



CITY OF LONG BEACH

DEPARTMENT OF ECONOMIC DEVELOPMENT

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

July 16, 2019

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt Specifications No. RFP EP19-011 and award contracts to Hawran and Malm, LLC, of Newport Beach, CA; Integra Realty Resources – Los Angeles, of Encino, CA; Mason & Mason Real Estate Appraisers & Consultants, of Montrose, CA; R.P. Laurain & Associates, Inc., of Long Beach, CA; and Valentine Appraisal & Associates, of Santa Clarita, CA, for as-needed real estate appraisal services, in an aggregate amount not to exceed \$900,000, 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 the aggregate total amount is not exceeded. (Citywide)

DISCUSSION

City Council approval is requested to enter into contracts with Hawran and Malm, LLC, Integra Realty Resources – Los Angeles, Mason & Mason Real Estate Appraisers & Consultants, R.P. Laurain & Associates, Inc., and Valentine Appraisal & Associates, for as-needed real estate appraisal services.

Historically, the City of Long Beach (City) uses outside firms on an as-needed basis to supplement City staff with necessary real estate appraisal services for the valuation of land or property. These specialized 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, most notably for fair market value adjustments to the base rent of various long-term ground leases throughout the City, including 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 be utilized for any property acquisitions and/or dispositions. Prior agreements for these specialized professional services have expired.

There were 90 potential proposers specializing in real estate appraisal services that were notified of the RFP opportunity. Of those proposers, 41 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. An RFP announcement was also included in the Purchasing Division's weekly update of Open Bid Opportunities, which is sent to 28 local, minority, and

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women-owned business groups. Thirteen proposals were received on November 14, 2018. Of those 13 proposers, none were Minority-owned Business Enterprises (MBE), one was a Women-owned Business Enterprise (WBE), two were certified Small Business Enterprises (SBE), and one was a Long Beach business (Local).

A Selection Committee, comprised of representatives from the Economic Development, Development Services, and Airport Departments, unanimously selected a total of five firms based on the anticipation of forecasted assignments over the next few years. All five 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.

- Hawran and Malm, LLC, of Newport Beach, CA
- Integra Realty Resources – Los Angeles, of Encino, CA
- Mason & Mason Real Estate Appraisers & Consultants, of Montrose, CA (WBE)
- R.P. Laurain & Associates, Inc., of Long Beach, CA (SBE, Local)
- Valentine Appraisal & Associates, of Santa Clarita, CA

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

- Term: To commence on July 1, 2019 and terminate on June 30, 2021.
- 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 \$900,000.
- 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.

This matter was reviewed by Deputy City Attorney Amy R. Webber on June 18, 2019, Purchasing and Business Services Manager Sandy Tsang-Palmer on June 26, 2019, and by Budget Analysis Officer Julissa José-Murray on June 27, 2019.

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, 28 Long Beach vendors were notified to submit proposals, of which two downloaded and one submitted a proposal. The Purchasing Division is committed to continuing to perform outreach to local vendors to expand the bidder pool.

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TIMING CONSIDERATIONS

City Council action to adopt Specifications No. RFP EP19-011 and award contracts concurrently is requested on July 16, 2019, to ensure the contracts are in place expeditiously.

FISCAL IMPACT

A total aggregate contract authority in an amount not to exceed \$900,000 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 once appropriation has 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. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. 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

JK:JG:MFT:LCC

APPROVED:


PATRICK H. WEST
CITY MANAGER