



# CITY COUNCIL AGENDA REPORT

---

MEETING DATE: NOVEMBER 18, 2014

ITEM NUMBER: CC-7

**SUBJECT: PROFESSIONAL SERVICES AGREEMENT TO PROVIDE ENVIRONMENTAL CONSULTING SERVICES FOR AN INITIAL STUDY/MITIGATED NEGATIVE DECLARATION FOR 177-UNIT LIVE/WORK AND RESIDENTIAL LOFT DEVELOPMENT AT 671 W. 17<sup>TH</sup> STREET**

**DATE: NOVEMBER 6, 2014**

**FROM: DEVELOPMENT SERVICES DEPARTMENT – PLANNING DIVISION**

**PRESENTATION BY: MINOO ASHABI, PRINCIPAL PLANNER**

**FOR FURTHER INFORMATION CONTACT: MINOO ASHABI, PRINCIPAL PLANNER  
Minoo.ashabi@costamesaca.gov**

---

## **RECOMMENDED ACTION**

Award contract to PlaceWorks in the amount of \$86,165.00 for preparation of the Initial Study / Mitigated Negative Declaration (IS/ MND) for the proposed 177-unit development at 671 W. 17<sup>th</sup> Street, authorize Mayor and City Clerk to sign and execute the contract, and authorize CEO to sign extensions or renewals of the contract.

## **BACKGROUND**

### ***Proposed Project***

On June 14, 2014, City Council conducted an Urban Master Plan screening of the development concept for 176 units of live/work and loft units at Argotech Site. The minutes of the screening can be accessed at the following link:

<http://www.costamesaca.gov/modules/showdocument.aspx?documentid=15248>

In August 2014, the proposed master plan and subdivision map for the project was submitted to the City for processing. The plan has been slightly modified from the master plan screening submittal and now includes one additional loft unit for a total of 177 units, a larger common open space area and a detailed parking plan including 22 compact parking spaces.

The 9-acre site is zoned MG (General Industrial) and has a General Plan land use designation of Light Industrial. The proposal three different products types as follows:

1. 89 units of three-story attached live/work lofts,
2. 46 units of three-story attached residential lofts, and
3. 42 units of three-story detached live/work units.

The site is currently occupied by Argotech (one of the largest industrial uses on Westside) and is located within the Mesa West Bluffs Urban Plan. Argotech has been

undergoing extensive contamination clean up under state and county regulations. The process is nearly complete and the applicant has obtained a Notification of Case Closure Review from the Regional Water Quality Control Board (RWQCB). Development of the site with residential product would require clearance from the state as well as local agencies.

### ***Future Discretionary Actions***

The master plan and the IS/ MND will be subject to review and approval by the Planning Commission. The preliminary plans indicate that approval of the following deviations will be required for the proposed development plans:

- Parking – 15% compact stalls are proposed
- Garage size – 19' x 20' proposed (20' x 20' required)
- Workspace size – Workspaces range in size from 156 square feet to 270 square feet for live/work units – 250 square feet required.

### ***Request for Proposals and Consultant Qualification***

On October 1, 2014, a Request for Proposals (RFP) was released to qualified consulting firms to prepare the IS / MND. A total of eleven bids were received and approved for review. Because of extensive experience in mixed use plans and recent involvement in projects within neighboring cities, PlaceWorks was selected as the most competitive consultant during the evaluation process. The Consultant will be responsible for the preparation of the IS/ MND and all related CEQA related documents/studies (Notice of Preparation, Responses to Comments, applicable studies, etc.). Attendance at Planning Commission and City Council public hearings is also required.

Department staff believes that PlaceWorks is qualified to perform the work due to the following considerations:

- *Demonstrated relevant experience with residential and mixed-use development.* PlaceWorks is a multidisciplinary planning, environmental, and design firm offering a wide range of in-house technical expertise. Specifically, PlaceWorks completed the Visioning Plan and EIR for Irvine Business Complex and the EIR for Uptown Newport including a mixed use project of residential and neighborhood retail and park space in the Airport Business Area.
- *History of successful collaborations with local jurisdictions.* PlaceWorks has successfully collaborated with local jurisdictions throughout California and has long-standing relationships with the adjacent cities of Irvine, Newport Beach and Lake Forest, and Garden Grove. PlaceWorks has successfully completed environmental review documents pursuant to CEQA, NEPA, and a multitude of other relevant environmental laws.
- *Highly qualified technical environmental staff and subconsultants.* The project team members are experienced environmental analysts with over 20+ years of combined experience with CEQA and in the preparation of environmental impact reports. Furthermore, in its Proposal to Provide Services, PlaceWorks has committed senior staff to work on the proposal and reputable sub-consultants in specific fields.

The total proposed contract amount is \$86,165.00 and is anticipated to take place within the next 5-6 months. Sufficient funding is/will be available for the project within the anticipated environmental review timeframe. It should be noted that this contract amount also includes a five percent contingency budget.

### **ALTERNATIVES CONSIDERED**

An alternative would be to reject the bid and reinitiate the RFP process.

The City's CEQA guidelines do allow environmental documents to be prepared by in-house staff. However, the nature, scope, and complexity of this project and current staff demands do not make this a viable or practical option.

### **FISCAL REVIEW**

The cost for this contract is **100%** funded by the applicant, Westport Properties, Inc. Upon execution of the contract, the \$86,165.00 contract amount (plus the City's 10 percent administrative processing fee) will be deposited in a City escrow account that is managed by the project planner.

### **LEGAL REVIEW**

The attached draft professional services agreement has been reviewed and approved as to the form by the City Attorney's office.

### **CONCLUSION**

Staff recommends that PlaceWorks be awarded the environmental consulting contract for the project IS/ MND. Through a competitive selection process, staff believes that this firm is the most qualified to complete the work in a comprehensive and timely manner, based on their relevant experience and technical expertise.

---

MINOO ASHABI, AIA  
Principal Planner

---

GARY ARMSTRONG, AICP  
Director of Economic & Development /  
Deputy CEO

Attachment: [Draft Professional Services Agreement](#)

cc: Chief Executive Officer  
Assistant Chief Executive Officer  
Director of Economic & Development / Deputy CEO  
City Attorney  
Public Services Director  
Transportation Svs. Mgr.  
City Engineer  
City Clerk (9)  
Staff (7)  
File (2)

Nicole Morse, Esq.  
PlaceWorks  
3 MacArthur Place, Suite 1100  
Santa Ana, CA 92707

C. Jamie Alai  
Vice President Development  
Westport Properties, Inc.  
US Storage Centers  
2201 Dupont Dr., Suite 700  
Irvine, CA 92612

Donald Lamm  
Diamond Star Associates, Inc.  
4100 MacArthur Blvd., Ste 330  
Newport Beach, CA 92660

Brandon Johnson  
Tierra Development Advisors  
901 Dove Street, Suite 140  
Newport Beach, CA 92660