

REPORT FROM

## OFFICE OF THE CITY ADMINISTRATIVE OFFICER

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Date: June 24, 2013

CAO File No. 0150-10010-0000

Council File No. 13-0725, 12-0194

Council District: Various

To: The Council  
The Mayor

From: Miguel A. Santana, City Administrative Officer *MS*

Reference: Transmittal from the Los Angeles Housing Department dated June 6, 2013;  
received by the City Administrative Officer on June 10, 2013

Subject: **REQUEST FOR AUTHORITY TO EXECUTE A FOURTH AMENDMENT WITH REALTY ADVANTAGE INC. DBA ALTERA REAL ESTATE AND TO RELEASE A REQUEST FOR PROPOSALS FOR REAL ESTATE BROKER SERVICES**

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### SUMMARY

The Los Angeles Housing Department (LAHD) requests authority to execute the Fourth Amendment to Contract No. 117625 with Realty Advantage Inc., dba Altera Real Estate Mel Wilson & Associates to market, negotiate and sell selected properties of LAHD's Real Estate Owned (REO) portfolio. The existing contract is due to expire on June 30, 2013. The proposed Amendment would extend the contract for six months from July 1, 2013 through December 31, 2013. The total length of the contract would then be 48 months. The history of the contract is included in the table below.

<u>Contract History</u>	<u>Dates</u>
Original Contract	January 1, 2010 through September 30, 2010
First Amendment	November 1, 2010 through December 31, 2011
Second Amendment	January 1, 2012 through December 31, 2012
Third Amendment	January 1, 2013 through June 30, 2013
Proposed Fourth Amendment	July 1, 2013 through December 31, 2013

Altera Real Estate has active listing agreements to sell four LAHD REO properties. No additional funding is requested as the contractor is compensated based on the commission related to the sale of properties.

In April 2012, the Mayor and Council authorized LAHD to release a Request for Proposals (RFP) for housing-related technical services, including real estate broker services (C.F. 12-0194). The Department posted the RFP on the Los Angeles Business Assistance Virtual Network and the Downtown News and sent a mass e-mail distribution to interested parties. The LAHD did not receive any bids for real estate broker services; therefore, the Department requests authority to re-release the RFP using additional tools to conduct more outreach and marketing to attract bidders. It is anticipated that the selected contractor would start on January 1, 2014.

## RECOMMENDATIONS

That the Council, subject to the approval of the Mayor, authorize the General Manager, Los Angeles Housing Department (LAHD), or designee:

1. To negotiate and execute the Fourth Amendment to Contract No. 117625 with Realty Advantage Inc., dba Altera Real Estate Mel Wilson & Associates to extend the term for an additional six months from July 1, 2013 through December 31, 2013 for a total term of 48 months with no additional funding to be added to the contract, subject to the review and approval of the City Attorney as to form and compliance with the City's contracting requirements; and,
2. To issue a Request for Proposals (RFP) for real estate broker services substantially in the form previously approved by Council (C.F. 12-0194), subject to the review and approval of the City Attorney as to form and legality, and report back to the Mayor and Council with the RFP results, recommendation for contractor selection, how the contractor will be funded, Charter Section 1022 determination, and any necessary Controller instructions.

## FICAL IMPACT STATEMENT

There is no impact to the General Fund. No additional funds are requested as a result of the recommendations in this report.

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