

TOWN COUNCIL STAFF REPORT

Subject: The Parcel

Meeting Date: June 3, 2020

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

RECOMMENDATION:

Staff recommends Town Council receive this presentation and provide comments as appropriate.

BACKGROUND:

On March 18, 2020, Town Council selected The Pacific Companies as a Development Partner to develop The Parcel to provide much needed affordable housing for the community. The Town Council authorized the Town Manager to begin discussions with The Pacific Companies to negotiate an appropriate agreement for future Town Council consideration. This presentation is a brief update of progress since that date.

ANALYSIS:

This section describes the components of the work program and provides a status update.

1. Program Management

- a. Kickoff Meeting: April 8.
- b. Regular Meetings: Bi-weekly
- c. Schedules: The Team discusses short, mid, and long-range schedules and milestones at each meeting. Once an agreement is in place that includes more formal commitments/requirements, we will provide regular detailed updates. We expect the schedule updates will include such items as:
 - i. Agreement with Pacific
 - ii. Planning/Entitlement
 - iii. Environmental Disclosure
 - iv. Infrastructure Design and Construction
 - v. Housing Design and Construction
 - vi. Funding Sources and Availability

2. Infill Infrastructure Grant Application

- a. Initial feedback: Housing and Community Development (HCD) received a total of 23 applications from small jurisdictions requesting approximately \$90 million out of \$85 million available. The majority of the applications ranged from \$700,000 to \$4 million. One was approximately \$7 million while two were at our above \$20 million (The Parcel and the City of Chico).
- b. Communications: Our team has received a number of relatively minor inquiries regarding our application. It is our understanding reviewing staff from HCD have a significant workload at this time.

- c. Schedule: HCD staff have indicated a response regarding potential awards will likely be available by the end of May. Staff recommends we have the response in hand before completing our initial draft agreement with Pacific.

3. *Data Collection, Planning, and Environmental Disclosure*

- a. Environmental Consultant Selection and Agreement Process: Community and Economic Development staff have recently completed an exhaustive process to create a list of qualified consultant firms to assist the Town in projects moving forward. Staff has further identified a recommended consultant for The Parcel and has obtained a draft proposal for those services. That proposal is under review by Town staff and Pacific and will be brought to Town Council for authorization in the near future. It is expected Pacific will be reimbursing the Town for these services.
- b. Technical Studies: It is expected Pacific will be reimbursing the Town for technical studies required in support of the planning and environmental process. Certain field work needs to be completed now during our spring; therefore, the Town has authorized this work to proceed.
 - i. Tree Survey: Update to a previous tree survey.
 - ii. Cultural resources report
 - iii. Biological resources report
 - iv. Wetlands delineation update
- c. Environmental Disclosure Process: The item the Team has spent the most time on to date is detailed review of project phasing and environmental disclosure alternatives. This discussion will include Town staff, Town Attorney, Town environmental consultant, and the Pacific team.

4. *DRAFT Agreement Preparation and Negotiations*

- a. Initial Discussions
- b. Draft/Sample Agreement: A sample agreement is in hand and is under review.
- c. Staff expects to have an initial outline ready for Town Council review in July.

5. *Next Steps*

- a. May – July: Environmental consultants will be on site conducting technical studies.
- b. May/June: HCD will publish results of Infill Infrastructure grant awards.
- c. July: Staff will bring an outline of the draft agreement with Pacific to Town Council.