



Board Report

File #: 2021-0289, File Type: Contract

Agenda Number: 11.

FINANCE, BUDGET AND AUDIT COMMITTEE JUNE 16, 2021

SUBJECT: REAL ESTATE ACQUISITION, RELOCATION, AND PROPERTY MANAGEMENT BENCH

ACTION: APPROVE RECOMMENDATIONS

RECOMMENDATION

AUTHORIZE the Chief Executive Officer to:

- A. APPROVE the establishment of 11 contract agreements for professional services under the Real Estate Acquisition, Relocation, and Property Management Bench, with the contractors recommended in Attachment "A-1" for a five-year base period (\$85,000,000) with five, one-year options (\$1,000,000 each), with a funding amount not to exceed cumulative total of \$90,000,000, subject to resolution of protest(s) if any.
- B. AWARD task orders within the approved not-to-exceed cumulative total value of \$85,000,000.

ISSUE

The Los Angeles County Metropolitan Transportation Authority (LACMTA) Real Estate staff requires a bench contract for acquisition, relocation and property management services with eight (8) separate scopes: Project Management, Appraisal and Appraisal Review Services - Residential and Commercial, Acquisition/Negotiation Services (Owners and Tenants), Residential and Business Relocation Services, Quality Control, Title Review/Abstract Services, Escrow Coordination, Property Management and related services.

LACMTA has an on-going need for acquisition, relocation, and property management services in support of new transit and transportation projects, enhanced bus and rail operations, and a host of other administrative and transportation improvements.

Major transportation projects include:

1. Westside Purple Line Subway Extension Section III
2. Link Union Station
3. Eastside Transit Corridor Phase 2
4. Sepulveda Transit Corridor
5. West Santa Ana Branch Transit Corridor

6. Orange Line Bus Rapid Transit Improvement
7. East San Fernando Valley Transit Corridor

and other miscellaneous projects including bus, rail, and highway projects (projects).

These projects will be designed and constructed over the next eight years and will require the acquisition, relocation, and property management of various personal and real property interests.

Depending on the scope of services, the project manager will decide which discipline will be utilized. A task order will be awarded to a contractor in a specific discipline at the completion of a competitive procurement process.

The Real Estate Acquisition, Relocation, and Property Management Bench will allow task orders to be awarded more efficiently since the initial qualification reviews have been completed. The use of a bench streamlines the procurement process and allows staff timely access to professional resources to meet project schedules.

BACKGROUND

LACMTA's existing Real Estate Acquisition and Relocation Bench was issued October 1, 2011 and expires on September 30, 2021. A Request for Information and Qualification (RFIQ) was issued to interested firms in October 2020 to provide services in eight (8) separate scopes:

1. Project Management
2. Appraisal and Appraisal Review Services - Residential and Commercial
3. Acquisition/Negotiation Services (Owners and Tenants)
4. Residential and Business Relocation Services
5. Quality Control
6. Title Review/Abstract Services
7. Escrow Coordination
8. Property Management and related services

LACMTA received thirteen (13) responses to the RFIQ.

DISCUSSION

Findings

The current Real Estate Acquisition, Relocation, and Property Management Bench has been utilized over the past 10 years and has proven to be a very successful method in reducing staff resources expended on the procurement of service contracts and allowing for projects to be completed in a more efficient manner.

Considerations

Staff is recommending the total funding value of \$90,000,000 for this new Real Estate Acquisition, Relocation, and Property Management Bench. The funding value is based on projected project needs

and an increased demand for acquisition, relocation and property management services over the next seven years.

However, there may be unforeseen requirements for other project changes or schedule acceleration which may exceed existing assumptions and exhaust the approved total contract value before the end of the contract period. Under these circumstances, if needed, staff will return to the Board requesting for additional contract funding.

Equity Platform

This bench contract supports Pillar II, Listen and Learn as well as Pillar III, Focus and Deliver. Metro Real Estate is working diligently in acquiring properties expanding Metro's infrastructure to better serve the unserved communities in need of public transportation. This bench establishes 11 firms, including small and disadvantaged firms, to meet the demands of Metro's long-range planning projects. Metro Real Estate is committed to continuing their support of Metro projects through a robust acquisition/ relocation program that is equitable in all aspects.

DETERMINATION OF SAFETY IMPACT

This item does not have an impact on LACMTA safety standards.

FINANCIAL IMPACT

Adoption of the Real Estate Acquisition, Relocation, and Property Management Bench will have no impact on the existing FY21 budget. Funding for FY22 has been budgeted in projects requiring acquisition and relocation services across numerous cost centers. Each task order awarded to a contractor will be funded with the source of funds identified for that project. Since this is a multiyear contract, the project manager will be responsible for budgeting costs in future years, including any options exercised.

Impact to Budget

The funding for the task orders is dependent upon the specific project. Generally, all projects accessing the Real Estate Acquisition, Relocation, and Property Management Bench will be partially funded from Measures R and M. Additional funding for LACMTA projects comes from various state and federal sources including the Federal Transit Administration.

IMPLEMENTATION OF STRATEGIC PLAN GOALS

The Real Estate Acquisition, Relocation, and Property Management Bench will allow task orders to be awarded more efficiently since the initial qualification reviews would already have been completed. It is critical to expedite the procurement process to meet tight project schedules and complete long-range planning projects.

Recommendation supports strategic plan goals:

1. Provide high-quality mobility options that enable people to spend less time traveling;

2. Deliver outstanding trip experiences for all users of the transportation system;
3. Enhance communities and lives through mobility and access to opportunity;
4. Transform LA County through regional collaboration and national leadership; and
5. Provide responsive, accountable, and trustworthy governance within the LACMTA organization.

ALTERNATIVES CONSIDERED

The Board could choose not to approve the recommendations. This is not recommended as the alternatives would be to:

- a. award task orders as separate procurements which will dramatically increase the procurement times for the individual task orders, and/or
- b. increase the size of the Real Estate staff to perform the work in-house. LACMTA has historically had difficulty recruiting acquisition/relocation staff with the necessary experience and expertise to perform the various specialized types of acquisition/relocation assignments envisioned in the coming years.

Both alternatives will hamper the Real Estate division's ability to respond quickly to project needs resulting in significant delays and cost increases. The current project schedules anticipate most of the acquisition/relocation work to take place over the next 3 to 5 years.

NEXT STEPS

Upon Board approval, staff will establish and execute the bench contracts. As needed, staff will solicit responses to individual task orders from specific disciplines. SBE, DVBE and/or DBE goal requirements will be set for each individual task order.

ATTACHMENTS

Attachment A - Procurement Summary
Attachment A-1 - Recommended Firms
Attachment B - DEOD Summary

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