



REPORT TO CITY COUNCIL

To: Honorable Mayor and Members of the City Council

From: Jason Simpson, City Manager

Prepared by: Gina Gonzalez, Director of Economic Development and Legislative Affairs

Date: April 23, 2024

Subject: Agreement With Zonda Advisory for an Analysis' of Office and Retail Demand and Opportunities in the City of Lake Elsinore

Recommendation

Approve and authorize the City Manager to execute an agreement with Zonda Advisory (DBA Meyers Research) in an amount not to exceed \$36,000 for quantitative real estate research services and analysis for retail and office demand and opportunities, in such final form as approved by the City Attorney.

Background

The City of Lake Elsinore's Economic Development Department, as part of the city's business attraction, retention and expansion efforts, utilizes key reports and analyses to analyze the retail and office markets in the city, and to assist the city with new retail and office development opportunities. Studies for the commercial market are imperative for what is considered aggressive outreach efforts in relation to Economic Development.

Discussion

Meyers Research, LLC doing business as Zonda Advisory. Zonda Advisory, our of Newport Beach, CA) has over 30 years of experience working with real estate clients across all segments of the market, conducting primary and secondary research on demographic trends, market conditions, interviews and site visits. Zonda Advisory will complete the following for the Office and Retail Demand and Opportunities Analysis' in two separate reports (one for Office and one for Retail): competitive market area definitions, a brief economic and housing market update, commercial broker interviews, office and retail market overviews, office and retail competitive analysis', office and retail demand assessments, key conclusions and recommendations. By executing both agreements together, Zonda Advisory has discounted the studies by \$4k each (from \$22k to \$18k), due to data and demographic report timing not having to be re-run for new reports and synthesis. The total for both studies is \$36,000, and both studies will be completed

(Subject Matter 1- 4 words only)

within 5 weeks of execution of the agreements. The City at any time can terminate the agreements.

Fiscal Impact

The cost for the Office Demand and Opportunities Analysis is \$18,000, and the cost for the Retail Demand and Opportunities Analysis is \$18,000, for a total cumulative cost of \$36,000. By combining both reports, there is a costs savings of \$4k each taking the cost from \$22k to \$18k each utilizing budget line items 100-3040-5200 in FY 2023/24.

Attachments

Attachment 1 - Agreement

Exhibit A - Scope of Work - Office Demand

Exhibit B - Scope of Work - Retail Demand