



CITY OF COMMERCE AGENDA REPORT

TO: Honorable City Council **Item No. _____**

FROM: City Administrator

SUBJECT: RESOLUTION TO AWARD AN ARCHITECTURAL AND ENGINEERING CONTRACT TO STANTEC ARCHITECTURE, INC. FOR THE VISIONING AND MASTER PLANNING THE PUBLIC SERVICE BUILDING ON THE SITE AT THE NORTHEAST CORNER OF WASHINGTON BLVD AND TELEGRAPH ROAD

MEETING DATE: October 2, 2018

RECOMMENDATION:

City Council approval of a Resolution authorizing the award an architectural and engineering contract to Stantec Architecture, Inc. for the visioning and master planning for the Public Safety Facility on the site at the corner of Washington Blvd and Telegraph Road.

BACKGROUND:

On May 24, 2013, the Successor Agency received a Finding of Completion from the Department Of Finance (DOF), and on May 19, 2014, the DOF approved the Successor Agency's LRPMP (Long Range Property Management Plan), thereby approving the Successor Agency's proposed use or disposition of all the properties listed on the LRPMP. Included among the properties listed on the LRPMP is a parcel of approximately 10.62 acres (462,607 Sq Ft) acres located off Telegraph Road and Washington Blvd and specifically identified as APN 6336-010-908 (the "Land"). The Land is zoned for general commercial uses, and the Commerce Casino expressed initial interest in purchasing it.

In order to work towards the goal of creating the "Telegraph Road Commercial/Entertainment Corridor," which was to be a destination retail / entertainment concept wherein both architecture and uses would be compatible with and complementary to the existing Citadel Outlets Shopping Center and the Commerce Casino. Consistent with this intent, the LRPMP indicated the Land would be sold to the Casino.

Subsequently, the Commerce Casino advised the Successor Agency that it has been in discussions with the Craig Realty Group Citadel, LLC, to proceed as a joint venture in pursuing a commercial development on the Land. The development proposal includes the construction of a City Public Service Facility that would house the city's law enforcement personnel. The City Public Safety Facility would also house other City public safety staff that would serve the City of Commerce and other areas in the region. Any non-City tenants housed in the City Public Service Facility would be subject to City Council consideration and approval. It is expected that such non-City tenants would pay the City rent. The construction and operation of a City Public Safety Facility on the Land would be consistent with the current zoning, as well as the Commission's redevelopment implementation plans and the City's General Plan. It would also satisfy a vital public service need of the community.

On May 23, 2018, Council approved a Resolution for the Agreement of Purchase and Sale and Joint Escrow Instructions between the Successor Agency to the Commerce Community Development Commission and the City of Commerce, for the Land. Included in the agreement was a proposed concept as follows:

The Proposed Concept

- 1) The Successor Agency would sell the 10.62 acre parcel to the City for \$1.
- 2) The City would designate up to 1.8 acres for the construction of a Los Angeles County Sheriff's Station.
- 3) The City would sell the remaining 8.82 acres to the Wash-Tel Commerce LLC and Craig Realty Group Citadel LLC for the price of \$8,325,847.50.
- 4) The City would apply the sale proceeds to the construction of the Sheriff's station
 - a. Preliminary Space Program for the proposed station -- approximately 20,000 sq. ft. (subject to change)
 - b. Premised on the 20,000 sq. ft. blue print and construction costs at \$250 per sq. ft., projected cost of the facility would be approximately \$5 million. Add in 15% contingency (\$750,000) for an approximate total of \$5,750,000.
 - c. If the blueprint expanded to 25,000 sq. ft., the projected cost could increase to approximately \$7.2 million.

This concept was submitted to the DOF as an amended LRPMP. On July 18th, 2018 DOF informed the City that the Department approved the City's amended LRPMP.

ANALYSIS:

Pursuant to the DOF approval, City now is in a position to proceed with the development of the 1.8-acre parcel. Pursuant to the PSA, City has two years to

complete work on the parcel before it is available back for purchase by the Wash-Tel Commerce LLC.

Staff released an RFP to the City on-call A/E firms seeking Architectural and Engineering services for the visioning and master planning of the site on August 16, 2018. The RFP was due on September 5, 2018. No response was received from any of the firms on the on-call list for A/E.

Due to lack of response, staff reached out to other firms on the on-call list and Stantec Architecture, Inc. responded with a proposal attached. Staff has reviewed the proposal and is recommending approval as follows:

\$132,790	For architectural/engineering services
17,210	Contingency
=====	
\$150,000	Total Request

FISCAL IMPACT:

If Council elects to proceed with Option 1, the City will advance the \$150,000, with said amount being reimbursed subsequent to the sale of the property.

ALTERNATIVES:

1. Approve staff recommendation.
2. Reject staff recommendation.
3. Provide further direction to staff.

RELATIONSHIP TO STRATEGIC GOALS:

The issue before the Council is generally applicable to the following Council's strategic goal, Fiscal Sustainability, Guiding Principal 5: Create and pursue opportunities for collaboration and regional partnerships to maximize resources and address regional issues, as identified in the 2016 Strategic Plan.

Recommended by: Maryam Babaki, Director of Public Works & Development Services
Prepared by: Maryam Babaki, Director of Public Works & Development Services
Reviewed by: Vilko Domic, Finance Director
Approved as to form: Noel Tapia, City Attorney
Respectfully submitted: Edgar P. Cisneros, City Administrator