

REPORT TO CITY COUNCIL

DATE: MAY 25, 2016
TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL
FROM: GREG RAMIREZ, CITY MANAGER *GR*
BY: CHRISTY PINUELAS, DIRECTOR OF FINANCE *CP*
SUBJECT: REQUEST TO AMEND CONSULTANT SERVICES AGREEMENT WITH HdL COREN & CONE, RELATING TO PROPERTY TAX MANAGEMENT AND AUDIT SERVICES FOR THREE ADDITIONAL YEARS, ENDING JUNE 30, 2019

The City utilizes a consulting service to provide property tax management and audit services on revenues distributed from the County of Los Angeles. The management services include providing quarterly reports that assist with budget forecasting and detailed analysis to assist with land management. Furthermore, audits are performed to ensure that the City is receiving the correct allocation of property tax.

The current contract expires in June 2016 but allows the City to have a three-year extension.

HdL Coren & Cone has provided timely and accurate reporting, and, staff would like to recommend that the City extend the contract to provide property tax management and audit services.

The fee for these services is \$12,000 annually for the consulting services and an additional \$3,000 annually has been projected for audit services. Staff is recommending a total of \$15,000 annually.

The proposed agreement has been reviewed by the City Attorney and approved as to form.

RECOMMENDATION

Staff recommends the City Council approve the first amendment to the Agreement for consultant services with HdL, Coren & Cone, for the performance of property tax management and audit services.

Attachment: HdL, Coren & Cone Agreement

**CONSULTANT SERVICES
WITH THE CITY OF AGOURA HILLS**

NAME OF CONSULTANT:	HdL Coren & Cone
RESPONSIBLE PRINCIPAL OF CONSULTANT:	Attn: Paula Cone
CONSULTANT'S ADDRESS:	1340 Valley Vista Drive Suite 200 Diamond Bar, CA 91765
CITY'S ADDRESS:	City of Agoura Hills 30001 Ladyface Court Agoura Hills, CA 91301 Attn: City Manager
PREPARED BY:	Christy Pinuelas
COMMENCEMENT DATE:	July 1, 2016
TERMINATION DATE:	June 30, 2019
CONSIDERATION:	Amendment Amount: \$45,000 Total Contract Price \$45,000 Not to Exceed: \$15,000/yr

**FIRST AMENDMENT TO AGREEMENT BETWEEN
CITY OF AGOURA HILLS AND HdL Coren & Cone**

THIS FIRST AMENDMENT is made and entered into as of July 1, 2016, by and between the City of Agoura Hills, a municipal corporation (hereinafter referred to as "City"), and HdL Coren & Cone, a Corporation (hereinafter referred to as "Consultant"). In consideration of the mutual covenants and conditions set forth herein, the parties agree as follows:

1. This Amendment is made with the respect to the following facts and purposes:

a. On July 1, 2013, the City and Consultant entered into that certain Agreement entitled "Agreement for Consultant Services Between the City of Agoura Hills and HDL Coren and Cone", in the amount of (\$45,000), Forty Five Thousand Dollars and Zero Cents.

b. The parties now desire to extend the term of the agreement to June 30, 2019, increase the payment in the amount of (\$45,000), Forty Five Thousand Dollars and Zero Cents, and to amend the Agreement as set forth in this Amendment.

2. Section 1 of the Agreement entitled "**TERM**" is hereby amended to read as follows:

"This Agreement shall remain and continue in effect until tasks herein are completed, but in no event later than June 30, 2019 unless sooner terminated pursuant to the provisions of this Agreement."

3. Section 5 of the Agreement entitled "**PAYMENT**" at paragraph "a" is hereby amended to read as follows:

"The City agrees to pay Consultant monthly, in accordance with the payment rates and schedules and terms set forth in Exhibit B, Payment Rates and Schedule, attached hereto and incorporated herein by this reference as though set forth in full, based upon actual time spent on the above tasks. Any terms in Exhibit B, other than the payment rates and schedule of payment, are null and void. The FIRST Amendment amount shall not exceed (\$45,000), Forty-Five Thousand Dollars and Zero Cents, for additional property tax management, information and audit services for a total Agreement amount of Ninety Thousand Dollars and Zero Center, (\$90,000)."

4. Except for the changes specifically set forth herein, all other terms and conditions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have caused this First Amendment to Agreement to be executed the day and year first above written.

CITY OF AGOURA HILLS

Harry Schwarz,
Mayor

ATTEST:

Kimberly M. Rodrigues, MMC
City Clerk
Date Approved by City Council _____

APPROVED AS TO FORM:

Candice K. Lee,
City Attorney

**Paula Cone
HdL Coren & Cone
1340 Valley Vista Drive Suite 200
Diamond Bar CA 91765**

By: _____

Print Name: _____

Title: _____

By: _____

Print Name: _____

Title: _____

[Signatures of Two Corporate Officers Required]

ATTACHMENT A

Attached hereto and incorporated herein is the additional scope of work and associated cost as provided by the Consultant.

PROPERTY TAX MANAGEMENT, INFORMATION AND AUDIT SERVICES

SCOPE OF SERVICES

Services provided include property tax management service, secured and unsecured parcel audits, assessment district processing, budget projections, Successor Agency support, and bond fiscal analysis.

Reports and Management Analyses (1)

The company will provide the following reports. Reports are also available from prior years if required.

- A five year history of the values within the city, successor agency and custom (city defined) geographic area;
- A listing of the largest value changes, positive and negative between tax years;
- A listing of the major property owners, including the assessed value of their property and property use code designation;
- A listing of the major property tax payers, including an estimate of the property taxes;
- A listing of property tax transfers which occurred since the lien date ordered by month;
- A multiple year comparison of growth by use code designation over a 10 year period;
- State Appropriation Limit calculations;
- Calculate an estimate of property tax revenue anticipated to be received for the fiscal year based upon the initial information provided by the County and subject to modification. This report is interactive for tax modeling. This estimate shall not be used to secure the indebtedness of the City.
- Foreclosure data and Bank Owned Property listings
- Property sales information, and Proposition 8 exposure and recapturing potential

- Analyses based on geo areas designated by the City to include assessed valuations and square footage computations for use in economic analysis and community development planning.
 - Budget forecasting model for 1 and 5-year projections.
- (1) Reports area based upon property tax information obtained from your county and supplemented by additional information from third parties. Some reports are dependent upon the availability of county data in electronic format.

Successor Agency Services

Successor Agency Services including but not limited to:

- Tax increment projections
- Cash flows for the Successor Agency by Project Area
- Assistance with Redevelopment Obligation Payment Schedules
- Assistance in providing property tax information for the taxing agencies receiving property tax revenues from former Project Areas
- Estimates of property tax revenues to be received by the taxing entities from former Project Areas
- Provide property tax information to the Oversight Board at the direction of the Successor Agency
- Provide access to the Oversight Board to City and former redevelopment agency documents at the direction of the Successor Agency
- Monitor the County distribution of tax-sharing revenues to the taxing entities of the former redevelopment agency
- Coordinate with the Auditor-Controller the relationship between the tax-sharing, debt service and other obligations of former redevelopment agency
- Prepare as needed an assessment of resources available to the Successor Agency to meet the long term obligations of the former redevelopment agency.

Quarterly Reports and System Updates

- A listing of property tax appeals filed on properties in the City where data is available for purchase from the Clerk of the Board.

- A listing of property transfers that have occurred since the last report will be available through the software provided and updated on a quarterly basis.

Web-Based Software

- The HdLCC provides a web-based software application to clients as a user-friendly tool to access the City's property tax data. HdLCC provides updates to the data portion of the product on monthly basis to reflect changes in ownership, updated appeals filings, and deed recordings.
- As modifications and enhancements are made to the program, clients receive the enhanced version of the software at no additional cost. Training will be provided to city staff within the first two months after the execution of the agreement for property tax management and audit services and is available annually for new staff members or staff requiring a refresher course. If additional training sessions are required, the fees in the compensation section under hourly fees will be charged.

Delivering Revenue,
Insight and Efficiency
to Local Government

The City Of Agoura Hills

7,825 parcels

Logout



Navigation icons: Home, Back, Forward, Stop, Search, Print, GIS, County, County, etc.

<input type="radio"/> Parcel	2061-001-016	2	Regular Parcel	<input type="radio"/> TRA	15368	The City Of Agoura Hills	
<input checked="" type="radio"/> Use	1700	Commercial Office Building, 1 Story		Agency	Tax District #1 Redevelopment Project Area		
<input type="radio"/> Owner	HOLUALOA HERITAGE OFFICE LLC			Zoning	AH BP-M-FC	Region	C-1 Central
<input type="radio"/> Situs	30851 AGOURA RD AGOURA HILLS CA 91301			<input type="radio"/> Net AV	\$ 10,647,011	% Chg. from Prior Yr.	2.0%

DBA
Mail Name HOLUALOA HERITAGE OFFICE LLC
& Address 75 HANAMA PL KAILUA KONA HI 96740

This Parcel Is: Absentee Owned Pre Prop 13

Revenue type:	<input checked="" type="radio"/> General Fund	<input type="radio"/> Successor Agency
Secured	\$4,368.20	% Share of Total Tax 4.10%
Unsecured	\$1.18	
Cross-Ref	\$0.00	Tax Bill \$126,271.63
Total Rev	\$4,369.38	
Last Sale Date	05/07/2007	Sale Price \$0

Values Sales General Appeals Unsecured Cross-Ref SBE Utilities

	Current Year Values		Prior Year Values	
Land	3,293,046	Exemptions	3,228,540	Exemptions
Improvements	6,584,821		6,455,834	
Fixtures	764,527		749,156	
Personal Property	4,617		5,018	
Totals	10,647,011		10,438,548	
Net Total AV	10,647,011		10,438,548	

<	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
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Identification and Correction of Errors

HdL Coren & Cone has the technology, methodology and trained staff to analyze all secured parcels within the City to identify costly errors resulting in the misallocation of property taxes.

The company audits the secured and unsecured property tax rolls to ensure that each is coded to the appropriate taxing entity. The company performs an analysis of the Assessor Rolls to identify all parcels on both the secured and unsecured tax rolls and verify that parcel assessed valuations and the resulting taxes are correctly allocated to the City. This analysis is accomplished through the use of specialized computer software, GIS maps, assessor maps, city maps, city records, other pertinent documents, and field investigations.

On-Going Consultation

During the term of the contract, we serve as the resource staff to the County or agency on questions relating to property tax. This includes being "on-call" to assist with any property tax

issues. On-going consultation would include, but not be limited to inquiries resolved through use of the City data base. All requests for information based upon the County's property tax data sets are provided without additional costs. Special reports, additional research, or requests requiring additional computer programming may entail some additional costs. Attendance at City and/or Successor Agency meetings will be billed at our hourly rates.

Fees for Optional Services shall be billed at the following hourly rates:

Partner	\$225 per hour
Principal	\$195 per hour
Associate	\$150 per hour
Programmer	\$150 per hour
Senior Analyst	\$100 per hour
Analyst	\$ 65 per hour
Administrative	\$ 45 per hour

Hourly rates are exclusive of expenses and are subject to adjustment by CONTRACTOR annually. On July 1st of each year CONTRACTOR shall provide CITY with an updated schedule of hourly rates. The rates will not be increased by more than five percent (5%) per year. In addition, expenses for Optional Services shall be billed at 1.15 times actual incurred costs.