

REPORT FROM

## OFFICE OF THE CITY ADMINISTRATIVE OFFICER

---


Date: October 27, 2015

CAO File No. 0150-09602-0003

Council File No. 15-0600-S267

Council District: Citywide

To: The Mayor  
The Council

From: Miguel A. Santana, City Administrative Officer 

Reference: Housing and Community Investment Department Transmittal dated June 29, 2015; Received by the City Administrative Officer on July 1, 2015; Additional Information received on October 20, 2015

Subject: **REQUEST FOR AUTHORITY TO EXECUTE A FOURTH AMENDMENT WITH CORELOGIC INFORMATION SOLUTIONS, LLC FOR THE PROVISION OF HISTORICAL AND CUSTOM REAL ESTATE DATA SERVICES**

---

### SUMMARY

The Housing and Community Investment Department (HCID), in its transmittal dated June 29, 2015, requests authority from the Office of the Mayor to execute a Fourth Amendment to Contract No. C-121021 with Corelogic Information Solutions LLC (Corelogic) for the continued provision of historical and custom real estate data services including but not limited to ownership change reports, notice of default reports, spatial update services, and annual bill data. The HCID requests to increase compensation in an amount of \$125,000 for the purpose of paying for past due invoices up until August 31, 2015. Subsequently, the Department sent this Office a revised transmittal dated Jun 29, 2015, requesting authority to extend the contract term by four months, from August 31, 2015, through December 31, 2015, and to increase compensation by an additional \$109,122, for a revised contract increase of \$234,122. The revised HCID transmittal and draft Fourth Amendment are attached to this report as Attachment. If approved, the total contract amount will increase from \$390,000 to \$624,122. This Office concurs with HCID's requests for authority to execute the proposed Fourth Amendment to the contract with Corelogic.

### BACKGROUND

Corelogic has been providing historical and custom real estate data services to HCID since 2008. The services are used extensively department-wide by various sections including Administration, Compliance, Hearings, Billing and Collections, Code, Asset Management and the Foreclosure Registry program. For successful implementation of the various housing programs, HCID requires accurate, current and comprehensive information about City properties on a daily basis.

The need for increased compensation and additional time is related to the Department's administration of the Foreclosure Registry Ordinance (Ordinance). The Ordinance was recently modified to remove the requirement to register with Mortgage Electronic Registration Systems, Inc. (MERS) after it was discovered that MERS would not be able to provide the necessary information to HCID. As a result of the revised Ordinance, Notice of Default (NOD) data for all City properties is needed to investigate property foreclosure status. Further analysis is required to investigate all real property transactions wherein a NOD was filed to validate any claim that HCID may have regarding a responsible party's failure to register as per the Ordinance. These analyses require real property searches to determine if a Notice of Recession, Loan Modification, or any other relevant real property document affects the requirement of the responsible party to register with the Foreclosure Registry Unit. The Ordinance registration requirement analyses can only be performed by reviewing all property transactions and documents recorded against the property. Therefore, HCID has determined it is necessary to amend the Contract by extending the term and adding additional funds.

The HCID's original contract with Corelogic was executed for a one-year term from September 1, 2012 through August 31, 2013, with initial funds of \$80,000 and an option to extend with two one-year renewal options. On February 12, 2013, the First Amendment was approved to expand the scope of services but left the term and amount unchanged. On October 10, 2013, the Second Amendment was approved to increase compensation by \$90,000 and extend the length of the contract by one year through August 31, 2014. On May 27, 2014, the Third Amendment was approved to increase compensation by \$220,000 and extend the length of the contract by 12 months through August 31, 2015. Currently, the total contract compensation is \$390,000 and the total contract term is 36 months (September 1, 2012 through August 31, 2015).

## FUNDING

If the Fourth Amendment is approved, the total contract amount will increase by \$234,122, from \$390,000 to \$624,122. The funding sources for the additional \$234,122 are as follows:

Fund Name	Amount
Foreclosure Registry Fund No. 56V	\$ 50,000
Rent Stabilization Trust Fund No. 440	43,750
Systematic Code Enforcement Trust Fund No. 41M	31,250
Contractual Services Fund No. 3040	109,122
<b>Total</b>	<b>\$ 234,122</b>

A copy of the draft amendment was included in the original transmittal, which was forwarded to the City Attorney for concurrent review and approval as to form and compliance with the City's contracting requirements.

**RECOMMENDATIONS**

That the Council, subject to the approval of the Mayor:

1. Authorize the General Manager of the Housing and Community Investment Department (HCID), or designee, to:
  - a. Negotiate and execute a Fourth Amendment to Contract No. C-121021 between the City and Corelogic Information Solutions, LLC for the continued provision of historical and custom real estate data solutions, per the Attachment to this report, to extend the term by four months, from August 31, 2015 through December 31, 2015, for a revised total term of 40 months, and to increase compensation by \$234,122, for a revised total contract amount of \$624,122, subject to the review of the City Attorney as to form and compliance with the City's contracting requirements (The increased amount is used to fund services incurred in Fiscal Year 2014-15 and 2015-16);
  - b. Prepare City Controller instructions and enabling language and make any necessary technical adjustments and corrections consistent with the Mayor and the City Council action on this matter, subject to the approval of the City Administrative Officer, and authorize the City Controller to implement these instructions;
2. Authorize the City Controller to:
  - a. Transfer appropriations as follows:

	<b>Fund</b>	<b>Account</b>	<b>Title</b>	<b>Amount</b>
From:	440	43M412	Service Delivery	\$ 43,750
To:	440	43M143	Housing	43,750
From:	41M	43M412	Service Delivery	\$ 31,250
To:	41M	43M143	Housing	31,250
From:	56V	43M412	Service Delivery	\$ 50,000
To:	56V	43M143	Housing	50,000

- b. Increase appropriations in the amount of \$125,000 for Budget Fiscal Year 2015-16 within Fund 100/43 Account No. 003040 Contractual Services to increase the total 3040 budget for online property information services to \$234,122;
- c. Expend funds from Fund/Accounts 440/43M143, 41M/43M143 and 56V/43M143, in the amount per item 2a), upon proper written demand of the General Manager of HCID; and,

- d. Expend funds as specified in 2b) from Fund/Department 100/43, upon proper written demand of the General Manager of HCID.

### **FISCAL IMPACT STATEMENT**

There is no impact to the General Fund. Funding for the proposed contract amendment will be provided by the Foreclosure Registry Fund No. 56V (\$50,000), Rent Stabilization Trust Fund No. 440 (\$43,750) and Systematic Code Enforcement Trust Fund No. 41M (\$31,250) as well as adopted budget funds for online property information services in Fiscal Year 2014-15 within the Contractual Services Fund No. 3040 (\$109,122). The recommendations in this report comply with the City's Financial Policies in that the appropriations are from special and budgeted funds.

Attachment – HCID revised transmittal and Fourth Amendment

*MAS:BA:02160021C*