



City of La Quinta

CITY / SA / HA / FA MEETING DATE: August 5, 2014

ITEM TITLE: APPROVE AMENDMENT EXTENDING TERM OF PROFESSIONAL SERVICES AGREEMENT WITH TALL MAN GROUP FOR REAL ESTATE ANALYSIS SERVICES

AGENDA CATEGORY:

BUSINESS SESSION:

CONSENT CALENDAR: 12

STUDY SESSION:

PUBLIC HEARING:

RECOMMENDED ACTION:

Approve an Amendment extending the term of the Professional Services Agreement with Tall Man Group for real estate analysis services and authorize the City Manager to execute said Amendment.

EXECUTIVE SUMMARY:

- The Tall Man Group (TMG) currently provides real estate analysis services assistance for the City.
- The existing Professional Services Agreement (PSA) with TMG provides a one-year term with the option to extend for three additional years.
- The Amendment to the PSA would eliminate the option to extend and a five-year term would be established.

FISCAL IMPACT:

Over the past year, TMG services cost the City and the Successor Agency \$70,332. Going forward, staff anticipates their annual cost will range from \$50,000 to \$75,000 per year. These costs would be allocated between the City Manager Contract Services Account and the Successor Agency Administration Account.

BACKGROUND/ANALYSIS:

On August 6, 2013, City Council awarded a contract to TMG for a one-year term with the option to extend for two additional years (Attachment 1). The existing PSA with TMG provides for fiscal analysis and projections; real estate analysis;

property acquisition/disposition services; due diligence activities related to development proposals/developers; assistance with developer negotiations; project proposals and pro-forma analysis/evaluation; and assistance with agreement structuring.

Over the past year, TMG has most notably provided assistance to staff with discussions and negotiations involving the Meriwether Group and their development interest in SilverRock Resort. TMG also assisted staff with preparing the Successor Agency's Property Management Plan. It is anticipated that TMG services will be of greater demand over the next two to three years namely due to the extensive amount of work anticipated from SilverRock Resort and other developer interest in City-owned properties.

The proposed contract amendment (Attachment 2) will provide technical expertise as well as consistent, reliable and cost effective real estate services. Based on past performance from TMG, familiarity with current City and Successor Agency projects, and 13-plus years of experience, staff recommends approval of the Amendment to the PSA.

ALTERNATIVES:

City Council may elect to delay, modify, or reject the Amendment of the PSA and direct staff accordingly.

Report prepared by: Les Johnson, Community Development Director
Report approved for submission by: Frank J. Spevacek, City Manager

Attachments: 1. PSA Amendment
 2. Original Executed PSA dated September 24, 2013

ATTACHMENT 1

AMENDMENT NO. 1 TO PROFESSIONAL SERVICES AGREEMENT WITH TALL MAN GROUP

This Amendment No. 1 to Professional Services Agreement with Tall Man Group ("Amendment No. 1") is made and entered into as of the 5th day of August, 2014 ("Effective Date") by and between the CITY OF LA QUINTA ("City"), a California municipal corporation and Tall Man Group ("Consultant").

RECITALS

WHEREAS, on or about August 6, 2013, the City and Consultant entered into a Professional Services Agreement to provide Housing Compliance and Monitoring services for the City. The term of the Agreement expires on June 30, 2014; and

WHEREAS, changes are indicated to the term in the Professional Services Agreement; and

WHEREAS, the City is utilizing Consultant for Real Estate Analysis services;

NOW THEREFORE, in consideration of the mutual covenant herein contained, the parties agree as follows:

AMENDMENT

In consideration of the foregoing Recitals and the covenants and promises hereinafter contained, and for good and valuable consideration, the sufficiency and receipt of which are hereby acknowledged, the parties hereto agree as follows:

1. Section 2.1 is amended to read as follows:

Section 2.1 – Contract Sum. For the services rendered pursuant to this Agreement, Consultant shall be compensated in accordance with Exhibit "B," except as provided in Section 1.6. The method of compensation set forth in the Schedule of Compensation will include payment for time and materials based upon Consultant's rate schedule, or such other methods as may be specified in the Schedule of Compensation. Compensation may include the reimbursement for actual and necessary expenditures for reproduction costs, telephone expense, and similar costs and expenses when and if specified in the Schedule of Compensation.

2. Section 3.4 is amended to read as follows:

Section 3.4 – Term. Unless earlier terminated in accordance with Sections 8.7 or 8.8 of this Agreement, the term of this agreement shall commence on August 5, 2014 and terminate on June 30, 2019.

In all other respects, the Original Agreement shall remain in effect.

IN WITNESS WHEREOF, the City and Consultant have executed this Amendment No. 1 to the Professional Services Agreement on the respective dates set forth below.

CITY OF LA QUINTA a California municipal corporation

Frank J. Spevacek, City Manager

Dated: _____

ATTEST:

Susan Maysels, City Clerk

APPROVED AS TO FORM:

William H. Ihrke, City Attorney

CONSULTANT: _____
Tall Man Group

By: _____

Dated: _____

Name: _____

Title: _____

Exhibit B
Schedule of Compensation

Hourly Rates and Fees

Principal	\$175.00
Senior Associate	\$150.00
Associate	\$135.00
Senior Analyst	\$115.00
Analyst	\$100.00
Clerical	\$ 65.00
Reimbursable Expenses	Cost plus 10%

TMG does not charge clients for mileage, parking, telephone or fax expenses, general postage or incidental copies. TMG does charge for messenger services, overnight shipping mail costs, and teleconferencing services. We also charge for copies of reports, documents, notices, and support material in excess of five (5) copies. These costs are charged back at the actual expense plus the above mentioned surcharge.

TMG will issue monthly invoices, payable within 30 days, unless otherwise agreed upon in advance. Invoices identify tasks completed to date, hours expended and the hourly rate.

PROFESSIONAL SERVICES AGREEMENT

THIS AGREEMENT FOR CONTRACT SERVICES (the "Agreement") is made and entered into by and between the CITY OF LA QUINTA, ("City"), a California municipal corporation, and TALL MAN GROUP ("Consultant"). The parties hereto agree as follows:

1.0 SERVICES OF CONSULTANT

1.1 Scope of Services. In compliance with all terms and conditions of this Agreement, Consultant shall provide those services related to Real Estate Analysis Services, as specified in the "Scope of Services" attached hereto as Exhibit "A" and incorporated herein by this reference (the "services" or "work"). Consultant warrants that all services will be performed in a competent, professional and satisfactory manner in accordance with the standards prevalent in the industry for such services.

1.2 Compliance with Law. All services rendered hereunder shall be provided in accordance with all ordinances, resolutions, statutes, rules, regulations and laws of the City of La Quinta and any Federal, State or local governmental agency of competent jurisdiction.

1.3 Licenses, Permits, Fees and Assessments. Except as otherwise specified herein, Consultant shall obtain at its sole cost and expense such licenses, permits and approvals as may be required by law for the performance of the services required by this Agreement. Consultant shall have the sole obligation to pay for any fees, assessments and taxes, plus applicable penalties and interest, which may be imposed by law and arise from or are necessary for the performance of the services required by this Agreement.

1.4 Familiarity with Work. By executing this Agreement, Consultant warrants that (a) it has thoroughly investigated and considered the work to be performed, (b) it has investigated the site of the work and fully acquainted itself with the conditions there existing, (c) it has carefully considered how the work should be performed, and (d) it fully understands the facilities, difficulties and restrictions attending performance of the work under this Agreement. Should Consultant discover any latent or unknown conditions materially differing from those inherent in the work or as represented by City, Consultant shall immediately inform City of such fact and shall not proceed except at Consultant's risk until written instructions are received from the Contract Officer (as defined in Section 4.2 hereof).

1.5 Care of Work and Standard of Work.

a. Care of Work. Consultant shall adopt reasonable methods during the life of the Agreement to furnish continuous protection to the work performed by Consultant, and the equipment, materials, papers and other components thereof to prevent losses or damages, and shall be responsible for all such damages, to persons or property, until acceptance of the work by City, except such losses or damages as may be caused by City's own negligence. The performance of services by Consultant shall not relieve Consultant from any obligation to correct any incomplete, inaccurate or defective work at no further cost to City, when such inaccuracies are due to the negligence of Consultant.

b. Standard of Work. Consultant acknowledges and understands that the services and work contracted for under this Agreement require specialized skills and abilities and that, consistent with this understanding, Consultant's services and work will be held to a heightened standard of quality and workmanship. Consistent with Section 1.4 hereinabove, Consultant represents to City that it holds the necessary skills and abilities to satisfy the heightened standard of work as set forth in this Agreement.

1.6 Additional Services. In accordance with the terms and conditions of this Agreement, Consultant shall perform services in addition to those specified in the Scope of Services ("Additional Services") when directed to do so by the Contract Officer. Consultant shall not perform any Additional Services until receiving prior written authorization from the Contract Officer. It is specifically understood and agreed that oral requests and/or approvals of Additional Services shall be barred and are unenforceable. Failure of Consultant to secure the Contract Manager's written authorization for Additional Services shall constitute a waiver of any and all right to adjustment of the Contract Sum or time due, whether by way of compensation, restitution, quantum meruit, etc. for Additional Services provided without the appropriate authorization from the Contract Manager. Compensation for properly authorized Additional Services shall be made in accordance with Section 2.2 of this Agreement.

1.7 Special Requirements. Additional terms and conditions of this Agreement, if any, which are made a part hereof are set forth in Exhibit "D" (the "Special Requirements"). In the event of a conflict between the provisions of the Special Requirements and any other provisions of this Agreement, the provisions of the Special Requirements shall govern.

2.0 COMPENSATION

2.1 Contract Sum. For the services rendered pursuant to this Agreement, Consultant shall be compensated in accordance with Exhibit "B" (the "Schedule of

Compensation") in a total amount not to exceed Fifty Thousand Dollars (\$50,000.00) (the "Contract Sum"), except as provided in Section 1.6. The method of compensation set forth in the Schedule of Compensation may include a lump sum payment upon completion, payment in accordance with the percentage of completion of the services, payment for time and materials based upon Consultant's rate schedule, but not exceeding the Contract Sum, or such other methods as may be specified in the Schedule of Compensation. Compensation may include reimbursement for actual and necessary expenditures for reproduction costs, transportation expense, telephone expense, and similar costs and expenses when and if specified in the Schedule of Compensation. Regardless of the method of compensation set forth in the Schedule of Compensation, Consultant's overall compensation shall not exceed the Contract Sum, except as provided in Section 1.6 of this Agreement, "Additional Services."

2.2 Compensation for Additional Services. Additional services approved in advance by the Contract Manager pursuant to Section 1.6 of this Agreement, "Additional Services," shall be paid for in an amount agreed to in writing by both City and Consultant in advance of the Additional Services being rendered by Consultant. Any compensation for Additional Services amounting to five percent (5%) or less of the Contract Sum may be approved by the Contract Officer. Any greater amount of compensation for additional services must be approved by the La Quinta City Council. Under no circumstances shall Consultant receive compensation for any Additional Services unless prior written approval for the Additional Services is obtained from the Contract Officer pursuant to Section 1.6 of this Agreement.

2.3 Method of Billing. Any month in which Consultant wishes to receive payment, Consultant shall submit to City no later than the tenth (10th) working day of such month, in the form approved by City's Finance Director, an invoice for services rendered prior to the date of the invoice. Such invoice shall (1) describe in detail the services provided, including time and materials, and (2) specify each staff member who has provided services and the number of hours assigned to each such staff member. Such invoice shall contain a certification by a principal member of Consultant specifying that the payment requested is for work performed in accordance with the terms of this Agreement. City will pay Consultant for all expenses stated thereon which are approved by City pursuant to this Agreement no later than thirty (30) days after invoices are received by the City's Finance Department.

3.0 PERFORMANCE SCHEDULE

3.1 Time of Essence. Time is of the essence in the performance of this Agreement.

3.2 Schedule of Performance. All services rendered pursuant to this Agreement shall be performed diligently and within the time period established in Exhibit C (the "Schedule of Performance"). Extensions to the time period specified in the Schedule of Performance may be approved in writing by the Contract Officer.

3.3 Force Majeure. The time period specified in the Schedule of Performance for performance of the services rendered pursuant to this Agreement shall be extended because of any delays due to unforeseeable causes beyond the control and without the fault or negligence of Consultant, including, but not restricted to, acts of God or of the public enemy, fires, earthquakes, floods, epidemic, quarantine restrictions, riots, strikes, freight embargoes, acts of any governmental agency other than City, and unusually severe weather, if Consultant shall within ten (10) days of the commencement of such delay notify the Contract Officer in writing of the causes of the delay. The Contract Officer shall ascertain the facts and the extent of delay, and extend the time for performing the services for the period of the forced delay when and if in his or her judgment such delay is justified, and the Contract Officer's determination shall be final and conclusive upon the parties to this Agreement. Extensions to the Schedule of Performance which are determined by the Contract Officer to be justified pursuant to this Section shall not entitle the Consultant to additional compensation in excess of the Contract Sum.

3.4 Term. Unless earlier terminated in accordance with Sections 8.7 or 8.8 of this Agreement, the term of this agreement shall commence on August 7, 2013, and terminate on June 30, 2014 (initial term). This agreement may be extended for two (2) additional year(s) upon mutual agreement by both parties (extended term).

4.0 COORDINATION OF WORK

4.1 Representative of Consultant. The following principals of Consultant are hereby designated as being the principals and representatives of Consultant authorized to act in its behalf with respect to the work specified herein and make all decisions in connection therewith:

- a. Jon McMillen, President

It is expressly understood that the experience, knowledge, capability, and reputation of the foregoing principals were a substantial inducement for City to enter into this Agreement. Therefore, the foregoing principals shall be responsible during the term of this Agreement for directing all activities of Consultant and devoting sufficient time to personally supervise the services hereunder.

The foregoing principals may not be changed by Consultant and no other personnel may be assigned to perform the service required hereunder without the express written approval of City.

4.2 Contract Officer. The Contract Officer shall be the City Manager or such other person as may be designated by the City Manager of City. It shall be Consultant's responsibility to assure that the Contract Officer is kept informed of the progress of the performance of the services and Consultant shall refer any decisions, which must be made by City to the Contract Officer. Unless otherwise specified herein, any approval of City required hereunder shall mean the approval of the Contract Officer.

4.3 Prohibition Against Subcontracting or Assignment. The experience, knowledge, capability and reputation of Consultant, its principals and employees were a substantial inducement for City to enter into this Agreement. Except as set forth in this Agreement, Consultant shall not contract with any other entity to perform in whole or in part the services required hereunder without the express written approval of City. In addition, neither this Agreement nor any interest herein may be assigned or transferred, voluntarily or by operation of law, without the prior written approval of City.

4.4 Independent Contractor. Neither City nor any of its employees shall have any control over the manner, mode or means by which Consultant, its agents or employees, perform the services required herein, except as otherwise set forth. Consultant shall perform all services required herein as an independent contractor of City and shall remain at all times as to City a wholly independent contractor with only such obligations as are consistent with that role. Consultant shall not at any time or in any manner represent that it or any of its agents or employees are agents or employees of City.

4.5 City Cooperation. City shall provide Consultant with any plans, publications, reports, statistics, records or other data or information pertinent to services to be performed hereunder which are reasonably available to Consultant only from or through action by City.

5.0 INSURANCE

5.1 Insurance. Prior to the beginning of and throughout the duration of the Work performed under this Agreement, Consultant shall procure and maintain, at its cost, and submit concurrently with its execution of this Agreement, Commercial General Liability insurance against all claims for injuries against persons or damages to property resulting from Consultant's acts or omissions rising out of or related to Consultant's performance under this Agreement. The insurance policy shall contain a severability of interest clause providing that the coverage shall be primary for

losses arising out of Consultant's performance hereunder and neither City nor its insurers shall be required to contribute to any such loss. A certificate evidencing the foregoing and naming City and its officers and employees as additional insured (on the Commercial General Liability policy only) shall be delivered to and approved by City prior to commencement of the services hereunder.

The following policies shall be maintained and kept in full force and effect providing insurance with minimum limits as indicated below and issued by insurers with A.M. Best ratings of no less than A-:VI:

Commercial General Liability (at least as broad as ISO CG 0001)
\$1,000,000 (per occurrence)
\$2,000,000 (general aggregate)

Commercial Auto Liability (at least as broad as ISO CA 0001)
\$1,000,000 (per accident)

Errors and Omissions Liability
\$1,000,000 (per claim and aggregate)

Workers' Compensation
(per statutory requirements)

Consultant shall carry automobile liability insurance of \$1,000,000 per accident against all claims for injuries against persons or damages to property arising out of the use of any automobile by Consultant, its officers, any person directly or indirectly employed by Consultant, any subcontractor or agent, or anyone for whose acts any of them may be liable, arising directly or indirectly out of or related to Consultant's performance under this Agreement. If Consultant or Consultant's employees will use personal autos in any way on this project, Consultant shall provide evidence of personal auto liability coverage for each such person. The term "automobile" includes, but is not limited to, a land motor vehicle, trailer or semi-trailer designed for travel on public roads. The automobile insurance policy shall contain a severability of interest clause providing that coverage shall be primary for losses arising out of Consultant's performance hereunder and neither City nor its insurers shall be required to contribute to such loss.

Professional Liability or Errors and Omissions Insurance as appropriate shall be written on a policy form coverage specifically designed to protect against acts, errors or omissions of the consultant and "Covered Professional Services" as designated in the policy must specifically include work performed under this agreement. The policy limit shall be no less than \$1,000,000 per claim and in the aggregate. The policy must "pay on behalf of" the insured and must include a

provision establishing the insurer's duty to defend. The policy retroactive date shall be on or before the effective date of this agreement.

Consultant shall carry Workers' Compensation Insurance in accordance with State Worker's Compensation laws with employer's liability limits no less than \$1,000,000 per accident or disease.

All insurance required by this Section shall be kept in effect during the term of this Agreement and shall not be cancelable without written notice to City of proposed cancellation. The procuring of such insurance or the delivery of policies or certificates evidencing the same shall not be construed as a limitation of Consultant's obligation to indemnify City, its officers, employees, contractors, subcontractors, or agents.

5.2 Remedies. In addition to any other remedies City may have if Consultant fails to provide or maintain any insurance policies or policy endorsements to the extent and within the time herein required, City may, at its sole option:

- a. Obtain such insurance and deduct and retain the amount of the premiums for such insurance from any sums due under this Agreement.
- b. Order Consultant to stop work under this Agreement and/or withhold any payment(s) which become due to Consultant hereunder until Consultant demonstrates compliance with the requirements hereof.
- c. Terminate this Agreement.

Exercise of any of the above remedies, however, is an alternative to any other remedies City may have. The above remedies are not the exclusive remedies for Consultant's failure to maintain or secure appropriate policies or endorsements. Nothing herein contained shall be construed as limiting in any way the extent to which Consultant may be held responsible for payments of damages to persons or property resulting from Consultant's or its subcontractors' performance of work under this Agreement.

5.3 General Conditions pertaining to provisions of insurance coverage by Consultant. Consultant and City agree to the following with respect to insurance provided by Consultant:

1. Consultant agrees to have its insurer endorse the third party general liability coverage required herein to include as additional insureds City, its officials, employees and agents, using standard ISO endorsement No. CG 2010 with an edition prior to 1992. Consultant also agrees to require all contractors, and subcontractors to do likewise.

2. No liability insurance coverage provided to comply with this Agreement shall prohibit Consultant, or Consultant's employees, or agents, from waiving the right of subrogation prior to a loss. Consultant agrees to waive subrogation rights against City regardless of the applicability of any insurance proceeds, and to require all contractors and subcontractors to do likewise.

3. All insurance coverage and limits provided by Contractor and available or applicable to this agreement are intended to apply to the full extent of the policies. Nothing contained in this Agreement or any other agreement relating to the City or its operations limits the application of such insurance coverage.

4. None of the coverages required herein will be in compliance with these requirements if they include any limiting endorsement of any kind that has not been first submitted to City and approved of in writing.

5. No liability policy shall contain any provision or definition that would serve to eliminate so-called "third party action over" claims, including any exclusion for bodily injury to an employee of the insured or of any contractor or subcontractor.

6. All coverage types and limits required are subject to approval, modification and additional requirements by the City, as the need arises. Consultant shall not make any reductions in scope of coverage (e.g. elimination of contractual liability or reduction of discovery period) that may affect City's protection without City's prior written consent.

7. Proof of compliance with these insurance requirements, consisting of certificates of insurance evidencing all of the coverages required and an additional insured endorsement to Consultant's general liability policy, shall be delivered to City at or prior to the execution of this Agreement. In the event such proof of any insurance is not delivered as required, or in the event such insurance is canceled at any time and no replacement coverage is provided, City has the right, but not the duty, to obtain any insurance it deems necessary to protect its interests under this or any other agreement and to pay the premium. Any premium so paid by City shall be charged to and promptly paid by Consultant or deducted from sums due Consultant, at City option.

8. It is acknowledged by the parties of this agreement that all insurance coverage required to be provided by Consultant or any subcontractor, is intended to apply first and on a primary, non-contributing basis in relation to any other insurance or self insurance available to City.

9. Consultant agrees to ensure that subcontractors, and any other party involved with the project that is brought onto or involved in the project by Consultant, provide the same minimum insurance coverage required of Consultant. Consultant agrees to monitor and review all such coverage and assumes all responsibility for ensuring that such coverage is provided in conformity with the requirements of this section. Consultant agrees that upon request, all agreements with subcontractors and others engaged in the project will be submitted to City for review.

10. Consultant agrees not to self-insure or to use any self-insured retentions or deductibles on any portion of the insurance required herein (with the exception of professional liability coverage, if required) and further agrees that it will not allow any contractor, subcontractor, Architect, Engineer or other entity or person in any way involved in the performance of work on the project contemplated by this agreement to self-insure its obligations to City. If Consultant's existing coverage includes a deductible or self-insured retention, the deductible or self-insured retention must be declared to the City. At that time the City shall review options with the Consultant, which may include reduction or elimination of the deductible or self-insured retention, substitution of other coverage, or other solutions.

11. The City reserves the right at any time during the term of the contract to change the amounts and types of insurance required by giving the Consultant ninety (90) days advance written notice of such change. If such change results in substantial additional cost to the Consultant, the City will negotiate additional compensation proportional to the increased benefit to City.

12. For purposes of applying insurance coverage only, this Agreement will be deemed to have been executed immediately upon any party hereto taking any steps that can be deemed to be in furtherance of or towards performance of this Agreement.

13. Consultant acknowledges and agrees that any actual or alleged failure on the part of City to inform Consultant of non-compliance with any insurance requirement in no way imposes any additional obligations on City nor does it waive any rights hereunder in this or any other regard.

14. Consultant will renew the required coverage annually as long as City, or its employees or agents face an exposure from operations of any type pursuant to this agreement. This obligation applies whether or not the agreement is canceled or terminated for any reason. Termination of this obligation is not effective until City executes a written statement to that effect.

15. Consultant shall provide proof that policies of insurance required herein expiring during the term of this Agreement have been renewed or replaced with other policies providing at least the same coverage. Proof that such coverage has been ordered shall be submitted prior to expiration. A coverage binder or letter from Consultant's insurance agent to this effect is acceptable. A certificate of insurance and/or additional insured endorsement as required in these specifications applicable to the renewing or new coverage must be provided to City within five (5) days of the expiration of coverages.

16. The provisions of any workers' compensation or similar act will not limit the obligations of Consultant under this agreement. Consultant expressly agrees not to use any statutory immunity defenses under such laws with respect to City, its employees, officials and agents.

17. Requirements of specific coverage features or limits contained in this section are not intended as limitations on coverage, limits or other requirements nor as a waiver of any coverage normally provided by any given policy. Specific reference to a given coverage feature is for purposes of clarification only as it pertains to a given issue, and is not intended by any party or insured to be limiting or all-inclusive.

18. These insurance requirements are intended to be separate and distinct from any other provision in this agreement and are intended by the parties here to be interpreted as such.

19. The requirements in this Section supersede all other sections and provisions of this Agreement to the extent that any other section or provision conflicts with or impairs the provisions of this Section.

20. Consultant agrees to be responsible for ensuring that no contract used by any party involved in any way with the project reserves the right to charge City or Consultant for the cost of additional insurance coverage required by this agreement. Any such provisions are to be deleted with reference to City. It is not the intent of City to reimburse any third party for the cost of complying with these requirements. There shall be no recourse against City for payment of premiums or other amounts with respect thereto.

21. Consultant agrees to provide immediate notice to City of any claim or loss against Consultant arising out of the work performed under this agreement. City assumes no obligation or liability by such notice, but has the right (but not the duty) to monitor the handling of any such claim or claims if they are likely to involve City.

6.0 INDEMNIFICATION.

6.1 General Indemnification Provision.

a. Indemnification for Professional Liability. When the law establishes a professional standard of care for Consultant's Services, to the fullest extent permitted by law, Consultant shall indemnify, protect, defend and hold harmless City and any and all of its officials, employees and agents ("Indemnified Parties") from and against any and all claims, losses, liabilities of every kind, nature and description, damages, injury (including, without limitation, injury to or death of an employee of Consultant or subconsultants), costs and expenses of any kind, whether actual, alleged or threatened, including, without limitation, incidental and consequential damages, court costs, attorneys' fees, litigation expenses, and fees of expert consultants or expert witnesses incurred in connection therewith and costs of investigation, to the extent same are cause in whole or in part by any negligent or wrongful act, error or omission of Consultant, its officers, agents, employees or subconsultants (or any entity or individual that Consultant shall bear the legal liability thereof) in the performance of professional services under this agreement. With respect to the design of public improvements, the Consultant shall not be liable for any injuries or property damage resulting from the reuse of the design at a location other than that specified in Exhibit A without the written consent of the Consultant.

b. Indemnification for Other Than Professional Liability. Other than in the performance of professional services and to the full extent permitted by law, Consultant shall indemnify, defend and hold harmless City, and any and all of its employees, officials and agents from and against any liability (including liability for claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or costs of any kind, whether actual, alleged or threatened, including, without limitation, incidental and consequential damages, court costs, attorneys' fees, litigation expenses, and fees of expert consultants or expert witnesses) incurred in connection therewith and costs of investigation, where the same arise out of, are a consequence of, or are in any way attributable to, in whole or in part, the performance of this Agreement by Consultant or by any individual or entity for which Consultant is legally liable, including but not limited to officers, agents, employees or subconsultants of Consultant.

6.2 Standard Indemnification Provisions. Consultant agrees to obtain executed indemnity agreements with provisions identical to those set forth herein this section from each and every subconsultant or any other person or entity involved by, for, with or on behalf of Consultant in the performance of this agreement. In the event Consultant fails to obtain such indemnity obligations from others as required herein, Consultant agrees to be fully responsible according to the

terms of this section. Failure of City to monitor compliance with these requirements imposes no additional obligations on City and will in no way act as a waiver of any rights hereunder. This obligation to indemnify and defend City as set forth herein is binding on the successors, assigns or heirs of Consultant and shall survive the termination of this agreement or this section.

a. Indemnity Provisions for Contracts Related to Construction. Without affecting the rights of City under any provision of this agreement, Consultant shall not be required to indemnify and hold harmless City for liability attributable to the active negligence of City, provided such active negligence is determined by agreement between the parties or by the findings of a court of competent jurisdiction. In instances where City is shown to have been actively negligent and where City's active negligence accounts for only a percentage of the liability involved, the obligation of Consultant will be for that entire portion or percentage of liability not attributable to the active negligence of City.

b. Indemnification Provision for Design Professionals.

1. Applicability of Section 6.2(b). Notwithstanding Section 6.2(a) hereinabove, the following indemnification provision shall apply to Consultants who constitute "design professionals" as the term is defined in paragraph 3 below.

2. Scope of Indemnification. To the fullest extent permitted by law, Consultant shall indemnify, defend, and hold harmless City and City's agents, officers, officials, employees, representatives, and departments ("Indemnified Parties") from and against any and all claims, losses, liabilities of every kind, nature and description, damages, injury (including, without limitation, injury to or death of an employee of Consultant or subconsultants), costs and expenses of any kind, whether actual, alleged or threatened, including, without limitation, incidental and consequential damages, court costs, attorneys' fees, litigation expenses, and fees of expert consultants or expert witnesses incurred in connection therewith and costs of investigation, that arise out of, pertain to, or relate to, directly or indirectly, in whole or in part, the negligence, recklessness, or willful misconduct of Consultant, any subconsultant, anyone directly or indirectly employed by them or anyone that they control.

3. Design Professional Defined. As used in this Section 6.2(b), the term "design professional" shall be limited to licensed architects, registered professional engineers, licensed professional land surveyors and landscape architects, all as defined under current law, and as may be amended from time to time by Civil Code § 2782.8.

7.0 RECORDS AND REPORTS.

7.1 Reports. Consultant shall periodically prepare and submit to the Contract Officer such reports concerning Consultant's performance of the services required by this Agreement as the Contract Officer shall require.

7.2 Records. Consultant shall keep such books and records as shall be necessary to perform the services required by this Agreement and enable the Contract Officer to evaluate the cost and the performance of such services. Books and records pertaining to costs shall be kept and prepared in accordance with generally accepted accounting principals. The Contract Officer shall have full and free access to such books and records at all reasonable times, including the right to inspect, copy, audit, and make records and transcripts from such records.

7.3 Ownership of Documents. Originals of all drawings, specifications, reports, records, documents and other materials, whether in hard copy or electronic form, which are prepared by Consultant, its employees, subcontractors and agents in the performance of this Agreement, shall be the property of City and shall be delivered to City upon termination of this Agreement or upon the earlier request of the Contract Officer, and Consultant shall have no claim for further employment or additional compensation as a result of the exercise by City of its full rights of ownership of the documents and materials hereunder. Consultant shall cause all subcontractors to assign to City any documents or materials prepared by them, and in the event Consultant fails to secure such assignment, Consultant shall indemnify City for all damages suffered thereby.

In the event City or any person, firm or corporation authorized by City reuses said documents and materials without written verification or adaptation by Consultant for the specific purpose intended and causes to be made or makes any changes or alterations in said documents and materials, City hereby releases, discharges, and exonerates Consultant from liability resulting from said change. The provisions of this clause shall survive the completion of this Contract and shall thereafter remain in full force and effect.

7.4 Release of Documents. The drawings, specifications, reports, records, documents and other materials prepared by Consultant in the performance of services under this Agreement shall not be released publicly without the prior written approval of the Contract Officer or as required by law. Consultant shall not disclose to any other entity or person any information regarding the activities of City, except as required by law or as authorized by City.

8.0 ENFORCEMENT OF AGREEMENT.

8.1 California Law. This Agreement shall be construed and interpreted both as to validity and to performance of the parties in accordance with the laws of the State of California. Legal actions concerning any dispute, claim or matter arising out of or in relation to this Agreement shall be instituted in the Superior Court of the County of Riverside, State of California, or any other appropriate court in such county, and Consultant covenants and agrees to submit to the personal jurisdiction of such court in the event of such action.

8.2 Disputes. In the event of any dispute arising under this Agreement, the injured party shall notify the injuring party in writing of its contentions by submitting a claim therefore. The injured party shall continue performing its obligations hereunder so long as the injuring party commences to cure such default within ten (10) days of service of such notice and completes the cure of such default within forty-five (45) days after service of the notice, or such longer period as may be permitted by the Contract Officer; provided that if the default is an immediate danger to the health, safety and general welfare, City may take such immediate action as City deems warranted. Compliance with the provisions of this section shall be a condition precedent to termination of this Agreement for cause and to any legal action, and such compliance shall not be a waiver of any party's right to take legal action in the event that the dispute is not cured, provided that nothing herein shall limit City's right to terminate this Agreement without cause pursuant to Section 8.7.

8.3 Retention of Funds. City may withhold from any monies payable to Consultant sufficient funds to compensate City for any losses, costs, liabilities, or damages it reasonably believes were suffered by City due to the default of Consultant in the performance of the services required by this Agreement.

8.4 Waiver. No delay or omission in the exercise of any right or remedy of a non defaulting party on any default shall impair such right or remedy or be construed as a waiver. City's consent or approval of any act by Consultant requiring City's consent or approval shall not be deemed to waive or render unnecessary City's consent to or approval of any subsequent act of Consultant. Any waiver by either party of any default must be in writing and shall not be a waiver of any other default concerning the same or any other provision of this Agreement.

8.5 Rights and Remedies are Cumulative. Except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the parties are cumulative and the exercise by either party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or

different times, of any other rights or remedies for the same default or any other default by the other party.

8.6 Legal Action. In addition to any other rights or remedies, either party may take legal action, at law or at equity, to cure, correct or remedy any default, to recover damages for any default, to compel specific performance of this Agreement, to obtain injunctive relief, or to obtain any other remedy consistent with the purposes of this Agreement.

8.7 Termination Prior To Expiration Of Term. This section shall govern any termination of this Agreement, except as specifically provided in the following Section 8.8 for termination for cause. City reserves the right to terminate this Agreement at any time, with or without cause, upon thirty (30) days' written notice to Consultant. Upon receipt of any notice of termination, Consultant shall immediately cease all services hereunder except such as may be specifically approved by the Contract Officer. Consultant shall be entitled to compensation for all services rendered prior to receipt of the notice of termination and for any services authorized by the Contract Officer thereafter in accordance with the Schedule of Compensation or such as may be approved by the Contract Officer, except as provided in Section 8.3.

8.8 Termination for Default of Consultant. If termination is due to the failure of Consultant to fulfill its obligations under this Agreement, City may, after compliance with the provisions of Section 8.2, take over work and prosecute the same to completion by contract or otherwise, and Consultant shall be liable to the extent that the total cost for completion of the services required hereunder exceeds the compensation herein stipulated (provided that City shall use reasonable efforts to mitigate such damages), and City may withhold any payments to Consultant for the purpose of setoff or partial payment of the amounts owed City as previously stated in Section 8.3.

8.9 Attorneys' Fees. If either party commences an action against the other party arising out of or in connection with this Agreement, the prevailing party shall be entitled to recover reasonable attorneys' fees and costs of suit from the losing party.

9.0 CITY OFFICERS AND EMPLOYEES; NONDISCRIMINATION.

9.1 Non-liability of City Officers and Employees. No officer or employee of City shall be personally liable to Consultant, or any successor in interest, in the event or any default or breach by City or for any amount which may become due to Consultant or to its successor, or for breach of any obligation of the terms of this Agreement.

9.2 Conflict of Interest. No officer or employee of City shall have any personal interest, direct or indirect, in this Agreement nor shall any such officer or employee participate in any decision relating to the Agreement which affects his or her personal interest or the interest of any corporation, partnership or association in which she or he is, directly or indirectly, interested, in violation of any State statute or regulation. Consultant warrants that it has not paid or given and will not pay or give any third party any money or general consideration for obtaining this Agreement.

9.3 Covenant against Discrimination. Consultant covenants that, by and for itself, its heirs, executors, assigns, and all persons claiming under or through them, that there shall be no discrimination against or segregation of, any person or group of persons on account of race, color, creed, religion, sex, marital status, national origin or ancestry in the performance of this Agreement. Consultant shall take affirmative action to insure that applicants are employed and that employees are treated during employment without regard to their race, color, creed, religion, sex, marital status, national origin or ancestry.

10.0 MISCELLANEOUS PROVISIONS

10.1 Notice. Any notice, demand, request, consent, approval, communication either party desires or is required to give the other party or any other person shall be in writing and either served personally or sent by prepaid, first-class mail to the address set forth below. Either party may change its address by notifying the other party of the change of address in writing. Notice shall be deemed communicated forty-eight (48) hours from the time of mailing if mailed as provided in this section.

To City:
CITY OF LA QUINTA
Attention: Frank Spevacek, City Manager
78-495 Calle Tampico
La Quinta, California 92253

To Consultant:
TALL MAN GROUP
Attn: Jon McMillen, President
9548 Vista Aleta
Valley Center, CA 92082

10.2 Integrated Agreement. This Agreement contains all of the agreements of the parties and all previous understanding, negotiations and agreements are integrated into and superseded by this Agreement.

10.3 Amendment. This Agreement may be amended at any time by the mutual consent of the parties by an instrument in writing signed by both parties.

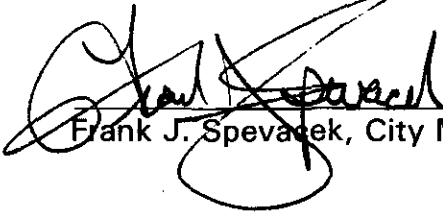
10.4 Severability. In the event that any one or more of the phrases, sentences, clauses, paragraphs, or sections contained in this Agreement shall be declared invalid or unenforceable by a valid judgment or decree of a court of competent jurisdiction, such invalidity or unenforceability shall not affect any of the

remaining phrases, sentences, clauses, paragraphs, or sections of this Agreement which are hereby declared as severable and shall be interpreted to carry out the intent of the parties hereunder.

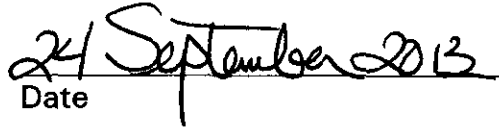
10.5 Authority. The persons executing this Agreement on behalf of the parties hereto warrant that they are duly authorized to execute this Agreement on behalf of said parties and that by so executing this Agreement the parties hereto are formally bound to the provisions of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the dates stated below.

CITY OF LA QUINTA a California municipal corporation



Frank J. Spevacek, City Manager



Date

ATTEST:



Susan Maysels, City Clerk

APPROVED AS TO FORM:

SIGNED IN COUNTERPART

M. Katherine Jenson, City Attorney

remaining phrases, sentences, clauses, paragraphs, or sections of this Agreement which are hereby declared as severable and shall be interpreted to carry out the intent of the parties hereunder.

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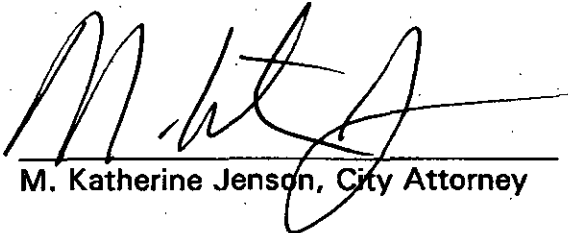
Frank J. Spevacek, City Manager

Date

ATTEST:

Susan Maysels, City Clerk

APPROVED AS TO FORM:



M. Katherine Jenson, City Attorney

CONSULTANT: TALL MAN GROUP

By: 

Name: Jon McMillen

Title: President

Date: 8/27/2013

Exhibit A
Scope of Services

Real Estate Analysis and Economic Development– Provide fiscal analysis and projections; real estate analysis; property acquisition/disposition services; due diligence activities related to development proposals/developers; assist with developer negotiations; project proposals and pro-forma analysis/evaluation; assist with developer negotiations and agreement structuring.

Please see attached "Statement of Qualifications."

July 25, 2013

Les Johnson
Community Development Director
City of La Quinta
78-495 Calle Tampico
La Quinta, CA 92253

**STATEMENT OF QUALIFICATIONS COVER LETTER
REAL ESTATE ANALYSIS AND ADVISORY SERVICES**

Mr. Johnson:

Tall Man Group, Inc. (TMG) is pleased to present the enclosed Statement of Qualifications (SOQ) to perform real estate services on an as-needed basis for the City of La Quinta (City).

As indicated in this SOQ, TMG staff provides a wealth of knowledge obtained over 25 years in the development and real estate industry. Focusing on providing services to local government over the last decade, TMG has been involved in real estate analyses from the conceptual development stage, to implementation, to final disposition and operations. Project scales range from housing unit specific to city-wide planning efforts.

TMG is most successful when face-to-face with complex challenges that require strategic thinking and ecological solutions. With experience in developing economy-expanding solutions, including the Village Theatre rehabilitation for the coastal City of Coronado, or expanding the supply of housing for low-income families, such as the Vista Dunes Courtyard Homes in the City of La Quinta, TMG possesses the abilities to develop real estate solutions for your community.

Through the years, TMG staff has developed strong working relationships with City staff by being involved in real estate and affordable housing analyses, design and development concepts, property acquisitions, residential relocations, property dispositions and owners representation during development. We look forward to continuing our work with the City.

Sincerely,
TALL MAN GROUP, INC.

Jon McMillen
President

COMPANY PROFILE

While TMG is a relatively new entity, its staff has a combined 30 years experience in development and real estate analysis and has worked with the City of La Quinta for more than 10 years. Furthermore, because TMG has existing relationships with City staff and is intimately knowledgeable about the City's existing projects, we have the benefit of being able to become instantly engaged.

TMG's specialties include real estate and development analysis, affordable housing implementation strategies, owner's representation through development, residential and business relocation, project entitlement, and property acquisition, and disposition.

Developing effective solutions to real estate requires innate creativity and expansive background knowledge, practical experience and ecological approaches, effective actions and a committed team.

To provide the most effective solutions, TMG will dedicate a Principal to your project with assigned staff members available to you throughout the duration of the assignment. TMG's staff is committed and passionate about serving your community.

General Information:

TMG is a California S-Corporation.

Ownership is held by your project Principal, Jon McMillen.

TMG's primary office is in Valley Center, California. TMG also has staff in Orange, California. TMG finds that face-to-face interactions are essential to developing relationships with your staff and will perform much of the work for your community on-site.

Corporate Office: 9548 Vista Aleta, Valley Center, CA 92082
Direct Phone: 760-212-2322

Federal Tax ID:45-5631932

QUALIFICATIONS AND EXPERIENCE

In order to present our breadth of real estate experience, TMG includes real estate analysis, design development and entitlement, owner's representation for development, real estate acquisition and disposition, and real estate programs in this SOQ. Descriptions of our experience are provided below. Please note that the experience and qualifications listed are that of TMG's staff.

Real Estate Analysis

City of La Quinta Real Estate Analyses

The members of TMG have experience conducting complex real estate analyses for the City of La Quinta. TMG's staff work has included pro forma and development analysis for the City in regard to affordable housing (Watercolors, Vista Dunes, Wolf Waters, Centerpointe, Silverhawk apartments, Coral Mountains, Dune Palms/ Westward Ho, and Washington Street Apartments), hotel and resort development analysis (Silverrock Phase 1 and 2, Embassy Suites, and La Quinta Resort and Club) and Big Box conversion analysis (Sams Club/ Theater conversion), among others. TMG's analyses have included review and reconciliation of developer proposals, conceptual modeling for construction budgeting and operations.

City of Coronado

TMG's staff has performed development and financial analysis on several affordable housing projects (550 Orange Avenue Senior Housing, 525 Orange Avenue, 225 Orange Avenue, and 840 G Avenue). To highlight one project, 525 Orange Avenue, TMG staff assisted the City with development analysis for acquisition, rehabilitation construction budgeting, permanent relocation of residents, affordable housing financing, selection and negotiations with affordable housing operator and their tax credit investors as well as owners representation during construction and grant monitoring. 525 Orange Avenue has received multiple awards for excellence for rehabilitated affordable housing. In addition to the many housing projects TMG staff also assisted the City with development analysis for the rehabilitation of the Village Theatres. This involved construction budgeting, review of developers pro forma and assumptions, owner's representation through design and construction, and grant monitoring. The Village Theatres has been open for just over a year has become a destination attraction for movie goers in San Diego.

Reference: Rachel Hurst, Community Development Director and Rhonda Huth, 619-522-2426

City of Twentynine Palms Project Phoenix Real Estate Analysis

TMG staff began development and pro forma analysis and cost estimation in 2011 for the City of Twentynine Palms. The City had recently received over \$11.5 million in bond proceeds which were earmarked for the development of Project Phoenix, a low income housing development, parking for adjacent small businesses, and a community center with multi-purpose room, 200-seat theater, and classrooms. TMG staff assisted in generating acquisition cost estimates, pro forma analyses for the development, and coordination of utility and sewer improvements. The project would leverage the bond proceeds to receive City funding for the utilities and community center, and tax credit equity and a permanent loan for the housing totaling over \$18 million in total project costs.

Reference: Michael Tree and Richard Warne, City Manager, City of Twentynine Palms, 760-367-6799

City of Los Angeles Economic Impact Analysis

TMG's staff has worked to provide the City of Los Angeles Community Redevelopment Agency with detailed analysis relating to the rehabilitation of the fabled Mariton Square retail site. For nearly twenty years after it was identified as an opportunity site, it remained vacant, covered with graffiti. In 2012, TMG staff generated pro forma analyses for the development of a new commercial retail center, hospital, and low income housing development. The pro forma analyses were utilized to estimate the economic impacts in terms of jobs generated and net increases in property, sales, and utility taxes for the City, County, and associated taxing entities. The report was utilized to explain the significant impacts that rehabilitation of the site could have on the surrounding community to the City's State and County representatives, and potential developers. In June and July of 2012, a portion of the site was acquired by Kaiser Permanente for development of a hospital and the remainder of the site was the subject of negotiations with a developer for the retail center portion.

Reference: Carolyn Hull, Regional Administrator, City of Los Angeles Community Redevelopment Agency, 714-316-2136.

City of Irvine Great Park Real Estate Analysis

In 2012, TMG's staff was engaged with a team of consultants to provide real estate analysis services to the City of Irvine. The City of Irvine's proposed Great Park and associated commercial and housing development was under scrutiny from developers of surrounding land – the developers had proposed a realignment plan for the Great Park's wildlife corridor. The City was open to realignment but sought to determine the fiscal benefit that the realignment would have on the developer housing and commercial projects. Staff worked with the consultant team to develop estimations of the existing project value and *increased project value* resulting from the realignment. The City was then able to determine the benefits that the developers would receive from the proposed realignment.

Reference: Jeffrey T. Melching, Rutan, 714-641-3422.

City of San Carlos Real Estate Profile and Analyses

TMG staff assisted with the analyses necessary to convert an existing City-owned parking lot to a parking structure to serve the downtown commercial district and nearby transit station with podium housing. Staff prepared alternative project pro forma analyses and site layouts in order to determine the most effective use of the urban site. *Because a portion of the site was owned by commercial property owners and another portion was developed as affordable housing, the City needed to develop solutions to relocate the existing housing and acquire the commercial properties prior to development.* The scenarios provided options for the City to ultimately decide the direction that the project would take.

Reference: Mark Sawicki, 650-802-4220.

Employment Based Immigration Preference #5 Program Economic Impact Analysis

TMG's staff has experience working with both public and private entities. Recently, staff conducted an economic impact analysis for a private client seeking permanent citizenship in the United States via the U.S. Citizenship and Immigration Service Employment Based Immigration Preference #5 Program (EB-5). One requirement of the program is an economic impact analysis that illustrates how the immigrant's investment of \$500,000 in a U.S.-based business will generate at least 10 direct jobs. The economic impact analysis utilized IMPLAN input-output modeling software to generate direct, indirect, and induced impacts of the investment, including jobs created, estimated employee wages, and the impact on the gross regional product.

Reference: Scott MacLeod, Innovation Surfaces, 949-282-8045.

Real Estate Acquisition and Disposition

City of La Quinta Vista Dunes, Dune Palms and Westward Ho Properties, Washington Street Apartments and Testa Parcel

Highlighting a project in each category, TMG staff was instrumental in the negotiations and structuring of the very complex tax credit financing deal for Vista Dunes Courtyard Homes. This involved last minute conversion of 9% credits to 4% as well as changing the grantee and adding another non profit to the transaction. Escrow was successfully closed on this projects and credits were awarded. Both the operator CORE and tax Credit investor Hudson Housing remarked that this transaction could not have been possible without the expertise, time and dedication that staff provided.

Property assembly at Dune Palms and Westward Ho involved the acquisition and relocation of seven residences. This assembly was accomplished over several years without the use of eminent domain and with purchase prices regulated by fair market appraisal values. Residents were initially very scared and defensive. At the conclusion of the acquisitions all of the residents were successfully relocated and very appreciative of the care and understanding they were given through this process. One resident wrote a letter to the editor of the local paper commending the City and their Consultant for such a good job and great care his family was given.

Personnel

TMG commits to your project a qualified and experienced team. Principal, Jon McMillen will oversee and manage the team and their respective responsibilities. Senior Analyst, Brandon Fender will provide research, financial modeling, and prepare documents and presentations.

See attached resumes:



**TALL
MAN
GROUP, INC.**

9548 Vista Aleta
Valley Center, CA 92082
760-212-2322

**JON MCMILLEN, PRESIDENT
RESUME**

Jon McMillen has been active in the development and real estate industry for 25 years, and his financial analysis and construction background are invaluable in any development project. Beginning as a general contractor building homes and commercial projects, Mr. McMillen now assists clients with real estate economics and implementation strategies. His role has been diverse, and has included assistance with property acquisitions, tenant relocation, pro forma analysis, and owner's representation through development.

Mr. McMillen's involvement as development consultant and owner's representative was instrumental in the success of the Vista Dunes Courtyard Homes project in La Quinta, CA. Once a dilapidated mobile home park, Vista Dunes is now an award winning, LEED Platinum certified 80-unit neighborhood affordable to very low-income families. He led the effort in feasibility studies, relocation of the residents, development economics, owner's representation during construction, final disposition of the property and coordination and compliance with the current operator.

Mr. McMillen also served in a similar capacity as consultant and owner's representative to the City of Coronado with the conversion, substantial rehabilitation, and affordability compliance of another award-winning project, 525 Orange Avenue, a 16-unit affordable apartment building in Coronado, CA. He was the owners representative and monitored the grant funding during the renovation of the historic Village Theatres for the City of Coronado. Other recent assignments have included pro forma analysis for the SilverRock Resort, as well as property acquisition and development solicitation for the 218-unit Dune Palms Apartment development, both in La Quinta. He has worked with the City of Twentynine Palms to identify and analyze potential development strategies that would allow the City to meet their affordable housing mandates.

Mr. McMillen's natural progression from real estate economics and general contractor to development consultant and owner's representative has allowed him to aid and benefit a more diverse population, especially as an advocate for affordable and sustainable housing. He is driven by his commitment to quality and excellence, and the results are evident in all of his work.

Education: BA, Environmental Design and Planning, School of Architecture, Concentration in Real Estate, State University of New York, Buffalo

Professional Memberships and Certifications:

Board of Directors, Deer Springs Fire Safe Council
President, Gordon Hill Road Fund

Licensing: State of California Contractors State License – B – General Building No. 551510
Issued December 1988



**TALL
MAN
GROUP, INC.**

9548 Vista Alata
Valley Center, CA 92082
760-703-7920

**BRANDON FENDER, ANALYST
RESUME**

Brandon Fender graduated from the Social Ecology undergraduate program at the University of California, Irvine in 2010. Mr. Fender specializes in spatial analysis with Geographic Information Systems software, regional economic impact analyses using IMPLAN modeling software, housing administration and compliance monitoring, project pro forma analyses, and municipal financing.

Mr. Fender worked on a project team for the City of Los Angeles Community Redevelopment Agency's Marlon Square Project. Marlon Square is a retail development in an economically depressed area of South Los Angeles. For almost two decades, the Agency listed Marlon Square as an opportunity site, but every effort to redevelop the site fell through. In 2012, Mr. Fender analyzed the site and prepared pro forma analyses for a hypothetical development, property, sales, and use tax projections, and an economic impact analysis. The results of the economic impact analysis, projections of direct, indirect and induced employment, were utilized to persuade potential developers and State-level politicians that the project was worthy of their attention. In June and July of 2012, a portion of the site was acquired by Kaiser Permanente for development of a hospital and the remainder of the site was the subject of negotiations with a developer for the retail center portion.

One of Mr. Fender's most exciting engagements has been the rehabilitation planning of the Washington Street Apartments housing complex in La Quinta, California. In an effort to provide safe and healthy housing to the seniors and disabled adults of La Quinta, the City implemented rehabilitation of the housing development, which will house nearly one hundred residents. The City, design team and consultants worked in concert to develop concepts, refine plans, and review for code compliance in order to approve project development entitlements in under four months. While the project was put on hold in 2012 with the dissolution of redevelopment agencies, Mr. Fender remains hopeful that Washington Street Apartments will be rehabilitated.

Mr. Fender is committed to community development and thrives under challenging conditions. His passion lies in creating urban spaces that are equitable, economically feasible and sustainable.

Education: BA, Social Ecology, University of California, Irvine

Professional Memberships and Certifications:
ESRI Certified Geographic Information Systems

Exhibit B
Schedule of Compensation

With the exception of compensation for Additional Services, provided for in Section 2.2 of this Agreement, the maximum total compensation to be paid to Consultant under this Agreement *for Fiscal Year 2013-2014* is fifty thousand dollars (\$50,000) ("Contract Sum"). The Contract Sum shall be paid to Consultant in installment payments made on a monthly basis on a time and materials basis, identified in Consultants Schedule of Compensation attached hereto for the work tasks performed and properly invoiced by Consultant in conformance with Section 2.2 of the Agreement.

HOURLY RATES AND FEES

Principal	\$ 165
Senior Associate	\$ 145
Associate	\$ 130
Senior Analyst	\$ 110
Analyst	\$ 95
Clerical	\$ 60

Reimbursable Expenses Cost plus 10%

TMG does not charge clients for mileage, parking, telephone or fax expenses, general postage or incidental copies. TMG does charge for messenger services, overnight shipping mail costs, and teleconferencing services. We also charge for copies of reports, documents, notices, and support material in excess of five (5) copies. These costs are charged back at the actual expense plus the above mentioned surcharge.

TMG will issue monthly invoices, payable within 30 days, unless otherwise agreed upon in advance. Invoices identify tasks completed to date, hours expended and the hourly rate.

**Exhibit C
Schedule of Performance**

None

**Exhibit D
Special Requirements**

None

