

## TOWN COUNCIL STAFF REPORT

Subject: The Parcel

Meeting Date: July 15, 2020

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

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### **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. On June 3, staff provided an update to Town Council. 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. Regular Meetings: Bi-weekly
- b. 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 to Town Council.
- c. Town Council Updates: Will be provided as an Agenda Item monthly or more frequently as appropriate. Will be provided verbally as part of Department Head Reports as new information becomes available.

#### ***2. Infill Infrastructure Grant Application and Award***

- a. Award: As announced, Pacific and the Town have been notified award of an Infill Infrastructure Grant (IIG) in the amount of \$20,601,216. The letter from IIG is included as Attachment 1. The grant provides funding for infrastructure improvements within The Parcel project.
- b. Agreement: Included in the notification from HCD was a standard agreement framework for our initial review.
- c. Authorization to Execute: Once we have completed our review of the standard agreement, we will bring it to Town Council for authorization to execute.
- d. Final agreement: We expect to receive the full agreement from HCD in 60 to 90 days and will execute after review and authorization from the Town Council to execute.

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

- a. Environmental Consultant Selection and Agreement Process: Community and Economic Development staff have identified Michael Baker, Inc. (MBI) as the best

consultant team to work with Pacific and the Town to complete the environmental disclosure process. Staff is requesting a proposal in line with the currently identified disclosure process from MBI for the required scope of services and will bring this to Town Council once it has been thoroughly reviewed by Town staff and Pacific. Pacific will be reimbursing the Town for these services.

- b. Technical Studies: Pacific will be reimbursing the Town for technical studies required in support of the planning and environmental process.
  - i. Tree Survey: Update to a previous tree survey underway.
  - ii. Cultural resources report: Underway.
  - iii. Biological resources report: We have received a draft biological resources report and are reviewing.
  - iv. Wetlands delineation update: We have received a draft delineation report and are reviewing.
- c. Environmental Disclosure Process: Alternatives are under review by Town staff, Town Attorney, Town environmental consultant, and the Pacific team.

**4. *Developer pre-development activities:***

- a. DRAFT Developer Agreement Preparation and Negotiations
  - i. Initial Discussions underway.
  - ii. Draft/Sample Agreement: A sample agreement/term sheet has been received by the Town and is under review.
  - iii. Staff expects to have an initial outline/term sheet ready for Town Council review in August.
  - iv. Final Agreement: Upon direction by the Town Council on the draft term sheet staff will negotiate a final contract for consideration by Town Council. Staff expects this to occur in September/October.
- b. In advance of the agreement, Pacific is moving forward with a number of other pre-development activities:
  - i. Engaged their consultant planning, architectural and engineering team, who have visited the site and met with Town staff.
  - ii. Continued investigation into potential future funding sources.
  - iii. Continued discussions with Town staff and Mono County Behavioral Health related to potential supportive housing opportunities.

**5. *Next Steps***

- a. May – July: Environmental consultants on site conducting technical studies.
- b. July - August: Reviewing standard HCD / Infill Infrastructure Grant agreement.
- c. July 15: Town Council Update
- d. August: Staff will bring an outline of the draft agreement/term sheet with Pacific to Town Council.