

Agenda Report

April 11, 2016

TO: Honorable Mayor and City Council

FROM: Planning & Community Development Department

SUBJECT: **AMENDMENT TO CONTRACT NO. 21654 WITH CDM SMITH, INC, TO INCREASE THE TOTAL NOT-TO-EXCEED AMOUNT BY \$100,000 FROM \$300,620 TO \$400,620 FOR THE PREPARATION OF ENVIRONMENTAL DOCUMENTS FOR THE YWCA/KIMPTON HOTEL PROJECT**

RECOMMENDATION:

It is recommended that the City Council:

1. Find that the amendment to Contract No. 21654 with CDM Smith, Inc. is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15061(b) (3) (General Rule);
2. Authorize the Interim City Manager to amend Contract No. 21654 with CDM Smith, Inc. by increasing the total not-to-exceed amount by \$100,000, from \$300,620 to \$400,620 for the continued preparation of environmental documents related to the proposed YWCA/Kimpton Hotel Project; and,
3. To the extent this transaction could be considered a separate procurement subject to competitive selection, grant the proposed contract an exemption from the Competitive Selection process set forth in the Competitive Bidding and Purchasing Ordinance pursuant to P.M.C. section 4.08.049 (B), contract for which the City's best interests are served.

BACKGROUND:

On December 9, 2013, the City Council authorized Contract No. 21654 with CDM Smith, Inc. for consulting services to prepare environmental documents for the proposed YWCA/Kimpton Hotel project. The contract was exempted from the competitive selection process pursuant to Pasadena Municipal Code Section 4.08.049(B), contracts for which the City's best interests are served.

The proposed project is the rehabilitation of the historic YWCA building and construction of a three-to-six-story, approximately 87,342-square-foot building adjacent to the YWCA

which together are proposed to become an approximately 179-room Kimpton Hotel. The proposal would require a series of entitlements including:

- Surplus Property declaration and exemption from competitive sale requirement,
- Conditional Use Permit (CUP) for hotel use,
- CUP for a new non-residential project exceeding 25,000 square feet of gross floor area,
- CUP for the sale of a full line of alcoholic beverages for on-site consumption,
- Minor CUP for a new commercial project exceeding 15,000 square feet of gross floor area in a transit oriented district (TOD),
- Minor CUP for shared parking,
- Minor CUP for reduced parking,
- Variance for reduced first floor height,
- Variance for loading spaces (number and design),
- Lease Agreement

These entitlements are discretionary actions that trigger the requirement for compliance with CEQA. In order to properly determine the environmental impacts of the project, the City is preparing an Environmental Impact Report (EIR) consistent with CEQA requirements. The City Council must certify the EIR prior to approving the entitlements. The Draft EIR was released for public review between February 5, 2016 and April 5, 2016.

This contract amendment is needed to accommodate changes in the scope of work that are needed to complete the Final EIR. Based on the comments that have been received to-date, extensive additional analysis is needed to respond to public comments on the Draft EIR. This analysis is beyond the amount that was originally anticipated when the scope of work for the EIR was developed in 2013. Staff also anticipates the need for additional meetings with CDM Smith to ensure adequate analysis and response to public comments. The total cost of the amendment is \$90,000. An additional \$10,000 is also proposed to cover any additional work, which could be used to supplement or revise existing tasks. If the proposed contract amendment is approved, the Final EIR is anticipated to be made available to the public by June 2016.

ENVIRONMENTAL REVIEW:

This project is exempt from CEQA review pursuant to State CEQA Guidelines Section 15061(b) 3. This contract is covered by the general rule that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to the provisions of CEQA.

FISCAL IMPACT:

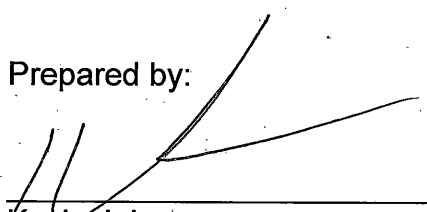
The maximum cost of this action is \$100,000, increasing the Contract amount from \$300,620 to \$400,620, including all options, allowances, labor, direct expenses and contingency. Indirect and support costs will be addressed by utilization of existing budget appropriations. There is no impact to the City's General Fund as a result of this contract – all costs associated with it are to be borne by the project applicant.

Respectfully submitted,



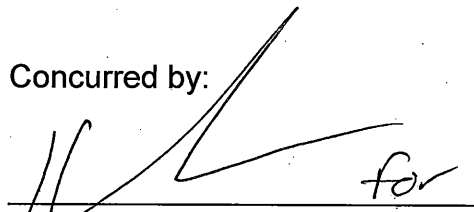
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