



CITY OF LONG BEACH

C-7

DEPARTMENT OF COMMUNITY DEVELOPMENT

333 WEST OCEAN BOULEVARD • LONG BEACH, CALIFORNIA 90802

November 22, 2005

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Authorize the City Manager to execute all documents necessary for an agreement with Keyser Marston Associates, Inc., a California corporation, for real estate economic market analysis services. (Citywide)

DISCUSSION

In January 2005, the Department of Community Development released a Request for Proposal (RFP) for real estate economic market analysis services. Five firms responded with proposals. These five firms were invited to make presentations regarding their services and experience and to be interviewed by a panel composed of staff from the Department of Community Development. Upon completion of the interviews, the panel recommended Keyser Marston Associates, Inc. (KMA) for the following reasons:

- KMA has demonstrated experience in many service areas required by the City, such as redevelopment, housing, lease negotiations, developer solicitation, and the structuring of real estate transactions.
- KMA has experience and expertise in specialized real estate financial analysis needed by the City, such as analysis of airport and marine-related leases and developments.
- The fees charged by KMA are competitive with the other firms.
- The services provided by KMA will assist the City in ensuring and realizing the best financial return for use of its property.

An agreement has been proposed containing the following major terms and provisions:

- Consultant: Keyser Marston Associates, Inc.

HONORABLE MAYOR AND CITY COUNCIL

November 22, 2005

Page 2

- Scope of Work or Services: Real estate economic market analysis services such as fiscal impact analysis, ground lease analysis, selection and negotiation, as well as economic and market demand analysis. The annual contract shall be in an amount not to exceed \$250,000.
- Term: The term of the contract shall be three years commencing January 1, 2006 and terminating December 31, 2008.

This agreement is non-exclusive and allows the City to hire other firms during the agreement period, if desired.

This letter was reviewed by Deputy City Attorney Richard F. Anthony on November 3, 2005 and Budget Management Officer David Wodynski on November 11, 2005.

TIMING CONSIDERATIONS

City Council action is requested on November 22, 2005, in order to facilitate the target commencement date of January 1, 2006.

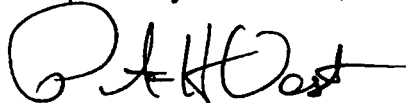
FISCAL IMPACT

Total cost is estimated at a maximum of \$250,000 per year for three years. Services will be provided on an as-needed basis. Payments will be made from various citywide funds from various departments within their FY 06 budgeted appropriations.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



PATRICK H. WEST
DIRECTOR OF COMMUNITY DEVELOPMENT

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APPROVED:



GERALD R. MILLER
CITY MANAGER