



# Administrative Report

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H.8., File # 21-1938

Meeting Date: 1/19/2021

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**To:** MAYOR AND CITY COUNCIL

**From:** STEPHEN PROUD, WATERFRONT AND ECONOMIC DEVELOPMENT DIRECTOR

## **TITLE**

APPROVE THE NINTH AMENDMENT TO THE AGREEMENT WITH KOSMONT & ASSOCIATES, INC FOR REAL ESTATE CONSULTING SERVICES FOR AN ADDITIONAL AMOUNT OF \$50,000 FOR A NOT-TO-EXCEED TOTAL OF \$1.445M AND EXTENDING TERM TO DECEMBER 31, 2021

## **EXECUTIVE SUMMARY**

Kosmont & Associates, Inc. ("Kosmont") has served as the City's consultant on a variety of real estate matters and brings over 25 years of experience in public/private and economic development transactions. The firm's broad professional perspective is invaluable to the City given the scope and complexity of ongoing economic development activities. As part of the City's 2020-2021 Adopted Budget, the City Council appropriated approximately \$42,000 in the tidelands and uplands funds and more recently carried over approximately \$15,000 for as-needed professional services to support the City's efforts related to real estate transactions in the Waterfront, support for the redevelopment of the AES site, and general economic development projects throughout the City. The proposed Ninth Amendment would add an additional \$50,000 to the Kosmont Contract bringing the total not-to-exceed amount to \$1.445M and extend the term of the contract to December 31, 2021.

## **BACKGROUND**

The initial contract executed with Kosmont & Associates ("Kosmont") resulted in the preparation of two key documents that have served as the foundation for the real estate activities within King Harbor - the Pier & Harbor Asset Management Plan in 2007 and the Harbor Enterprise Business Plan in 2010. In implementing the recommendations set forth in those documents, Kosmont has served as the City's advisor during the reacquisition of several large leaseholds and advised the City on the waterfront revitalization effort. During that same time period, Kosmont has provided real estate advisory services on economic development activities within the City, including transaction support for the development of the Marine Avenue hotels. More recently, Kosmont's work with the City has focused on the reuse of the AES site, supporting real estate transactions in the Waterfront, and city-wide economic development efforts.

As part of the City's 2020-2021 Adopted Budget, the City Council appropriated approximately \$42,000 in the tidelands and uplands funds and more recently carried over approximately \$15,000 for as-needed professional consulting services. The current value of the contract, including the eight previous Amendments is a not-to-exceed amount total of \$1.395M. Staff is recommending the City

Council approve the proposed Ninth Contract Amendment which adds \$50,000 of value to the contract for a new not-to-exceed total of \$1.445M and extends the term of the contract to December 31, 2021.

### **COORDINATION**

The Waterfront and Economic Development Department collaborated with the City Attorney's Office to develop the Contract Amendment. The City Attorney's Office has approved the Amendment as to form.

### **FISCAL IMPACT**

Funding for the proposed Ninth Amendment was appropriated by the City Council as part of the 2020 -2021 Budget Adoption and is funded via the General Fund, and the Harbor Enterprise Uplands and Tidelands Funds.

### **APPROVED BY:**

*Joe Hoefgen, City Manager*

### **ATTACHMENTS**

Ninth Amendment to the Agreement for Consulting Services between the City of Redondo Beach and Kosmont & Associates, Inc.

Agreement for Consulting Services between the City of Redondo Beach and Kosmont & Associates, Inc.

First Amendment to the Agreement for Consulting Services between the City of Redondo Beach and Kosmont & Associates, Inc.

Second Amendment to the Agreement for Consulting Services between the City of Redondo Beach and Kosmont & Associates, Inc.

Third Amendment to the Agreement for Consulting Services between the City of Redondo Beach and Kosmont & Associates, Inc.

Fourth Amendment to the Agreement for Consulting Services between the City of Redondo Beach and Kosmont & Associates, Inc.

Fifth Amendment to the Agreement for Consulting Services between the City of Redondo Beach and Kosmont & Associates, Inc.

Sixth Amendment to the Agreement for Consulting Services between the City of Redondo Beach and Kosmont & Associates, Inc.

Seventh Amendment to the Agreement for Consulting Services between the City of Redondo Beach and Kosmont & Associates, Inc.

Eighth Amendment to the Agreement for Consulting Services between the City of Redondo Beach and Kosmont & Associates, Inc.