

**City of Garden Grove**

**INTER-DEPARTMENT MEMORANDUM**

***Garden Grove Agency for Community Development***

To:	Matthew Fertal	From:	Chet Yoshizaki
Dept:	Director	Dept:	Economic Development
Subject:	CONTRACT AMENDMENT – KEYSER MARSTON ASSOCIATES	Date:	March 25, 2008

**OBJECTIVE**

To request that the Garden Grove Agency for Community Development (Agency) approve a contract amendment to Section 2.1(a) of the Consultant Services Agreement with Keyser Marston Associates, increasing the contract sum from \$24,999 to \$85,000.

**BACKGROUND**

On July 9, 2007, the Agency entered into a Consultant Services Agreement with Keyser Marston Associates to assist in obtaining economic and pro forma analysis services, along with project feasibility analyses and other miscellaneous economic and financial analyses on an as needed basis. The original contract sum was not to exceed \$24,999.00.

**DISCUSSION**

As an Agency consultant, Keyser Marston Associates is responsible for providing in-depth financial feasibility and pro forma analysis for all new commercial and residential developments within the City of Garden Grove, with the exception of hotels. The Agency has several potential projects pending, including the Century Triangle, Sweet Homes Development (Brian Lam) and Brookhurst Triangle. There are insufficient funds remaining on the current contract. In order to move forward with the analyses for these and other unforeseen projects, the contract sum needs to be increased to \$85,000.

**FINANCIAL IMPACT**

Financial impact to the Redevelopment Fund (002) will be \$60,001. There are sufficient funds in package 2505 (Agency Planning Fund) to cover the increase.

## CONTRACT AMENDMENT – KEYSER MARSTON ASSOCIATES

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### COMMUNITY VISION IMPLEMENTATION

- Improve the City's economic base through the development of tax-generating uses where appropriate.
- Improve the aesthetics of the community and eliminate blighting influences.
- Seek to ensure quality housing opportunities in the community, without unduly burdening existing residents.
- Ensure that development does not undermine the traditional "home town feel" of the community.

### RECOMMENDATION

Staff recommends that the Agency:

- Approve the attached Contract Amendment with Keyser Marston Associates, for economic and pro forma analysis services; and,
- Authorize the Agency Director and Secretary to execute the pertinent documents on behalf of the Agency.

CHET YOSHIZAKI

Economic Development Director

By: Stacy Margolin  
Administrative Analyst

Attachment 1: Amendment No. 1 – Keyser Marston Associates

Attachment 2: Exhibit A

mm(h:Staff/SM/KMA Contract Amend sr 032508.doc)