



# Administrative Report

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H.10., File # 22-4216

Meeting Date: 10/4/2022

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**To: MAYOR AND CITY COUNCIL**

**From: BRANDY FORBES, COMMUNITY DEVELOPMENT DIRECTOR**

## **TITLE**

APPROVE A FOURTH AMENDMENT TO THE AGREEMENT WITH PLACEWORKS, INC. FOR CONSULTING SERVICES ASSOCIATED WITH THE GENERAL PLAN UPDATE FOR AN ADDITIONAL \$325,039 TO BE FUNDED BY THE GENERAL PLAN MAINTENANCE FUND FOR A NEW TOTAL AMOUNT NOT TO EXCEED \$1,761,647 AND TO EXTEND THE TERM TO DECEMBER 31, 2023 WITH AN OPTION TO RENEW THROUGH DECEMBER 31, 2024

## **EXECUTIVE SUMMARY**

In October 2016, the City approved a contract with Placeworks, Inc. to update the Redondo Beach General Plan. In December 2016, the City Council established the General Plan Advisory Committee (GPAC) to guide the project.

The GPAC has conducted twenty-Six (26) meetings since April 27, 2017. GPAC meetings are typically 3 hours in duration and held on the last Thursday of each month. The Background section of this report includes a brief summary of the general topics of the GPAC's meetings to date.

There is one (1) GPAC meeting remaining under the current agreement. The GPAC's planned schedule for their remaining contracted meeting is to complete their discussions and recommendations on a final draft General Plan document inclusive of an Introduction and Goals, Policies, and Implementation Measures for updated Land Use, Open Space and Conservation, Safety and Noise Elements.

The fourth amendment to the contract is necessary to support the multiple additional public hearings and buildout analyses that were required to develop and approve a draft Land Plan that could accommodate the City's Regional Housing Needs Assessment (RHNA) allocation and support the certification by the California Department of Housing and Community Development (HCD) of the City's 6<sup>th</sup> Cycle Housing Element, which was certified September 1, 2022. Increased contract funding is also required to address changes/new requirements in State CEQA and General Plan laws that have occurred since the date of the original contract in 2016. Additionally, "new tasks" not originally scoped in 2016 are proposed, including an additional traffic analysis required by Article XXVII and the inclusion of an "Introduction to General Plan" section. Finally, budget is required for additional team meetings and project administration as a result of the extended schedule to complete the General Plan update.

In summary, the net cost of the additional services outlined in the Fourth Amendment is \$325,039,

which includes reimbursables (\$30,119) and contingency (\$10,000). With approval of the fourth amendment, the total cost for this agreement will increase from \$1,436,608 to an amount not to exceed \$1,761,647.

The funding source for the additional services outlined in the fourth amendment is the General Plan Maintenance Fund. The remaining balance in the General Plan Maintenance Fund, after the drawdown for the fourth amendment would be \$112,672. The City has also been able to utilize SB2 funds for current advanced planning projects that otherwise would have been funded through the General Plan Maintenance Fund.

### **BACKGROUND**

The City's three-year Strategic Plan goal to "Ensure sustainability, livability, and health by completing the General Plan update and by implementing environmentally responsible programs" was first approved by the City Council on March 29, 2016, and continues to be a key element of the Strategic Plan.

**GPAC Background - Status - Progress - Schedule Forward:** In September 2016, the City Council approved an updated Strategic Plan for the formation of a GPAC.

On December 13, 2016 the City Council approved Resolution No. CC-1612-122 establishing the GPAC to provide direct community stakeholder input to the update of the General Plan including analysis and recommendations addressing concerns regarding density and development associated with the City's mixed-use zoning and development standards, and addressing concerns related to the availability and amount of recreation and parks, and open space areas within the City. Additionally, per the Resolution, the GPAC shall perform any other functions that may be designated by motion or resolution of the City Council.

The GPAC was originally comprised of 27 City of Redondo Beach residents initially appointed on February 21, 2017. The Mayor selected two (2) members, one (1) of whom is designated to serve as the Chair. Each City Council Member selected five (5) members, three (3) of whom reside in their District. There have been some changes in the GPAC membership over time, with a current membership of 21 (mostly due to members moving out of Redondo Beach). The current membership has remained dedicated and diligent in their commitment to the process that has now spanned over five (5) years.

The GPAC held its first meeting on April 27, 2017 and have conducted 26 meetings to date. GPAC's 27<sup>th</sup> and final meeting will be conducted in Winter 2022/2023. The GPAC's final recommended draft General Plan update document and the City Council approved draft Land Use Plan will be presented to the public for comments at a Community Meeting and then submitted to the Planning Commission and the City Council for the formal public hearing process. Below is a summary of the schedule forward for the draft General Plan update:

### **Winter 2022/2023**

- **GPAC meeting #27:** Review completed draft updated General Plan Land Use, Noise, Safety, and Parks/Recreation/Open Space/Conservation Elements document, inclusive of "Introduction"

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**Environmental Impact Report (EIR) Preparation Fall 2022 through Summer 2023****Summer 2023**

- **Community Meeting #4:** Presentation of draft land use map, goals and policies, and EIR at an open house
- Planning Commission and City Council Meetings: Adoption hearings

**Winter 2023/Spring 2024**

- Citywide Vote and Coastal Commission Review

**Existing Contracts with Placeworks, Inc.:** On October 4, 2016 the City Council completed a Strategic Plan objective by awarding a Contract ("Original Agreement") for Planning and Environmental Consulting Services with Placeworks in an amount of \$699,917 for updates to the Land Use Element and the Conservation, Recreation and Parks, and Open Space Element of the City's General Plan and preparation of the required environmental documents (EIR).

On December 19, 2017 the City Council approved the first amendment to the Original Agreement to include the development of the Artesia & Aviation Corridors Area Plan, an update to the City's Environmental Hazards/Natural Hazards Element (Safety and Noise Elements) of the General Plan, the City's Local Hazard Mitigation Plan, and ten (10) additional GPAC meetings (the "Original Agreement" included only ten (10) GPAC meetings total). The cost of the additional services outlined in the First Amendment was \$507,590. The total cost for the entire contract increased from \$699,917 to an amount not to exceed \$1,207,507 with the approval of the First Amendment.

On April 16, 2019 the City Council approved the second amendment to the Agreement to include GPAC's development of draft Guiding Principles and Vision Statement and a determination to present multiple draft land use plan options at the City's first Community Meeting rather than a single preferred land use plan. Three (3) additional GPAC meetings were also included in this second amendment. Additionally, some repurposing and reallocations of tasks/budgets were also included in the second amendment (\$24,994). The cost of the additional services outlined in the second amendment was \$140,785. The total cost for the entire contract increased from \$1,207,507 (the amount after the first amendment) to an amount not to exceed \$1,348,292 with the approval of the second amendment.

On March 17, 2020 the City Council approved the third amendment to the Agreement to add budget for multiple refinements to the land use diagrams and plans to address changes in State Housing Law and the RHNA allocation, and additional project administration costs. Four (4) additional GPAC meetings and one (1) additional Community Workshop were also included in the third amendment for a final total of 27 GPAC meetings and four (4) Community Workshops. Additionally, some repurposing and reallocations of tasks/budgets were also included in the third amendment (\$18,224). The cost of the additional services outlined in the third amendment was \$88,316. The total cost for the entire contract increased from \$1,348,292 (the amount after the second amendment) to an amount not to exceed \$1,436,608 with the approval of the third amendment.

**Fourth Amendment to Existing Agreement with Placeworks, Inc.:** The main reason for the fourth Amendment is to address the significant RHNA requirement. A contract amendment to the project

budget is necessary to support the multiple additional public hearings (held in Spring 2021) and multiple versions of buildout analyses that were required to develop and approve a draft Land Plan that could accommodate the City's RHNA allocation and support the certification by the California Department of Housing and Community Development (HCD) of the City's 6<sup>th</sup> Cycle Housing Element (Certified September 1, 2022). Funding is also required to address changes/new requirements in State CEQA and General Plan laws that have occurred since the date of the original contract in 2016. There are new tasks that were not originally scoped in 2016, including an additional traffic analysis required by Article XXVII (since CEQA has been transitioned to a Vehicle Miles Traveled analysis) and the inclusion of an "Introduction to General Plan" section. The following list details the budgets of each task requiring additional scope/funds and includes the proposed funding necessary to complete the Task. Where applicable, a brief description of the associated additional services has been provided.

**Task 2.5 Study Sessions and Public Hearings**

- (\$20,982 originally budgeted)
- (\$4,000 repurposed/reallocated with Third Amendment)
- \$12,000 additional required to complete task

**Task 3.2 Land Use Constraints and Issues - Infrastructure (Subconsultant Fuscoe)**

- (\$18,284 originally budgeted)
- \$2,300 additional required to complete task

**Phase 4 Land Use Element**

- (\$60,698 originally budgeted)
- \$65,000 additional required to complete task

**Task 4.4 Fiscal Impacts of Land Use Scenarios (Subconsultant BAE)**

- (\$18,014 originally budgeted)
- (\$13,650 of the originally budgeted funds were repurposed administratively for additional economic analysis and participation of the economic consultant at GPAC meetings in the development of AACAP - Tasks 12.4 and 12.12 AACAP)
- (\$10,000 additionally budgeted, Third Amendment)
- \$15,400 additional required to complete task

**Phase 8 CEQA Review Process**

- (\$98,752 originally budgeted)
- \$37,305 additional required to complete task

**Task 9.3 Air Quality & Greenhouse Gas Emissions**

- (\$14,392 originally budgeted)
- \$15,455 additional required to complete task

**Task 9.5 Noise and Vibration Studies**

- (\$10,0098 originally budgeted)
- \$16,500 additional required to complete task

**Task 9.6.5 Article XXVII Traffic Analysis (New Task - Subconsultant Fehr & Peers)**

- (\$0, not originally budgeted)
- \$40,900 required to complete task

**Task 9.7 Water, Wastewater, and Storm Water Utility Systems (Subconsultant Fuscoe)**

- (\$22,000 originally budgeted)
- \$4,840 additional required to complete task

**Task 9.8 Technical Studies - Energy (New Task)**

- (\$0, not originally budgeted)
- \$5,250 required to complete task

**Task 9.9 Technical Studies - Wildfire (New Task)**

- (\$0, not originally budgeted)
- \$6,550 required to complete task

**Task 10.1 Day-To-Day Project Coordination and Schedule**

- (\$25,949 originally budgeted)
- (\$15,480 additionally budgeted, Second Amendment)
- \$12,000 additional required to complete task

**Task 10.2 Team Meetings**

- (\$23,868 originally budgeted)
- (\$30,000 additionally budgeted, Second Amendment)
- (\$15,840 additional budgeted, Third Amendment)
- \$43,420 additional required to complete task

**Task 10.3 Introduction to General Plan (New Task)**

- (\$0, not originally budgeted)
- \$5,500 required to complete task

**Task 11.1 Safety Element Preparation**

- (\$7,500 originally budgeted)
- (\$10,000 additionally budgeted, Third Amendment)
- \$2,500 additional required to complete task

Subtotal - Fourth Amendment	\$284,920
Reimbursables -	\$30,119
Contingency -	\$10,000
<b>GRAND TOTAL - FOURTH AMENDMENT</b>	<b>\$325,039</b>

The attached fourth amendment presents a comprehensive and detailed scope for performing the amendments noted above.

**COORDINATION**

The proposed fourth amendment to the Agreement for consulting services with Placeworks, Inc. was

prepared by the City Attorney's Office.

### **FISCAL IMPACT**

The net cost of the additional services outlined in the fourth amendment is \$325,039 which includes reimbursables and additional contingency expenses. The total cost for the Agreement will increase from \$1,436,608 to an amount not to exceed \$1,761,647.

The table below entitled "General Plan Update Fiscal Impact" summarizes the sources, and amounts of "Revenues" and "Expenditures" for the original Agreement, first amendment, second amendment, third amendment, and the proposed fourth amendment with Placeworks, Inc. for Planning and Environmental Consulting Services.

The remaining balance in the General Plan Maintenance Fund after allocations for the original Agreement, first amendment, second amendment, third amendment and the recommended fourth amendment would be \$112,672.

<b>General Plan Update Fiscal Impact</b>	
<b>Original Agreement</b>	
<b>Revenues</b>	<b>Expenditures</b>
Fiscal Year 2015-16 Mid-Year Budget one-time appropriation of <b>\$500,000</b> (General Fund - March 15, 2016)	Land Use and Open Space/Conservation/Parks and Recreation Elements: <b>\$699,917</b>
General Plan Maintenance Fund Deposit Account (Account Number 800-42000-260045) <b>\$199,917</b>	
<i>Total of Original Agreement: \$699,917</i>	<i>Total of Agreement \$699,917</i>
<b>First Amendment</b>	
<b>Revenues</b>	<b>Expenditures</b>
Fiscal Year 2016-17 Mid-Year Budget one-time appropriation of <b>\$176,900</b> (General Fund - June 20, 2017)	Vision Statement; Aviation-Artesia Corridor Area Plan; Update of the Environmental Hazards/Natural Hazards Element of the General Plan (Safety and Noise Element Update); Local Hazard Mitigation Plan: <b>\$507,590</b>
Fiscal Year 2016-2017 <b>\$40,000</b> Carry Over Funding (November 21, 2017)	
General Plan Maintenance Fund Deposit Account (Account Number 800-42000-260045) <b>\$290,690</b>	
<i>Total of First Amendment: \$507,590</i>	<i>Total of Agreement After First Amendment \$1,207,507</i>
<b>Second Amendment</b>	

Revenues		Expenditures	
Repurpose of funds from Tasks 1.2, 2.2, and 7.1 and 12.9 (Original Agreement and First Amendment)		GPAC Meetings; Draft Guiding Principles; Multiple GPAC Draft Land Plan Options; Project Collateral-Flyers; FAQ's; etc., Content for City Website and Media; Update and Refine Land Use Diagram; Project Administration and Schedule; Project Team Meetings; and Reimbursables: <b>\$140,785</b>	
General Plan Maintenance Fund Deposit Account (Account Number 800-42000-260045) <b>\$140,785</b>			
Total of Second Amendment: \$140,785		Total of Agreement After Second Amendment \$1,348,292	
Third Amendment			
Revenues		Expenditures	
Repurpose of funds from Tasks 2.5, 4.3, 7.2 and Phase 14 (Original Agreement, First Amendment, and Second Amendment)		GPAC Meetings; Community Workshop; Additional Surveys; Revisiting GPAC's Recommended Draft Land Plan Due to Recent Changes in State's Housing Laws; Update and Refine Land Use Diagram; Fiscal Impact Analysis Report; Additional Open Space Analysis; Additional Safety Element Requirements; Project Team Meetings; and Reimbursables: <b>\$88,316</b>	
General Plan Deposit Account (Account Number 800-42000-260045) <b>\$88,316</b>			
Total of Third Amendment: \$88,316		Total of Agreement After Third Amendment \$1,436,608	
Fourth Amendment			
Revenues		Expenditures	

General Plan Maintenance Fund Deposit Account (Account Number 800-42000-260045) <b>\$325,039</b>	Additional Study Sessions and Public Hearings; Refine Land Plan, Diagrams, and Buildouts in Support of Certified 6 <sup>th</sup> Cycle Housing Element; Additional and Updated CEQA Technical Studies to Address Changes in State Environmental Laws and Consultant Rate Changes since 2016; Project Coordination and Schedule; Team Meetings; Develop "Introduction to General Plan"; Reimbursables and Contingency: <b>\$325,039</b>
	<i>Total of Agreement After All Amendments</i> <b>\$1,761,647</b>

**APPROVED BY:***Mike Witzansky, City Manager***ATTACHMENTS**

- Agmt - Proposed Fourth Amendment to Agreement with Placeworks, Inc.
- Agmt - Third Amendment to Agreement with Placeworks, Inc., On March 17, 2020
- Agmt - Second Amendment to Agreement with Placeworks, Inc., April 16, 2019
- Agmt - First Amendment to Agreement with Placeworks, Inc., December 19, 2017
- Agmt - Original Agreement with Placeworks, Inc., October 4, 2016