



# City of Palo Alto

## City Council Staff Report

(ID # 10599)

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**Report Type: Consent Calendar**

**Meeting Date: 10/21/2019**

**Summary Title: NVCAP: Perkins+Will Contract**

**Title: Approval of Amendment Number 2 to Contract Number C18171717 With Perkins+Will Amending the Scope of Services, Extending the Term, and Increasing Maximum Compensation by \$368,758 for a Total Not-to-Exceed Amount of \$1,137,826; and Approval of a Budget Amendment in the General Fund**

**From: City Manager**

**Lead Department: Planning and Development Services**

### **Recommendation**

Staff recommends that Council:

1. Approve and authorize the City Manager or his designee to execute Amendment No. 2 to Contract C18171717 with Perkins + Will (Attachment A), amending the scope of services, increasing maximum compensation in the amount of \$368,758 for a total not to exceed amount of \$1,137,826, and extending the term one additional year through December 31, 2021; and
2. Amend the Fiscal Year 2020 Adopted Operating Budget to:
  - a. Increase the Planning and Development Services contracts budget by \$368,758
  - b. Decrease the Budget Stabilization Reserve by \$368,758

### **Executive Summary**

On August 19, 2019, City Council directed staff to return with an amendment to Contract C18171717 with Perkins+Will. The amendment is to increase the scope, budget and timeline for the North Ventura Coordinated Area Plan (NVCAP). The proposed amendment would increase the budget by \$368,758, for a total contract amount not to exceed \$1,137,826. The amendment would also:

- Extend the contract timeframe to December 31, 2021 or an increase of one year
- Amplify the analysis to include three project alternatives

- Enable longer Working Group meetings and additional analyses per Council direction

## **Background**

The City Council initiated the coordinated area plan process on November 6, 2017 for the North Ventura area. On June 25, 2018, City Council authorized the original contract to be executed with Perkins+Will for professional services to develop the NVCAP. The amount of the contract, including all sub-consultants, was set at 'not to exceed' \$769,068. Funding for this work was provided through a federal grant administered by the California Department of Transportation and supported by matching funds from the Sobrato Organization, the owner of property located within the project area. In August 2018, a contract amendment incorporated minor changes with language clarifying that the City would require the consultant to comply with federal regulations for consulting work.

On March 11, 2019, the City Council held a Town Hall meeting at the Ventura Community Center and received an update on the NVCAP. At that meeting, the Council directed staff to evaluate and propose policies on various subjects. These included:

- Inclusionary and workforce housing;
- Prevention of residential displacement;
- Limiting the amount and size of future office spaces.

At that time, the Council also expressed interest in exploring design options integrating Matadero Creek as an open space feature and enhancing its connection to Boulware Park.

On August 19, 2019, Council directed staff to return with a contract amendment to expand the project scope, increase the budget, and extend the NVCAP project timeline. The City Council also directed staff to return with a separate consultant contract to study improvements to Matadero Creek. The City Council considered and approved the latter contract with WRA Inc. on September 16, 2019.

## **Discussion**

On August 19, 2019, the City Council directed staff to return with a contract amendment to accommodate an expanded scope, extended timeline, and increased budget (see August 19<sup>th</sup> staff report: <https://bit.ly/2IEA9SL>). The expanded scope includes:

- Economic Value of NVCAP
- Evaluation of Proposed Policies
- Additional Alternative (for a total of three additional analyses, incorporating the creek study and historic study)

- Parking Model Calibration
- Increase Working Group meeting from 2 hours to 3 hours per meeting
- Additional Decision-Maker Meetings (5 additional meetings)
- Expanded CEQA review options to include possible Environmental Impact Report
- Financial Analysis
- Project Management Extension including Coordination between Consultant and City Staff

The original contract timeline was for 18 months and the contract would have expired December 31, 2020. Due to the added scope, the project timeline is proposed to extend to the third quarter of 2021, adding approximately a year to the overall timeline. This extended timeline would accommodate longer Working Group meetings and the additional analysis for both the creek and the historic site at 340 Portage Ave/3201-3225 Ash Street. With the proposed amendment, the contract would expire on December 31, 2021.

The budget for the project has increased by \$368,758, which will raise the budget for basic services to a not to exceed amount of \$1,034,388. An amount of \$103,438, or ten percent of the basic services cost, is also included in the budget for additional services, for tasks such as additional public hearings. The total cost of the contract, including additional services if agreed to by the City, would not exceed \$1,137,826. The City is funding separately the creek and historic analyses. These funds are also already provided for in the current fiscal year department budget.

### **Resource Impact**

A \$638,000 federal grant provides funding for the majority of this Contract. The Sobrato Organization, the owner of 340 Portage Ave., provided \$112,000 (the required 11.47% matching funds) plus \$138,000 to pay for the required environmental analysis.

The contract staff proposed to amend is a portion of the anticipated project expense. Other expenses such as City staff time are not included in the contract. To pay for the additional scope of services, staff requests a budget amendment of \$368,758 from the Budget Stabilization Reserve. Based on estimates through May 2019, the FY 2020 Budget included a contribution to the Budget Stabilization Reserve to ensure it met City Council's target level of 18.5% of General Fund Expenses. The action recommended in this report will decrease the Budget Stabilization Reserve by \$368,758 which is anticipated to bring Budget Stabilization Reserve to approximately \$100,000, or 0.005%, below the City Council's target. However, staff is currently in the process of completing the year-end analysis of FY 2019 through the Comprehensive Annual Financial

Report (CAFR) and it is anticipated that sufficient savings will be identified to ensure that the Budget Stabilization Reserve remains at City Council's target of 18.5%.

As directed by Council on August 19, staff began discussions about voluntary funding contributions with other large landowners within the project boundary. Any funds the City receives from these owners would not convey any entitlement or guarantee future development. These properties represent parcels of land that are more likely to redevelop or can support more development. After discussing this opportunity with property owners, staff will return to the City Council to report on the outcome of the conversations.

### **Environmental Review**

Approval of the contract amendment with Perkins+Will is exempt from the California Environmental Quality Act (CEQA). CEQA Guidelines section 15306 (Class 6) exempts information collection, research, and resource evaluation from environmental review. The resultant coordinated area plan will include the preparation of an environmental analysis consistent with the requirements of CEQA.

#### **Attachments:**

**Attachment A - Perkins + Will Revised Contract (PDF)**

**AMENDMENT NO. 2 TO CONTRACT NO. C18171717  
BETWEEN THE CITY OF PALO ALTO AND  
PERKINS + WILL**

This Amendment No. 2 (“Amendment”) to Contract No. C18171717 (“Contract”) is entered into as of October 7, 2019, by and between the CITY OF PALO ALTO, a California chartered municipal corporation (“CITY”), and PERKINS + WILL, a Delaware corporation, located at 2 Bryant Street, Suite 300, San Francisco, CA 94105 (“CONSULTANT”). CITY and CONSULTANT are collectively referred to as “Parties” in this Amendment.

**RECITALS**

- A. The Contract was entered into between the Parties for the provision of services to facilitate and complete a planning process and prepare a Coordinated Area Plan for the North Ventura area to guide the development of a walkable, mixed-use neighborhood with multifamily housing, commercial services, well-defined connections to transit, bicycle and pedestrian facilities, urban design strategies, and design guidelines to strengthen and support the neighborhood fabric and connections to transit, pedestrian, and bicycle facilities (“Project”).
- B. Section 27.4 of the Contract authorizes the Parties to modify the Contract by written amendment.
- C. The Parties now wish to amend the Contract in order to extend the term, amend the scope of services to incorporate additional services, extend the project timeline, and to respond to City Council direction as specified in EXHIBIT “A” attached hereto, and to increase the maximum total compensation by \$368,758.00 from \$769,068.00 to \$1,137,826.00.

NOW, THEREFORE, in consideration of the covenants, terms, conditions, and provisions of this Amendment, the Parties agree:

**SECTION 1. Definitions.** The following definitions shall apply to this Amendment:

- a. **Contract.** The term “Contract” shall mean Contract No. C18171717 between CONSULTANT and CITY, dated June 25<sup>th</sup>, 2018, as amended by:

Amendment No.1, dated December 19<sup>th</sup>, 2018.

- b. **Other Terms.** Capitalized terms used and not defined in this Amendment shall have the meanings assigned to such terms in the Contract.

**SECTION 2.** Section 2. TERM of the Contract is hereby amended to read as follows:

**“SECTION 2. TERM.**

The term of this Agreement shall be from the date of its full execution through December 31, 2021, unless terminated earlier pursuant to Section 19 of this Agreement.”

**SECTION 3.** Section 4. NOT TO EXCEED COMPENSATION of the Contract is hereby amended to read as follows:

**“SECTION 4. NOT TO EXCEED COMPENSATION.** The compensation to be paid to CONSULTANT for performance of the Services described in Exhibit “A” (“Basic Services”), and reimbursable expenses, shall not exceed One Million Thirty-Four Thousand Three Hundred Eighty-Eight Dollars (\$1,034,388.00). CONSULTANT agrees to complete all Basic Services, including reimbursable expenses, within this amount. In the event Additional Services are authorized, the total compensation for Basic Services, Additional Services and reimbursable expenses shall not exceed One Million One Hundred Thirty-Seven Thousand Eight Hundred Twenty-Six Dollars (\$1,137,826.00). The applicable rates and schedule of payment are set out at Exhibit “C-1”, entitled “SCHEDULE OF RATES,” which is attached to and made a part of this Agreement. Any work performed or expenses incurred for which payment would result in a total exceeding the maximum amount of compensation set forth herein shall be at no cost to the CITY.

“Additional Services, if any, shall be authorized in accordance with and subject to the provisions of Exhibit “C”. CONSULTANT shall not receive any compensation for Additional Services performed without the prior written authorization of CITY. Additional Services shall mean any work that is determined by CITY to be necessary for the proper completion of the Project, but which is not included within the Scope of Services described at Exhibit “A”.”

**SECTION 4.** The following exhibits to the Contract are hereby amended and replaced in their entirety to read as set forth in the attachment(s) to this Amendment, which are hereby incorporated in full into this Amendment and into the Contract by this reference:

- a. Exhibit “A” entitled “SCOPE OF SERVICES
- b. Exhibit “C” entitled “COMPENSATION”

**SECTION 5. Legal Effect.** Except as modified by this Amendment, all other provisions of the Contract, including any exhibits thereto, shall remain in full force and effect.

**SECTION 6. Incorporation of Recitals.** The recitals set forth above are terms of this Amendment and are fully incorporated herein by this reference.

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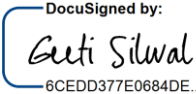
**SIGNATURES OF THE PARTIES**

IN WITNESS WHEREOF, the Parties have by their duly authorized representatives executed this Amendment effective as of the date first above written.

**CITY OF PALO ALTO**

**PERKINS + WILL**

City Manager APPROVED

By:   
Name: Geeti Silwal  
Title: Principal

AS TO FORM:

City Attorney or designee

**Attachments:**

- EXHIBIT "A": SCOPE OF SERVICES
- EXHIBIT "C": COMPENSATION



**EXHIBIT "A"**  
**SCOPE OF SERVICES**

CONSULTANT shall perform the tasks and services set forth in this Scope of Services.

***Task 1 Project Initiation and Management***

**Task 1.1 Project Management and Oversight**

CONSULTANT will provide project management and oversight for all tasks detailed in this scope of services for the duration of the Agreement. CONSULTANT'S project management activities will consist of, but are not limited to:

- Refine the work program in consultation with CITY to accomplish the principal activities under this Scope of Services and refine a timeline for completing the work with milestones and deliverables consistent with the schedule in Exhibit B "Schedule of Performance"
- Regularly update the work plan and timeline to reflect actual progress
- Review the proposed community engagement tools and engagement strategy
- Outline project goals and objectives
- Identify engagement activities
- Identify target demographic and interest groups and identify methods of communication and engagement
- Confirm coordination, facilitation and communication responsibilities
- Outline schedule, format and resources for all engagement activities
- Provide overall management of CONSULTANT team, including sub consultants
- Provide oversight of budget, scope, schedule, deliverables and QA/QC
- Prepare and submit a monthly invoice by task and percentage of completion that details work performed by the CONSULTANT team and identifies expense charges. Invoiced tasks related to CEQA review shall include a notation on the invoice identifying them as "CEQA review".
- Weekly calls between CONSULTANT project manager and CITY from October 1, 2019 through June 2020.

***1.1 Interim work products***

- Refined work program
- Refined project schedule

- Monthly invoices
- Community engagement strategy

### **Task 1.1 A Style Guide and Project Logo**

An important first step in creating project materials will include the preparation of an identifiable brand to apply to all print and digital publications in the community engagement effort. This exercise will ensure that all materials adhere to a graphic style that community members can easily associate with the project. CONSULTANT shall create a project logo and style guide, with fonts, color schemes and other design elements.

#### **1.1 Deliverable**

- Project logo and style guide, with fonts, color schemes and other design elements

### **Task 1.2 Progress Meetings**

CONSULTANT will facilitate regular progress meetings (these may be conference calls or in-person, depending on agenda items) with City Staff to coordinate and report on contract matters, project progress, upcoming events and deliverables. CONSULTANT and City staff will jointly organize a kickoff meeting at the outset of the Agreement. This kickoff meeting will be for 4 hours and during this meeting the CONSULTANT team will meet with the City's project manager to establish appropriate project protocols and tour the site prior to immersing itself in the background conditions information. At the kick-off meeting, CONSULTANT shall create consensus around key design and planning principles that set the foundation for the entire project and establish goals and performance targets for the project. CONSULTANT assumes weekly progress phone calls or video conferences between August 2018 and June 2020 while the design alternatives are being developed and through completion of the draft Administrative Plan; these calls are suspended for the summer of 2019 and will resume October 1, 2019. Upon delivery of the draft Administrative Plan to City staff at the end of June 2020, progress meetings/check-in will commence on an as-needed basis to prepare for Working Group/ Decision Maker meetings as defined in Task 2.4 below and Final Plan Adoption.

#### **1.2 Interim work products**

- Meeting agendas
- Meeting action items

### ***Task 2 Community Engagement***

CITY will convene all outreach events, including location, noticing, and publicizing and will prepare notices and staff reports for all public hearings and study sessions. CONSULTANT will be responsible for facilitating the relevant meetings, preparation of outreach/meeting materials,

and associated tasks as listed below.

### **Task 2.1 Working Group**

CONSULTANT will facilitate up to ten Working Group meetings that will be open and noticed to the public. The Working Group is composed of City Council-selected community members including stakeholders, property owners, residents and business representatives. CONSULTANT will plan for one of the Working Group meetings to be combined with City Council Meeting #1 from Task 2.4, as a joint session to select project goals. The Working Group meetings will include goal setting, understanding of background conditions, feedback on proposed alternatives, and participation in evaluation of alternative concept plans. A self-guided walking tour will be developed for the Working Group. The purpose of the site walking tour will be to experience the scale of the Plan Area, provide context and explore physical constraints and opportunities.

The Working Group will also serve as a conduit to the wider community and review. The potential topics to be covered at each of these meeting is listed below and referenced in the schedule. Further refinement to the topics for each meeting will be made in consultation with the City during project development.

CONSULTANT shall attend a total of up to nine (9) Working Group meetings. Working Group Meeting #5 and beyond shall be 3 hours in length. CONSULTANT shall arrange for necessary subconsultants to attend Working Group meetings. Subconsultant attendance and participation in Working Group meetings is defined in the Schedule of Rates (Exhibit C-1) and elaborated below. Any attendance at Working Group meetings beyond stated meetings will incur additional costs subject to written approval from the CITY.

- Working Group #1 – Context setting of the Plan Area
- Working Group # 2 – Existing Conditions
- Working Group # 3 – Neighborhood Metrics and Precedent Analysis
- Working Group # 4 – Joint meeting with City Council on project status
- Working Group # 5 – Plan Alternatives Development (ARUP and Strategic Economics subconsultants shall attend and participate)
- Working Group # 6 – Reset Meeting (City Staff only, CONSULTANT shall not attend).
- Working Group #7 – Report Out on Creek and HRB (City Staff only, CONSULTANT shall not attend).
- Working Group #8a – Presentation of three alternatives and analyses - part I (ARUP and Strategic Economics subconsultants shall attend and participate).
- Working Group #8b – Presentation of three alternatives and analyses - part II

(ARUP and Strategic Economics subconsultants shall attend and participate).

- Working Group # 9 – Report on feedback and insights from Community Workshop #2 and progress update (City Staff only, CONSULTANT shall not attend)
- Working Group # 10 – EIR Scoping, Plan Wrap Up and Final/Farewell Meeting
- Working Group – Additional meeting, subject to CITY approval as an Additional Service (Note: CONSULTANT in consultation with CITY will determine the most appropriate time to conduct this meeting. The billing rates in Exhibit C-1 will apply if CITY authorizes this meeting as an Additional Service to be billed on a time and materials basis.)

### **2.1 Interim work products**

- Meeting agendas
- Meeting action items

### **Task 2.2 Stakeholder Meetings**

CONSULTANT will facilitate and solicit feedback from key stakeholder groups at up to fifteen meetings to be arranged by CITY staff. Stakeholders may include, but are not limited to, those from the following sectors or interest groups:

- Businesses in the plan area - including Fry's, auto repair shops, professional offices, tech companies and start-ups
- Property owners
- Residents from adjacent neighborhoods and resident groups (Ventura Neighborhood Association, PAN)
- Representatives from organizations, including Palo Alto Forward, Asian Americans for Community Involvement (AACI), Silicon Valley Climate Action Alliance, Palo Alto Housing (<http://pah.community/about-us/misson-history/>) and other groups.

Advocate groups (e.g., youth, affordable housing, education), such as Palo Alto Housing Corporation (non-profit, manages city's AH program), Youth Community Service, Community Working Group (<https://communityworkinggroup.org/>), Rotary/Lions/Kiwanis ([https://www.cityofpaloalto.org/partners/service\\_organizations/default.asp](https://www.cityofpaloalto.org/partners/service_organizations/default.asp)). SV Bicycle Coalition.

Working with CITY staff, CONSULTANT will identify 3-5 key questions/clarifications request of the Stakeholder group to inform the development of land use alternatives. These questions will be sent to the stakeholders prior to the meeting for meaningful input during the sessions. Stakeholder meetings, when feasible, shall be grouped to solicit consolidated feedback.

Stakeholders meetings outside of this on-site format will be conducted via phone. Each

stakeholder meeting shall be for 30 to 40 minutes.

## **2.2 Interim work products**

- Meeting agendas including 3-5 Stakeholder questions
- Meeting action items

### **Task 2.3.A Community Workshops**

CONSULTANT will facilitate two community workshops. The first community workshop will be a visioning exercise to discuss potential land use and transportation strategies. The second community workshop will be a presentation for feedback on the three plan alternatives.

### **Task 2.3.B Pop-Up Workshops (support City)**

CONSULTANT will prepare public outreach materials based on on-going land use alternatives development to solicit broad community involvement. CITY staff will facilitate up to two sets of pop-up workshops or intercept meetings at two to three key locations in and around the planning area. These informal community meetings will be designed to “meet the community where they are” and facilitate discussion centered around the well-attended location and the overall planning area. The following are potential venues, locations or events pop-up workshops could be held:

- Caltrain station
- California Ave Farmers’ Market - Sundays 9am-1pm
- College Terrace Branch Library (standalone display)

CONSULTANT team will not attend the Pop-up Workshops.

## **2.3 Interim work products**

- Public outreach materials

### **Task 2.4 Decision-Maker Meetings**

Members of the CONSULTANT team will attend up to five (5) public meetings or study session/hearings with CITY elected officials and/or boards/commissions such as City Council, Architectural Review Board and Planning & Transportation Commission.

The agendas and meeting minutes for these sessions will be prepared by CITY Staff. These meetings are anticipated to address the following topics (topics are subject to change, as determined by CITY):

- Decision Maker Meeting #1 April 2019 – Report back on existing conditions analysis and summary of Community Visioning Workshop; joint session with Working Group to identify project goals and vision.
- Decision Maker Meeting #2 December 2019 – Planning and Transportation Commission (PTC); report back on concept alternatives, Working Group

evaluation of alternatives, community workshop insights, and seek guidance on recommended preferred alternative approach;

- Decision Maker Meeting #3 – Planning and Transportation Commission – Identification of preferred alternative and/or feedback on the three alternatives if no alternative secures a majority vote.
- Decision Maker Meeting # 4 April 2020 – Council to review alternatives and select a preferred plan alternative.
- Decision Maker Meeting #5 (TBD) – Seek guidance on Final Coordinated Plan and guidance on Environmental Review/CEQA Clearance.

Note: If additional meetings are required, CONSULTANT assumes attendance by at least two CONSULTANT team members, and preparation time on a time and materials basis. One team member may be sufficient; the CONSULTANT shall confer with CITY staff in advance of reducing the number of team members attending meetings. The hourly billing rates in Exhibit C-1 shall apply if additional meetings are required and approved by CITY as Additional Services.

### **Task 2.5 Project Website**

To augment the community engagement efforts conducted via public meetings, CONSULTANT will prepare digital platforms to provide convenient access to the engagement effort for the community to share their voice and participate in the process. CONSULTANT, through its subconsultant Plan to Place, will host and prepare a wireframe for the project website to foster input from the CONSULTANT's project team and CITY as the foundation for a tailored project website. The website will have a distinct web address and will be optimized to ensure compatibility across different devices and translatable into different languages. The website will serve as the primary online portal for community engagement and will include:

- Important project updates
- Upcoming events, including a map and a timeline
- Updated summaries of workshop, forums, and other meetings
- Opportunities to submit ideas and subscribe to project mailing lists
- Access to educational resources and materials, both existing and developed for the purpose of the outreach effort

### **2.5 Interim work product**

- Website with regular updates at key intervals

### **Task 2.6 Mailing List**

In order to ensure interested individuals and parties stay looped into project developments, a mailing list will be maintained by staff, accessible via the project website and sign-up sheets and information cards at public events. E-mail campaigns will be pushed through the mailing list to notify subscribers of upcoming engagement opportunities and events. City staff will manage

mailing list and provide the mailing list to CONSULTANT. CONSULTANT shall coordinate with City staff on preparation of distribution of email notifications and other communications.

## **2.6 Interim work product**

- Mailing List

### **Task 2.7 Surveys - Mobile and Online**

CONSULTANT will prepare a digital platform to conduct two (2) community surveys through the project website. CONSULTANT, through its subconsultant Plan to Place, will also work with the CITY to integrate their Communications software as a multi-channel platform to elevate, streamline and track communications efforts. The Communications Cloud also has a metrics/reporting capability to measure results and assess the input received.

The Consultant shall use a tailored survey campaign to reach underrepresented members of the community. Consultant shall develop Findings from these surveys and merge the data with information gathered from other survey resources. The Consultant may translate the surveys into languages other than English; translated surveys shall be consistent with those distributed through the website and email to ensure a standardized set of responses.

CONSULTANT will provide support to CITY staff to administer surveys through the City's existing Open City Hall platform or another alternative as identified by the City.

## **2.7 Interim work product**

- Preparation of 2 surveys and summary of results

### ***Task 3 Background Conditions***

#### **Task 3.1 Data Collection and Mapping**

CONSULTANT will prepare geographical information using GIS-based maps for the study area boundary and wider context, including pedestrian walkways, bikeways, transit, vehicular, parking and other transportation networks and features. CONSULTANT will coordinate the mapping areas and provide the final product to CITY in a digital form that allows the layers of information to be easily accessed as needed.

A deep understanding and consideration of the complex layers that make up our current and future urban environments is critical to the creation of great and high-performance networks and places. Using an innovative approach to planning and design, the CONSULTANT team will use this information to create a smart 3D model of the site and surrounding context. This model will include site opportunities and constraints, assets and challenges. This 3D model will be critical in the analysis and representation of existing and planned conditions and will be utilized throughout the entire project for concept and alternatives development and visualizations. Using

the GIS based map as well as the 3D model, CONSULTANT will develop appropriate 2D and 3D graphic material that illustrates the existing site as well as the future functioning of the site within the physical context of the city as a whole.

CONSULTANT, through its transportation subconsultant ARUP, will request and assemble available transportation and parking data from CITY and CITY's consultants to establish a baseline. CONSULTANT will collect turning movement counts for up to ten intersections in and just outside the project area and selected segment volumes. These intersections will be selected based on VTA TIA requirements and will supplement intersection counts available from the VTA Congestion Management Program (CMP) monitoring system. This will include counts at up to two unsignalized intersections to facilitate signal warrant analysis. CONSULTANT will also collect intersection pedestrian and bicycle counts at all locations. In addition, CONSULTANT will conduct parking inventory and occupancy counts, both on streets and within off-street facilities during peak times.

### **Task 3.2 Policy Context**

CONSULTANT will review and analyze existing adopted plans and policies as a foundation for developing the Coordinated Area Plan, including but not limited to:

- City of Palo Alto Comprehensive Plan, goals, policies and programs
- City Council approved draft project goals and objectives
- California Avenue Concept Study draft proposals
- City of Palo Alto Masterplan for parks, trails, natural open space and recreation
- Green stormwater infrastructure plan
- Sustainability and climate action plan
- Bike and pedestrian transportation plan
- Applicable zoning and development standards
- Residential off-street parking study

### **Task 3.3 Background Conditions Analysis**

CONSULTANT will prepare geographical information using GIS-based maps for the Coordinated Area Planning process, including the following layers of information:

- Existing land use and development patterns
- Development capacity
- Market rate and affordable housing
- Transit and transportation, including biking and walking



- Existing cultural and natural resources
- Public open space and community amenities
- Infrastructure systems and capacity

### **Task 3.4 Base Maps**

CONSULTANT will prepare a Base Map for use in the Coordinated Area Plan. CONSULTANT will utilize information from CITY to identify the sewer, storm, water electric, and gas infrastructure within the Coordinated Area Plan on the base map. CONSULTANT's work on this task is based on the following assumptions:

- CITY will provide GIS base with topography and existing property data.
- CITY will provide CONSULTANT with record drawings, utility block maps and studies related to the areas infrastructure (water, wastewater, storm water/drainage, electrical, gas, communication, etc.)
- CITY will provide CONSULTANT with existing utility capacity analysis reports and studies.

#### **3.4 Interim work product**

- Base Map

### **Task 3.5 Housing Including Affordable Housing**

CONSULTANT, through its subconsultant Strategic Economics, will review CITY's Housing Element and Comprehensive Plan to identify issues and opportunities related to housing and affordable housing. Some of the potential topics to be considered in this task could include the supply of existing market-rate and below-market-rate housing in the Plan Area, the amount of housing capacity based on zoning, estimates of the need for market-rate and affordable housing in Palo Alto based on RHNA and barriers to housing production.

#### **3.5 Interim work product**

- Memo summarizing issues and opportunities for housing/affordable housing in the Plan Area

### **Task 3.6 Market Snapshot Report**

CONSULTANT will perform the tasks in this Task 3.6 through its economic analysis subconsultant (currently Strategic Economics). CONSULTANT will analyze and describe current market conditions for residential, R&D/office and commercial retail uses. The analysis will focus on determining the development product types, sales prices, and/or rents that would be achievable in the North Ventura Area.

Subtasks will include the following:

3.6.1 Residential Market Conditions – CONSULTANT will interview residential developers and brokers, summarize current rents and sales price for higher-density residential products (rental and ownership product types) in the Plan Area and identify market-supportable product types and opportunity sites for housing; and determine the likely sales prices/rents of new housing by type.

3.6.2 R&D/ Office – Based on employment projections, existing market reports, interviews with local brokers and/or developers, and review of office and R&D development trends, CONSULTANT will examine types of R&D and office development likely to be supportable in the Plan Area.

3.6.3 Retail and Restaurants - CONSULTANT will assess the demand for “soft goods” retail stores and restaurants in the Plan Area based on: city sales tax data; data on rent, vacancy, and new construction trends for retail districts in Palo Alto and neighboring cities from brokers and Costar; and interviews with local retail and mixed-use developers. The analysis will provide an understanding of the market opportunities and barriers to retail and mixed-use development in the Plan Area.

CONSULTANT shall use the findings of the analysis to develop an understanding of market-driven opportunities and constraints in the area, which will then inform development of the plan alternatives. CONSULTANT shall rely up on the findings of the market snapshot as a key input to the economic feasibility analysis, implementation, and fiscal impact analysis tasks described in Tasks 4 and 5.

### **3.6 Interim work products**

- Draft Market Snapshot Memo
- Final Market Snapshot Memo

### **Task 3.7 Existing Utilities Analysis**

CONSULTANT will perform this Task 3.7 through its subconsultant ( currently BKF). CONSULTANT will utilize the existing conditions base map prepared by CONSULTANT to review the utilities infrastructure within the Coordinated Area Plan. CONSULTANT will review the existing utility sizes, condition and identify existing capacity, identifiable capacity deficiencies, identifiable utility system upgrades required, and describe the existing utility infrastructure.

CONSULTANT shall provide a narrative of the existing utilities, any identified deficiencies, and any identified opportunities for system upgrades or efficiencies. BKF shall provide recommendations on how to improve utility systems or identify future studies that may be needed to model, analyze, evaluate, and determine impacts to the systems.

### **3.7 Interim work product**

- Existing utilities summary memorandum

### **Task 3.8 Transportation and Parking**

CONSULTANT, through its subconsultant ARUP, will review and summarize relevant transportation plans and policies. This will include documenting planned transportation infrastructure improvements that could affect accessibility to the site. CONSULTANT will utilize available data, traffic counts, and parking counts to characterize existing transportation conditions. Qualitative street characterizations of the project area based on observations will be provided. CONSULTANT will also provide a description of current transportation issues such as deficiencies that impact safety, mobility and access in the project area. CONSULTANT will identify opportunities to improve transportation to and within the site, which could include additional transit service (Caltrain and El Camino Real corridor), safer roads and intersections and non-traditional approaches to improve mobility such as Mobility as a Service. CONSULTANT will prepare a transportation section of the report, which will summarize policy context, existing conditions and identify issues and opportunities. This will point to potential transportation strategies that will be developed in later study phases.

#### **3.8 Interim work product**

- Transportation and parking summary memorandum

### **Task 3.9 Environmental Assessment**

As part of the existing conditions analysis related to natural and man-made hazards and hazardous materials (including the regional plume and affected groundwater), CONSULTANT, through its subconsultant DJP&A, will prepare a Screening Level Phase I ESA for the area. Preparation of the Screening Level Phase I ESA includes the following:

- Acquiring database reports to help establish the presence and type of contamination incidents reported in the site vicinity.
- Reviewing on-line databases (GeoTracker and Envirostor) and available documents for up to ten facilities. Based on these reviews, a figure will be prepared that will present the reported and more significant ground water contamination plumes within the site boundaries.
- Reviewing aerial photos to help develop a history of the previous site uses and adjacent area.
- Summarizing the anticipated site hydrogeology based on readily available public information.
- Completing a brief site visit from public right-of-way to observe existing conditions and note readily observable indications of past or present activities that may have or could cause significant site contamination.

### **3.9 Interim work product**

- Screening Level Phase I ESA

Note: CONSULTANT shall identify on its invoices all work performed under this subtask 3.9 with the notation “CEQA review” (in addition to describing the substantive work performed), so that these work items will be invoiced towards the CEQA funding available for the project.

### **Task 3.10 Opportunities and Constraints**

CONSULTANT will compile all data from Tasks 3.1 through 3.9 into a consolidated background conditions memo, including a narrative on existing opportunities and constraints.

#### **3.10 Deliverable**

- Existing conditions memo with opportunities and constraints summary

### **Task 3.11 Creek Analysis**

CONSULTANT will receive analysis related to Matadero Creek from CITY’s hydrology consultant. CONSULTANT will incorporate the analysis of Matadero Creek into the three plan alternatives.

### **Task 3.12 Historic Analysis of 340 Portage**

CONSULTANT will receive analysis from CITY’s historic preservation consultant regarding the historic nature of 340 Portage Street. CONSULTANT will incorporate and include this analysis in the plan alternatives as necessary and into the final plan as necessary.

## ***Task 4 Analysis of Options and Draft Plan Components***

### **Task 4.1 Development of Alternatives**

Based on information gathered during Tasks 2 and 3, CONSULTANT will work closely with CITY staff, stakeholders and the community to develop three land use/urban design alternatives for the study area. CONSULTANT will study test fit alternatives for these selected sites, to understand development yields and market support among other factors. For the purposes of policy discussion, environmental assessment and downtown character, the alternatives will contrast different land use compositions and development densities. Each land use alternative will include a summary of the development potential, including a list of the analysis assumptions made. Draft land use alternatives will include information about:

- Land uses and densities
- Building massing and heights
- Street network and connectivity
- Public open space and community amenities
- Opportunities for multi-modal improvements and accessibility

- Parking supply and demand

CONSULTANT shall utilize two- and three-dimensional massing graphic outputs from the 3D model and precedent images to communicate the characteristics of the alternatives in an easy-to-understand format.

#### **4.1 Deliverable**

- Three (3) draft land use/urban design alternatives with development summary table

#### **Task 4.2 Comparison of Alternatives**

CONSULTANT will compare the alternatives to each other with respect to the goals and framework established during Tasks 2 and 3 to help illustrate the differences between the alternative proposals. The comparison will include the relative merits of the development alternatives for additional housing opportunities, including the supply of affordable housing and an analysis of potential sources for additional employment opportunities and the workforce characteristics required for such employment. Other aspects to be compared will include density and land use, distribution and amount of open space, impacts on traffic/parking and vehicle trip generation, where there are differences between the two approaches.

CONSULTANT, through its subconsultant ARUP, will advise on three proposed street network and parking options for the project area. This will include the following: proposing initial circulation options that allow developing baseline parking projections based on different programs; proposing a suite of transportation improvements that reduce parking requirements and trip generation; advising on a street hierarchy for the site, and developing parking access recommendations. Based on alternative land use programs and street configurations, CONSULTANT will analyze parking impacts and traffic for three land use/transportation improvement options. Parking demand will be calculated using a spreadsheet model, taking into account proposed driving reduction measures, feeding back into site parking design. The projected demand for each alternative will be compared with Palo Alto's current parking requirements and any available findings of its residential off-street parking study, and parking ratios appropriate for the site will be recommended.

##### *4.2.1 Parking Model Calibration*

CONSULTANT shall perform the tasks in this section entitled "Parking Model Calibration" through its traffic/transportation subconsultant (currently ARUP). CONSULTANT will provide a context-sensitive analysis of parking demand that responds to transportation demand management (TDM) best practices. This analysis will utilize and calibrate two models: a parking model and a sketch planning model, to develop a customized set of parking ratios for each proposed land use type that respond to unique local characteristics.

CONSULTANT will use a parking model developed by the Urban Land Institute (ULI) and the International Council of Shopping Centers (ICSC) that measures the peak parking demand for every land use within a mixed-use development, while accounting for opportunities to share parking across land uses. CONSULTANT will leverage existing parking demand data for the NVCAP existing conditions report to calibrate ULI's shared parking model to accurately reflect the existing parking conditions at the site. Other model calibrations will include the quantification of existing and planned land use, adjustments for vehicle occupancies, and adjustments for market synergy e.g. the relationship among planned land uses that reduces total parking demand. Once the model is calibrated, CONSULTANT will use it to test the different land use scenarios to calculate future parking demand with the current mode share.

To estimate the impact of proposed transportation demand management (TDM) strategies on parking demand, as well as the site's proximity to high quality transit, CONSULTANT will then utilize a sketch planning model (such as MXD, CalEMod or GreenTrip Connect) to estimate the impact of TDM strategies on the current mode split, which will be fed into the calibrated parking model to determine estimated parking demand.

#### *4.2.2 Traffic Analysis*

CONSULTANT shall perform the tasks in this section entitled "Traffic Analysis" through its transportation/traffic subconsultant (currently ARUP). To estimate traffic impacts CONSULTANT will take both a traditional intersection impact approach and conduct a Vehicles Miles Travelled (VMT) analysis. For the former CONSULTANT will utilize a Traffix modeling software to determine impacts on no more than ten (10) key intersections in and around the project area based on alternative land use programs and proposed alternative transportation infrastructure and services, and using the results to determine what if any traffic infrastructure upgrades would be required for each option. This evaluation is to be distinguished from the anticipated project-level Traffic Impact Analysis (TIA), which is described in Task 6.1. This analysis will nonetheless establish background and cumulative conditions, using assumptions from the Comprehensive Plan and VMT's regional model, and evaluate the impact of each land use alternative on key intersection Level of Service (LOS). It will also serve as the basis for developing the project TIA.

#### *4.2.3 Vehicle Miles Travelled Analysis*

CONSULTANT shall perform the tasks in this section entitled "Vehicle Miles Travelled Analysis" through its transportation/traffic subconsultant (currently ARUP). CONSULTANT will perform a VMT analysis consistent with State guidelines to compare the regional impact of the two alternatives. This is consistent with the approach taken in the Comprehensive Plan.

#### *4.2.4 Municipal Fiscal Impact Study*

CONSULTANT, through its economic analysis subconsultant (currently Strategic Economics), will estimate shall perform the tasks in this section entitled "Municipal Fiscal Impact Study" to estimate the fiscal impact of development in the Plan Area. The analysis will estimate the fiscal impact of potential future development scenarios compared to the baseline existing conditions on the City of Palo Alto's General Fund. The fiscal study will estimate the potential change in City operating

revenues and expenditures resulting from projected growth in residential, office/R&D and retail land uses. CONSULTANT will analyze the property tax, sales tax, and other major sources of General Fund revenues generated by the development in the Draft Plan, compared to the existing land uses. After conducting interviews with key City departments including Police, Fire, Public Works, Parks and Recreation, CONSULTANT will calculate the increase in General Fund expenditures for providing services to new residents and employees under each scenario. Based on the results of the fiscal assessment, CONSULTANT will determine whether the estimated public revenues would offset increases in the cost of public services to serve new development. The fiscal impact study will be conducted for each of the three plan alternatives.

NOTE: This analysis relates to task 4.2a and 4.2b.

#### *4.2.5 Infrastructure*

CONSULTANT shall perform the tasks in this section entitled “Infrastructure”, through its subconsultant (currently BKF), will compare water and wastewater demand calculations for the three alternatives. CONSULTANT will also provide an infrastructure cost estimate based on the preferred concept plan/program, including: proposed utilities, hardscape, roadway improvements and storm water treatment. BKF will provide this pricing as a supplement to the project cost estimator. The estimated cost will represent the level of information known at that time, and will be used as an indicator of overall costs, for use in the project evaluation/cost estimate by the CONSULTANT project team.

#### *4.2.6 Any Incompatibilities with Existing Policies*

CONSULTANT will prepare a commentary on the extent to which any aspect of the three alternatives deviate from current City policies and ordinances. Where appropriate, CONSULTANT will comment on the restrictions imposed by existing policies and offer suggestions for any changes necessary to facilitate the proposals.

#### *4.2.7 Evaluation charrettes*

CONSULTANT will prepare the above referenced analyses in advance of, and for review and discussion, at a four-hour (4) ‘evaluation charrette’. The charrette will include City Staff and relevant members of the CONSULTANT design team to review the CONSULTANT team analyses and prepare for presenting the three alternatives to the Working Group, decision-makers, and the public.

CONSULTANT shall prepare a second four-hour (4) charrette, following presentation of the three plan alternatives to the Working Group, decision-makers, and others. The purpose of this charrette will be to understand the connection between feedback and the plan alternatives and to agree upon any needed adjustments as well as to evaluate the presentation, materials, and outreach. Members of the CONSULTANT design team will summarize this charrette for the benefit of the meeting with the Decision-Makers Meeting #3.

## **4.2 Deliverables**

- Comparative summary memorandum of the alternatives (Urban Design, Traffic, Economics, Infrastructure).
- Charrette preparation, consultant coordination and meeting materials.
- Technical memo detailing the methodology, key inputs and assumptions, and full results.
- Executive summary of the analyses and key findings that is appropriate for non-technical audiences including the NVCAP working group, City Council and other interested parties.
- Slide deck version of the executive summary.
- Oral presentation of the key findings and analyses at two public meetings; CONSULTANT's transportation/traffic subconsultant's project manager shall participate in presentations (Autumn Bernstein of ARUP).

#### **Task 4.2a Evaluation of Proposed Policies**

CONSULTANT, through its economic analysis subconsultant (currently Strategic Economics), will assess the financial feasibility of imposing new requirements for new development in the Plan Area, which may include:

- Higher inclusionary requirements than the current Below-Market-Rate policy requirements for rental and ownership housing.
- New workforce housing requirements in addition to the current Below Market Rate (BMR) requirements. The definition of workforce household income targets will be developed in coordination with City Staff.

Based on research of similar policies in other cities, and taking into account the existing conditions of the NVCAP area and the Palo Alto market context, CONSULTANT will also provide guidance on the viability of establishing policies to accomplish the following objectives:

- Prevent displacement of existing residents in the NVCAP area
- Encourage small office uses (for smaller businesses) through tools such as imposing a limit on office building sizes or other strategies
- Encourage unconventional housing type (co-ops missing middle, etc.)

#### **4.2a Deliverable**

Memo Report that addresses all of Task 4.2a to be incorporated into the Plan.

#### **Task 4.2b Evaluation of Financial Feasibility and Economic Value of NVCAP**

CONSULTANT shall perform this Task 4.2b through its economic analysis subconsultant (currently Strategic Economics). CONSULTANT will (1) measure and compare the financial feasibility of three NVCAP development alternatives, and (2) will analyze the economic value of the NVCAP development alternatives to property owners (defined as the



increase in residual land value created from new land use regulations / zoning / incentives). CONSULTANT will also assess the extent to which the value created by new development in the NVCAP development alternatives can help fund community infrastructure and amenities included in the alternatives (e.g., parks/open space, creek restoration, bicycle and pedestrian facilities, roadways, etc.). The findings of these analyses will allow decision makers to better understand which alternatives are more likely to be delivered by private developers, and to understand the extent to which each alternative can generate private funding to deliver desired infrastructure and amenities.

#### *Financial Feasibility*

CONSULTANT will prepare three plan alternatives that provide sufficient detail to develop pro forma models that analyze the alternatives' financial feasibility. Working closely with the City, CONSULTANT, through its economic analysis subconsultant (Strategic Economics) will build a pro forma model that measures the economic feasibility of building prototypes that exemplify the range of land uses and development products envisioned in the plan alternatives. The land uses will likely include R&D/office, mixed-use, and residential. CONSULTANT's economic analysis subconsultant in close coordination with CONSULTANT will develop the building prototype inputs (height, unit sizes, parking, etc.). The market inputs will be based on the market analysis in Task 3.6 and vetted with developers active in Palo Alto and neighboring cities. The prototypes will detail factors such as the building formats, building heights, parking spaces and format, square feet of different land uses, number and types of housing units, square feet of demolished uses, and land area of new public and private streets, paseos, plazas, etc.

The analysis will be structured to provide information about the economic incentives and disincentives to build the types of development products that are desired in the Plan Area, and the potential for private development to help fund infrastructure improvements in the Plan Area.

CONSULTANT will provide order-of-magnitude cost estimates for the construction of significant new infrastructure and amenities in each alternative.

The remaining tasks in this section entitled "Financial Feasibility" shall be performed by CONSULTANT through its economic analysis subconsultant (currently Strategic Economics). CONSULTANT will conduct additional research to develop revenue and cost inputs for use in the pro forma analysis. In work related to Task 5.3, CONSULTANT analyzed the financial feasibility of specific housing prototypes; under Task 5.3, CONSULTANT will also conduct additional research to develop inputs to perform a pro forma financial feasibility analysis for R&D/Office and mixed-use development. Under Task 4.2b, CONSULTANT will complete additional research to update inputs to the previous residential pro forma analysis and will develop revenue and cost inputs applicable to the comprehensive and specific NVCAP development alternatives, including demolition of existing structures and construction of on-site infrastructure and amenities. The analysis will rely on market data, as well as interviews with brokers, developers, and other local real estate experts.

### *Value Capture*

CONSULTANT shall perform the tasks in this section entitled “Value Capture” through its economic analysis subconsultant (currently Strategic Economics). Using rates of return and/or residual land values that are consistent with current market expectations, CONSULTANT will determine the financial feasibility of each alternative. CONSULTANT will then describe the trade-offs from each alternative, including the extent to which development in the alternative generates economic value that could be dedicated to public infrastructure, amenity investments, or community benefits, and the gap in infrastructure costs that would need to be covered by the City.

CONSULTANT will participate in two meetings with local developers/property owners/stakeholders to inform the analysis. CONSULTANT will also participate in two calls with City staff to guide the analysis and report on the results and will participate in up to two additional meetings of the working group, community, or City Council to present the results.

Finally, CONSULTANT will perform a comparable analysis of the preferred plan alternative to allow comparison against the three NVCAP development alternatives.

### **4.2b Deliverable**

CONSULTANT will deliver one memo report that addresses all of Task 4.2b through the comparison of the NVCAP development alternatives. CONSULTANT will deliver a brief follow-up memorandum that describes results of the analysis of the preferred plan alternative.

CONSULTANT to prepare ROM infrastructure cost estimation of all three draft plan alternatives.

## **Task 5 Draft Coordinated Area Plan**

### **Task 5.1 Preferred Concept Plan and Program**

Based on comments from the Working Group, stakeholders, and direction from City staff and Decision-Makers, CONSULTANT will refine the preferred concept plan for the North Ventura Coordinated Area Plan. The preferred concept plan will serve as the basis for the preparation of Development Standards, Design Criteria and the Coordinated Area Plan Report.

### **5.1 Deliverable**

- Preferred concept plan and program

### **Task 5.2 Draft Coordinated Area Plan Report**

CONSULTANT will work with CITY staff to confirm an agreed outline and Table of Contents for the Coordinated Area Plan and will then prepare a Draft Report for review by City staff and stakeholders. The Draft Report will incorporate the preferred plan, programs and guidelines prepared in the previous task. As necessary, the Coordinated Area Plan Report will include supporting plans, diagrams, sketches and pictures to convey, illustrate and exemplify

Coordinated Area Plan content.

The proposed schedule allows for one review of the Administrative Draft Plan by City staff. One set of consolidated comments will be submitted by CITY to CONSULTANT after review of the Administrative Draft Plan.

CONSULTANT will present the preferred plan to the Working Group, and Decision-Makers and will facilitate one community workshop to solicit community reaction to the development of the preferred plan.

The draft and final Coordinated Area Plan Report will include the following sections.

#### *5.2.1 Land use*

The report will illustrate the distribution, location and intensity of land uses, including industrial, office, retail, entertainment, residential, community amenities, public open space and parking supply within the study area.

#### *5.2.2 Transportation*

CONSULTANT through its transportation/traffic subconsultant (currently ARUP) will further develop transportation infrastructure, services and programs for the preferred option, describing these using narratives, mapping and typical cross-sections and plans. CONSULTANT will advise in the development of design guidelines for streets and other transportation infrastructure (e.g., bike/ped paths, transit stops).

#### *5.2.3 Utilities and Infrastructure*

CONSULTANT through its subconsultant (currently BKF) will prepare utility demand forecasts for the Coordinated Area Plan, based on land uses supplied by CONSULTANT to determine if the current infrastructure is able to accommodate the proposed land uses and infrastructure presented as part of the Coordinated Area Plan. CONSULTANT will also contact utility providers with required project utility demands to verify existing capacities or required changes to the utility infrastructure to meet the demand.

#### *5.2.4 Development Standards and Design Criteria*

CONSULTANT will prepare Development Standards and Design Criteria for the private and public realms. These standards and criteria will “implement” and reinforce the preferred plan, focusing on the desired character of the Coordinated Area Plan. Such a framework will focus on the character, function and needs of the district, in particular the linkages between activity nodes and the character and needs of the public realm, pedestrian paths and building heights and orientation that frame and structure the streets. The standards and criteria will speak to both the built form and lands and character of the study area. CONSULTANT will consider the changing urban fabric, land use, density, open space, connections to adjacent areas, neighborhood transitions, circulation, sustainability and streets. Architectural design requirements will address street design and hierarchy, building design including streetwall and setbacks, public and private open spaces, street furniture, such as fences, arcades, sidewalk treatments etc. and concept design of parking areas. Specific building types, such as community

centers, if included in the preferred plan, will also be addressed. The guidelines will provide direction to private and public entities making improvements in the area and will be folded in the final report.

### **5.2 Deliverables**

- Draft Coordinated Area Plan Report
- Final Coordinated Area Plan Report

### **Task 5.3 Financial Feasibility and Economic Analysis**

The tasks in this Task 5.3 shall be performed by CONSULTANT through its economic analysis subconsultant (currently Strategic Economics).

Under Task 4.2b, CONSULTANT will develop an initial Financial Feasibility and Value Capture analysis. Upon selection of a preferred Plan alternative, CONSULTANT, working close with CITY, will finalize the Financial Feasibility (4.2b), and Value Capture (4.2b), and Economic Analysis (4.1). Working closely with CITY, CONSULTANT will build a pro forma model that measures the economic feasibility of building prototypes that exemplify the range of land uses and development products envisioned in the Draft Plan. The land uses will likely include R&D/office, mixed-use, and residential. The building prototype inputs (height, unit sizes, parking, etc.) will be developed in close coordination with CONSULTANT. The market inputs will be based on the market analysis in Task 3.6 and vetted with developers active in Palo Alto and neighboring cities. The analysis will be structured to provide information about the economic incentives and disincentives to build the types of development products that are desired in the Plan Area, and the potential for private development to help fund infrastructure improvements in the Plan Area.

In addition to the economic feasibility analysis, CONSULTANT will also provide a summary of the potential economic benefits of public infrastructure investments based on a review of existing literature and studies measuring the property value increases related to public realm and infrastructure improvements.

### **5.3 Deliverables**

- Draft Financial Feasibility and Economic Analysis Memo
- Final Financial Feasibility and Economic Analysis Memo

### **Task 5.4 Funding and Financing Implementation Strategy**

The tasks in this Task 5.4 shall be performed by CONSULTANT through its economic analysis subconsultant (currently Strategic Economics).

CONSULTANT will prepare the implementation strategy for the North Venture Comprehensive Area Plan, focusing on identifying the funding sources and financing tools available to implement the infrastructure improvements identified in the Draft Plan. The implementation strategy will incorporate the findings of the financial feasibility analysis to establish whether private

developers and property owners could potentially contribute to necessary improvements. Based on the analysis, CONSULTANT will provide recommendations on using property-based financing tools like community facilities districts (CFDs), tax increment financing (TIF), benefit assessment districts, and other similar mechanisms. CONSULTANT will also identify available state and regional grants to help fund infrastructure improvements in the Plan Area.

#### **5.4 Deliverables**

- Draft Funding and Financing Strategy Memo
- Final Funding and Financing Strategy Memo

### ***Task 6 Environmental Clearance***

#### **Task 6.1**

As of the effective date of this Agreement, the City anticipates that either an Addendum or Supplemental Environmental Impact Report to the Comprehensive Plan Final Environmental Impact Report (2017) would be the appropriate level of environmental review for the North Ventura Coordinated Area Plan. The level of environmental review will be determined by the CITY, dependent upon the plan development.

#### **Task 6.1a Addendum to EIR**

If the City selects the addendum as the appropriate level of environmental review, the following shall occur (all tasks to be performed by CONSULTANT through its environmental review consultant (currently DJP&A and referred to herein as “CEQA subconsultant”), unless otherwise stated):

CONSULTANT’s CEQA subconsultant will review the development assumptions and findings of the Comprehensive Plan Final Environmental Impact Report (2017) and assist as needed in preparing the existing conditions analysis. All this data will be compared to the Draft Plan for the North Ventura Coordinated Area Plan to determine the need for additional technical analyses and whether a different course of CEQA review may be appropriate. If it is deemed that an Addendum is the appropriate level of clearance, the CEQA subconsultant shall prepare the Addendum and all required documentation.

If potential issues are found that could require an Initial Study/Mitigated Negative Declaration (IS/MND) or Supplemental Environmental Impact Report (SEIR), meaning the proposed plan would result in new or more significant impacts than were identified in the Comprehensive Plan Final Environmental Impact Report (2017), the CEQA subconsultant would notify the City immediately to determine next steps. Once a final determination is made on the level of environmental review required, DJP&A would prepare the necessary analysis based on new technical analyses (as warranted) and existing data.

The CEQA subconsultant and CONSULTANT's transportation/traffic subconsultant (ARUP) will assist with the preparation of the background conditions analysis for the following resource areas, as this data would most likely be required for the environmental review:

- Traffic, parking, transit, bicycle, and pedestrian facilities and demand
- Cultural and natural resources
- Natural and man-made hazards and hazardous materials, including the regional plume and affected groundwater
- Parks, community centers, schools and other public facilities and conditions

Consistent with the Comprehensive Plan, CONSULTANT's transportation/traffic subconsultant will provide for this amendment both a traditional the Level of Service (LOS) Traffic Impact Analysis (TIA) and a projection of project-generated VMT technical memorandum, utilizing the Synchro Analysis in task 4.2. This will be a multimodal approach, focusing not only on traffic but also transit, bicycle and pedestrian connectivity, convenience, and safety. Transportation impacts will be analyzed in accordance with the standards and methodologies found in VTA's Transportation Impact Analysis Guidelines. It is assumed that TIA trip threshold of 100 or more net new peak hour trips will be met. The following scenarios will be analyzed:

- Existing
- Existing plus Project
- Background
- Background plus Project
- Cumulative
- Cumulative plus Project

It is assumed that signal warrant analyses for up to two currently unsignalized intersections will be conducted.

The TIA may include the following optional tasks:

- Impact analysis of four freeway segments and eight freeway ramps
- Local street traffic volume impact analysis using the TIRE methodology for up to four residential street segments
- Bus transit service delay/quality of service analysis

These optional tasks will be considered outside of scope and billed at time and materials using ARUP rates in Exhibit C-1.

CONSULTANT's CEQA subconsultant will review the proposed project in relation to the findings of the Screening Level Phase I ESA under Task 3.9, to determine potential impacts/mitigation measures.

The CEQA subconsultant will prepare Technical Environmental Reports analyzing the draft Coordinated Area Plan for all topics as warranted (and if not covered by the Comprehensive Plan EIR). These may include, but not be limited to, CEQA issues such as transportation (LOS

and VMT); air quality; noise; soils and groundwater (i.e., related to the existing plume and groundwater issues); and greenhouse gas emissions and at least one non-CEQA issue: parking.

Note: CONSULTANT shall identify on its invoices all work performed under Task 6 with the notation “CEQA review” (in addition to describing the substantive work performed), so that these work items will be invoiced towards the CEQA funding available for the project.

### **Task 6.1a Supplemental Environmental Impact Report**

If CITY determines that a Supplemental Environmental Report to the Comprehensive Plan EIR is the appropriate level of environmental review Impact, in addition to Task 6.1a, CONSULTANT through its CEQA subconsultant shall do the following:

- Prepare a Notice of Preparation (NOP).
- Attend a scoping meeting during the public circulation of the NOP.
- Complete additional analysis for cumulative impacts and alternatives to the proposed project.
- Prepare a Draft EIR.
- Respond to public comments on the Draft EIR.
- Prepare final EIR.
- Submit all required documents to the State Clearinghouse in accordance to CEQA.

### ***Task 7 Hearings and Coordinated Area Plan Adoption***

#### **Task 7.1 Adoption Hearings**

Members of the CONSULTANT team will attend up to two hearings (Adoption Hearings #1 and #2) by the Planning and Transportation Commission; one hearing of the Architectural Review Board (Adoption Hearing #3) and up to two hearings by the City Council to present the plan for adoption (Adoption Hearing #4 and #5).

NOTE: This is in distinction to Task 2.4 Decision-Maker meetings that allows the decision-makers to weigh in on the effort versus hearings that are for the consideration of plan adoption.

#### **Task 7.2 Adopted Plan**

CONSULTANT will prepare and submit the final Coordinated Area Plan in both an editable digital and a PDF format upon adoption by the City Council.

Note: For additional meetings that may be required CONSULTANT team assumes attendance by at least two personnel and preparation time on a time and material basis. The billing rates in Exhibit C will apply for the Time and Materials authorization upon approval by the City as an Additional Service.

***Task 8 Additional Services***

In addition to the meetings noted in Tasks 2 and 7, additional services that may be included under this Agreement include:

1. Additional Working Group Meetings (Task 2.1)
2. Additional Decision Maker and public hearings, such as City Council Finance or Policy and Services Committees (Tasks 2.4 and 7.1)



**EXHIBIT "C"**  
**COMPENSATION**

CITY agrees to compensate CONSULTANT for professional services performed in accordance with the terms and conditions of this Agreement, and as set forth in the budget schedule below. Compensation shall be calculated based on the hourly rate schedule attached as Exhibit C-1 up to the not to exceed budget amount for each task set forth below.

CONSULTANT shall perform the tasks and categories of work as outlined and budgeted below. The CITY's Project Manager may approve in writing the transfer of budget amounts between any of the tasks or categories listed below provided the total compensation for Basic Services, including reimbursable expenses, and the total compensation for Additional Services do not exceed the amounts set forth in Section 4 of this Agreement.

<b>BUDGET SCHEDULE</b>	<b>NOT TO EXCEED AMOUNT</b>
Task 1 (Project Coordination and Management)	\$142,248
Task 2 (Community Engagement)	\$173,053.00
Task 3 (Background Conditions)	\$129,509.00
Task 4 (Analysis of options and draft plan components)	\$275,833
Task 5 (Draft Coordinated Area Plan)	\$154,638.00
Task 6 (Technical analyses and EIR)	\$126,456.00
Task 7 (Hearings and adoption)	\$29,652.00
Sub-total Basic Services	\$1,031,388.00
Reimbursable Expenses (other Direct Cost)	\$3,000.00
<b>Total with Reimbursable expenses</b>	<b>\$1,034,388.00</b>

Additional Services (Not to Exceed)	\$103,438.00
<b>Maximum Total Compensation</b>	<b>\$1,137,826.00</b>

**REIMBURSABLE EXPENSES**

The administrative, overhead, secretarial time or secretarial overtime, word processing, photocopying, in-house printing, insurance and other ordinary business expenses are included within the scope of payment for services and are not reimbursable expenses. CITY shall reimburse CONSULTANT for the following reimbursable expenses at cost. Expenses for which CONSULTANT shall be reimbursed are:

- A. Travel outside the San Francisco Bay area, including transportation and meals, will be reimbursed at actual cost subject to the City of Palo Alto's policy for reimbursement of travel and meal expenses for City of Palo Alto employees.
- B. Long distance telephone service charges, cellular phone service charges, facsimile transmission and postage charges are reimbursable at actual cost.

All requests for payment of expenses shall be accompanied by appropriate backup information. Any expense anticipated to be more than \$500.00 shall be approved in advance by the CITY's project manager.

**ADDITIONAL SERVICES**

CONSULTANT shall provide additional services only by advanced, written authorization from the CITY. CONSULTANT, at CITY's project manager's request, shall submit a detailed written proposal including a description of the scope of services, schedule, level of effort, and CONSULTANT's proposed maximum compensation, including reimbursable expense, for such services based on the rates set forth in Exhibit C-1. The additional services scope, schedule and maximum compensation shall be negotiated and agreed to in writing by the CITY's Project Manager and CONSULTANT prior to commencement of the services. Payment for additional services is subject to all requirements and restrictions in this Agreement.