



Administrative Report

H.6., File # 20-1882

Meeting Date: 1/5/2021

To: MAYOR AND CITY COUNCIL
From: ANGELICA ZAVALA, HOUSING SUPERVISOR

TITLE

APPROVE AN AGREEMENT WITH KEYSER MARSTON ASSOCIATES, INC. TO PROVIDE CONSULTATION SERVICES IN THE ADMINISTRATION OF THE INCLUSIONARY AFFORDABLE HOUSING PROGRAM FOR THE AMOUNT NOT TO EXCEED \$50,000 FOR THE TERM NOVEMBER 1, 2020 - OCTOBER 31, 2022

EXECUTIVE SUMMARY

The attached agreement with Keyser Marston Associates, Inc. provides for consultation services to the Housing Authority in the administration of the City's Inclusionary Affordable Housing Program. Keyser Marston Associates, Inc. has offered professional services to the City since 2003. The Inclusionary Affordable Housing Program was established to ensure owners of certain condominium developments in the City set aside a percentage of their units for the purchase or rental by low- and moderate-income seniors. The City of Redondo Beach currently has the following five developments participating in the program: Breakwater Village, The Montecito, Ruxton Place, 542 North Francisca Avenue and Paseo de la Playa Homes.

BACKGROUND

The contract the City had with Keyser Marston Associates, Inc. for consultation services expired on March 18, 2020. In order to recommence their services, staff is recommending approval of the agreement for the period of November 1, 2020 through October, 31, 2022. Contract amount is not to exceed \$50,000. Funding is available in the Housing Authority Low- and Moderate-Income Housing budget FY 2020-2021 to fully cover Keyser Marston Associates, Inc.'s fees. It should be noted that General Funds will not be used for this agreement.

Agreement with Keyser Marston Associate, Inc.

Scope of Services: Keyser Marston Associates, Inc. shall perform disposition and financial advisory consulting services for the City, including but not be limited to, the following services:

- Consult, assist, and advise the City with respect to marketing, financial and disposition issues.
- Participate in formal and informal discussions and presentations with potential developers and community officials.
- Undertake an evaluation of existing economic feasibility studies and prepare the highest and best use analysis.
- Perform financial testing of land use and development concepts, including review of projected development cost, income, and financing for private capital.

- Advise on alternative financing options for a public private partnership, including funding of public improvements and private investment.
- Structure options for land disposition business terms, including reuse fair market value and reuse value, ground leases and participating land sales.
- Assist City staff in drafting documents, including without limitation the Summary Report under Section 33433 pursuant to the California Redevelopment Law.

Term: This agreement commences on November 1, 2020 and will continue until October 31, 2022.

Compensation: Keyser Marston Associates, Inc. will be compensated for the number of hours worked. An hourly rate schedule is included in the agreement. Total compensation to Keyser Marston Associates, Inc. for the term of the agreement is not to exceed \$50,000

COORDINATION

The agreement with Keyser Marston Associates, Inc. was prepared by and approved as to form by the City Attorney's Office.

FISCAL IMPACT

Funding for contracted consulting services is included in the FY 2020-2021 Housing Authority Low- and Moderate-Income Housing budget.

FY 2020-21 Funding		FY 2020-21 Expenditures	
Affordable Housing Program	\$50,000	Contracts/Professional Services	\$50,000
TOTAL		TOTAL	\$50,000

ATTACHMENT

- Agreement with Keyser Marston Associates, Inc.