

**City of Culver City, California
Agenda Item Report**

Meeting Date: 07/13/15		Item Number: <u>PH-2</u>	
CITY COUNCIL AGENDA ITEM: PUBLIC HEARING – (1) Approval of a Reimbursement Agreement Relating to: (A) Completed and Approved Design Services for the Town Plaza Expansion Improvements in an Amount Not-to-Exceed \$11,500; and (B) Completed and Approved Design, Engineering, and Related Services for the Parcel B Improvements and the Public Parking Improvements in an Amount Not-to-Exceed \$107,232, Which Agreement Implements Various Aspects of the Disposition and Development Agreement between the City of Culver City and Combined/Hudson 9300 Culver, LLC, for the Development of the Parcel B Improvements and the Public Parking and Town Plaza Expansion Improvements; and (2) (Public Hearing and Four-Fifths Vote Requirement) Waiver of Formal Bid Procedures for the Construction of Public Parking and Town Plaza Expansion Improvements Located At and Adjacent to Parcel B. (Staff Requests Further Continuance of this Public Hearing to July 27, 2015 at 7:00 PM) .			
Contact Person/Dept.: John Fisanotti/CDD Todd Tipton/CDD		Phone Number: (310) 253-5768 (310) 253-5783	
Fiscal Impact: Yes ☒ No ☐		General Fund: Yes ☒ No ☐	
Public Hearing: ☐		Action Item: ☐ Attachments: ☐	
Commission Action Required: Yes ☐ No ☒		Date: _____	
Public Notification: (E-Mail) Meetings and Agendas – City Council (07/08/15); Downtown Business Association (07/08/15).			
Department Approval: Sol Blumenfeld (07/06/15)		City Attorney Approval: Carol Schwab (by H. Baker) (07/07/15)	
Chief Financial Officer Approval: Jeff Muir (07/07/15)		City Manager Approval: John Nachbar (07/08/15)	
<u>RECOMMENDATION:</u> Staff recommends the City Council: (1) Approve a Reimbursement Agreement (Attachment 1) relating to: (A) completed and approved design services for the Town Plaza Expansion Improvements for work in an amount not-to-exceed \$11,500; and (B) completed and approved design, engineering, and related services for the Parcel B Improvements and the Public Parking Improvements for work in an amount not-to-exceed \$107,232, which agreement implements various aspects of the Disposition and Development Agreement between the City of Culver City and Combined/Hudson 9300 Culver, LLC (Combined) for the development of the Parcel B Improvements, and the Public Parking and Town Plaza Expansion Improvements; and (2) Continue the Public Hearing to July 27, 2015 relating to the waiver of formal bid procedures for the construction of Public Parking and Town Plaza Expansion Improvements located at and adjacent to Parcel B. <u>BACKGROUND:</u>			

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On October 3, 2006, the City Council approved a concept design for the expanded Town Plaza. On January 7, 2008, the City Council approved further enhancements to the 2006 design. During this period, Parcel B was subject to a Disposition and Development Agreement between the former Culver City Redevelopment Agency (Former CCRA) and Rush/Pacifica for a very different development than is now planned for the site by Combined.

On January 30, 2012 the City approved a Disposition and Development Agreement (DDA) with Combined for the development of Parcel B and the construction of an expanded Town Plaza on adjoining public property (referred to as City Parcel or Town Plaza Expansion), and the construction of an approximate 100 public parking spaces, anticipated at the time to be under the Town Plaza Expansion and accessed from Combined's parking structure under Parcel B (collectively, the Public Parking Improvements). The site (comprised of both Parcel B and the City Parcel) was originally owned by the Former CCRA. As a result of dissolution of the Former CCRA by operation of law on February 1, 2012, the site is now owned by the Successor Agency to the Culver City Redevelopment Agency (Successor Agency).

On March 18, 2014, the State Department of Finance (DOF) approved the City's Long Range Property Management Plan (LRPMP). On May 15, 2014, in implementation of the approved LRPMP, the DOF approved the Successor Agency's sale of Parcel B to Combined pursuant to and in accordance with the terms of the DDA and approved the Successor Agency's transfer of the City Parcel to the City for the Town Plaza Expansion Improvements and the Public Parking Improvements). On September 3, 2014, consistent with the purposes of the LRPMP, the DOF approved a Master Agreement between the City and the Successor Agency authorizing the transfer of pre-2011 bond proceeds to the City for expenditure toward the development of the Public Parking and Town Plaza Expansion Improvements. These approvals allowed the City to resume numerous developments, including the Parcel B Project, which had been suspended upon the dissolution of the Former CCRA. The DDA anticipates the need for a variety of subsequent implementing agreements, two of which are recommended for City Council approval this evening.

DISCUSSION:

Reimbursement for Completed and Approved Design Services for the Town Plaza Expansion Improvements

Reimbursement by the City to Combined for the cost of designing the Town Plaza Expansion is required by the DDA. Combined is contracting with SWA Group, a landscape architecture firm, to design both the Town Plaza Expansion Improvements and the open space of Combined's Parcel B Improvements. To date, SWA has billed Combined, and Combined has paid to SWA, the sum of \$11,500 for

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the re-design of the City's Town Plaza Expansion. The purpose of the proposed agreement is to allow the City to process a payment to Combined as reimbursement for expenses incurred on the City's behalf in accordance with the DDA. At a later date, a future agreement will be presented for the City Council's consideration to set forth the terms of reimbursement to Combined for continued design expenses up through completion of construction of the Town Plaza Expansion.

Reimbursement for Completed and Approved Design, Engineering, and Related Services for the Parcel B Improvements and the Public Parking Improvements

Reimbursement by the City to Combined for the cost of designing the City's other public improvements, including, but not limited to, the Public Parking Improvements to be constructed under Parcel B/Town Plaza is also required by the DDA. The design of the City's share of the below grade public parking and the coordination with the Town Plaza Expansion design requires the services of many design professionals and engineers. The proposed Reimbursement Agreement will reimburse Combined for the costs of all design professionals for the Public Parking Improvements and also those other design professionals for the Town Plaza Expansion Improvements (excluding SWA's services) which Combined has paid on the City's behalf to date. Among the design professionals to be paid under the proposed Reimbursement Agreement are: architectural, structural engineering, civil engineering, mechanical, electrical and plumbing engineering, shoring engineering and geotechnical and others. The ceiling amount of reimbursement due to Combined for work related to the schematic design plans and design development plans is \$107,232.

Reimbursements under the agreement shall be made by the City: (1) for work that has been completed and (2) Combined provides proof of payment for the work for review and approval by staff.

Environmental Determination

Pursuant to Sections 15162 and 15168 of the California Environmental Quality Act (CEQA) Guidelines, the City Council determined the DDA (which includes the design and construction of the Parcel B Project and the Public Parking Improvements) and sale of the subject property are within the scope of the Town Plaza Final Supplemental Environmental Impact Report (FSEIR) approved on May 3, 1999. The circumstances under which the FSEIR was prepared have not significantly changed, and no new significant information has been found that would impact the FSEIR. Therefore, no new environmental analysis is required.

Public Hearing Regarding Proposed Waiver of Competitive Bidding Requirements

This public hearing was originally noticed for the June 22, 2015 City Council meeting. At that time, the City Council opened the public hearing and continued it to July 13, 2015 at 7:00 PM. Staff recommends the City Council adopt a motion to

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further continue this Public Hearing to July 27, 2015 at 7:00 PM (public hearing remains open).

FISCAL ANALYSIS:

The budget for the Town Plaza Expansion improvements is \$3.2 million, which will fund construction costs and all soft costs such as design and construction management. Staff has determined there are sufficient funds in the overall \$3.2 million budget to cover the proposed reimbursement of \$11,500 to Combined for completed and approved work by the SWA Group related to the re-design of the Town Plaza Expansion.

The proposed reimbursement in the amount of \$107,232 for the City's share of design costs for the completed and approved work related to the Parcel B Improvements and Public Parking Improvements can be obtained from the project's budget.

Sufficient City Council approved appropriations existing to fund the proposed agreement.

MOTION:

That the City Council:

1. Approve a Reimbursement Agreement Relating to: i) Completed and Approved Design Services for the Town Plaza Expansion Improvements in an amount not-to-exceed \$11,500; and ii) Completed and Approved Design, Engineering and Related Services for the Parcel B Improvements and the Public Parking Improvements for Work in an amount not-to-exceed \$107,232; and,
2. Authorize the City Attorney and City Special Counsel to review/prepare the necessary documents; and,
3. Authorize the City Manager to execute such documents on behalf of the City.
4. Continue the Public Hearing to July 27, 2015 at 7:00 PM.