



# Administrative Report

---

H.9., File # 22-4655

Meeting Date: 8/16/2022

---

**To: MAYOR AND CITY COUNCIL**

**From: GREG KAPOVICH, WATERFRONT & ECONOMIC DEVELOPMENT DIRECTOR**

## **TITLE**

APPROVE AN AGREEMENT WITH KOSMONT & ASSOCIATES, INC. FOR REAL ESTATE CONSULTING SERVICES FOR AN AMOUNT NOT-TO-EXCEED \$62,425 AND THE TERM AUGUST 16, 2022 TO AUGUST 15, 2023

## **EXECUTIVE SUMMARY**

On December 2, 2014, the City of Redondo Beach (City) entered into an agreement for Consulting Services (Agreement) with Kosmont & Associates, Inc. (Kosmont), to provide advisory services to the City on various real estate and economic development matters. The Agreement has been amended ten times over the past eight years and totaled \$1,445,000 in expenses. The most recent amendment expired on June 30, 2022. To refresh the terms of the agreement and ensure reasonable pricing, staff pursued a new contract rather than proceed with another amendment.

As part of the of the City's Fiscal Year 2022-2023 Adopted Budget, the City Council appropriated \$62,425 of General Fund, Tidelands and Uplands Funds for as-needed professional services to support the City's efforts related to waterfront real estate transactions and general economic development projects in the City. The Department also expects to recommend the carryover of unspent FY 2021-22 professional services funds to provide additional resources for these efforts. The proposed one-year agreement with Kosmont is for an amount not to exceed \$62,425 and if approved would expire on August 15, 2023.

## **BACKGROUND**

Kosmont has over 25 years of consulting experience and the firm's broad professional expertise has been invaluable given the scope and complexity of ongoing real estate, public finance, and economic development activities in the City. Kosmont initially assisted the City with the preparation of two key documents that have served as the foundation for real estate activities within King Harbor - the Pier & Harbor Asset Management Plan in 2007 and the Harbor Enterprise Business Plan in 2010. In addition, Kosmont has served as the City's advisor during the reacquisition of several large leaseholds; advised the City on the waterfront revitalization effort; provided transaction support for the development of the Marine Avenue hotels; and served as advisor for the proposed reuse of the AES site.

The most recent agreement with Kosmont has been amended ten times over the past eight years totaling \$1,445,000. The Tenth Amendment extended the expiration date from December 31, 2021 to

June 30, 2022. Staff is recommending the City Council approve the proposed new one-year Agreement for a not-to-exceed amount of \$62,425 for the period of August 16, 2022 to August 15, 2023.

### **COORDINATION**

The Waterfront and Economic Development Department collaborated with the City Manager's Office on this report. The City Attorney's Office approved the agreement as to form.

### **FISCAL IMPACT**

Funding for the one-year Kosmont contract was appropriated by the City Council as part of the FY 2022-2023 Budget adoption and is funded via the General Fund and the Harbor Enterprises Uplands and Tidelands Funds.

### **APPROVED BY:**

*Mike Witzansky, City Manager*

### **ATTACHMENTS**

- 2022 Agreement between the City of Redondo Beach and Kosmont & Associates, Inc.
- Tenth Amendment for Consultant Services between the City of Redondo Beach and Kosmont & Associates, Inc.
- Ninth Amendment for Consultant Services between the City of Redondo Beach and Kosmont & Associates, Inc.
- 2014 Agreement and Amendments 1 - 8 for Consultant Services between the City of Redondo Beach and Kosmont & Associates, Inc.