

R-20

November 19, 2019

HONORABLE MAYOR AND CITY COUNCIL City of Long Beach California

RECOMMENDATION:

Authorize the City Manager, or designee, to execute all documents necessary to amend agreements with Epic Land Solutions, Inc., of Torrance, CA, Overland, Pacific and Cutler, Inc., of Long Beach, CA, and Paragon Partners, Ltd., of Huntington Beach, CA, for as-needed real estate property acquisition, relocation, property management, and related services; to increase the aggregate contract amount by \$1,500,000, for a revised total aggregate amount not to exceed \$4,900,000; and to extend the term of the contract to January 31, 2021. (Citywide)

DISCUSSION

At its meeting on February 9, 2016, the City Council adopted Specifications No. RFP CM15-110 for as-needed real estate property acquisition services, and Specifications No. RFP CM15-111 for as-needed relocation, property management and related services; and authorized agreements with Epic Land Solutions, Inc., Overland, Pacific and Cutler, Inc., and Paragon Partners, Ltd., to provide said services for an aggregate contract amount not to exceed \$1,000,000 for a three-year term, with the option to renew for one additional one-year period (Contracts). On May 2, 2017 and April 16, 2019, the City Council authorized amendments to the Contracts that increased the authority by \$2,400,000, for a revised aggregate contract amount not to exceed \$3,400,000. The City has commonly used outside firms on an as-needed basis to provide real estate services to address acquisition, property management, and disposition needs of City departments for current and unforeseen projects that may arise. The current Contracts are scheduled to expire on January 31, 2020.

The City currently has several real estate transactions in process, including maintenance of former redevelopment agency properties that were legally transferred to the City for disposition, and relocation efforts to assist the tenants at the site of the proposed City's new permanent Bridge Shelter Community at 6845 Atlantic Avenue. In addition, the City has incurred increased maintenance costs due to oversight of the Long Beach Armory, Community Hospital of Long Beach, and additional properties that are overseen by the Economic Development Department. Until disposition of these properties occurs, or until these transactions can be completed and/or maintenance of the facilities can be transferred, the City continues to utilize these firms to complete maintenance and comply with State and Federal relocation laws, due diligence investigations, and title clearance. The term of the Contracts is requested to be extended for one year to ensure continuity of services. Staff intends to complete the procurement process for acquisition, relocation, and property maintenance contracts before the expiration of the

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extended term. An additional aggregate contract authority in the amount of \$1,500,000 is requested to be able to address acquisition, disposition, and maintenance issues in a timely and appropriate manner.

This matter was reviewed by Deputy City Attorney Richard F. Anthony on November 4, 2019, and by Purchasing Agent Tara Yeats and Budget Management Officer Rhutu Amin Gharib on October 31, 2019.

TIMING CONSIDERATIONS

City Council action is requested on November 19, 2019, to ensure current services can continue without interruption.

FISCAL IMPACT

The requested action extends the term of the Contracts and increases authority by \$1,500,000, for a revised total aggregate amount not to exceed \$4,900,000. No appropriation increase is requested at this time. Each work order will be funded by the requesting department for each particular project as the need arises. At that time, if needed, City departments will return to the City Council to request additional appropriation. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. These Contracts provide continued support to our local economy by assisting in the preservation of employment for 24 full-time employees and one part-time employee.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted.

JOHN KEISLER

DIRECTOR OF ECONOMIC DEVELOPMENT

APPROVED:

THOMAS B. MODICA ACTING CITY MANAGER