



CITY OF LONG BEACH

DEPARTMENT OF ECONOMIC DEVELOPMENT

C-6

333 West Ocean Boulevard • Long Beach, CA 90802 • (562) 570-6099 • Fax (562) 570 -6380

August 21, 2018

HONORABLE MAYOR AND CITY COUNCIL

City of Long Beach

California

RECOMMENDATION:

Adopt Specifications No. RFP EP18-078 and award contracts to Anderson Real Estate Group, of Long Beach, CA; Coldwell Banker Commercial Blair WestMac, of Long Beach, CA; Cresa Los Angeles, of Los Angeles, CA; Cushman and Wakefield of California, Inc., of Long Beach, CA; Jones Lang LaSalle, of El Segundo, CA; and, Lee & Associates, of Long Beach, CA, for as-needed real estate broker services, in an aggregate amount not to exceed \$600,000, for a period of two years, with the option to renew for three additional one-year periods, at the discretion of the City Manager; and authorize the City Manager, or designee, to execute all documents necessary to enter into the contracts, including any necessary amendments, provided that the aggregate total amount is not exceeded; and,

Authorize the City Manager, or designee, to execute listing agreements, and any other necessary documents, with Anderson Real Estate Group, Coldwell Banker Commercial Blair WestMac, Cresa Los Angeles, Cushman and Wakefield of California, Inc., Jones Lang LaSalle, and Lee & Associates, for the listing of City-owned property, as needed, for a period of two years, and for a commission amount not to exceed 6 percent of the gross sales price. (Citywide)

DISCUSSION

Historically, the City of Long Beach (City) uses outside firms on an as-needed basis to supplement City staff with necessary real estate broker services for the listing of City-owned property for sale, the purchase of property listed on the open market, and for the leasing of privately-owned property for use by City departments and programs. These services are being procured to meet the needs of City departments for current, as well as unforeseen projects, that will arise over the next few years. At this time, all prior agreements for these specialized professional services have expired.

The Request for Proposals (RFP) was advertised in the Long Beach Press-Telegram on March 9, 2018, and 5,751 potential proposers specializing in real estate broker services were notified of the RFP opportunity. Of those proposers, 42 downloaded the RFP via the City's electronic bid system. The RFP document was made available from the Purchasing

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Division, located on the seventh floor of City Hall, and the Division's website at www.longbeach.gov/purchasing. A 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. Ten proposals were received on April 10, 2018. Of those ten proposers, one was a Minority-owned Business Enterprise (MBE), one was a Women-owned Business Enterprise (WBE), one was a certified Small Business Enterprise (SBE), and four were Long Beach businesses (Local).

A Selection Committee, comprised of representatives from the Economic Development and Airport Departments, unanimously selected a total of six firms based on the anticipation of forecasted assignments over the next few years. All six firms, outlined below, were selected due to the level of prior experience, expertise of key personnel, and the variety of services and capabilities that each firm can provide. Further, these firms have the capability to provide the requested services at a competitive rate providing the best value to the City.

- Anderson Real Estate Group - Long Beach, CA (DBE, Local)
- Coldwell Banker Commercial Blair WestMac - Long Beach, CA (WBE, Local)
- Cresa Los Angeles - Los Angeles, CA
- Cushman and Wakefield of California, Inc. - Long Beach, CA (Local)
- Jones Lang LaSalle - El Segundo, CA
- Lee & Associates - Long Beach, CA (Local)

Staff is proposing to execute Professional Services Agreements with these firms under the following terms and provisions:

- Term: To commence on July 1, 2018, and terminate on June 30, 2020.
- Options to Extend: The agreements may be extended for up to three additional one-year extensions, at the discretion of the City Manager.
- Contract Amount: The combined aggregate contract amount of all agreements across all terms will not exceed \$600,000.
- Termination: Either the City or the firm may terminate the respective agreement at any time during the Term by providing the other party with 30 days prior written notification.

In addition to the Professional Services Agreements, City staff is also seeking authority to execute listing agreements with each firm, when the need arises. The listing agreement allows these firms to be the real estate agent of record and act on the City's behalf, including listing the City-owned property specified in each listing agreement as for sale. Any individual listing agreement would be limited to a term of no more than two years, and commission would be an amount not to exceed 6 percent of the gross sales price of the transaction. Further, any transaction to dispose of City-owned property would be brought before the City Council for approval once offers have been received.

Local Business Outreach

In an effort to align with the City's outreach goal, Long Beach businesses are encouraged to submit proposals for City contracts. The Purchasing Division also assists businesses with registering on the PlanetBids database to download the RFP specifications. Through outreach, 660 Long Beach vendors were notified to submit proposals, of which 13 downloaded and four submitted proposals. The Purchasing Division is committed to continuing to perform outreach to local vendors to expand the bidder pool.

This matter was reviewed by Deputy City Attorney Amy R. Webber on July 23, 2018 and by Budget Analysis Officer Julissa José-Murray on August 2, 2018.

TIMING CONSIDERATIONS

City Council action to adopt Specifications No. RFP EP18-078 and award contracts concurrently is requested on August 21, 2018, to ensure the contracts are in place expeditiously.

FISCAL IMPACT

A total contract authority of \$600,000 is requested for a two-year term with three additional one-year options to extend. No appropriation increase is requested at this time. Any work not currently budgeted will only proceed at such time that appropriations have been approved by the City Council. Upon approval, requests for these services would be issued to the various firms and funded by the requesting department for each particular project as the need arises. The anticipated job impact created by this action is unknown at this time, and will depend on the type of funds and work assigned over the term of the contracts.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



JOHN KEISLER
DIRECTOR OF ECONOMIC DEVELOPMENT



JOHN GROSS
DIRECTOR OF FINANCIAL MANAGEMENT

APPROVED:



PATRICK H. WEST
CITY MANAGER