



City of Rialto

Legislation Details (With Text)

File #: 18-492 **Version:** 1 **Name:**
Type: Agreement **Status:** Agenda Ready
File created: 5/17/2018 **In control:** City Council
On agenda: 6/12/2018 **Final action:**
Title: Request City Council and Housing Authority Board to Approve 1) Amendment #2 to the Professional Service Agreement with Keyser Marston Associates for Real Estate Advisory Services for Economic Development by increasing the maximum authorization by \$40,000 to a total of \$115,000 and 2) Amendment #1 to the Professional Services Agreement for Real Estate Advisory Services for Affordable Housing Projects, increasing the maximum authorization by \$11,000 to a total of \$23,000. (ACTION)

Sponsors:

Indexes:

Code sections:

Attachments: 1. Exhibit A - Second Amendment to Professional Agreement, 2. Exhibit B - First Amendment to Professional Agreement, 3. Disclosure Form 06.01.18

Date	Ver.	Action By	Action	Result
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For City Council and Rialto Housing Authority Meeting [June 12, 2018]

TO: Honorable Mayor/Chair and City Council/Board Members

APPROVAL: Robb Steel, Interim City Administrator/Executive Director

Request City Council and Housing Authority Board to Approve 1) Amendment #2 to the Professional Service Agreement with Keyser Marston Associates for Real Estate Advisory Services for Economic Development by increasing the maximum authorization by \$40,000 to a total of \$115,000 and 2) Amendment #1 to the Professional Services Agreement for Real Estate Advisory Services for Affordable Housing Projects, increasing the maximum authorization by \$11,000 to a total of \$23,000. (ACTION)

BACKGROUND:

On September 27, 2016, the City Council approved a new Professional Service Agreement with Keyser Marston Associates (KMA) for Real Estate Advisory Services for a maximum of \$25,000 for services.

On January 24, 2017, the City Council approved Amendment #1 with KMA to increase maximum funding by \$50,000 to \$75,000.

ANALYSIS/DISCUSSION:

The City utilized KMA for real estate negotiations with Lewis-Hillwood Rialto related to the sale of City and Successor Agency parcels for Renaissance Rialto. The City recently utilized KMA for the construction loan with Ayala and 210 Partners for the proposed retail center at northeast corner of Ayala Drive and Renaissance Parkway. The City requires continued KMA services for the proposed

15-acre retail site situated between the new Super Walmart and the soon to be former Walmart building in south Rialto.

As of May 2017, about \$2,927 of the original \$75,000 funding remains. In addition, unpaid invoices totaling \$14,700 remain outstanding for work related to the construction loan for the proposed Renaissance Plaza retail center (anchored by Cracker Barrel and Sonic) by Ayala and 210 Partners. Staff requests funding of \$40,000 to cover the unpaid balance and continue services with KMA for fiscal year 18/19, if needed.

In addition, the Rialto Housing Authority requires KMA services related to the proposed Bonnie View affordable housing project agreement changes and proposed Willow/Jackson affordable housing project. The Rialto Housing Authority has an existing Professional Services Agreement dated April 5, 2016 with KMA for \$12,000 related to the initial Bonnie View housing agreement. About \$5,300 remains in the Purchase Order. Staff requests an additional \$11,000 for these services.

ENVIRONMENTAL IMPACT:

The request is not a Project as defined by Section 15378 of the California Environmental Quality Act (CEQA). A "Project" means the whole of an action, which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment. By definition, a Project does not include: The creation of government funding mechanisms or other government fiscal activities which do not involve any commitment to any specific project which may result in a potentially significant physical impact on the environment according to Section 15378 (b)(4) of CEQA.

GENERAL PLAN CONSISTENCY:

The City of Rialto has identified several goals and objectives within the City's recently adopted General Plan through which the City looks to improve the community. The proposed action to approve a professional service agreement to provide specialized financial and real estate advisory services will assist the City to achieve the following goals and objectives contained in the General Plan:

Goal 3-1: Strengthen and diversify the economic base and employment opportunities, and maintain a positive business climate.

Goal 3-3: Attract, expand, and retain commercial and industrial businesses to reduce blighted conditions and encourage job growth.

LEGAL REVIEW:

The City Attorney has reviewed and approved the staff report and Amendment #1 and Amendment #2 to the Professional Services Agreements.

FINANCIAL IMPACT:

Operating Budget Impact

Funds from Account Number 010-500-4255-2011 (Economic Development) of \$40,000 are available and budgeted for the economic development services. Funds from Account Number 236-500-1793-2011 (Housing Authority) of \$11,000 are available and budgeted for the housing services.

Capital Budget Impact

There is no impact on the Capital Budget.

Licensing

Prior to execution of the Professional Service Agreement, the vendor shall submit a business license application and pay a Business License tax at the Professional Service rate of \$110.00.

RECOMMENDATION:

Staff recommends the:

- City Council Approve Amendment #2 to the Professional Services Agreement (**Exhibit A**) by and between the City of Rialto and Keyser Marston Associates, Inc. to provide real estate advisory services for a total maximum of \$115,000, an increase of \$40,000.
- Rialto Housing Authority Board Approve Amendment #1 to the Professional Service Agreement (**Exhibit B**) by and between the Rialto Housing Authority and Keyser Marston Associates, Inc. to provide real estate advisory services for affordable housing projects for total maximum of \$23,000, an increase of \$11,000.