



AGENDA REPORT

Community Development

DATE:	October 7, 2025
TO:	Mayor Martinez and Members of the City Council
FROM:	Lina Velasco, Director of Community Development
Subject:	Contract Amendment No. 3 with Land Econ Group for Financial Analysis
FINANCIAL IMPACT:	The cost associated with financial and economic analyses services related to real property negotiations will be charged to developers to facilitate proforma review and evaluation. For City-proposed projects that require proforma review or preparation, they will be funded using professional services funds budgeted in the respective department's fiscal year 2025-26 budget (Account String: 40162480 and 01191119 -400201).
PREVIOUS COUNCIL ACTION:	November 1, 2022
STATEMENT OF THE ISSUE:	The Community Development Department is seeking approval of contract amendment no. 3 with Land Econ Group to increase the contract amount by \$75,000 to continue to provide financial and economic analyses related to on-going real property negotiations.
RECOMMENDED ACTION:	APPROVE contract amendment no. 3 with Land Econ Group, increasing the contract amount by \$75,000, for a total contract amount not to exceed \$125,000, to continue providing financial and economic analyses services related to real property negotiations, for a term ending December 31, 2026 – Community Development Department (Lina Velasco 510-620-6706).

DISCUSSION:

On November 1, 2022, the City Council authorized the Community Development Department to execute on-call contracts with three vendors, including Land Econ Group. City staff is seeking Council approval to execute amendment no. 3 to add additional funding of \$75,000 to finish work that has been started. Land Econ Group is currently supporting the city in evaluating the fiscal impacts related to Terminal 1 and the Craneway. Additional funding is needed to complete this work.

Consultant Selection Process

On September 8, 2022, the Community Development Department solicited a Request for Quotes (RFQ) for On-Call Financial and Economic Analyses Services. The RFQ was sent to three vendors via email as an informal solicitation. The RFQ responses were due on September 16, 2022. There were three respondents to the RFQ: Land Econ Group (LEG), David Paul Rosen & Associates (DRA), and CSG Advisors (CSG).

The RFQ was sent to financial services firms that have provided similar services to the City of Richmond or other local cities. The firms are well known and experienced around financial and economic analysis as it relates to proposed market rate and affordable residential, commercial, and mixed-use developments projects. The three responding firms, including Land Econ Group, were recommended for approval of on-call contract services.

The City Council approved a contract with Land Econ Group on November 1, 2022, for \$50,000 to provide on-call real estate development, economic, and financial analyses related to property negotiations. The contract's term was extended to December 31, 2024, by Amendment No. 1 and extended again via Amendment No. 2 to December 31, 2026. Amendment No.3 would increase the not-to-exceed contract amount to complete work that has been initiated.

DOCUMENTS ATTACHED:

Attachment 1 – Amendment No. 3

Attachment 2 – Original Contract and Amendments 1 and 2