



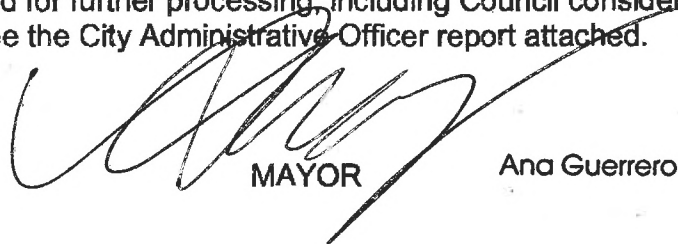
0150-09859-0001

**TRANSMITTAL**

TO Justin Erbacci, Interim Chief Executive Director Department of Airports	DATE JAN 22 2020	COUNCIL FILE NO.
FROM The Mayor	COUNCIL DISTRICT 6 and 11	

**Proposed First Amendment to Contract DA-5149 with Jones Lang LaSalle Brokerage, Inc.  
To Extend the Term for On-Call Professional Services for the  
Commercial Development Group at Los Angeles International Airport**

Transmitted for further processing, including Council consideration.  
See the City Administrative Officer report attached.

  
MAYOR Ana Guerrero

RHL:AVM:10200070t

REPORT FROM

## OFFICE OF THE CITY ADMINISTRATIVE OFFICER

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Date: January 13, 2020

CAO File No. 0150-09859-0001

Council File No.

Council District: 6 and 11

To: The Mayor

From: Richard H. Llewellyn, Jr., City Administrative Officer

Reference: Communication from Los Angeles World Airports dated December 16, 2019; referred by the Mayor for a report on December 16, 2019

Subject: **PROPOSED FIRST AMENDMENT TO CONTRACT DA-5149 WITH JONES LANG LASALLE BROKERAGE, INC. TO EXTEND THE TERM FOR ON-CALL PROFESSIONAL SERVICES FOR THE COMMERCIAL DEVELOPMENT GROUP AT LOS ANGELES WORLD AIRPORTS**

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### RECOMMENDATIONS

That the Mayor:

1. Approve a First Amendment (Amendment) to Contract DA-5249 with Jones Lang LaSalle Brokerage, Inc., to extend the term an additional year to December 31, 2021, without changing the approximate budget of an amount not-to-exceed \$2,500,000, to continue providing on-call professional services for the Commercial Development Group at Los Angeles World Airports, subject to City Attorney approval as to form and compliance with the City's Standard Provisions of the: Affirmative Action Program, Bidder Contributions CEC (City Ethics Commission) Form 55, Business Tax Registration Certificate, Child Support Obligations Ordinance, Contractor Responsibility Program Questionnaire and Pledge of Compliance, First Source Hiring Program, and Living Wage Ordinance;
2. Authorize the Chief Executive Officer to execute the proposed Amendment, upon approval by the Los Angeles City Council and, prior to execution of the Amendment, (1) having approved City insurance documents in the terms and amounts required on file with the Los Angeles World Airports; and, (2) being determined by the Public Works, Office of Contract Compliance to be in compliance with the provisions of the Equal Benefits Ordinance; and,
3. Return the request to the Los Angeles World Airports for further processing, including Council consideration.

## SUMMARY

"On-Call contracts are an asset that allows staff to access firms with specific experience and knowledge for limited scope and time frames projects", according to Los Angeles World Airports (LAWA, Department). Through the Department's competitive bid process, a Request for Proposals (RFP) was released in July 2016 to solicit written proposals from qualified firms able to assist LAWA staff on a variety of projects with limited scope. In general, some projects which would require expertise for a limited scope of time in the future were listed as: tenant relocations, LAWA and Boardroom relocations, market valuation for strategic properties, airlines locations with terminal development, and other limited scope projects. Of the seven proposals received by the deadline, September 1, 2016, Jones Lang LaSalle Brokerage, Inc. (JLL) was one of two firms recommended by the evaluation team to be awarded an On-Call Professional Services contract. On November 3, 2016, the Board of Airport Commissioners (BOAC) approved a contract with JLL for one year, and with two one-year extensions, for a cumulative maximum payment of \$2,685,000. The Department and JLL were parties to a previous three year contract which the BOAC awarded in July 2013.

The three-year, Contract DA-5149 (Contract) term with JLL commenced January 1, 2017, on the notice to proceed. LAWA staff reports the team assembled by JLL is capable and efficient. The JLL team has necessary available resources, has demonstrated an understanding of the Department's needs, and provided well thought out, viable approaches to the scope of work tasks. Department staff explains the JLL team has assisted LAWA employees with two projects: the Northside Development Request for Qualifications / Request for Proposals (RFPs), and the Consolidated Receiving and Distribution Center. In addition, the JLL team supported Department staff work on land rate re-evaluation studies, cargo analysis, land acquisitions and appraisals. Because the two aforementioned projects have undergone significant revisions in scope of work, the RFPs have been delayed. Consequently, the projects will continue past the JLL Contract expiration date.

To ensure work consistency with these projects, approval of the proposed First Amendment will extend the Contract term by an additional year. Although a maximum of \$2,685,000 originally was approved for this Contract, based upon the anticipated JLL services for the projects and other tasks, a total of \$2,415,000 was budgeted for the three-year Contract term. Department staff notes expenditures to date total \$836,841. No additional funds are requested in the proposed First Amendment as there is a balance of \$1,578,159 unspent of the funds budgeted for the projects and other tasks. Staff has confirmed the maximum amount originally approved for the JLL Contract remains available throughout the proposed term extension.

The Department's Procurement Services staff reviewed the proposed actions (File No. 7842) and established a mandatory 10 percent Small Business Enterprise (SBE) participation goal for the project. To date, JLL contractor committed to 10 percent SBE participation and achieved 59 percent level to date.

The BOAC approved the proposed First Amendment at its meeting on December 19, 2019.

## **FISCAL IMPACT STATEMENT**

Commencement of eminent domain proceedings for portions of the property at 5928 West 96<sup>th</sup> Street, Los Angeles, in the area of the Los Angeles International Airport and adoption of an Ordinance approving a Resolution of Necessity that was approved by the Board of Airport Commissioners at its meeting of December 19 2019, will have no impact on the City's General Fund or the Los Angeles World Airports' operating budget. The appraised fair market value for the proposed portions of the property is \$5,000 and will be funded through the LAX Revenue Fund to be reimbursed with Passenger Facility Charges, subject to eligibility. The proposed acquisition of properties complies with the Department of Airports' Financial Policies.

*RHL:AVM:10200073*

**Attachments**



Los Angeles  
World Airports

December 16, 2019

The Honorable Eric Garcetti  
Mayor, City of Los Angeles  
City Hall – Room 303  
Los Angeles, CA 90012

LAX

Van Nuy

City of Los Angeles

Eric Garcetti  
Mayor

Board of Airport  
Commissioners

Sean O. Burton  
President

Valeria C. Velasco  
Vice President

Gabriel L. Eshaghian  
Beatrice C. Hsu  
Nicholas P. Roxborough  
Dr. Cynthia A. Telles  
Karim Webb

Deborah Flint  
Chief Executive Officer

ATTN: Heleen Ramirez  
Legislative Coordinator

RE: Contract Extension to Jones Lang LaSalle Brokerage, Inc.

In accordance with Executive Directive No. 4, we are transmitting a copy of the specified board report for the approval of a One-Year Contract Extension to Jones Lang LaSalle Brokerage, Inc. to provide on-call professional services for the Commercial Development Group on various projects.

City Council approval is required pursuant to Section 373 of the Los Angeles City Charter.

Sincerely,

Deborah Flint  
Chief Executive Officer

DF:MSA:GS

Attachments





Los Angeles World Airports

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# REPORT TO THE

# BOARD OF AIRPORT COMMISSIONERS

*Denise Sample*

Approved by: Denise Sample, Managing Director

*Jeffrey Utterback*  
Reviewed by: Jeffrey Utterback, Deputy Executive Director,  
Commercial Development Group

*Deborah Flint*  
City Attorney

Deborah Flint – Chief Executive Officer

Meeting Date:

12/19/2019

CAO Review:

- Completed
- Pending
- N/A

Reviewed for	Date	Approval Status	By
Finance	12/5/2019	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> NA	CI
CEQA	11/21/2019	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N	PI
Procurement	12/2/2019	<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> Cond	QM
Guest Experience	12/3/2019	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N	BY
Strategic Planning	11/22/2019	<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> NA	KV

## **SUBJECT: Approval of a One-Year Contract Extension to Jones Lang LaSalle Brokerage, Inc.**

Approve the First Amendment to Contract DA-5149 with Jones Lang LaSalle Brokerage, Inc. for a one-year term extension to continue to provide on-call professional services for the Commercial Development Group on various projects. The not to exceed amount previously approved by the Board of Airport Commissioners of \$2.5 million over the term will not change.

### **RECOMMENDATIONS:**

Management RECOMMENDS that the Board of Airport Commissioners:

1. ADOPT the Staff Report.
2. DETERMINE that this action is administratively exempt from the California Environmental Quality Act (CEQA) pursuant to Article II, Section 2.f of the Los Angeles City CEQA Guidelines.
3. FIND that the work can be performed more economically or feasibly by an independent contractor than by City employees.
4. APPROVE the First Amendment to Contract DA-5149 with Jones Lang LaSalle Brokerage, Inc. for a one-year term extension.

5. AUTHORIZE the Chief Executive Officer to execute said First Amendment after approval as to form by the City Attorney and approval by the Los Angeles City Council.

### **DISCUSSION:**

#### **1. Purpose**

To provide continuity of on-call professional services for projects currently underway which will exceed the term of the original contract.

#### **2. Prior Related Actions**

- November 3, 2016 - Board Resolution 26096  
The Board of Airport Commissioners (Board) approved a contract for one-year with two one-year extensions with Jones Lang LaSalle Brokerage, Inc. (JLL) (DA-5149) for On-Call Professional Services for the Commercial Development Group.

#### **3. Current Action**

On-Call contracts are an invaluable asset that allow staff to quickly respond to unexpected needs and/or studies through qualified firms. JLL is a national brokerage real estate consulting firm that assembled a capable, efficient team with available resources and demonstrated a good understanding of LAWA's needs, exhibited by their well thought out, viable work approach.

The current JLL contract includes a scope of work designed to address unanticipated and time-sensitive needs. JLL is currently working with staff on the Northside Development Request for Proposals, consolidated facilities related projects and long-term valuation strategies. Due to unforeseen circumstances, these projects will continue past the term of the current JLL contract. Staff is working on a new RFP for on-call services but to maintain consistency in work product the one-year extension of this contract is requested. The extension will have a termination clause upon completion of the current projects or upon award of a new on-call contract whichever comes first.

#### ***Action Requested***

Staff requests the Board approve the First Amendment to Contract DA-5149 with JLL for a one-year term extension due to the expertise of their team and available resources.

#### ***Fiscal Impact***

There is no additional Fiscal Impact as the budget for this contract was approved as part of the FY 2019/20 CDG On-Call Budget

#### **4. Alternatives Considered**

- ***Take No Action***  
Taking no action is not recommended due to the expertise that JLL brings to the current projects they are involved in.



### **APPROPRIATIONS:**

Funds for this item are included in LAX Cost Center 1240002 – Commercial Development DED, Commitment ID 520 – Contractual Services. Funds for subsequent fiscal years will be requested as part of the annual budget process.

### **STANDARD PROVISIONS:**

1. This item, as a continuing administrative, maintenance and personnel-related activity, is administratively exempt from California Environmental Quality Act (CEQA) requirements pursuant to Article II, Section 2.f of the Los Angeles City CEQA Guidelines.
2. This proposed document(s) is/are subject to approval as to form by the City Attorney.
3. Actions taken on this item by the Board of Airport Commissioners will become final pursuant to the provisions of Los Angeles City Charter Section 373.
4. Jones Lang LaSalle Brokerage, Inc. will comply with the provisions of the Living Wage Ordinances.
5. Procurement Services reviewed File No. 7842 and established a 10% mandatory Small Business Enterprise (SBE) goal for the project. Jones Lang LaSalle Brokerage, Inc. committed to 10% SBE participation and has achieved 59.03% to date.
6. Jones Lang LaSalle Brokerage, Inc. will comply with the provisions of the Affirmative Action Program.
7. Jones Lang LaSalle Brokerage, Inc. has been assigned Business Tax Registration Certificate number 0000614602.
8. Jones Lang LaSalle Brokerage, Inc. will comply with the provisions of the Child Support Obligations Ordinance.
9. Jones Lang LaSalle Brokerage, Inc. must have approved insurance documents, in the terms and amounts required, on file with Los Angeles World Airports prior to execution of amendment.
10. Pursuant to Charter Section 1022, staff determined the work specified on the proposed contract can be performed more feasibly or economically by an Independent Contractor than by City employees.
11. Jones Lang LaSalle Brokerage, Inc. has submitted the Contractor Responsibility Program Questionnaire and Pledge of Compliance and will comply with the provisions of the Contractor Responsibility Program.
12. Jones Lang LaSalle Brokerage, Inc. must be determined by Public Works, Office of Contract Compliance to be in compliance with the provisions of the Equal Benefits Ordinance prior to execution of Contract Amendment.
13. Jones Lang LaSalle Brokerage, Inc. will be required to comply with the provisions of the First Source Hiring Program for all non-trade LAX Airport jobs.14.



14. Jones Lang LaSalle Brokerage, Inc. has submitted the Bidder Contributions CEC Form 55 and will comply with its provisions.

15. This action is not subject to the provisions of the Iran Contracting Act of 2010.

**FIRST AMENDMENT TO CONTRACT NO. DA-5149  
BETWEEN CITY OF LOS ANGELES DEPARTMENT OF AIRPORTS  
AND JONES LANG LASALLE BROKERAGE, INC.  
FOR ON-CALL PROFESSIONAL SERVICES  
[ALL LAWA AIRPORT / REAL PROPERTY HOLDINGS]**

THIS FIRST AMENDMENT TO THE CONTRACT (this "First Amendment") is made and entered into as of \_\_\_\_\_ (the "Amendment Effective Date") between the City of Los Angeles, acting by and through its Board of Airport Commissioners ("Board") of the Los Angeles World Airports ("LAWA"), a department of the City of Los Angeles (collectively, "City"), and JONES LANG LASALLE BROKERAGE, INC., a Texas corporation ("Contractor"). City and Contractor are each a "Party" to this First Amendment, and collectively are referred to herein as "Parties". Los Angeles International Airport, Van Nuys Airport and Palmdale are collectively referred to herein as "Airport".

**RECITALS**

The Parties hereby acknowledge and agree that their respective decisions to enter into this First Amendment are premised on the following recitals which set forth certain facts upon which the Parties agree:

A. City and Contractor entered into a Contract dated November 21, 2016 for on-call professional and expert real estate appraisal consulting services with respect to the Airport, which contract was designated as contract number DA-5149 (the "Contract"). Unless otherwise specified, all capitalized terms in this First Amendment shall have their meanings as set forth in the Contract.

B. The Contract was for a term of three (3) years commencing on the notice to proceed, which was issued on January 1, 2017.

C. The Parties have agreed to extend the term of the Contract under the terms and conditions of this First Amendment.

**AGREEMENT**

NOW, THEREFORE, in consideration of the promises and the mutual covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

**Section 1. Term of the Contract.** Article 1, Section 1.1 of the Contract is hereby deleted in its entirety and replaced with the following:

"1.1 The term of this Contract shall be for a period of four (4) years, commencing on City's issuance of a Notice to Proceed, and shall expire four (4) years thereafter, subject to earlier termination pursuant to the terms of this Contract or extended by an Amendment thereto.

Either party may terminate this Contract, with or without cause, upon giving the other party thirty (30) days advance written notice.”

**Section 2. Effect of This First Amendment.** Except as modified by this First Amendment, the Contract is hereby ratified and confirmed and all other terms of the Contract shall remain in full force and effect, unaltered and unchanged by this First Amendment. If there is any conflict between the provisions of this First Amendment and the provisions of the Contract, the provisions of this First Amendment shall prevail. Whether or not specifically amended by this First Amendment, all terms and provisions of the Contract are amended to the extent necessary to give effect to the purpose and intent of this First Amendment.

**Section 3. Integration; No Third Party Beneficiaries.** No provisions of the First Amendment may be further amended or added to except by a written agreement signed by the Parties or their respective successors-in-interest. Except as expressly provided for herein, this First Amendment is not intended to confer upon any person other than the Parties any rights or remedies hereunder.

**Section 4. Governing Law; Interpretation.** This First Amendment shall be governed by, and construed in accordance with, the laws of the State of California. The Contract and this First Amendment are subject to the provisions of the Los Angeles Administrative Code. Each Party represents and warrants that this First Amendment has been negotiated and drafted at arms length by equally sophisticated parties, and any ambiguity cannot be attributed to either Party hereto. If any provision of this First Amendment, or the application thereof to any persons or circumstances, shall be invalid or unenforceable, the remainder of this First Amendment shall not be affected thereby, and each provision of this First Amendment shall be valid and shall be enforceable to the fullest extent permitted by law.

**Section 5. Rights of United States Government; National Emergency.** The Contract and this First Amendment shall be subordinate to the provisions and requirements of any existing or future agreement(s) between City and the United States relative to the development, operation or maintenance of LAX, including but not limited to Airport Grant Assurances. Furthermore, the Contract and this First Amendment shall be subject to whatever right the United States Government now has or in the future may have or acquire affecting the control, operation, regulation, taking over, or use (whether exclusive or nonexclusive) of LAX during war or a national emergency.

**Section 6. Counterparts.** This First Amendment may be executed in any number of counterparts, each of which shall be deemed an original, but all of which when taken together shall constitute one and the same instrument. The signature page of any counterpart may be detached therefrom without impairing the legal effect of the signature(s) thereon provided such signature page is attached to any other counterpart identical thereto except having additional signature pages executed by other parties to this First Amendment attached thereto.

**SIGNATURE BLOCKS**

IN WITNESS WHEREOF, the parties hereto have themselves or through their duly authorized officers caused this Contract to be executed as of the day and year hereinbelow written.

**APPROVED AS TO FORM:**  
MICHAEL N. FEUER,  
City Attorney

**CITY OF LOS ANGELES**

Date: \_\_\_\_\_

By: \_\_\_\_\_  
Deputy/Assistant City Attorney

By \_\_\_\_\_  
Chief Executive Officer  
Department of Airports

**ATTEST:**

**JONES LANG LASALLE  
BROKERAGE, INC.**

By \_\_\_\_\_  
Secretary (Signature)

By \_\_\_\_\_  
Signature

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Print Name

[SEAL]

\_\_\_\_\_  
Print Title