



City of Santa Clara

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Agenda Report

19-921

Agenda Date: 9/4/2019

REPORT TO COUNCIL

SUBJECT

Action on Amendment No. 3 to the Agreement with Hulberg and Associates, Inc., DBA Valbridge Property Advisors for consulting services associated with the Related Santa Clara (CityPlace) Development Project

BACKGROUND

In April 2018, the City entered into an agreement with Hulberg and Associates, Inc., DBA Valbridge Property Advisors (Valbridge) to provide appraisal services to support contemplated eminent domain actions. The agreement was amended in July 2019 to extend the term of the contract to July 31, 2020.

Valbridge is one of the largest independent commercial property valuation and advisory services firms in the United States. Norm Hulberg, principal in Valbridge's San Jose office, has been providing commercial appraisal services in Northern California since 1976.

DISCUSSION

Valbridge has been providing the City with appraisal services to support its ongoing eminent domain actions which would allow for the construction of public improvements associated with the Related Santa Clara (CityPlace) project. The scope of work includes preparation of appraisals, providing property and lease comparable and valuation consulting, and expert testimony.

The eminent domain actions are not complete and additional services are needed. Approval of Amendment No. 3 would allow the City to continue to access Valbridge's services for this scope through July 31, 2020 by increasing the contract amount by \$70,000.

ENVIRONMENTAL REVIEW

The action being considered does not constitute a "project" within the meaning of a California Environmental Quality Act ("CEQA") pursuant to the CEQA Guidelines section 15378(a) as it has no potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment.

FISCAL IMPACT

The current contract with Valbridge Property Advisors for appraisal services related to the potential eminent domain actions has a total not to exceed amount of \$99,000. The proposed Amendment increases the contract amount by \$70,000, for a maximum amount not to exceed of \$169,000. This contract is funded by the CityPlace Developer, Related, through advances provided to the City as required by the CityPlace Development Agreement.

COORDINATION

This report has been coordinated with the Finance Department and the City Attorney's Office.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall Council Chambers. A complete agenda packet is available on the City's website and in the City Clerk's Office at least 72 hours prior to a Regular Meeting and 24 hours prior to a Special Meeting. A hard copy of any agenda report may be requested by contacting the City Clerk's Office at (408) 615-2220, email clerk@santaclaraca.gov <<mailto:clerk@santaclaraca.gov>> or at the public information desk at any City of Santa Clara public library.

RECOMMENDATION

Approve and authorize the City Manager to execute Amendment No. 3 to the Agreement with Hulberg and Associates, Inc., DBA Valbridge Property Advisors to increase compensation by \$70,000 for a revised not to exceed compensation amount of \$169,000 for consulting services related to the CityPlace Santa Clara Development Project.

Reviewed by: Ruth Shikada, Assistant City Manager

Approved by: Deanna J. Santana, City Manager

ATTACHMENTS

1. Amendment No. 3 to Agreement with Hulberg and Associates, Inc., DBA Valbridge Property Advisors