

May 20, 2025

Honorable Mayor and City Council
City of Long Beach
California

RECOMMENDATION:

Recommendation to adopt Specifications No. RFP ED-23-305 and award contracts to Blair Commercial Real Estate, Inc., of Long Beach, CA, Cushman & Wakefield of California, Inc., of Long Beach, CA, Jones Lang LaSalle Americas, Inc., of El Segundo, CA, Kidder Matthews, of El Segundo, CA, and Lee & Associates Commercial Real Estate Services, Inc., of Long Beach, CA, for providing 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 subsequent amendments; and,

Authorize the City Manager, or designee, to execute listing agreements, and any other necessary documents, with Blair Commercial Real Estate, Inc., of Long Beach, CA, Cushman & Wakefield of California, Inc., of Long Beach, CA, Jones Lang LaSalle Americas, Inc., of El Segundo, CA, Kidder Matthews, of El Segundo, of El Segundo, CA, and Lee & Associates Commercial Real Estate, Inc., of Long Beach, CA, for the listing of City-owned property, as needed, for a period of two years, with the option to renew for three additional one-year periods, and a commission amount not to exceed six percent of the gross sales price. (Citywide)

DISCUSSION

City Council approval is requested to enter into contracts with Blair Commercial Real Estate, Inc., Cushman & Wakefield of California, Inc., Jones Lang LaSalle Americas Inc., Kidder Matthews, and, Lee & Associates Commercial Real Estate Services, Inc., for providing as-needed real estate broker services, as well as authority to execute listing agreements with each firm when the need arises.

Historically, the City of Long Beach (City) utilizes outside firms on an as-needed basis to assist 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 and unforeseen projects that may arise over the next few years. All prior agreements for these specialized professional services will expire on June 30, 2025.

The Request for Proposals (RFP) was advertised in the Long Beach Press-Telegram on August 27, 2024, and 49 potential proposers specializing in real estate broker services were notified of the RFP opportunity. Of those proposers, 32 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 44 local, minority, and women-owned business groups. There were 8 proposals received on October 8, 2024. Of those 8 proposers, none were Minority-owned Business Enterprises (MBEs), none were Women-owned Business Enterprises (WBEs), 2 were certified Small Business Enterprises (SBEs), and 3 were Long Beach vendors (Local). The selection committee determined that Blair Commercial Real Estate, Inc., of Long Beach, CA (Local), Cushman & Wakefield of California, Inc., of Long Beach, CA (Local), Jones Lang LaSalle Americas, Inc., of El Segundo, CA (none), Kidder Matthews, of El Segundo, CA (none), and Lee & Associates Commercial Real Estate Services, Inc., of Long Beach, CA (Local), were the most qualified firms to provide the services.

All five firms were selected due to the level of 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.

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

- Term: To commence on July 1, 2025, and terminate on June 30, 2027.
- 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 party may terminate the respective agreements at any time during the Term by providing the other party with 30 days prior written notice.

In addition to the Professional Services Agreements, City staff is also seeking authority to execute listing agreements with each firm as needed. The listing agreement allows these firms to be the real estate broker 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, with the option to renew for three additional one-year periods, 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 Long Beach Buys database to download the RFP specifications. Through outreach, 49 Long Beach vendors were notified to submit proposals, of which 9 downloaded and 3 submitted a proposal. 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 Adam Jacobs on April 17, 2025, Administrative Analyst III Tommy Ryan on April 22, 2025, and Budget Management Officer Nader Kaamouch on May 2, 2025.

TIMING CONSIDERATIONS

City Council action to adopt Specifications No. ED-23-305 and award contracts concurrently is requesting on May 20, 2025, to ensure the contracts are in place expeditiously.

FISCAL IMPACT

The total aggregate among of the contract will not exceed \$600,000. 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. 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,



Bo Martinez
Director
Economic Development

APPROVED:



THOMAS B. MODICA
CITY MANAGER