

CITY OF SANTA ROSA  
CITY COUNCIL

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

AGENDA ACTION: RESOLUTION

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RECOMMENDATION

It is recommended by the City Attorney and the Transportation and Public Works Department that the Council, by resolution, approve the Third 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 \$400,000 for continued legal advice relating to real estate matters.

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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. The PSA was amended by a First and Second Amendment both increasing compensation by \$100,000 for a now total not to exceed amount of \$300,000.

There have been a number of complex transactions which have required specialized legal advice over the last couple of years. 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 fiscal year as the City continues recruitment of the City Attorney and Chief Assistant City Attorney, and recommends to amend the PSA to add an additional \$100,000 in compensation for specialized real estate legal advice over the next fiscal year.

BACKGROUND

The City has been in the midst of several complex real estate transactions, the City interviewed a number of law firms specializing in real estate transactions and advice.

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

After full evaluation, the City entered into a PSA with Best Best & Krieger LLP to assist with these transactions and to offer general real estate related legal advice.

On June 29, 2021, by Resolution RES-2021-118, the Council approved the First Amendment to the PSA increasing compensation by \$100,000.

On July 5, 2022, the City entered into a Second Amendment to the PSA increasing compensation by an additional \$100,000 for continued legal services.

#### PRIOR CITY COUNCIL REVIEW

On June 29, 2021, by Resolution RES-2021-118, the Council approved the First Amendment to the PSA increasing compensation by \$100,000.

#### 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 Services team with ongoing and upcoming real estate transactions. While the City Attorney's Office builds that expertise from within or recruits an attorney with the needed expertise, the Office recommends continued engagement of Best Best & Krieger to ensure appropriate support for the Real Estate Services team.

To date, Best Best & Krieger has provided 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 current PSA contract amount of \$300,000, first entered into in November 2020, has now been exhausted. In light of the continuing needs, 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 June 2024.

#### FISCAL IMPACT

The continuation of the agreement with Best Best & Krieger LLP will be funded with budgeted funds within the City Attorney's FY 2023-24 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 no further environmental review is required.

BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

Not applicable.

NOTIFICATION

Not applicable.

ATTACHMENTS

- Resolution/Exhibit A (Third Amendment to PSA)

PRESENTER

Samantha Zutler, Interim City Attorney