

TOWN COUNCIL STAFF REPORT

Subject: Authorize a consulting agreement with Lisa Wise Consulting, Inc. for planning consulting services for The Parcel

Meeting Date: April 3, 2019

Written by: Grady Dutton, Public Works Director
Sandra Moberly, Community and Economic Development Director

RECOMMENDATION:

Staff recommends Town Council authorize the Town Manager to finalize scope and fee negotiations and execute an agreement with Lisa Wise Consulting for planning consulting services as shown in Exhibit A of the draft agreement. The contract amount is proposed to be \$400,000 which represents \$383,890 for the scope of services outlined below and an additional \$16,110 for additional services, if needed, for items not yet identified.

BACKGROUND:

On March 30, 2018, the Town completed the acquisition of the approximately 25 acre "Parcel" with an investment of approximately \$6.5 million. Since that time, staff has provided regular updates to Town Council. On December 19, 2018 Town Council authorized resources to further the pre-development efforts. The December 19 Town Council action also addressed overall housing program support resource needs. Those actions were in keeping with the identification of housing as an extremely high priority for the Town. On January 9, Town Council and the Planning and Economic Development Commission received a comprehensive update on The Parcel. Since January 9, staff has been providing monthly updates through Town Council Department Head Reports. The Town Council has conveyed the importance of both completing a thoughtful and engaged public process while also completing the planning process quickly to achieve new affordable housing opportunities in a short time frame.

ANALYSIS/DISCUSSION:

This staff report provides information regarding the conceptual land use planning contract, the affordable housing RFQ, as well as an update on The Parcel pre-development process.

Conceptual Land Use Planning Contract:

In response to the Town Council's December 19, 2018 actions, the Town advertised a Request for Qualifications (RFQ) for Conceptual Land Use Planning and Related Civil Engineering Services for The Parcel. In advance of the January 24, 2019, 5:00 PM deadline for submittal, the Town received five responses, listed here in alphabetical order:

Design Workshop, Stateline, Nevada
Evolve environment architecture, Pittsburgh, Pennsylvania
JK Architecture Engineering, Tahoe City, California
Lisa Wise Consulting, Inc., San Luis Obispo, California
The Planning Associates, Irvine, California

A panel of four Town staff members, including representatives from Public Works Engineering and Community and Economic Development Departments, as well as a representative from Mono County Community Development reviewed the information provided and evaluated the responders' qualifications in accordance with the criteria included in the RFQ. The panel identified Lisa Wise Consulting (LWC) as the top ranked firm. Among other items, that evaluation included a review of each responding firm and their identified team of subconsultants. This fair and unbiased review of RFQ's is consistently used by the Town in selection of consulting services. Once the top ranked team was identified, staff began discussions regarding a detailed scope of services and cost proposal. Staff is in negotiations with the representatives of LWC and has come to a preliminary agreement on a detailed scope of services and maximum fee of \$400,000 for the proposed scope of services as outlined below and further described in the attached draft proposal. Staff recommends execution of an agreement for this work with the authorization to allow the Town Manager to finalize scope and fee negotiations.

LWC's team includes:

LWC; Project Management, Community Engagement, Conceptual Land Use Plan Package
Opticos Design, Inc.; Urban Design
Crabtree Group, Inc.; Civil Engineering
Norvin Development Corp.; Affordable Housing

The agreement will be on a time and material basis with a not-to-exceed amount. For this project, this approach enables the best opportunity to receive the requested services for the most reasonable fee. The \$16,110 recommended for additional services will only be authorized on a task-by-task basis in writing to respond to unforeseen items that may come up during the process.

A few key points summarized from the attached proposal:

Community Housing Action Plan: The near-term action strategies in the Community Housing Action Plan (CHAP) include the acquisition and design of The Parcel. The Town has acquired The Parcel, and the scope of work represents the next step of The Parcel design. The Parcel Team will ensure the time and effort invested in preparing the CHAP will be rewarded. The Parcel Team and LWC are well aware of previous planning efforts that will be taken into account, including but not limited to the CHAP, Walk Bike Ride and the Downtown Revitalization planning effort.

1. Project Initiation

Project initiation will kick off the conceptual land use planning and include the establishment of communication strategies, public outreach plan preparation, and will begin Team discussions on development objectives. During this task, the Consultant Team will also review previous planning documents for The Parcel.

Deliverables:

- Kickoff meeting agenda and notes
- Internal and external communication strategies
- Public outreach plan (POP)
- Specific schedule of events and meetings
- Data/document request
- Biweekly call agendas and notes

2. Development Objectives

The Consultant Team will conduct one-on-one and/or small group interviews with stakeholders as identified by the Town. The interviews are anticipated to include a discussion of opportunities and constraints, development objectives, and public amenity preferences. After stakeholder interviews are summarized by the Consultant Team, feedback will be obtained from the Town Council (Council) and Planning and Economic Development Commission (PEDC) at a joint workshop. Community input on potential development objectives and public amenities, including prioritization, will also be gathered, and could be online (Bang the Table) or other method outlined in the POP.

Deliverables:

- Stakeholder interview questions and summary memo
- Council/PEDC presentation and summary memo
- Community outreach material and summary memo
- Internal charrette agenda and notes
- Biweekly call agendas and notes

3. Land Use Plan Concept Alternatives

A multi-day charrette will be used to develop land use plan concept alternatives and obtain input to guide the development of a preferred alternative. A charrette is an opportunity to engage the public in the visioning process and create detailed design solutions with specific direction for future entitlement efforts. Use of a comprehensive team of experts is necessary to move quickly through the refinement of concepts that are viable from market and engineering perspectives.

Deliverables:

- Charrette materials
- Three land use plan concept alternatives
- Community outreach material and summary memo
- Biweekly call agendas and notes

4. Preferred Conceptual Land Use Plan

Based on the community feedback provided in the previous task, the Consultant Team will coordinate with The Parcel Development Team, supporting experts, and key stakeholders to prepare the preferred conceptual land use plan and an accompanying narrative summary. The Consultant Team will coordinate with The Parcel Development Team's supporting experts to ensure the preferred conceptual land use plan is economically viable.

The preferred conceptual land use plan will be presented to the Council and PEDC for discussion at a joint workshop. Also, separate community input on the preferred conceptual land use plan will be offered and could be online (Bang the Table) or other method outlined in the POP. The Consultant Team will document the results of this input.

Deliverables:

- Preferred conceptual land use plan and narrative

- Council/PEDC presentation
- Community outreach material and summary memo
- Biweekly call agendas and notes

5. Final Conceptual Land Use Plan

The Consultant Team will refine the preferred conceptual land use plan based on input from the Council, PEDC, and community to create the final conceptual land use plan, narrative, and drawings. The Consultant Team will coordinate with The Parcel Development Team’s supporting experts to ensure the final conceptual land use plan is economically viable.

The final conceptual land use plan will be presented to the Council and PEDC for review and acceptance at a joint workshop.

Deliverables:

- Final conceptual land use plan, narrative, and drawings
- Council/PEDC presentation
- Biweekly call agendas and notes

6. Additional Services

Additional services not described in this scope of work may be desired by the Town after contract execution.

7. Target Milestones

April/May 2019	<ul style="list-style-type: none"> • Project kickoff • Prepare Public Outreach Plan • Prepare detailed schedule of meetings/events • Schedule stakeholder interviews
May/June 2019	<ul style="list-style-type: none"> • Stakeholder interviews • Prepare stakeholder interview summary
June/July 2019	<ul style="list-style-type: none"> • Council/PEDC Workshop #1 • Internal Team charrette • Prepare rough preliminary land use plan concepts
July/August 2019	<ul style="list-style-type: none"> • Rough preliminary concepts available to public • Charrette • Prepare preferred conceptual land use plan and narrative
September/October 2019	<ul style="list-style-type: none"> • Council/PEDC Workshop #2
October/November 2019	<ul style="list-style-type: none"> • Prepare final conceptual land use plan and narrative
November/December 2019	<ul style="list-style-type: none"> • Council/PEDC Workshop #3

During this process, The Parcel Team will formulate further recommendations for overall project development, including alternatives for development partner(s) solicitation and selection. This effort will also identify processing requirements and alternatives related to planning documents (General Plan, Master Plan, etc.) and environmental disclosure requirements. Identification of potential funding sources and programs will be considered throughout this effort. It is important to note this

initial effort does not include California Environmental Quality Act (CEQA) technical studies or analysis.

Affordable Housing Expertise RFO

Concurrent with the Conceptual Land Use Planning process, the Town released an RFQ for affordable housing expertise to assist with The Parcel process. The Town received two proposals in response to this RFQ from WSW Consulting and Rubicon Design Group. After reviewing the proposals for both the Conceptual Land Use Planning RFQ and the Housing Expertise RFQ and noting the housing expertise included in the LWC proposal, Town staff determined that it was more efficient and cost effective to utilize the housing expertise provided in the LWC proposal rather than engaging in a separate contract with another consultant team. Staff notified both firms that submitted proposals in response to the Housing Expertise RFQ of the direction on the project.

Update on Parcel Pre Development Process:

Since the update provided on January 9, 2019 and monthly updates during Town Council Department Head reports, Town staff has continued to work to lay the groundwork for what will be a successful effort. Town staff is working to finalize roles and responsibilities of key staff members and has been successful in recruiting staff to provide the necessary internal team to manage the work. On March 20, 2019 Town Council received an introduction to Amy Callanan, our newest Associate Engineer in Public Works Engineering. Ms. Callanan is very familiar with development process in the Town of Mammoth Lakes as she served as a Planning and Economic Development Commissioner for approximately five years. Community and Economic Development has hired a new senior planner who is anticipated to start work in early May. This candidate has excellent land use and processing experience in communities similar to Mammoth Lakes. We are still in the process of filling one additional planning position.

STAFFING CONSIDERATIONS:

Staff requirements are being addressed as described above.

FINANCIAL CONSIDERATIONS:

On December 19, the Town Council identified resources to further both The Parcel and overall Housing efforts. Specifically, Town Council adopted a resolution amending the FY18-19 budget by increasing the funding for Housing Programs and Community and Economic Development Department from \$577,344 to \$922,343; and: 1) authorized the Town Manager to hire two additional personnel, one Associate Engineer and one Senior Planner/Housing Coordinator; and 2) to approve the use of up to \$200,000 for subject matter experts (consultants) for work related to The Parcel project; and 3) dedicate the use of up to \$125,000 for housing programs with specific programs subject to Council approval. Additional financial resources to fulfill the needs for this recommended agreement are discussed below under Financial Considerations.

Housing Budget and Reserves FY2018-19

Revenue		
FY2017-18 - Housing Reserve Balance	\$	40,758
Housing Allocation from Transient Occupancy Tax (\$13.5M X 6.54%)	\$	882,692
FY2018-19 Revenue available for Housing	\$	923,450
Expenditures		
Personnel	\$	183,653
Contract Services	\$	84,500
Mammoth Lakes Housing Contract	\$	329,190
Parcel Project Funding	\$	200,000
Other Housing Programs	\$	125,000
Total Expenditures	\$	922,343

The preliminary agreement on a detailed scope of services with LWC has a maximum fee of \$422,280 for the proposed scope of services. Staff is recommending that the Town Council approve a maximum of \$400,000 for this contract which reduces the amount proposed for additional services from \$38,389 to \$16,110. This contract can be funded partially from \$200,000 previously amended in the FY2018-19 Housing budget (shown highlighted in the table above) and General Fund projects funds as described below.

The adopted budget for FY17-18 included an additional \$1.0M in TOT revenue designated for projects and the General Fund portion of that revenue was \$688,461. During the June 2018 budget adoption, the Town Council allocated \$225,000 to reserve for economic uncertainty (REU) to fully fund that component of the reserve policy. The remaining \$463,461 remains unallocated and can be used to fund the LWC contract. The project funds were designated for capital and/or housing projects based on action by the Town Council.

Expanding the availability and affordability of community housing is one of the top priorities identified by Town Council and is identified in the Community Housing Action Plan (CHAP). The proposed contract is a step forward in implementation of the CHAP and meeting the Council 18-Month Strategic Objective of *Initial Planning for 'The Parcel' is complete and ready to proceed to development and funding through the development of a community based master plan*. The Council is aware that the development process and actual development will require substantial resources. The proposed contract and recommended funding is recommended as one step in achieving Council priorities.

LEGAL CONSIDERATIONS:

The Town Attorney has reviewed the attached consulting agreement, and will work with staff and Lisa Wise Consulting, Inc. to finalize the agreement.

ATTACHMENTS:

Draft Consulting Agreement with Lisa Wise Consulting, Inc.