

Mayor and Council Communication

DATE: 06/13/23

M&C FILE NUMBER: M&C 23-0480

LOG NAME: 21PMD APPRAISAL SERVICES

SUBJECT

(ALL) Authorize Execution of Non-Exclusive Agreements with Certain Identified Appraisers with a Combined Annual Amount Up to \$1,000,000.00 with an One-Year Initial Term and Authorize Four One-Year Automatic Renewal Options for the Property Management Department

RECOMMENDATION:

It is recommended that the City Council authorize new non-exclusive agreements for appraisal services for a total annual amount up to \$1,000,000.00 with a one-year initial term and authorize four one-year automatic renewal options for the Property Management Department with the following:

- AdVal Analytics LLC,
 - Angel Valuation Services LP,
 - Trailhead Real Estate LLC d/b/a Archer Appraisal Co.,
 - Ben Dyess & Associates,
 - CBRE, Inc.,
 - Commercial Appraisal Associates, LLC,
 - Cushman & Wakefield of Texas, Inc.,
 - Matthews Real Estate Consulting, Inc. d/b/a Edgestone Realty Valuation,
 - Integra Realty Resources - Fort Worth, LLC,
 - Jeffrey Monroe Tillman d/b/a Jeff Tillman & Associates,
 - JLL Valuation & Advisory Services, LLC,
 - Duff & Phelps Holdings Corporation d/b/a Kroll LLC,
 - Lowery Property Advisors, LLC,
 - ML&M Realty Advisors LLC,
 - Molas Schechter & Associates LLC,
 - O'Brien Realty Advisors LLC,
 - Paramount Valuation Services Inc.
 - Texas Appraisal Team LLC,
 - Thomas Kyser,
 - Totten & Company, and
 - Colliers International Valuation & Advisory Services, LLC.
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DISCUSSION:

Under federal, state, and local laws, the City of Fort Worth must provide a bona fide offer based on an independent appraisal report when purchasing real property. The Property Management Department regularly engages certified appraisers to provide professional appraisal services for land acquisitions for Capital Improvement Projects and City-wide initiatives. In order to be compliant with Chapter 2254 of the Texas Government Code, the Real Estate Division of the Property Management Department initiated the Request for Qualification process for procurement of real estate appraisal services per section IX.D.a. of the Purchasing Administrative Regulation (AR). In order to follow the process, the Property Management Department contacted over twenty different firms who provide appraisal services and requested contact references, reviewed examples of past work product, and conducted similar reviews to determine the firm/individual's level of qualification.

Federal Regulation requires that qualified appraisers perform appraisal functions. Anyone performing an appraisal, or appraisal related service in determining an opinion of value, or the act or process of developing an opinion of value, shall be competent and qualified to perform these functions per Title 49 of the Code of Federal Regulations (CFR), Part 24.103(d) and per the Texas Administrative Code Title 43, Chapter 9, Subchapter F.

All real estate appraisers performing appraisals for the City of Fort Worth must be licensed by the Texas Appraiser Licensing and Certification Board, as provided in the Texas Appraiser Licensing and Certification Act (Chapter 1103 of the Texas Occupations Code). Additionally, the City of Fort Worth requires appraisers to be Texas Department of Transportation (TxDOT) certified before they can perform any appraisal or appraisal related function on behalf of the City of Fort Worth.

In selecting appraisers, Property Management used the following evaluation criteria:

- Licensed by the Texas Appraiser Licensing and Certification Board;
- Certification by TxDOT;
- Experience of the individual real estate appraiser and demonstrated understanding of the scope of services to be provided; and
- Ability to meet deadlines over the past three years and the ability to meet City of Fort Worth scheduling requirements.

The Real Estate Division has requested and reviewed qualifications for the following:

- AdVal Analytics LLC,
- Angel Valuation Services LP,
- Trailhead Real Estate LLC d/b/a Archer Appraisal Co.,
- Ben Dyess & Associates,
- CBRE, Inc.,
- Commercial Appraisal Associates, LLC,
- Cushman & Wakefield of Texas, Inc.,
- Matthews Real Estate Consulting, Inc. d/b/a Edgestone Realty Valuation,
- Integra Realty Resources - Fort Worth, LLC,
- Jeffrey Monroe Tillman d/b/a Jeff Tillman & Associates,
- JLL Valuation & Advisory Services, LLC,
- Duff & Phelps Holdings Corporation d/b/a Kroll LLC,
- Lowery Property Advisors, LLC,
- ML&M Realty Advisors LLC,
- Molas Schechter & Associates LLC,
- O'Brien Realty Advisors LLC,
- Paramount Valuation Services Inc.
- Texas Appraisal Team LLC,
- Thomas Kyser,
- Totten & Company, and
- Colliers International Valuation & Advisory Services, LLC.

It was confirmed that these firms meet the evaluation criteria listed above. The Real Estate Division of Property Management has utilized these appraisal firms to obtain appraisal services in the past and can certify all the proposed firms can satisfactorily perform the professional services required.

Funding - Funding for appraisal services will be provided through various capital project funding sources. These contracts will serve current and future capital projects as-needed, and a funds availability verification will be performed by staff and personnel of the Property Management Department prior to each assignment.

Administrative Change Order - An administrative change order or increase may be made by the City Manager in the amount up to \$50,000.00 without specific City Council approval as long as sufficient funds have been appropriated.

Renewals - These agreements may be automatically renewed for four additional one-year terms.

DVIN - A waiver of the goal for Business Equity subcontracting requirements was requested, and approved by the DVIN, in accordance with the applicable Ordinance, because the purchase of goods or services is from sources where subcontracting or supplier opportunities are negligible.

This is for ALL COUNCIL DISTRICTS.

A Form 1295 is not required because: This contract will be with a publicly-traded business entity or a wholly-owned subsidiary of a publicly-traded business entity: AdVal Analytics LLC, Angel Valuation Services LP, Trailhead Real Estate dba Archer Appraisal Co., Ben Dyess & Associates, CBRE Inc, Glendinning, Christi Boyd dba Commercial Appraisal Associates, Cushman & Wakefield of Texas, Inc., Matthews Real Estate Consulting, Inc. dba Edgestone Realty Valuation, Integra Realty Resources Fort Worth, Tillman, Jeffrey Monroe dba Jeff Tillman & Associates, JLL Valuation & Advisory Services, LLC, Duff & Phelps Holdings Corporation dba Kroll LLC, Lowery Property Advisors, LLC, ML&M Realty Advisors LLC, Molas Schechter & Associates LLC, O'Brien Realty Advisors LLC, Paramount Valuation Services Inc, Texas Appraisal Team, Kyser, Thomas H, Totten & Company, and Colliers International

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that funds are available in the current capital budgets, as previously appropriated, in the various capital improvement program funds to support the approval of the recommendation and execution of the agreements. Prior to an expenditure being incurred, the Property Management Department has the responsibility to validate the availability of funds.

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