



FILED
OFFICE OF THE CITY CLERK
OAKLAND

2015 MAY 28 PM 5:00

AGENDA REPORT

TO: JOHN A. FLORES
INTERIM CITY ADMINISTRATOR

FROM: Mark Sawicki

SUBJECT: Professional Service Agreements For
The Real Estate Division

DATE: May 21, 2015

City Administrator
Approval

Date

5/28/15

COUNCIL DISTRICT: Citywide

RECOMMENDATION

Staff recommends that the City Council approve:

A Resolution Authorizing (1) The City Administrator Or Designee, To Negotiate And Execute Professional Service Agreements Between The City Of Oakland And Multiple Vendors Selected Through The Competitive Bid Process To Provide As-Needed Real Estate Appraisal, Title And Escrow Services For A Five Year Period From July 1, 2015 Through June 30, 2020, (2) An Amount Paid For Services Rendered Not To Exceed Seven Hundred Fifty Thousand Dollars (\$750,000.00) Per Vendor/Professional Service Agreement, And (3) A Total Allocation For All Vendors In An Amount Not To Exceed Three Million Seven Hundred Fifty-Thousand Dollars (\$3,750,000.00), Provided That, In Each Contract For Service, The City's Contracting Requirements Are Followed, Without Returning To City Council

OUTCOME

Adoption of the proposed legislation will allow the Real Estate Division to provide real estate appraisal, title and escrow services to various City of Oakland (the "City") agencies (e.g., Building Services, Housing and Community Development, Human Services Department, etc.) for their current and future projects.

Item: _____
Community & Economic Development Committee
June 9, 2015

BACKGROUND/LEGISLATIVE HISTORY

Since 1988, the City's Real Estate Division has administrated professional service contracts for real property appraisals, title and escrow services. Currently, one local title and escrow company, Old Republic Title Company, as well as one local appraisal service company, Yovino-Young, Inc., (the "Appraiser") provide these professional services to the City on an as needed basis. Since there is no existing Professional Service Agreement (PSA), title and escrow services are competitively bid, on a case by case basis, when needed. The Appraiser's current PSA will expire on July 14, 2016. The initial Contract Purchase Order of One Hundred Thousand Dollars (\$100,000.00) issued in 2010 for the Appraiser will be depleted by the end of FY14-15 so the Real Estate Division needs to have a new PSA in place for appraisal services as well as title and escrow services by July 1, 2015. All new agreements will be on an as-needed basis.

On February 27, 2015, a formal Request for Proposals/Qualifications (RFP/Q) was issued for the aforementioned services. As a result of that RFP/Q issuance, staff received one proposal response for title and escrow services, and three proposal responses for appraisal services. Due to the minimal number of responses received, staff issued a second RFP/Q on March 31, 2015, from which three additional responses were received. All vendor applications which were received were deemed responsive and the final review and selection process has been completed.

The Real Estate Division will administer contracts for title and escrow services, with the scope of services inclusive of, but not limited to:

- Escrow Services
- Title Reports
- Property Profiles
- Litigation Report
- Street Searches

Contracts developed to facilitate the scope of services associated with appraisal services for residential and commercial properties will be inclusive of, but not limited to:

- Properties slated for office, retail and mixed uses
- Hotels and apartment buildings
- Other land developments

Item: _____

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ANALYSIS

Historically, the annual financial set-aside for appraisals, titles and escrow services has been for an amount not to exceed one hundred thousand dollars (\$100,000.00) annually. However, given the economic upturn and increased interest in Oakland for both commercial and residential development, staff has determined that by increasing the annual allocation for these contractual endeavors, including multi-year provisions for the same, the Real Estate Division will have the ability to address the needs of all City agencies that require real estate services on a long-term basis, with no disruptions in service.

PUBLIC OUTREACH/INTEREST

Issuance of a Request for Proposals/Qualifications

A formal Request For Proposals (RFP) was issued on February 27th, 2015 soliciting firms to provide appraisal and title and escrow services for the City of Oakland.

COST SUMMARY/IMPLICATIONS

Proposed contracts for service

| Vendor Name | Scope of Services | Cumulative Annual Financial Allocation | 5-Year Cumulative Total |
|------------------------------------|--------------------------|---|--------------------------------|
| Old Republic Title Company | Title and Escrow | \$150,000.00 | \$750,000.00 |
| Yovino-Young, Inc | Appraisals | \$150,000.00 | \$750,000.00 |
| Fabbro Moore & Associates, Inc. | Appraisals | \$150,000.00 | \$750,000.00 |
| J Kaeuper & Company | Appraisals | \$150,000.00 | \$750,000.00 |
| CBRE Valuation & Advisory Services | Appraisals | \$150,000.00 | \$750,000.00 |
| GRAND TOTAL: | | | \$3,750,000.00 |

All proposed contractual expenditure allocations shall be expensed to the department/ project that is requesting the real estate services. Payment will be made at the time the requesting department initiates a new project requiring real estate services. These service agreements are as-needed and funds will only be expended as needs and funding are identified.

SUSTAINABLE OPPORTUNITIES

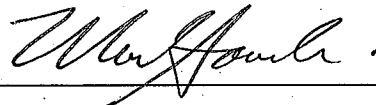
Economic: Contracts awarded to Oakland-based companies will affect the Oakland economy through increased tax revenues, employment opportunities, and through direct, long-term support of Oakland-based firms.

Environmental: There are no environmental impact issues associated with providing the real estate services described above.

Social Equity: All services will be completed by local firms, for the direct and indirect benefit of City residents.

For questions regarding this report, please contact James Golde, Real Estate Manager, Economic & Workforce Development, at (510) 238-6354.

Respectfully submitted,



Mark Sawicki
Director, Economic & Workforce Development

Reviewed By:
James Golde
Manager
Real Estate Division
Economic & Workforce Development

Prepared By:
Nalungo Conley
Administrative Analyst II
Real Estate Division
Economic & Workforce Development

2015 MAY 28 PM 5:05 RESOLUTION No. _____ C.M.S.

A RESOLUTION AUTHORIZING (1) THE CITY ADMINISTRATOR OR DESIGNEE, TO NEGOTIATE AND EXECUTE PROFESSIONAL SERVICE AGREEMENTS BETWEEN THE CITY OF OAKLAND AND MULTIPLE VENDORS SELECTED THROUGH THE COMPETITIVE BID PROCESS TO PROVIDE AS-NEEDED REAL ESTATE APPRAISAL, TITLE AND ESCROW SERVICES FOR A FIVE YEAR PERIOD FROM JULY 1, 2015 THROUGH JUNE 30, 2020, (2) AN AMOUNT PAID FOR SERVICES RENDERED NOT TO EXCEED SEVEN HUNDRED FIFTY THOUSAND DOLLARS (\$750,000.00) PER VENDOR/PROFESSIONAL SERVICE AGREEMENT, AND (3) A TOTAL ALLOCATION FOR ALL VENDORS IN AN AMOUNT NOT TO EXCEED THREE MILLION SEVEN HUNDRED FIFTY-THOUSAND DOLLARS (\$3,750,000.00), PROVIDED THAT, IN EACH CONTRACT FOR SERVICE, THE CITY'S CONTRACTING REQUIREMENTS ARE FOLLOWED, WITHOUT RETURNING TO CITY COUNCIL

WHEREAS, the Economic & Workforce Development Department, Real Estate Division of the City of Oakland (the "City") seeks to enter into a professional service agreement with vendors to be determined and selected through a competitive bidding process to provide commercial and/or residential appraisal, title and escrow Services; and

WHEREAS, Oakland Municipal Code (OMC) Title 2, Chapter 2, Article I, Section 2.04.051.A requires the City to conduct a competitive Request for Proposal/Qualification (RFP/Q) selection process for the award of professional services contracts that exceed twenty-five thousand dollars (\$25,000); and

WHEREAS, the selected vendors, to be determined, submitted an application and were selected to provide appraisal services or title and escrow services for the City's Real Estate Division; and

WHEREAS, the Real Estate Division will contract with the vendors for real estate appraisal, title and escrow services for a period of five years from July 1, 2015 through June 30, 2020 in aggregate amounts not to exceed \$ 150,000 per vendor, per year; and

WHEREAS, it is advantageous for the Real Estate Division of the City to utilize on-call professional service agreements with multiple vendors for these services on an as needed basis from July 1, 2015 through June 30, 2020; now therefore, be it;

RESOLVED: That the City Council hereby authorizes the City Administrator, or designee, to execute agreements with multiple vendors , to be selected through the competitive bidding process, for the five-year period of July 1, 2015 through June 30, 2020 in an annual amount not to exceed one hundred and fifty thousand dollars (\$150,000.00) and a five year cumulative amount not to exceed seven hundred and fifty thousand dollars (750,000.00) per vendor, without returning to council, for a grant total contractual allocation for all vendors combined in an amount not to exceed three million, seven hundred and fifty-thousand dollars (3,750,000.00), provided that the City's contracting requirements are followed for the proposed contracts for service; and be it

FURTHER RESOLVED: That all proposed contractual services will be expensed to the the requesting department as needs and funds are identified; and be it

FURTHER RESOLVED: That the City Attorney shall review and approve the proposed contract(s) as to form and legality, and copies of the agreement(s) shall be filed with the Office of the City Clerk.

IN COUNCIL, OAKLAND, CALIFORNIA, _____, 2015

PASSED BY THE FOLLOWING VOTE:

AYES-BROOKS, CAMPBELL-WASHINGTON, GALLO, GUILLEN, KALB, KAPLAN,
REID and PRESIDENT GIBSON-McELHANEY

NOES-

ABSENT-

ABSTENTION-

ATTEST: _____

LATONDA SIMMONS

City Clerk and Clerk of the Council
of the City of Oakland, California