITY. Consultant shall keep all Data confidential and  
9 shall not disclose the Data or use the Data directly or indirectly, other than in the course  
10 of performing its services, during the term of this Agreement and for five (5) years  
11 following expiration or termination of this Agreement. In addition, Consultant shall keep  
12 confidential all information, whether written, oral or visual, obtained by any means  
13 whatsoever in the course of performing its services for the same period of time.  
14 Consultant shall not disclose any or all of the Data to any third party, or use it for  
15 Consultant's own benefit or the benefit of others except for the purpose of this  
16 Agreement.

17           12. BREACH OF CONFIDENTIALITY. Consultant shall not be liable for  
18 a breach of confidentiality with respect to Data that: (a) Consultant demonstrates  
19 Consultant knew prior to the time City disclosed it; or (b) is or becomes publicly available  
20 without breach of this Agreement by Consultant; or (c) a third party who has a right to  
21 disclose does so to Consultant without restrictions on further disclosure; or (d) must be  
22 disclosed pursuant to subpoena or court order.

23           13. ADDITIONAL COSTS AND REDESIGN.

24           A. Any costs incurred by City due to Consultant's failure to meet  
25 the standards required by the scope of work or Consultant's failure to perform fully  
26 the tasks described in the scope of work which, in either case, causes City to  
27 request that Consultant perform again all or part of the Scope of Work shall be at  
28 the sole cost of Consultant and City shall not pay any additional compensation to



1 Consultant for its re-performance.

2 B. If the Project involves construction and the scope of work  
3 requires Consultant to prepare plans and specifications with an estimate of the  
4 cost of construction, then Consultant may be required to modify the plans and  
5 specifications, any construction documents relating to the plans and specifications,  
6 and Consultant's estimate, at no cost to City, when the lowest bid for construction  
7 received by City exceeds by more than ten percent (10%) Consultant's estimate.  
8 This modification shall be submitted in a timely fashion to allow City to receive new  
9 bids within four (4) months after the date on which the original plans and  
10 specifications were submitted by Consultant.

11 14. AMENDMENT. This Agreement, including all Exhibits, shall not be  
12 amended, nor any provision or breach waived, except in writing signed by the parties  
13 which expressly refers to this Agreement.

14 15. LAW. This Agreement shall be governed by and construed pursuant  
15 to the laws of the State of California (except those provisions of California law pertaining  
16 to conflicts of laws). Consultant shall comply with all laws, ordinances, rules and  
17 regulations of and obtain all permits, licenses and certificates required by all federal, state  
18 and local governmental authorities.

19 16. ENTIRE AGREEMENT. This Agreement, including all Exhibits,  
20 constitutes the entire understanding between the parties and supersedes all other  
21 agreements, oral or written, with respect to the subject matter in this Agreement.

22 17. INDEMNITY.

23 A. Consultant shall indemnify, protect and hold harmless City, its  
24 Boards, Commissions, and their officials, employees and agents ("Indemnified  
25 Parties"), from and against any and all liability, claims, demands, damage, loss,  
26 obligations, causes of action, proceedings, awards, fines, judgments, penalties,  
27 costs and expenses, including attorneys' fees, court costs, expert and witness  
28 fees, and other costs and fees of litigation, arising or alleged to have arisen, in

1 whole or in part, out of or in connection with (1) Consultant's breach or failure to  
2 comply with any of its obligations contained in this Agreement, or (2) negligent or  
3 willful acts, errors, omissions or misrepresentations committed by Consultant, its  
4 officers, employees, agents, subcontractors, or anyone under Consultant's control,  
5 in the performance of work or services under this Agreement (collectively "Claims"  
6 or individually "Claim").

7 B. In addition to Consultant's duty to indemnify, Consultant shall  
8 have a separate and wholly independent duty to defend Indemnified Parties at  
9 Consultant's expense by legal counsel approved by City, from and against all  
10 Claims, and shall continue this defense until the Claims are resolved, whether by  
11 settlement, judgment or otherwise. No finding or judgment of negligence, fault,  
12 breach, or the like on the part of Consultant shall be required for the duty to defend  
13 to arise. City shall notify Consultant of any Claim, shall tender the defense of the  
14 Claim to Consultant, and shall assist Consultant, as may be reasonably requested,  
15 in the defense.

16 C. If a court of competent jurisdiction determines that a Claim  
17 was caused by the sole negligence or willful misconduct of Indemnified Parties,  
18 Consultant's costs of defense and indemnity shall be (1) reimbursed in full if the  
19 court determines sole negligence by the Indemnified Parties, or (2) reduced by the  
20 percentage of willful misconduct attributed by the court to the Indemnified Parties.

21 D. The provisions of this Section shall survive the expiration or  
22 termination of this Agreement.

23 18. AMBIGUITY. In the event of any conflict or ambiguity between this  
24 Agreement and any Exhibit, the provisions of this Agreement shall govern.

25 19. COSTS. If there is any legal proceeding between the parties to  
26 enforce or interpret this Agreement or to protect or establish any rights or remedies under  
27 it, the prevailing party shall be entitled to its costs, including reasonable attorneys' fees.

28 20. NONDISCRIMINATION.

1           A.     In connection with performance of this Agreement and subject  
2 to applicable rules and regulations, Consultant shall not discriminate against any  
3 employee or applicant for employment because of race, religion, national origin,  
4 color, age, sex, sexual orientation, gender identity, AIDS, HIV status, handicap or  
5 disability. Consultant shall ensure that applicants are employed, and that  
6 employees are treated during their employment, without regard to these bases.  
7 These actions shall include, but not be limited to, the following: employment,  
8 upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or  
9 termination; rates of pay or other forms of compensation; and selection for training,  
10 including apprenticeship.

11           B.     It is the policy of City to encourage the participation of  
12 Disadvantaged, Minority and Women-Owned Business Enterprises in City's  
13 procurement process, and Consultant agrees to use its best efforts to carry out  
14 this policy in its use of subconsultants and contractors to the fullest extent  
15 consistent with the efficient performance of this Agreement. Consultant may rely  
16 on written representations by subconsultants and contractors regarding their  
17 status. Consultant shall report to City in May and in December or, in the case of  
18 short-term agreements, prior to invoicing for final payment, the names of all  
19 subconsultants and contractors hired by Consultant for this Project and information  
20 on whether or not they are a Disadvantaged, Minority or Women-Owned Business  
21 Enterprise, as defined in Section 8 of the Small Business Act (15 U.S.C. Sec.  
22 637).

23           21.   EQUAL BENEFITS ORDINANCE. Unless otherwise exempted in  
24 accordance with the provisions of the Ordinance, this Agreement is subject to the  
25 applicable provisions of the Equal Benefits Ordinance (EBO), section 2.73 et seq. of the  
26 Long Beach Municipal Code, as amended from time to time.

27           A.     During the performance of this Agreement, the Consultant  
28 certifies and represents that the Consultant will comply with the EBO. The

1 Consultant agrees to post the following statement in conspicuous places at its  
2 place of business available to employees and applicants for employment:

3 "During the performance of a contract with the City of Long Beach,  
4 the Consultant will provide equal benefits to employees with spouses and its  
5 employees with domestic partners. Additional information about the City of  
6 Long Beach's Equal Benefits Ordinance may be obtained from the City of  
7 Long Beach Business Services Division at 562-570-6200."

8 B. The failure of the Consultant to comply with the EBO will be  
9 deemed to be a material breach of the Agreement by the City.

10 C. If the Consultant fails to comply with the EBO, the City may  
11 cancel, terminate or suspend the Agreement, in whole or in part, and monies due  
12 or to become due under the Agreement may be retained by the City. The City  
13 may also pursue any and all other remedies at law or in equity for any breach.

14 D. Failure to comply with the EBO may be used as evidence  
15 against the Consultant in actions taken pursuant to the provisions of Long Beach  
16 Municipal Code 2.93 et seq., Contractor Responsibility.

17 E. If the City determines that the Consultant has set up or used  
18 its contracting entity for the purpose of evading the intent of the EBO, the City may  
19 terminate the Agreement on behalf of the City. Violation of this provision may be  
20 used as evidence against the Consultant in actions taken pursuant to the  
21 provisions of Long Beach Municipal Code Section 2.93 et seq., Contractor  
22 Responsibility.

23 22. NOTICES. Any notice or approval required by this Agreement shall  
24 be in writing and personally delivered or deposited in the U.S. Postal Service, first class,  
25 postage prepaid, addressed to Consultant at the address first stated above, and to City at  
26 333 West Ocean Boulevard, Long Beach, California 90802, Attn: City Manager, with a  
27 copy to the City Engineer at the same address. Notice of change of address shall be  
28 given in the same manner as stated for other notices. Notice shall be deemed given on

1 the date deposited in the mail or on the date personal delivery is made, whichever occurs  
2 first.

3 23. COPYRIGHTS AND PATENT RIGHTS.

4 A. Consultant shall place the following copyright protection on all  
5 Data: © City of Long Beach, California \_\_\_\_, inserting the appropriate year.

6 B. City reserves the exclusive right to seek and obtain a patent  
7 or copyright registration on any Data or other result arising from Consultant's  
8 performance of this Agreement. By executing this Agreement, Consultant assigns  
9 any ownership interest Consultant may have in the Data to City.

10 C. Consultant warrants that the Data does not violate or infringe  
11 any patent, copyright, trade secret or other proprietary right of any other party.  
12 Consultant agrees to and shall protect, defend, indemnify and hold City, its officials  
13 and employees harmless from any and all claims, demands, damages, loss,  
14 liability, causes of action, costs or expenses (including reasonable attorney's fees)  
15 whether or not reduced to judgment, arising from any breach or alleged breach of  
16 this warranty.

17 24. COVENANT AGAINST CONTINGENT FEES. Consultant warrants  
18 that Consultant has not employed or retained any entity or person to solicit or obtain this  
19 Agreement and that Consultant has not paid or agreed to pay any entity or person any  
20 fee, commission or other monies based on or from the award of this Agreement. If  
21 Consultant breaches this warranty, City shall have the right to terminate this Agreement  
22 immediately notwithstanding the provisions of Section 10 or, in its discretion, to deduct  
23 from payments due under this Agreement or otherwise recover the full amount of the fee,  
24 commission or other monies.

25 25. WAIVER. The acceptance of any services or the payment of any  
26 money by City shall not operate as a waiver of any provision of this Agreement or of any  
27 right to damages or indemnity stated in this Agreement. The waiver of any breach of this  
28 Agreement shall not constitute a waiver of any other or subsequent breach of this

1 Agreement.

2 26. CONTINUATION. Termination or expiration of this Agreement shall  
3 not affect rights or liabilities of the parties which accrued pursuant to Sections 7, 10, 11,  
4 17, 19, 22 and 28 prior to termination or expiration of this Agreement.

5 27. TAX REPORTING. As required by federal and state law, City is  
6 obligated to and will report the payment of compensation to Consultant on Form 1099-  
7 Misc. Consultant shall be solely responsible for payment of all federal and state taxes  
8 resulting from payments under this Agreement. Consultant shall submit Consultant's  
9 Employer Identification Number (EIN), or Consultant's Social Security Number if  
10 Consultant does not have an EIN, in writing to City's Accounts Payable, Department of  
11 Financial Management. Consultant acknowledges and agrees that City has no obligation  
12 to pay Consultant until Consultant provides one of these numbers.

13 28. ADVERTISING. Consultant shall not use the name of City, its  
14 officials or employees in any advertising or solicitation for business or as a reference,  
15 without the prior approval of the City Manager or designee.

16 29. AUDIT. City shall have the right at all reasonable times during the  
17 term of this Agreement and for a period of five (5) years after termination or expiration of  
18 this Agreement to examine, audit, inspect, review, extract information from and copy all  
19 books, records, accounts and other documents of Consultant relating to this Agreement.

20 30. PROPERTY TAX REVENUE ESTIMATES. Consultant will provide  
21 to the City on an annual basis an estimated forecast of five-year property tax revenues  
22 based on regional trends which may affect the City's revenue and budget projections.

23 31. THIRD PARTY BENEFICIARY. This Agreement is not intended or  
24 designed to or entered for the purpose of creating any benefit or right for any person or  
25 entity of any kind that is not a party to this Agreement.

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OFFICE OF THE CITY ATTORNEY  
ROBERT E. SHANNON, City Attorney  
333 West Ocean Boulevard, 11th Floor  
Long Beach, CA 90802-4664

IN WITNESS WHEREOF, the parties have caused this document to be duly executed with all formalities required by law as of the date first stated above.

HDL COREN & CONE, a California corporation

April 16, 2012

By Paula J Cone  
President  
PAULA J CONE  
Type or Print Name

April 16, 2012

By Martin Coren  
Secretary  
MARTIN COREN  
Type or Print Name

"Consultant"

CITY OF LONG BEACH, a municipal corporation

5.22, 2012

By [Signature]  
Assistant City Manager  
City Manager  
EXECUTED PURSUANT TO SECTION 301 OF THE CITY CHARTER.

"City"

This Agreement is approved as to form on 5-10, 2012.

ROBERT E. SHANNON, City Attorney

By [Signature]  
Deputy

# EXHIBIT “A”

## Scope of Work



## SCOPE OF PROJECT

### **3.1 PROVIDE USER FRIENDLY SOFTWARE ASSESSABLE TO CITY STAFF OF ANNUAL PROPERTY TAX DATABASE**

#### **Provide user – Friendly software program accessible to City staff with annual electronic database of the City’s property tax data.**

The HdLCC web-based software application provides clients with a user-friendly tool to access the City’s property tax data. HdLCC provides updates to the data portion of the product on a monthly basis to reflect changes in ownership, deed recordings and quarterly updated appeals filings. As modifications and enhancements are made to the program, clients receive the enhanced version of the software at no additional cost.

The city will be granted a “site license” for the application, which does not limit the number of users. HdLCC will not charge an annual maintenance fee for the software program. Periodically, as the program changes and product enhancements are developed, upgrades or new releases of the software are issued at no additional cost to the client.

The software can be used to access secured, unsecured, cross reference, possessory interest, mineral rights and SBE non-operating unitary tax rolls.

Property transfer information is updated monthly and the prior sales transactions are stored with the property for reference. Filtering is available to view Pre-Prop 13 owned properties, non-owner occupied properties (absentee owners), specific focused uses, targeted values, and selection of various property characteristic attributes. The database can be sorted by parcel number, owner, situs address, county use code designation, and tax rate area. Data can be exported from the database to allow for further analysis through an easy to use export feature.

#### Summary of Features

• Search by Parcel, Use, Owner or Site Address	• View sales history (seller, date, price & document)
• City/RDA revenue is calculated for each parcel	• View building/land characteristic data
• Build user defined custom data sub-sets (geos)	• Link to assessor parcel maps (Web)
• Print custom user defined reports	• Link to county parcel tax bill information (Web)
• Display parcel on Microsoft Virtual Earth (Web)	• Easy access to user help system
• Filter database on any one or a combination of fields	• View/search unsecured property records
• Print mailing labels with postal bar codes	• Monitor assessment appeals activity
• Export data and link with other data sets	• View 5 years of historical information on each secured property

**SCREEN CAPTURE OF HDLCC WEB-BASED PROPERTY TAX SOFTWARE**

Delivering Revenue,  
Insight and Efficiency  
to Local Government

**The City Of Long Beach**  
106,115 parcels

Logout

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Parcel 7278-005-148 2

Use 0550 Residential 5+ Units, 5+ Stories

Owner 2009 CUSA COMMUNITY OWNER LLC

Situs 250 W OCEAN BLVD  
LONG BEACH CA 90802

DBA:

Mail Name: 2009 CUSA COMMUNITY OWNER LLC

Mail Address: 3 GREENWAY PLZ STE 1300 HOUSTON TX 77046

This Parcel Is:  Absentee Owned  Pre Prop 13

TRA: 05542 The City Of Long Beach

Agency: Downtown RDA

Parcel Type: Regular Parcel TG Page: 825-D1

New Code

Zoning: LBPD Region: Special Properties

Census Tract: 5760.001 Lot # 01 Tract # 000000001

Net Total AV: \$129,745,877 0.8% Change from prior fiscal year

Revenue: <input type="radio"/> General Fund	<input checked="" type="radio"/> Project Area
Secured: \$1,234,263.29	0.9512%
Unsecured: \$2,208.89	Tax Bill: \$0.00
Cross-Ref: \$0.00	Last Sale: 4/20/2009
Total Rev: \$1,236,472.18	Last Sale Amount: \$0

Values	Sales	General	Appeals	Unsecured	Cross-Ref	SBE Utilities
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<p style="text-align: center; margin: 0;"><b>Current Year Values</b></p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">Land</td> <td style="width: 20%; text-align: right;">7,615,484</td> <td style="width: 20%; text-align: right;">Exemptions</td> </tr> <tr> <td>Improvements</td> <td style="text-align: right;">122,073,393</td> <td></td> </tr> <tr> <td>Fixtures</td> <td></td> <td></td> </tr> <tr> <td>Personal Property</td> <td style="text-align: right;">57,000</td> <td></td> </tr> <tr> <td colspan="3" style="border-top: 1px solid black; border-bottom: 1px solid black;">Totals</td> </tr> <tr> <td></td> <td style="text-align: right;">129,745,877</td> <td></td> </tr> <tr> <td colspan="3" style="border-top: 1px solid black; border-bottom: 1px solid black;">Net Total AV</td> </tr> <tr> <td></td> <td style="text-align: right;">129,745,877</td> <td></td> </tr> </table>	Land	7,615,484	Exemptions	Improvements	122,073,393		Fixtures			Personal Property	57,000		Totals				129,745,877		Net Total AV				129,745,877		<p style="text-align: center; margin: 0;"><b>Prior Year Values</b></p> <table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">Land</td> <td style="width: 20%; text-align: right;">7,558,568</td> <td style="width: 20%; text-align: right;">Exemptions</td> </tr> <tr> <td>Improvements</td> <td style="text-align: right;">121,161,051</td> <td></td> </tr> <tr> <td>Fixtures</td> <td></td> <td></td> </tr> <tr> <td>Personal Property</td> <td></td> <td></td> </tr> <tr> <td colspan="3" style="border-top: 1px solid black; border-bottom: 1px solid black;">Totals</td> </tr> <tr> <td></td> <td style="text-align: right;">128,719,619</td> <td></td> </tr> <tr> <td colspan="3" style="border-top: 1px solid black; border-bottom: 1px solid black;">Net Total AV</td> </tr> <tr> <td></td> <td style="text-align: right;">128,719,619</td> <td></td> </tr> </table>	Land	7,558,568	Exemptions	Improvements	121,161,051		Fixtures			Personal Property			Totals				128,719,619		Net Total AV				128,719,619	
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2007	2008	2009	2010	2011	
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**3.2 PROVIDE TRAINING TO CITY STAFF ON THE USE OF THE SOFTWARE PROGRAM.**

Training will be provided to city staff within the first two months after the execution of the agreement for property tax management and audit services and is available annually for new staff members or staff requiring a refresher course. If additional training sessions are required, the fees in the compensation section under hourly fees will be charged.

The help manual available within the program is easy to navigate and "user friendly." HdLCC staff is available Monday through Friday, 8 a.m. to 5 p.m. to answer questions and assist staff on the use of the software. Assistance is available either by phone or via email.

### 3.3 MEET WITH STAFF ANNUALLY FUTURE YEAR PROJECTIONS

#### **Meet with City staff annually and provide property tax revenue projections based on the City's fiscal year, which is October 1 through September 30.**

Property data is available annually from the County Assessor in a July-August time frame. These lien date rolls are reconciled to the certified value reports received by the City from the Auditor Controller in August. After confirming the value components with other data sources available from the Assessor and Auditor Controller, the data is processed, reports are developed and HdLCC analyzes the data for changes, trends, discrepancies between tax years, and prepares the materials for review with City Staff in a November/December time frame. Follow up deliverables are emailed to the City as an addendum report in March/April after the county releases the final taxing percentages and administration fee allocations. HdLCC is prepared to review those addendum materials with staff if requested.

HdLCC furnishes a variety of reports detailing property and revenue trends for the entire City and for custom defined geographic areas. These reports can be used for budgeting purposes, planning, economic development and public information.

#### **Reports in the portfolio include but are limited to:**

##### Transfer of Ownership Summary

This listing details the transfers of ownership during the past 5 years and the resultant revenue increase due to the enrollment of the higher sales prices the year after the transaction.

##### Transfer of Ownership Listing

Detail of ownership transfers broken by non-residential and residential properties with the assessor enrolled value and sale price noted, where available for properties.

##### Negative Value Change Parcels

Properties which did not receive a positive value increase between tax years. These properties are those which have received Prop-8 adjustments, properties re-claimed by the bank via foreclosure, or those properties which sold for less than the assessor enrolled value for the prior year.

##### City Roll Summary Graph (Color)

Displays by value type (land, improvements, personal property, and exemptions) the value deviations between the current tax year and each of the prior 5 tax years. The lower portion of the graph identifies the total assessed value and net taxable assessed value comparisons.

##### Top 40 Net Taxable Secured Value Changes (Color)

The largest valuation deviations - increases and decreases are shown on this graph with APN, Owner Name, Situs Address where available, Current Assessed Value, and Value Increase or Decline.

#### Secured Value Change History Listing

A review of the top 40 largest parcel deviations over the past 10+ years. It assists in identifying properties, which fail to have exemptions applied before the roll is released; properties that have transferred ownership and sold below their prior assessed value, and distinguishes those owners, which have successfully appealed their property values.

#### City/Agency Roll Summary

Report detailing land, improvement, fixtures, personal property, and exemptions for each taxing agency. The value of this report is that city staff can readily see where deviations occur from one year to the next.

#### Tax Dollar Breakdown Graph (Color)

The breakdown of the city's 1% general levy factor file is displayed, with those portions of the tax collected for the County highlighted, for illustrative purposes. This report looks at the largest value, non-redevelopment TRA (tax rate area) as a representative breakdown. In some counties the ERAF (Educational Revenue Augmentation Fund) shift is calculated as a percentage of city shift at the TRA level.

#### Top Secured/Unsecured Property Owner/Taxpayer Summary Reports

These listings are compiled by a computer sort of all parcels owned by the same individual or group of individuals with a common mailing address. This assembly of parcels provides information about the largest overall secured property owners and/or taxpayers. The Top Ten Property Taxpayers includes the percentage of the entire tax levy attributed to a taxpayer as well as the use code and taxing jurisdiction of the property owner.

#### Revenue Calculation

By using the information from the Agency Reconciliation Report, the Base Year Value Report, the City file detailing the breakdown of the 1% General Tax Levy and voter approved debt, we extend the lien date roll, and furnish property tax revenue projections for budgeting purposes for the General Fund.

#### Use Category Summary (Color)

This table summarizes parcels within the city by use code and provides number of parcels, assessed value and property tax information. The report can be also be prepared for Absentee Owned, Pre Prop 13, or special geographic assembly requested by the city.

#### General Fund Spreadsheet

Budget projections in the form of a revenue spreadsheet for the general fund estimates take into account positive and negative changes in the sale prices of properties transacted prior to the next lien date, potential losses through

assessor applied Proposition 8 reductions and recaptured values in future years, successful appeal reductions that are pooled countywide and incorporate the annual CPI adjustment per Proposition 13. Data entry points for completed new construction and supplemental revenues are available to round out the budget estimate.

Non-Residential New Construction

A listing that calculates non-residential growth for increasing a City's Gann Limitation as a result of Proposition 111.

Foreclosure Data compiled from real estate trackers on a monthly basis

REO Listing

A listing of properties owned by banks, mortgage lenders, financial institutions or government mortgage associations.

*(Sample property data reports are included at the end of the proposal-Appendix B)*

**3.4 UPDATE REPORTS IDENTIFYING PROPERTY TRANSFERS ON AN ANNUAL BASIS**

HdLCC provides quarterly property transfer reports to the City detailing the non-residential and single family residential sales transactions. The reports include the buyer, property address, use type, document number in the transaction, the assessor's enrolled value and the value paid for the property in the transaction. (where available for comparison). These quarterly reports are emailed to the city project lead for dissemination to staff. The web-based software is updated monthly.

**3.5-3.8 IDENTIFY ERRORS ON THE SECURED AND UNSECURED ROLL FOR BOTH THE CITY AND REDEVELOPMENT AGENCY**

**Identify errors, analyze City tax rate areas (TRA) and taxing agencies and provide comparative information. Verify all parcels on the secured and unsecured roll, in both the City and Redevelopment Project Areas are correctly assigned to tax rate areas and taxing agency.**

HdLCC has the technology, methodology and trained staff to analyze all secured parcels and unsecured accounts within the City and redevelopment project areas to identify costly errors resulting in the misallocation of property taxes.

The company will audit the secured and unsecured property tax rolls two ways, first reviewing the entire county database to find parcels miscoded to other jurisdictions; and second, reviewing the parcels within the City, and redevelopment areas to ensure that each is coded to the appropriate tax rate area and returning revenue to the correct taxing fund. To date, we have recovered in excess of \$85,000,000 in net revenue for our client agencies in 38 counties statewide. Our advanced technology, accuracy

and track record have placed us in a unique position to be hired by cities to find additional revenues after audits have been performed by prior consultants. In addition,

by filing audit results with the County Assessor in a timely manner, we can ensure that the repetitive errors from previous years will not re-occur.

Upon approval of the contract, the company will perform an analysis of the Assessor Rolls to identify all parcels on both the secured and unsecured tax rolls and verify that parcel assessed valuations and the resulting taxes are correctly allocated to the City and/or its project area(s). In the first year of the contract but not less than once every 5 years (or the year after an annexation or project area formation), an analysis will be performed to identify and verify in both the City and each Project Area parcels on the secured property tax roll which are not properly attributed to a City or Project Area tax rate area. This analysis is accomplished through the use of specialized computer software, assessor maps, city maps, city records, other pertinent documents, and field investigations. Unsecured property tax reviews will be performed annually for both the City of and Redevelopment Agency.

### **3.9 RECONCILE THE ANNUAL AUDITOR CONTROLLER ASSESSED VALUE REPORT TO LIEN DATE ROLLS**

Property data is available annually from the County Assessor in a July-August time frame. These lien date rolls are reconciled to the certified value reports received by the City from the Auditor Controller in August and after confirming the value components with other data sources available from the assessor and auditor controller, the data is processed. Discrepancies between the assessor's and auditor controller's data are researched for an explanation of the differences and reported to the City.

### **3.10 REVIEW UNSECURED PROPERTY AND FOR INCONSISTENCIES AND REPORT FINDINGS TO THE PROPER COUNTY AGENCY FOR CORRECTION.**

**Review parcels on the unsecured roll to identify inconsistencies and provide corrections to the property county agency.**

Reports detailing the largest discrepancies of unsecured values between tax years are developed to review changes or depreciation in assets and movement of assets between sites or between jurisdictions for correctness of reporting.

### **3.11 TRACK PROPERTY TRANSFERS AND NEW CONSTRUCTION COMPLETION ACTIVITY.**

**Track property transfers and new construction completions to determine whether reassessment is performed within a reasonable time frame.**

HdLCC will advise the building office on the need to submit timely certificates of completion of projects including the assessor's parcel number to ensure reappraisal is completed and benefits the city. Those major building permits that are cross matched with properties that fail to be reassessed within an appropriate time frame will be identified and submitted to the assessor for review and comment as to the status of reappraisal.

### **3.12 PROVIDE TECHNICAL SUPPORT TO CITY STAFF ON PROPERTY TAX RELATED ISSUES.**

**Provide technical support to City staff on property tax related issues, produce various reports as requested and assist City staff in estimating property tax revenues for both general city and proposed redevelopment project areas.**

HdLCC considers itself an extension of city staff with regards to property and property tax related issues. We are available to research and provide resources to the city or agency related to property tax questions or issues arising related to property tax issues. Our estimates for general fund and redevelopment revenue projections are issued in the spring annually and are updated as requested to incorporate known roll changes, median sales prices, successful appeals, legislative changes, and other events that might result in changes to the original property tax or tax increment estimates provided for the city general fund and redevelopment project areas.

### **3.13 CONDUCT ANALYSES BASED ON GEOGRAPHIC AREAS DESIGNATED BY THE CITY**

**Conduct analyses based on geographic areas designated by the City. Include assessed valuations and square footage computations for use in redevelopment and community development planning.**

HdLCC has been able to develop selected geographic areas designated by our clients as special study areas, proposed annexations, or other areas of interest through the use of maps for precise assembly including square footage computations for use in redevelopment and community development planning. Once subsets of our data are prepared, any of the reports we prepare and deliver in the annual portfolio of reports

can be produced for the selected geographic area(s). Once the area is developed it can be migrated back to subsequent years to provide an historical view of the area. This has been a valuable tool for economic development and planning purposes.

**3.14 PROVIDE HISTORICAL AND ONGOING INFORMATION ASSOCIATED WITH ASSESSMENT APPEALS.**

**Provide historical and ongoing information associated with assessment appeals.**

HdLCC purchases appeals from the L.A. County Clerk of the Board on a quarterly basis and has been purchasing this information for the past 15 years. This has afforded us the ability to develop models of losses in prior recessions and has provided an opportunity to assist cities with knowledge of large owners with filed appeals which may have a significant impact on property tax income receipts. Appeals heard and granted mid-year result in tax payer refunds which are pooled for the city general fund based on its share of property tax revenue received in comparison to the total tax levy countywide and hit redevelopment agencies directly. Due to this way of apportioning taxes, the reductions, which are often multi-year are spread throughout the county in the year the appeal is granted, but when the lower value is enrolled the following lien date it will impact the local jurisdiction where the property is located directly.

Our models project the impact of successful appeals on the revenue that would be lost by the city or agency when the lower values are enrolled in subsequent years based on the experience of appeals heard of a similar nature within the same time frame and projecting the potential losses.

**3.15 IDENTIFY ADJUSTMENTS FOR THE BASE YEAR VALUES FOR RDA (MALAKI ADJUSTMENTS).**

**Identify adjustments to base year values for the City's Redevelopment Project Areas and the associated parcels.**

A review of the properties within the Redevelopment Project Areas will be performed to identify properties that have been placed in permanent public use after the date of project adoption. Appropriate documentation and application for a base year value reduction will be made if applicable. These Malaki Adjustments can be made in accordance with the 1963 California Appellate Court decision (Redevelopment Agency of the City of Sacramento v. Malaki; 216 Cal. App. 2d 480 1963) and other court decisions. The established base year total value of a redevelopment project may be reduced by an amount equal to the base year value of property which has transferred from private ownership to ownership by a public agency.



# EXHIBIT “B”

Rates or Charges

City of Long Beach  
Request for Proposal DV11-062  
For  
Property Tax Consulting Services

Cost Proposal

HdL Coren and Cone's standard fee for property tax services is \$4,687.50 billed quarterly (\$18,750 annually for the first year). In each subsequent year of the contract the price shall be adjusted by CPI as determined by the "All Urban Consumers for California" for the calendar year ending October 31<sup>st</sup> of each year. The adjustment is not to exceed 3% in any given year or drop below the contract price set in the first year. There is also a contingency fee of 25% of net tax revenues recovered for the City and/or RDA in the audits performed over the period of time allowable by State statute (current year and 3 prior lien date years). Net tax revenues mean the taxes received by the City or RDA through HdL Coren & Cone's audit efforts.

Any work beyond the scope of this proposal requested by the City shall be charged on a time and material basis. No work shall be performed without prior written approval of the City. Fees for these services are as follows:

Partner	\$195 per hour
Principal	\$175 per hour
Associate	\$135 per hour
Programmer	\$125 per hour
Senior Analyst	\$100 per hour
Analyst	\$ 65 per hour
Administrative	\$ 45 per hour

Hourly rates are exclusive of expenses that are billed at 1.15 times actual incurred costs.

Reasonable travel and lodging fees will be billed at actual cost.

If possible we would like to discuss the potential to negotiate for a longer contract period than the single year plus a 2 year extension referenced in the RFP.

# EXHIBIT “C”

City’s Representative:

Julissa Jose-Murray

# EXHIBIT “D”

Materials/Information Furnished: None