

STAFF REPORT

City of Lancaster

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7/27/2021
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Date: July 27, 2021

To: Mayor Parris and City Council Members

From: Jeff Hogan, Senior Director - Development Services
Sydney Yeseta, Assistant Manager - Real Estate & Economic Development

Subject: **Multi-Year Professional Service Agreements for Real Estate Broker Services**

Recommendations:

1. Approve Multi-Year Professional Service Agreements with each of the pre-qualified real estate broker firms on the attached list.
2. Authorize the City Manager, or his designee, to finalize, negotiate and execute all documents related to the Professional Service Agreements.

Fiscal Impact:

The individual agreements will be reviewed and approved by the City Council, with the associated fees to be paid out of the revenues generated by each property's sale or lease.

Background:

In September of 2020, City Council approved Resolution 20-49, declaring certain parcels of land owned by the City of Lancaster, Lancaster Successor Agency, and the Lancaster Housing Authority as surplus. The Surplus Land Act requires the City to formally declare parcels surplus before selling or leasing the parcels for private development.

Following the City Council's action, a Notice of Availability was sent to specified entities who had sixty (60) days to notify the City of their interest in the properties. The City received no interest in any of the surplus parcels. The required documentation was provided to the California Department of Housing and Community Development ("HCD") for their review. The review period has ended and the City is now able to lease or sell the specified parcels.

In May 2021, the City advertised a Request for Qualifications ("RFQ 737-21") for real estate broker services to market and sell the surplus parcels. Brokers were encouraged to demonstrate

extensive knowledge in commercial, industrial and large-scale vacant residential properties, and the unique real estate climate in the Antelope Valley.

The proposal deadline was June 1, 2021, by which eleven (11) broker firms submitted responses. A selection committee of four (4) staff members reviewed the proposals and selected four (4) brokerages to place on a pre-qualified list.

The firms on the attached list are recommended to be pre-qualified for a total of five (5) years, until July 2026. Real Estate and Economic Development staff will work closely with the brokers to ensure the marketing of the property is consistent with the City's vision for future developments. The proposed Multi-Year Professional Service Agreements do not authorize the lease or sale of the surplus properties. Individual property transactions are required to come before City Council for approval.

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Attachments:

List of Pre-Qualified Brokers

Sample Agreement for Professional Real Estate Broker Services