

CITY OF SANTA ROSA
CITY COUNCIL

TO: MAYOR AND CITY COUNCIL
FROM: SUE GALLAGHER, CITY ATTORNEY
JILL SCOTT, REAL ESTATE MANAGER
TRANSPORTATION & PUBLIC WORKS
SUBJECT: FIRST AMENDMENT TO PROFESSIONAL SERVICES
AGREEMENT NUMBER F002259 WITH BEST BEST & KRIEGER
LLP FOR REAL ESTATE LEGAL SERVICES

AGENDA ACTION: RESOLUTION

RECOMMENDATION

It is recommended by the City Attorney and the Transportation & Public Works Department that the Council, by resolution, approve the First Amendment to Professional Services Agreement Number F002259 with Best Best & Krieger LLP to extend services and to increase compensation by \$100,000 for a total contract amount not to exceed \$200,000 for continued legal advice relating to real estate matters.

EXECUTIVE SUMMARY

On November 4, 2020, the City entered into a Professional Services Agreement (PSA) with Best Best & Krieger in the amount of \$100,000 for legal advice and assistance to the City of Santa Rosa on real estate transactions, development projects and related matters.

There have been a number of complex transactions which have required specialized legal advice over the last six months. The City has reevaluated its use of outside counsel and has determined it is in the best interest of the City to continue use of outside counsel for specialized real estate support for the next eight months and to amend the PSA to add an additional \$100,000 in compensation.

BACKGROUND

Assistant City Attorney Molly MacLean resigned from the City in October 2020. Ms. MacLean had real estate experience both as an attorney and by holding both a realtor and real estate broker license. With Ms. MacLean's departure and the City in the midst of several complex real estate transactions, the City interviewed a number of law firms specializing in real estate transactions and advice. After full evaluation, the City

FIRST AMENDMENT TO PROFESSIONAL SERVICES AGREEMENT NUMBER
F002259 WITH BEST BEST & KRIEGER LLP FOR REAL ESTATE LEGAL SERVICES
PAGE 2 OF 3

entered into a PSA with Best Best & Krieger LLP to assist with these transactions and to offer general real estate related legal advice.

PRIOR CITY COUNCIL REVIEW

None.

ANALYSIS

The City of Santa Rosa has a continuing need for specialized legal services related to real estate transactions, development projects and other general real estate advice. The City Attorney's Office currently does not have available resources to readily assist the Real Estate team with ongoing and upcoming real estate transactions. While the City Attorney's Office builds that expertise, the Office recommends continued engagement of Best Best & Krieger to ensure appropriate support for the Real Estate team.

To date, Best Best & Krieger has provide the needed real estate legal advice in a professional, efficient, effective manner. The firm has shown the depth of its knowledge and expertise and has been timely and responsive, The original PSA contract amount of \$100,000, entered into in November 2020, has now been exhausted. In light of the continuing needs and it has been determined it is in the best interest of the City to amend the PSA and add additional compensation of \$100,000 to allow for continued legal services through February 2022.

FISCAL IMPACT

The continuation of the agreement with Best Best & Krieger LLP will be funded with budgeted funds within the City Attorney's FY 2021-22 budget.

ENVIRONMENTAL IMPACT

The proposed action is exempt from the provisions of the California Environmental Quality Act (CEQA) under CEQA Guidelines Section 15061(b)(3) and 15378 in that there is no possibility that the implementation of this action may have significant effects on the environment, and that no further environmental review is required.

BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

Not applicable.

NOTIFICATION

Not applicable.

ATTACHMENTS

- Resolution/Exhibit A (First Amendment to PSA)

CONTACT

Sue Gallagher, City Attorney sgallagher@srcity.org