

**TRANSMITTAL**

To:  
**THE COUNCIL**

Date: **DEC 03 2015**

From:  
**THE MAYOR**

**TRANSMITTED FOR YOUR CONSIDERATION. PLEASE SEE ATTACHED.**



Ana Guerrero

**ERIC GARCETTI**  
Mayor



Eric Garcetti, Mayor  
Ruthiro D. Cervantes, General Manager

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December 2, 2015

Council File: New  
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Honorable Eric Garcetti  
Mayor, City of Los Angeles  
200 North Spring Street, Room 303  
Los Angeles, CA 90012

Attention: Mandy Morales, Legislative Coordinator

**COUNCIL TRANSMITTAL: REQUEST FOR APPROVAL TO NEGOTIATE AND EXECUTE A CONTRACT WITH CORELOGIC INFORMATION SOLUTIONS, LLC, SELECTED THROUGH A REQUEST FOR PROPOSALS (RFP) FOR REAL ESTATE INFORMATION SERVICES DATED MARCH 16, 2015**

**SUMMARY**

The Los Angeles Housing and Community Investment Department (HCIDLA) administers various programs and services requiring the use of history and records of property ownership, parcel profiles and other related services, generally known as real estate information services. HCIDLA released a Request for Proposals (RFP) on March 16, 2015 to accept proposals from qualified contractors to provide the required service.

Three proposals were received. HCIDLA has completed a thorough review, scoring and ranking of the proposals and recommends the selection of the highest ranked proposer, Corelogic Information Solutions, LLC (Corelogic), as the contractor to provide the real estate information services.

HCIDLA hereby requests authority to award and execute a contract with Corelogic to commence on or about January 1, 2016 for a six-month period from the contract execution date, with an option to extend for two additional periods for up to one year each, subject to contractor performance, available funding and department needs. As per the RFP dated March 16, 2015, the projected annual cost of the real estate information services is \$312,000. However, the department is extending the existing contract with Corelogic (C-121021) to add \$125,000 to cover unpaid bills to the end of the original contract term (August 31, 2015) plus \$109,122 from HCIDLA's adopted budget for fiscal year 2015-2016 for property information services in the 3040 account, and extend the term to December 31, 2015. As a result of the amendment, needed funding for the new contract will be reduced to \$156,000 for a six-month term to end June 30, 2016 (to align the contract with the City fiscal year). The amount of \$156,000 will be expended from several funding sources including but not limited to the Rent Stabilization Trust Fund, the Code Enforcement Trust Fund and the Foreclosure Registry Fund with no impact to the General Fund. The funding percentage splits are based on department historical usage.

The contract is subject to the review and approval of the City Attorney as to form.

**RECOMMENDATIONS**

The General Manager of the Los Angeles Housing and Community Investment Department (HCIDLA) respectfully requests that:

- I. Your office schedule this transmittal at the next available meeting(s) of the appropriate City Council committee(s) and forward it to City Council for review and approval immediately thereafter;
- II. The City Council, subject to the approval of the Mayor, take the following actions:
  - 1. AUTHORIZE the General Manager of HCIDLA, or designee, to execute a contract with Corelogic Information Solutions, LLC, for a six-month period to commence on or about January 1, 2016 and end on June 31, 2016, with an option to extend for two additional periods for up to one year each, subject to the approval of the City Attorney as to form;
  - 2. AUTHORIZE the City Controller to:
    - a. Transfer appropriation as follows:

	Fund	Account	Title	Amount
From:	440	43M411	Unallocated	\$54,600
To:	440	43M143	Housing	54,600
From:	41M	43M412	Service Delivery	\$39,000
To:	41M	43M143	Housing	39,000
From:	56V	43M411	Unallocated	\$62,400
To:	56V	43M143	Housing	62,400

- b. Increase appropriations in the amount of \$156,000 for Budget Fiscal Year 2015-16 within Fund100/43 Account No. 003040 Contractual Services.
      - c. Expend funds from Fund/Accounts 440/43M143, 41M/43M143, and 56V/43M143 in the amount per items 2a upon proper written demand of the General Manager of HCIDLA.
      - d. Expend funds as specified in 2b from Fund/Department 100/43 upon proper written demand of the General Manager of HCIDLA.
- 3. Authorize the General Manager, HCIDLA, or designee to prepare Controller’s instructions and make necessary technical adjustments consistent with the Mayor and Council actions on this matter, subject to the approval of the City Administrative Officer (CAO) and request the Controller to implement these instructions.

**BACKGROUND**

HCIDLA requires the use of real estate reports and services that provide general, historical and custom information for every property located in Los Angeles. The services are utilized extensively department-wide by various sections including Compliance, Hearings, Billing and Collections, Code and the Foreclosure Registry unit. These sections and programs rely on accurate, up-to-date and comprehensive information about the properties on a daily basis to implement HCIDLA programs and services.

In the past, the extent of real estate data acquisition has been limited to Land Use Planning and Management System (LUPAMS) through the City’s Bureau of Engineering and the occasional purchase of data from external sources such as Lexis-Nexis, Corelogic, Dataquick, using the Authority for Expenditure (AFE) system. Reliance on LUPAMS, however, has been ineffective and detrimental to HCIDLA’s Billing and Collections operations due to its outdated and inaccurate information. Records of sales and of ownership must be accurate, comprehensive

and up-to-date to enable the department's staff from the inspectors to the billers to properly relay information to property owners and vice-versa. Some of the data produced and accessed through LUPAMS are months old.

Currently, the Department is ending the final year of a three-year contract cycle with Corelogic. The department is proceeding to amend the current contract (C-121021) to take the contract end date to December 30, 2015 to allow sufficient time for the new contract to be approved and executed.

### **REQUEST FOR PROPOSALS (RFP) PROCESS**

On March 16, 2015, HCIDLA released and processed an RFP for a period of six weeks to solicit proposals from qualified organizations/firms to provide Real Estate Information services. The RFP was advertised through a local newspaper, various organizations that serve the minority communities and the City's Business Assistance Virtual Network (BAVN) website. Announcements through the BAVN were delivered to registered organizations that could potentially qualify and compete for the RFP. Proposals were accepted from potential contractors that:

- 1) Have at least 12 consecutive months of direct and/or related experience in the delivery of similar services for which they are requesting consideration through this RFP.
- 2) Are qualified to conduct business in the State of California and in good standing with any regulatory oversight agencies.
- 3) If a corporation or limited liability company, the proposer must be in good standing with the Secretary of State.
- 4) Have not been determined to be non-responsible or been debarred by the City pursuant to the Contractor Responsibility Ordinance.
- 5) Have not been debarred by the federal government, State of California or local government.
- 6) If the proposer has previously contracted with the State of California or the City of Los Angeles, it must not have an outstanding debt, which has not been repaid or for which a repayment agreement plan has not been implemented. If it has contracted with HCIDLA, it must not have an outstanding disallowed cost or other liability to the City.

The RFP released solicited bids for the following subject areas:

Unlimited user licenses to obtain real estate reports for specified City of Los Angeles properties and the ability to provide the following:

#### **Category 1 - Online Real Estate and Property Ownership Reports**

- The ability to manage (add, modify, and remove) user accounts and licenses to access online real estate reports for specified City of Los Angeles properties.
- The ability for users to use, print, download, and email all materials available online in addition to all services provided in accordance with the terms and conditions of the parties' Agreement.

#### **Category 2 – Large Real Estate and Ownership Data Set**

- Full match and append on the data file of APN records of current owner name, full mailing addresses and recording dates on pre-determined dates or specified frequencies to ensure accuracy in mailing addresses
- Historical data and records of ownership information, change of ownerships, corresponding situs addresses, mailing addresses, APNs within the City of Los Angeles
- Requested Output Format – Tab delimited ASCII text file with columns matching the order and data type specified in the Output Record Layouts list.
- Output Record Layouts – Type must conform to the specified TSQL data type

#### **Category 3 – Data File of Foreclosure Actions**

- Contractor will provide on a weekly basis a data file that defines all foreclosure actions that occurred on any property in the City of Los Angeles. This will include all foreclosure actions, including but not limited to the Notice of Default (NOD), Notice of Trustee's Sale (NOTS), Real Estate Owned (REO), and rescission.

- The fields in this file will include APN, recording date, recorder's document number, sale date and price (when applicable), owner name, owner occupied flag, owner phone number and mailing address, site address, last sale recorders document number, vesting code, et al vesting code, owner rights vesting code, foreclosure document type, foreclosure stage, foreclosure filing date, original recording date, original recorders document number, original mortgage amount, flag to indicate buyer as lender, borrower / defendant 1, 2, 3 and 4, plaintiff 1 and 2, REO sale date, REO sale price, trustee info (name, phone, address, sale order number, sale order extension), lis pendens type, attorney name, case number, auction info (date, time, address), judgment amount, default mortgage amount, default mortgage recording date, default mortgage document number, default amount, default date, first missed payment date, lender info (name, phone, address, title company name), default owner vesting, default et al vesting, default owner rights vesting, originating lender of foreclosure.
- The file format, file name, field order and types will be defined by the City and may be changed by the City.
- All files will be made available on a File Transfer Protocol (FTP) site for download and kept on the site for a minimum of two months after the date file was generated. The FTP site will support standard FTP protocol and use the standard FTP port of 21. The FTP site will be hosted or otherwise provided for by the contractor.
- No changes will be made to the configuration of the delivery FTP site without minimum of three months prior notice to the City, this includes but is not limited to changes to Internet Protocol (IP) address, Domain Name System (DNS) name, user login name, user password.
- Contractor will be required to provide system administrative support staff and work with City staff to troubleshoot and resolve any problems that are encountered by the City in connecting to or accessing the files on the FTP site. Such contractor staff must have the capability to understand and modify configuration of the FTP server as needed to resolve such issues.
- At the City's request some or all files will also be sent via email to an email address designated by the City. This is in addition to the files being made available on the aforementioned FTP site. If any data file, after being compressed, exceeds the size limits of the sender or receiver's email system then the contractor is not obligated to send that file via email.

The reports are known as Property Profile/Reports, Custom Reports, Street Map Search, Comparable Sales, Parcel Maps/(Assessor Maps), Street Maps Plus, Neighborhood Information Report, Voluntary Lien Reports and Supplemental Geography/Report Purchases. Additional reports such as the Supplemental Geography/Report Purchases, full transaction history, L&V and Foreclosure Reports are also required to provide users the necessary information for review and filing in case reports. The successful bidder would also provide 24/7 technical support and on-site or off-site training as needed.

The proposed new contract will enable HCIDLA to access real estate data reports necessary to continue services and programs department-wide, particularly in the Foreclosure Registry, Billing, Code Enforcement and Rent Stabilization units.

## **PROPOSAL EVALUATION**

Three proposals were received in response to the RFP. During preliminary review, only two of the three proposals received were deemed responsive for further evaluation. One appeal letter was received from Mr. Reza Fatahi and was presented to an appeals panel for consideration. The appellant was given five minutes to make an oral presentation, followed by the Department's response to the appeal and a discussion by the panel members. At the conclusion of the hearing, the panel upheld the original staff determination that the entity was deemed non-responsive.

HCIDLA formed a review team consisting of three HCIDLA staff, which conducted a thorough review of the two proposals that passed the threshold review. The panelists who evaluated the proposals were selected to reflect

different perspectives and expertise. Each proposal was evaluated on its own merit for content, responsiveness, clarity, relevance, cost and strict adherence to the instructions in the RFP.

The criteria for evaluating proposals included the following:

<b>Evaluation Criteria</b>	<b>Points</b>
<u>Demonstrated Effectiveness</u> Quality and depth of the proposer's experience as it relates to the respective service category.	20
<u>Organization Capacity</u> The ability of the proposer to provide the scope of services for the respective service category within the City's requested time frames.	20
<u>Proposer's Plan</u> The adequacy of the proposer's description of how it intends to provide the required services.	25
<u>Cost</u> The rates charged for the scope of services in the respective service category, including an assessment of the feasibility of providing the services within the proposed cost.	35
<b>Total Points</b>	<b>100</b>

The table below shows the final average scores awarded each proposer. The qualifying score to be eligible for a contract is 70 points and higher.

<b>Proposer</b>	<b>Score (100 points maximum)</b>
Corelogic Information Solutions, LLC	93
First American Data Tree	58

The review team selected Corelogic, the highest ranked proposer, to contract with the City to provide the real estate information services, subject to the approval of the Mayor and City Council. The other proposer has been informed in writing that their proposal was not selected. No letter of appeal was received in response to the final scoring of proposals.

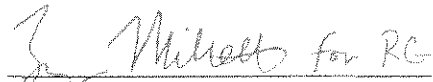
#### **CHARTER SECTION 1022 DETERMINATION**

The Personnel Department issued a Contract Review Report on April 6, 2015 indicating that the City does have the classifications that can perform the tasks associated with the project scope of work. HCIDLA subsequently conducted the necessary departmental outreach to determine whether there are existing City staff available to do the proposed work. Outreach results showed that there is insufficient City staff to perform the proposed work.

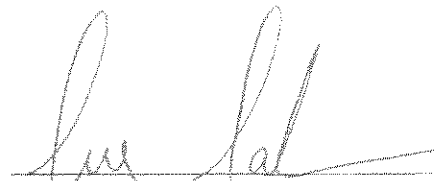
#### **FISCAL IMPACT**

There is no impact to the General Fund. Funding for the contracts will be provided by the Rent Stabilization Trust Fund, the Code Enforcement Trust Fund and the Foreclosure Registry Trust Fund.

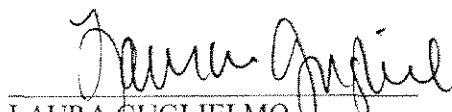
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