



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Rosalynn Hughey

SUBJECT: SEE BELOW

DATE: June 15, 2020

Approved

Date

6/15/2020

SUBJECT: AMENDMENTS TO INCREASE MAXIMUM COMPENSATION TO MASTER AGREEMENTS FOR URBAN VILLAGE MASTER PLANS AND OTHER PROJECTS TO IMPLEMENT ENVISION SAN JOSE 2040 GENERAL PLAN

RECOMMENDATION

Adopt a resolution authorizing the City Manager to increase the maximum aggregate compensation to the Master Consulting Agreements for Urban Village Master Plans and other City projects from \$6,000,000 to \$9,000,000, for the initial term ending November 2020 and the three one-year options, subject to the appropriation of funds.

OUTCOME

Adoption of the resolution will facilitate continued on-call consulting services to the City on an "As Required" basis. Consultants will assist the Department of Planning, Building, and Code Enforcement (PBCE) and other City departments in the development of Urban Village Master Plans and other City projects to implement the City's Envision San José 2040 General Plan.

BACKGROUND

In November 2015, the City Council adopted a resolution approving Staff's recommendation to establish a pre-approved list of 23 on-call consultants to assist the PBCE and other City departments in the development of Urban Village Master Plans and other City projects to implement the City's Envision San José 2040 General Plan^{1,2}. The approved consultants were selected to assist the City with planning efforts in seven technical areas: 1) Urban Design, 2)

¹ Council Memorandum dated 11/17/15:

http://sanjose.granicus.com/MetaViewer.php?view_id=&event_id=1473&meta_id=541883

² Resolution No. 77586 (pages 11-12): <http://www.sanjoseca.gov/DocumentCenter/View/47994>

Circulation Improvements, 3) Environmental Review Analysis, 4) Online Engagement, 5) Public Finance, 6) Public Art, and 7) Traffic Impact Analysis.

The approved list of consultants is listed below:

Consultant Name

- 1) AECOM, Inc. (San Diego, CA)
- 2) Alta Planning & Design (San José, CA)
- 3) Bottomley (Oakland, CA)
- 4) Circlepoint (San José, CA)
- 5) David J. Powers (San José, CA)
- 6) Dyett & Bhatia (San Francisco, CA)
- 7) Economic & Planning (Oakland, CA)
- 8) Environmental Science Associates (San Francisco, CA)
- 9) Fehr & Peers (San José, CA)
- 10) Gehl Studio (San Francisco, CA)
- 11) Hexagon (San José, CA)
- 12) HKS Architects (Dallas, TX)
- 13) Keyser Marston (San Francisco, CA)
- 14) Kimley & Horn (San José, CA)
- 15) Metropolitan Planning (Mountain View, CA)
- 16) Moore Iacofano Goltsman (Berkeley, CA)
- 17) Nelson\Nygaard (San Francisco, CA)
- 18) Opticos Design (Berkeley, CA)
- 19) Placeworks (Berkeley, CA)
- 20) Skidmore, Owings & Merrill (New York, NY)
- 21) Strategic Economics (Berkeley, CA)
- 22) Wallace, Roberts & Todd (San Francisco, CA)
- 23) ZGF (Portland, OR)

Council approved Staff's recommendation to negotiate and execute master agreements with each of the above consultants for an initial five-year term; execute amendments to adjust maximum compensation for each agreement, not-to-exceed the approved \$3,000,000 maximum aggregate compensation for all agreements; and execute three one-year options to extend the term of the agreements, subject to the appropriations of funds. Staff was instructed to return to Council to request additional funding, if required³.

³ Link to memorandum from Mayor Liccardo dated 11/16/15:

http://sanjose.granicus.com/MetaViewer.php?view_id=&event_id=1473&meta_id=542867

June 15, 2020

Subject: Amendments to Increase Maximum Compensation to Master Agreements for Urban Village Master Plans and Other Projects to Implement Envision San Jose 2040 General Plan

Page 3

In September 2017, Staff returned to Council requesting⁴ an increase to the maximum aggregate compensation from \$3,000,000 to \$12,000,000. Staff presented the recommendation to Council and responded to questions. Council adopted a resolution⁵ approving an increase to the maximum aggregate compensation from \$3,000,000 for all agreements to \$6,000,000, subject to the appropriation of funds.

ANALYSIS

Since November 2015, the City has executed Master Agreements with 14 of the 23 consultants. The technical areas and maximum compensation set for each consultant's Master Agreement is currently as follows:

	<u>Consultant Name</u>	<u>Technical Area</u>	<u>Maximum Compensation</u>
1)	David J. Powers (San José, CA)	Environmental Review Analysis	\$973,626
2)	Dyett & Bhatia (San Francisco, CA)	Urban Design, Environmental Review Analysis	\$500,000
3)	Moore Iacofano Goltsman (Berkeley, CA)	Urban Design, Circulation Improvements, Online Engagement, Environmental Review Analysis, Public Art	\$500,000
4)	Bottomley (Oakland, CA)	Urban Design	\$55,000
5)	Keyser Marston (San Francisco, CA)	Public Finance	\$25,000
6)	Hexagon	Traffic Impact Analysis	\$928,090
7)	SOM – Grants/DSAP	Urban Design	\$887,400
8)	SOM – Diridon	Urban Design, Circulation Improvements, Online	\$150,000
9)	Fehr & Peers	Circulation, Traffic	\$290,000
10)	Strategic Economics	Public Finance	\$461,210

⁴ Link to joint memorandum from Interim Director of Planning, Building & Code Enforcement Hughey and Director of Finance Cooper dated 8/21/17:

<https://sanjose.legistar.com/View.ashx?M=F&ID=5400423&GUID=AAAEA686-4709-4998-80A1-70316985622E>

⁵ Resolution No. 78349: <https://sanjose.legistar.com/View.ashx?M=F&ID=5395985&GUID=B61B3C33-C34F-47F8-9752-9CFC501959D2>

June 15, 2020

Subject: Amendments to Increase Maximum Compensation to Master Agreements for Urban Village Master Plans and Other Projects to Implement Envision San Jose 2040 General Plan

Page 4

11)	AECOM	Urban Design, Circulation, Environmental, Public Art	\$100,000
12)	Environmental Science Associates	Environmental	\$100,000
13)	PlaceWorks	Environmental, Urban Design, Circulation, Online Engagement, Public Art	\$115,506
14)	Circlepoint	Environmental, Online Engagement	\$301,000
15)	Nelson/Nygaard	Circulation	\$86,750
		Maximum Compensation	<hr style="width: 20%; margin-left: auto; margin-right: 0;"/> \$5,473,582

The consultants are being utilized for the development of the Diridon Station Area Plan Amendment and urban village plans for North 1st Street and Berryessa BART. The maximum aggregate compensation set forth in the 15 executed Master Agreements is \$5,473,582. Staff is currently working to execute the next two service orders for work on the Four-Year Review of the General Plan.

Future projects include consultant work for: 1) Lighting Policy update, 2) Metropolitan Transportation Commission (MTC) and Caltrans grant-funded work on the Eastside/Alum Rock and Southwest & Race Urban Villages, 3) work items associated with the SB 2 Planning Grant program to support development of the City’s next Housing Element, 4) development of illustrative outreach material for housing-focused development standards in the Zoning Code, and 5) development design standards for “opportunity housing.” Staff also anticipates submitting application(s) for the State Housing and Community Development Department’s Local Early Action Planning (LEAP) grant program to support various policy work related to housing, as well as MTC’s next round of Priority Development Area (PDA) grant funding in 2020 to support development of additional urban village plans. Staff anticipates these projects, in addition to the service orders indicated above, will also take the aggregate compensation beyond the approved \$6,000,000.

Staff recommends increasing the total maximum aggregate compensation from \$6,000,000 to \$9,000,000 for the anticipated consultant work from these Agreements. Projects typically run concurrently, and new projects may begin before current projects end. Approval of this recommendation will allow staff to increase the maximum compensation of the current agreements and execute new master agreements with the other approved consultants as required, enabling staff to manage current and upcoming projects without interruption.

CONCLUSION

The approval of the increase to the maximum aggregate compensation for the Master Consulting Agreements will allow PBCE and other City departments to have continued access to consultants that assist City staff in the development of Urban Village Master Plans and other City projects.

EVALUATION AND FOLLOW-UP

If additional consultant services are required beyond the \$9,000,000 aggregate cap during the option years of the agreements, Staff will return to Council to request authorization for additional funding to increase the aggregate maximum compensation of all Master Agreements as necessary. Planning staff annually reports on the progress of development of urban village plans in the General Plan Annual Performance Review:

<http://www.sanjoseca.gov/index.aspx?nid=3933>

CLIMATE SMART SAN JOSE

The recommendation in this memorandum has no effect on Climate Smart San José energy, water, or mobility goals.

PUBLIC OUTREACH

This item will be posted on the City's website for the June 23, 2020 City Council Agenda.

COORDINATION

This memorandum has been coordinated with the City Attorney's Office and the City Manager's Budget Office.

COMMISSION RECOMMENDATION/INPUT

No commission recommendation or input is associated with this action.

FISCAL/POLICY ALIGNMENT

This action is consistent with the City's 2019-2020 Operating Budget City Service Areas Delivery Framework for Performance-Driven Government for Operational Services: 1) community and economic development.

June 15, 2020

Subject: Amendments to Increase Maximum Compensation to Master Agreements for Urban Village Master Plans and Other Projects to Implement Envision San Jose 2040 General Plan

Page 6

COST SUMMARY/IMPLICATIONS

The recommended actions in this memorandum will allow the execution of Master Agreements for an aggregate amount not to exceed \$9.0 million through November 2023, a \$3.0 million increase from the \$6.0 million authorized by the City Council on September 12, 2017. Over the next three years, the Planning, Building and Code Enforcement’s Non-Personal/Equipment appropriation will serve as the primary contract funding source for the agreements, supplemented, as discussed above, with external grant funding. This spending limit is subject to the annual appropriation funds by the City Council.

BUDGET REFERENCE

The table below identifies the fund and appropriation to fund the contracts recommended as part of this memorandum.

Fund #	Appn #	Appn. Name	Total Appn	Amt. for Contract	2019-2020 Adopted Operating Budget Page	Last Budget Action (Date, Ord. No.)
001	0582	Planning, Building and Code Enforcement - Non-Personal/Equipment	\$1,958,434	N/A	VIII - 319	4/28/2020 Ord. No. 30402

CEQA

Exempt, CEQA Guidelines Section 15262. Feasibility and Planning Studies. These are Master Agreements for consultant services with no binding commitment to a course of action that will result in a physical change to the environment.

/s/
ROSALYNN HUGHEY, Director
Planning, Building, and Code Enforcement

For questions please contact Page Benway, Senior Analyst, at 408-535-7887.