

Agenda Report

January 12, 2015

TO: Honorable Mayor and City Council

FROM: Planning & Community Development Department

SUBJECT: AMENDMENT TO CONTRACT NO. 21,260 WITH CDM SMITH, INC., TO INCREASE THE TOTAL NOT TO EXCEED AMOUNT BY \$26,602 FROM \$264,879 TO \$291,481 AND TO EXTEND THE TIME OF PERFORMANCE FOR ENVIRONMENTAL CONSULTING SERVICES FOR THE PROPOSED GREEN HOTEL APARTMENT PROJECT AT 86 SOUTH FAIR OAKS AVENUE

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the proposed action is categorically exempt from the California Environmental Quality Act (CEQA) pursuant to State CEQA Guidelines section 15061 (b) (3), the general rule that CEQA only applies to projects that may have an effect on the environment; and
2. Authorize the City Manager to amend Contract No. 21,260 with CDM Smith, Inc. by increasing the contract amount by \$26,602 thereby increasing the not to exceed amount from \$264,879 to \$291,481 for the preparation of environmental documentation for the proposed Green Hotel Apartment project and the extend the contract duration for one additional year to February 6, 2016.

BACKGROUND:

The Planning & Community Development Department has been working with Prestige Homes, Inc. on a proposed six-story mixed-use building with 5,000 square feet of ground-floor commercial space and 64 residential dwelling units. The project is located at the northeast corner of South Fair Oaks Avenue and Dayton Street. Currently the site is a surface parking lot adjoining the Castle Green and Green Hotel Apartments

The Design Commission has conducted two Preliminary Consultations on November 8, 2010 and July 11, 2011 to provide comments to the development team on the building design. An Environmental Initial Study was completed on August 24, 2012, which determined that an Environmental Impact Report (EIR) would be the appropriate

environmental document for the project. Additional technical studies have been completed and have verified that an EIR is required.

EIR Scoping Meetings were held on April 8 and 15, 2013 and the Draft EIR was released for public review on January 24, 2014 with the public review period culminating in a public hearing before the Design Commission on March 11, 2014.

During the preparation of the Final EIR, staff identified an oversight in determining the project's street segment impact within the traffic study. This error underestimated the project's street segment impact along Dayton Street, between Fair Oaks Avenue and Raymond Avenue. The change in street segment impact resulted in a more severe traffic impact than what was identified in the Draft EIR. It should be noted that street segment impacts are no longer a CEQA threshold under the City's newly adopted Transportation Performance Metrics (Metrics). Since this traffic study was prepared prior to the new Metrics, and pursuant to State CEQA Guidelines Section 15088.5 (a)(2), the Draft EIR must be recirculated for public review prior to completion of the Final EIR. This contract amendment will accommodate additional costs incurred to prepare and recirculate the Draft EIR. The additional costs associated with the amendment to this contract, as with the initial contract costs, will be borne by the project applicant.

The traffic study was prepared under contract between the Department of Transportation and KOA traffic consultants. KOA has prepared a supplemental memorandum to the Traffic Study correctly documenting project impacts within their existing contract.

This contract was executed on February 6, 2013. The contract states that services shall be completed within 12 months following execution of the contract. The contract provides that the time to perform the services may be extended in writing by the City Manager or his designee. On July 15, 2014, staff extended the contract for one additional year, to February 6, 2015. Extending the contract for an additional year to February 6, 2016 will ensure that all work can be completed within the contract time limits.

Environmental Document Preparation

On December 12, 2012, the City Council approved the initial contract with CDM Smith, Inc. for this EIR. CDM Smith is an established firm that has been in business since the 1940's with their local office in Los Angeles. CDM Smith has worked on various complex projects of regional significance, including the Los Angeles County Metropolitan Transportation Authority (Metro) Eastside Gold Line Extension. The firm has been working on this project since the execution of contract 21,260 on February 6, 2013.

CDM Smith's Inc. additional scope of work includes preparation of a Recirculated Draft EIR, which will consist of two sections: an Introduction and a revised Transportation and Circulation Section, appropriate public and state agency notices, attendance at

meetings and hearings, responses to new comments received on the Recirculated Draft EIR and further administrative and project management tasks associated with this additional scope. Funds that currently remain in the budget will be sufficient to complete the Final EIR following recirculation of the Draft EIR.

Environmental Document Timeline and Cost

The processing of the remaining portion of the EIR process, which includes meetings to allow for public review and comment on the document, is anticipated to be approximately five months. The estimated cost for completion of the Recirculated Draft EIR is \$26,602, a conservative estimate that anticipates preparation of responses to a large number of public comments, based on the response to the initial Draft EIR.

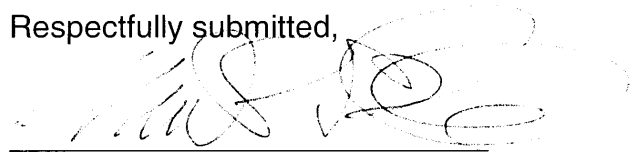
ENVIRONMENTAL REVIEW:

The proposed action is authorization to enter into a contract with CDM Smith Inc. for the preparation of environmental documentation for development of a mixed-use building at the property located 86 South Fair Oaks Avenue. This action will authorize the preparation of a technical study only and is therefore exempt from CEQA per Section 15061(b)(3) (General Rule).

FISCAL IMPACT:


The cost of this action will be \$26,602, increasing the contract amount from \$264,879 to \$291,481, including all options, allowances, labor, direct expenses and contingency. Funding for the preparation of the EIR document will not have a direct fiscal impact on the City's General Fund as the applicant is responsible for all costs associated with the preparation of the EIR. The additional \$26,602 will be collected and deposited into account #8115-105-444100-95551 prior to the execution of the proposed contract amendment and authorization of work. It is anticipated the remaining balance of the contract will be spent during the current fiscal year. Indirect and support costs will be addressed by utilization of existing budget appropriations in the Design & Historic Preservation operations budget account# 101-444400.

Respectfully submitted,




VINCENT P. BERTONI, AICP
Director of Planning & Community
Development Department

Prepared by:



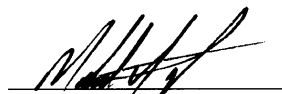
Kevin Johnson
Senior Planner

Concurred by:



Leon E. White
Principal Planner

Approved by:



MICHAEL J. BECK
City Manager