For Council Meeting of: August 6, 2019

# CITY OF SANTA ROSA CITY COUNCIL

TO: MAYOR AND CITY COUNCIL

FROM: JILL SCOTT, REAL ESTATE MANAGER

SUBJECT: APPROVAL OF A PROFESSIONAL SERVICES AGREEMENT

WITH JONES LANG LASALLE AMERICAS, INC. FOR PUBLIC PRIVATE PARTNERSHIP TECHNICAL ADVISORY SERVICES FOR THE CITY HALL CAMPUS AND AUTHORIZING THE ASSISTANT CITY MANAGER TO EXECUTE THE CONTRACT

AGENDA ACTION: RESOLUTION

### RECOMMENDATION

It is recommended by the Planning and Economic Development Department, Transportation and Public Works and Finance, that Council, by resolution, approve a Professional Services Agreement with Jones Lang LaSalle Americas, Inc., of Los Angeles, California, in the amount of \$350,000 for technical advisory services for the City Hall Campus for a potential Public-Private Partnership and authorizes the Assistant City Manager to execute the contract.

## **EXECUTIVE SUMMARY**

In an effort to address the City Council Goal to bring housing and mixed-use development into the Santa Rosa Downtown core and find a solution to the growing infrastructure and deferred maintenance issues at the City Hall Campus, the City issued a Request for Proposals (RFP) for Technical Advisory Services for the feasibility of a Public-Private Partnership (P3) on April 25, 2019 and received seven proposals. The top three Proposers were interviewed and Jones Lang LaSalle Americas, Inc. (JLL) is being recommended to Council as the City's Technical Advisor. The Professional Services Agreement (PSA) for phase one deliverables, which Council is now being asked to consider, will largely address the financial feasibility of a new City Hall Campus, site analysis, downtown development potential and real estate values for the sum of \$350,000 and will be completed in January 2020.

## **BACKGROUND**

In an effort to address the City Council Goal to bring housing and mixed-use development into the Santa Rosa Downtown core and find a solution to the growing infrastructure and deferred maintenance issues at the City Hall Campus, City staff evaluated the viability of engaging in a type of P3 procurement.

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On January 15, 2019 Staff brought their findings to City Council and Council made a Motion to authorize Staff to initiate phase one of a potential Public-Private Partnership (P3) procurement process. Phase one includes engaging a professional consultant, through a competitive solicitation process, to assist in a feasibility analysis of location and financing for the City Hall Campus. Council approved up to \$350,000 of previously appropriated funds in the Planning and Economic Development budget (P08045) for phase one of the PSA.

On April 25, 2019 Staff issued an RFP for a Technical Advisor for the City Hall Campus and received seven proposals. An RFP voting Panel (Panel) consisting of a member of City Council, two City employees and a County of Sonoma employee reviewed and scored the Proposals moving three Proposers forward to a short list. The three Proposers presented, were interviewed and were scored by the Panel. The Panel scored JLL at the top, based on specific scoring criteria.

Since that time, Staff has worked with JLL to identify a specific scope of work (Exhibit A-1 to the PSA), fee and time schedule (Exhibit B-1 to the PSA) and has negotiated a Professional Services Agreement, all being brought forward for Council consideration.

# PRIOR CITY COUNCIL REVIEW

On January 15, 2019 City Council approved a Motion to authorize Staff to initiate phase one of the potential Public-Private Partnership (P3) procurement process and issue an RFP for technical advisory services.

#### **ANALYSIS**

JLL is being recommended, from a group of highly qualified candidates following a competitive solicitation process, for the City's Technical Advisor. JLL brings years of experience facilitating the strategic delivery of real estate and finance related services and has excellent references from municipalities and developers that have worked with JLL in the P3 development arena.

The PSA with JLL is set up to allow for phases of work, each phase being subject to Council approval. The phase one scope of work (Exhibit A-1) will produce highly technical deliverables on financial affordability and feasibility of a P3, analyze potential development sites and surplus sites in the downtown core, supply market analysis for potential commercial uses, develop visioning goals for the process, develop space standards and initial recommendations for procurement viability and strategy. At City's discretion, additional scopes of work for potential development strategies in the downtown area could be accommodated for in the PSA.

Staff has set up an internal process for working with JLL, using the Downtown Housing Task Force as the City's Technical Advisory Team, to discuss visioning, set goals and

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objectives and vet ideas and issues for this process. The goals and objectives developed for the City Hall Campus will then be brought to the Economic Development Subcommittee for input and ultimately to City Council for consideration.

# FISCAL IMPACT

The funds to be expended for phase one of this PSA were previously appropriated and approved by Council in the Planning and Economic Development Budget JL P08045.

### **ENVIRONMENTAL IMPACT**

This action is exempt from the California Environmental Quality Act (CEQA) because it is not a project which has a potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment, pursuant to CEQA Guideline section 15378. Any future project resulting from a potential P3 will be subject to environmental review under CEQA.

### BOARD/COMMISSION/COMMITTEE REVIEW AND RECOMMENDATIONS

Not applicable

### **NOTIFICATION**

### **ATTACHMENTS**

- Attachment 1 Professional Services Agreement
- Resolution / Exhibit A Professional Services Agreement

### CONTACT

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