

REPORT FROM

## OFFICE OF THE CITY ADMINISTRATIVE OFFICER

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Date: November 22, 2016

CAO File No. 13-0725-S1  
Council File No. 0220-00540-1215  
Council District: Citywide

To: The Mayor  
The Council

From: Miguel A. Santana, City Administrative Officer



Reference: Housing and Community Investment Department transmittal dated October 20, 2016; Received by the City Administrative Officer October 25, 2016

Subject: **REQUEST FOR AUTHORITY TO EXECUTE A SECOND AMENDMENT WITH INTUITIVE REAL ESTATE SOLUTIONS, LLC FOR PROPERTY MANAGEMENT SERVICES**

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### RECOMMENDATION

That the Council, subject to the approval of the Mayor, adopt the recommendations of the Housing and Community Investment Department (HCID) transmittal dated October 20, 2016 with the addition that the approval of the Second Amendment with Intuitive Real Estate Solutions, LLC, be subject to the review and approval of the City Attorney as to form and compliance with the City's contracting requirements.

### SUMMARY

The Housing and Community Investment Department (HCID) requests authority to execute a second amendment to Contract C-125338 with Intuitive Real Estate Solutions, LLC (IRES) to provide property management services for properties owned by HCID. The initial contract was approved December 16, 2014 and carried a one-year term beginning January 1, 2015 with two one-year renewal options and a compensation amount not to exceed \$130,000. The First Amendment, extending the contract term by one year from January 1, 2016 through December 31, 2016, was authorized by the Mayor through Executive Directive 3 on December 4, 2015. The proposed Second Amendment would extend the contract term by an additional year from January 1, 2017 through December 31, 2017 and increase the compensation by \$190,000 for a new total contract funding amount not to exceed \$320,000. This Office concurs with the recommendations of the Department.

The Personnel Department made a Charter Section 1022 Determination that the requested services could be performed more feasibly by contractors than by City employees because the work exceeds staffing availability. In September 2014, this Office found that contracting for these services is more feasible than hiring City staff because real estate brokerage work is of an intermittent nature.

## **FISCAL IMPACT STATEMENT**

There is no impact to the General Fund. The recommendation of this report complies with City Financial Policies in that the requested actions are fully funded by appropriations from the Systematic Code Enforcement and Rent Stabilization trust funds.

*MAS:NSC:2170075C*