



## Legislation Text

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**File #:** 17-0280, **Version:** 1

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Recommendation to adopt resolution authorizing City Manager, or designee, to execute a contract with Arup North America, Ltd., through its Los Angeles office, including any necessary amendments, without advertising for bids, for an assessment of the City's development review process and real estate market potential, in a total contract amount not to exceed \$241,950, for a period of one year, with the option to renew for an additional one-year period, at the discretion of the City Manager. (Citywide)

In November 2016, the City issued a request for proposals (RFP) seeking a consultant to assess internal and external factors influencing real estate development within the City and how to capture growth opportunities during economic peaks. The RFP was unsuccessful, drawing only two proposals, one of which was withdrawn prior to the end of the evaluation period. The other proposal was not recommended for selection, because it did not fully incorporate an analysis of the City's processes influencing development as requested in the RFP. It is important to capture this information so the City can capitalize on the current economic climate, so the City sought out a proposal from Arup North America, Ltd. (Arup), who is in a unique position to perform the needed services.

Arup has recently provided the City and Port of Long Beach with comprehensive P3 (public-private partnership) development services that integrated financial, commercial real estate, design, engineering, cost consulting, and community outreach for redevelopment of the Civic Center complex. BAE Urban Economics (BAE), a subcontractor to Arup on the Civic Center project and the proposed project, focused on the Civic Center project's private real estate components, creating financial criteria and minimum deal terms for the private development.

Because of Arup's and BAE's technical qualifications, local knowledge and intimate familiarity with the City, they are in the unique position to effectively and efficiently execute the scope of work: an assessment of the factors that influence the quality and quantity of real estate development investment with the City, as well as recommendations on how to increase high-rise and high-density development in Downtown Long Beach. Arup will evaluate the City's policies and procedures for approving such development, as well as the cost of doing business in the City compared to Los Angeles, Santa Monica, Culver City, San Diego, Huntington Beach, Anaheim, Santa Ana and Irvine. BAE will assess the existing real estate market for mid- and high-rise residential, hotel, office, and mixed-use development.

City Charter Section 1801 requires that contracts for City purchases be awarded to the lowest responsible bidder after a competitive bid process, but allows for awards without a competitive bid process if accompanied by a Resolution adopted by the City Council.

This matter was reviewed by Deputy City Attorney Linda T. Vu on March 29, 2017 and by Budget Management Officer Rhutu Amin Gharib on March 30, 2017.

City Council action is requested on April 18, 2017, to engage in the assessment as quickly as possible.

The annual contract amount will not exceed \$241,950, and is comprised of \$219,955 for base services and a 10 percent contingency of \$21,995. Sufficient appropriations are budgeted in the Development Services Fund (EF 337) in the Development Services Department (DV). There is no local job impact associated with this recommendation.

Approve recommendation.

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LONG BEACH AUTHORIZING THE CITY MANAGER TO EXECUTE A CONTRACT WITH ARUP NORTH AMERICA LIMITED, WITHOUT ADVERTISING FOR BIDS, FOR AN ASSESSMENT OF THE CITY'S DEVELOPMENT REVIEW PROCESS AND REAL ESTATE MARKET POTENTIAL, IN A TOTAL CONTRACT AMOUNT NOT TO EXCEED \$241,950 FOR A PERIOD OF ONE YEAR, WITH THE OPTION TO RENEW FOR AN ADDITIONAL ONE-YEAR PERIOD AT THE DISCRETION OF THE CITY MANAGER

AMY J. BODEK, AICP  
DIRECTOR OF DEVELOPMENT SERVICES

APPROVED:

PATRICK H. WEST  
CITY MANAGER