

TO: Andrew P. Powers, City Manager

FROM: Akbar Alikhan, Deputy City Manager

DATE: December 3, 2024

SUBJECT: **Project Design Services for Downtown Thousand Oaks Project (CI 5540)**

RECOMMENDATION:

1. Approve Professional Services Agreement with RRM Design Group, Inc. of San Luis Obispo, CA, for architectural/engineering design and entitlement services for the Downtown Thousand Oaks Project (CI 5540) in the amount of \$4,105,727, plus additional services of \$525,172, for a total not-to-exceed amount of \$4,630,899 for a term ending December 31, 2029.
2. Approve Professional Services Agreement with HR&A Advisors, Inc. of Los Angeles, CA, for financial and public-private partnership advisory services for the Downtown Thousand Oaks Project (CI 5540) in the amount of \$794,034 and additional services during project implementation of \$205,966, for a total not-to-exceed amount of \$1,000,000 for a term ending December 31, 2029, with two one-year options for extension.
3. Authorize legal fees in the Legal Consultation Agreement (Contract No. 13571-2024) with Best, Best & Krieger of Los Angeles, CA, for the Downtown Thousand Oaks Project (CI 5540) in the additional amount of \$300,000 for a total agreement not-to-exceed amount of \$350,000.
4. Authorize expenditure in the amount of \$5,930,899 from A/C #001-3570-612-8300 (CI 5540, Improvements Other than Buildings).
5. Approve budget appropriation and expenditure in an amount not to exceed \$5,430,899 from A/C #001-0000-311-1000 (General Fund – Fund Balance) to A/C #001-3570-612-8300 (CI 5540, General Fund – Improvements Other than Buildings).
6. Authorize City Manager and City Attorney to make minor clarifying and conforming changes to the two Professional Services Agreements, if needed, before the execution of the agreements.

7. Find that this action is not a project as defined under the California Environmental Quality Act.

LEVINE ACT ITEM: Yes

FINANCIAL IMPACT:

\$5,430,899 Increase to Adopted FY 2024-25 General Fund Capital Budget. \$5,430,899 increase to the Adopted FY 2024-25 General Fund Capital Budget is requested for CI 5540 Civic Arts Plaza Masterplan Improvements for preliminary design, entitlement, environmental, financial, and legal services. \$500,000 is included in the Adopted FY 2024-25 General Fund Capital Budget in CI 5540 Civic Arts Plaza Masterplan Improvements. \$40.0 million is set aside in General Fund Assigned Fund Balance towards the future design and construction of the project.

BACKGROUND:

The Downtown Core Master Plan (DCMP) established a vision for the downtown core and identified the initiatives the City should pursue to create an active, pedestrian-friendly area. The DCMP built upon some of the policy goals outlined in the Thousand Oaks Boulevard Specific Plan and refined by a robust public outreach campaign which incorporated input from over 1,100 residents through various channels. On June 5, 2018, City Council endorsed the comprehensive vision for the Downtown Core Master Plan. Since adoption of the DCMP, advancing the creation of a Downtown Thousand Oaks has consistently been one of City Council's Top 10 Priorities, including FY 2024-25.

Upon adoption of the DCMP, City Council established an Ad Hoc Committee to review draft concepts and provide guidance on plan development. In 2019, the City retained AECOM Inc. for conceptual site design of the Civic Arts Plaza and adjacent properties (Westside Parcel) that incorporated the pedestrian-oriented elements of the DCMP. The concept was presented to City Council on February 25, 2020, just before the declaration of the COVID-19 emergency.

After the height of the pandemic response had concluded, City Council directed staff to revise the 2019 concept and incorporate any necessary changes to the site plan resulting from factors that had emerged since the pandemic began – such as the introduction of The Lakes Residential project and general real estate market trends for the region. The City retained RRM Design Group, Inc. (RRM) in 2023 to develop the next iteration of the conceptual site plan.

Using the 2019 AECOM design as a foundation, RRM evolved the site plan to address emerging needs, better honor market viability, avoid costly structural edits, and solve other site plan issues. On November 14, 2023, staff and RRM presented

an updated site plan (Attachment #1) to City Council. Additionally, City Council approved a First Amendment with RRM to test the assumptions made in the development of the site plan. Between November 2023 and April 2024, RRM conducted a geotechnical analysis of the Westside Parcel, a structural analysis of the existing buildings, a market feasibility and financing strategy to fund the project, and made further refinements to the architecture and streetscape of the conceptual site plan.

On May 7, 2024, staff and the Ad Hoc Committee presented the findings of the analysis along with updated visuals of the conceptual site plan to the full City Council. In summary, the conceptual site design was generally shown to be feasible, notwithstanding certain structural limitations of the existing City Hall building. At that same meeting, City Council authorized staff to issue a request for proposals for Preliminary, Design, Entitlement, and Environmental services, with the objective of advancing the project from a concept to a defined project in preparation for entitlement hearings.

Prior to the sale or lease of any publicly-owned parcels beyond five years, cities are required to comply with the provisions of the Surplus Land Act (SLA), requiring notice of availability to appropriate public agencies and prospective affordable housing developers. On June 18, 2024, City Council authorized the public surplus of the Westside Parcel and issuing the required 60-Day notice, in compliance with the SLA. Notices of availability were sent to all applicable agencies on July 2, 2024. The 60-Day noticing period ended on September 2, 2024, with no formal requests to negotiate.

DISCUSSION/ANALYSIS:

The next phase of the project will require a multi-disciplinary consultant team to address each area of need, shift from conceptual to pre-construction, and prepare the project for entitlement. The following sections summarize the purpose and process for each of the three agreements recommended for City Council approval.

Architectural/Engineering Design & Entitlement Services (Recommendation #1)

On September 20, 2024, the City published a formal Request for Proposals/Qualifications (RFP/Q) in the Thousand Oaks Acorn newspaper and on the City's e-procurement website for design and entitlement services of the Downtown Thousand Oaks Project. The scope of work identified in the RFP/Q generally included:

1. Engineering
 - Geotechnical analysis, Site Survey, Utility plan, Preliminary Grading

2. Architectural Design of new City Hall
 - Architectural Style Refinement & Selection
 - Interior Space Planning and Circulation
 - Exterior building design
3. Architectural Language for Program
 - Material and style integration of existing City Hall
 - Design framework for Commercial/Mixed-use
4. Circulation and Traffic Analysis
5. Downtown Parking Utilization
6. Preparation of Formal Submittal for Planning Commission and City Council
7. Public Outreach
 - Public workshops, focused topic discussions, City Council workshops

The City received nine proposals from the following companies. The first five companies listed were invited for interviews.

	Company	Location
1.	RRM + SmithGroup Architects	San Luis Obispo/Los Angeles, CA
2.	M. Arthur Gensler	Los Angeles, CA
3.	Johnson Favaro, LLP	Culver City, CA
4.	Moore, Ruble, Yudell	Santa Monica, CA
5.	Perkins Eastman Architects	Los Angeles, CA
6.	AECOM, Inc.	Los Angeles, CA
7.	Johnson Fain Architects	Los Angeles, CA
8.	RIOS Ltd.	Los Angeles, CA
9.	PBK Architects	Los Angeles, CA

A cross-departmental team of executive staff evaluated the proposals and interviews based on the weighted criteria established by the Ad Hoc Committee, which included the following:

- Architectural aesthetic
- Quality/experience of staff assigned
- Public engagement methods
- Demonstrated track record of constructed projects

Based on the above criteria, RRM + SmithGroup was selected by the evaluation team as the most qualified to lead this phase of the project. In addition to being the top-ranked team, RRM + SmithGroup had the unique qualification of being able to bridge between the work already completed and the scope identified in the RFP/Q. The pairing will leverage RRM's intimate knowledge of the project with

SmithGroup's proven record of successful public projects. SmithGroup has recently completed successful projects in Sunnyvale, CA, South San Francisco, CA, and Tolleson, AZ.

Although the proposal was presented as a joint submittal, RRM will serve as the prime consultant and signatory of the agreement. Staff recommends award of an agreement (Attachment #2) with RRM for \$4,105,727, plus additional services of \$525,172, for a total not-to-exceed amount of \$4,630,899 for a term ending December 31, 2029. SmithGroup will be a primary subconsultant on the project.

The RFP/Q contained a potential additional scope of work for final design beyond the 30 percent design mark and construction phase support services. These optional tasks can be executed via amendment should the City wish to retain RRM + SmithGroup beyond entitlement to carry the project to the 100 percent design mark. The optional tasks would require amendment to the proposed agreement and would be brought before City Council for consideration at a later date.

Financial and P3 Advisory Services (Recommendation #2)

Development of the Westside Parcel will likely be accomplished through a Public-Private-Partnership (P3), whereby the City can leverage its real asset for its highest and best use with limited public investment. Additionally, the City will require consultant services for determining an optimal financing strategy to execute the Downtown Project.

On September 20, 2024, the City published a second formal RFP/Q in the Thousand Oaks Acorn newspaper and on the City's e-procurement website for Financial Consultant Services for Public-Private-Partnership. In short, the scope of work generally included:

1. Analysis of alternative delivery methods for Program components
2. Assist in project financing methods ("capital stack")
3. P3 Advisory Services
 - Develop RFP for solicitation of P3 partners
 - Evaluate proposals
 - Draft Development Agreement
4. Developer Performance Monitoring

The City received five proposals from the following companies. The first three companies listed were invited for interviews.

	Company	Location
1.	HR&A Advisors, Inc.	Los Angeles, CA
2.	CohnReznick LLP	Los Angeles, CA
3.	Project Finance Advisory Limited	Mill Valley, CA
4.	Kosmont Companies	Manhattan Beach, CA
5.	Brookhurst Development & Advisory Corp.	Laguna Niguel, CA

Staff from the Finance Department, City Manager's Office, and City Attorney's Office evaluated the interviewed teams and selected HR&A Advisors, Inc. (HR&A) as the most qualified to assist the City. HR&A previously assisted the City with the economic analysis supporting the General Plan development as a subconsultant to Raimi & Associates. HR&A also has experience in complex P3 transactions such as the Riverside Alive and Long Beach Civic Center projects.

Staff recommends award of an agreement (Attachment #3) with HR&A for \$794,034, plus additional services of \$205,966 for a total not-to-exceed amount of \$1,000,000 for a term ending December 31, 2029, with two one-year options to extend if needed to go through project completion.

Legal Services (Recommendation #3)

Since November 2023, Best, Best & Krieger LLP (BB&K) has advised the City on key issues related to the Downtown Thousand Oaks Project such as the Surplus Lands Act, Successor Agency responsibilities, and other property disposition procedures. Staff anticipates that further legal services will be required for the upcoming phase of the project. The initial legal budget authorized was \$50,000. Based on the increased scope of the project and anticipated legal analysis needed, staff recommends that City Council authorize an additional \$300,000 for the City's legal consultation agreement with BB&K.

Next Steps & Community Engagement

Approval of the staff recommendation will advance the Downtown Project from a concept to the 30 percent design mark over approximately 18 months. The architectural/engineering agreement scope will culminate with a completed entitlement package for Planning Commission and City Council consideration.

The proposed scope contains several opportunities for community engagement throughout the design process. The architectural and engineering team will garner community input in the following ways:

- Focused Topic Discussions – the consultant team will hold a series of discussions focused on specific areas of interest, such as (1) accessibility, (2) public art and entertainment, (3) sustainability, (4) landscape

Project Design Services for Downtown Thousand Oaks Project (CI 5540)

December 3, 2024

Page 7

architecture and oak tree preservation, and (5) business mix and retail economics. These focused discussions will be held early in the design process, with opportunity for feedback to be incorporated into design.

- Public Workshops – the consultant team will hold two public workshops in Spring 2025 to garner feedback on preferred architectural styles, test the concepts identified in the Focused Topic Discussions, and receive suggestions on the visitor experience.

The scope also contains several opportunities for Ad Hoc Committee and City Council participation.

- Ad Hoc Committee – Between January and June 2025, staff and the consultant team will meet with the Ad Hoc Committee on a monthly basis to seek guidance on design selections, report on public feedback, and receive project updates. Additionally, the Ad Hoc Committee will be part of the project kick-off in mid-December 2024. Additional Ad Hoc Committee Meetings may be scheduled as needed.
- City Council – In Spring 2025, the consultant team will lead two City Council workshops to discuss key project decisions such as the treatment of Main Street and Thousand Oaks Boulevard and the affordability mix for the Westside Parcel. These decisions will be incorporated into the entitlement package for Planning Commission and City Council consideration in 2026. Members of the community will be encouraged to attend and participate via public comment during these workshops as well.

The table below summarizes the major milestones City Council will consider leading up to the entitlement of the Downtown Thousand Oaks Project and the opportunities for public involvement. Exact dates for all of the public engagement opportunities will be determined after contract approval and made available on the City's website and social media channels.

Timeframe	Action
December 2024	Approval of Professional Service Agreements (this action)
Jan – Aug 2025	Focused topic discussions (5) Public workshops (2) Ad Hoc Committee (8) City Council workshops (2)
Fall 2025	Environmental review
Spring 2026	Entitlement hearings
2027	Begin construction

Environmental review of the Downtown Project will be performed by an independent consultant, separate from the Project team. Staff anticipates that the consultant agreement for environmental review will be brought before City Council for consideration in early 2025.

Top Ten Council Priorities FY 2024-25

The recommended City Council action and staff efforts meet City Council's Top Ten Priorities #4, "Campus Master Plan – In conjunction with the ad-hoc committee and consulting team, continue intensive community engagement on the Campus Master Plan project. Begin work on the design of the project. Engage with neighboring property owners to encourage investment and participation in alignment with the overall vision."

LEVINE ACT (California Government Code § 84308):

This item is subject to the Levine Act. City Councilmembers who have received a campaign contribution of more than \$250 (aggregated) within the preceding 12 months from a party or their agent/representative, or a financially-interested participant involved in this proceeding may do either of the following: (1) disclose the contribution on the record and recuse themselves from this proceeding; or if applicable (2) return the portion of the contribution that exceeds \$250 within 30 days from the time the official knew or should have known about the contribution, and participate in the proceeding.

All parties and their agents/representatives must disclose on the record of this proceeding any aggregated contribution of more than \$ 250 made to any Councilmember within the preceding 12 months. Councilmembers are prohibited from accepting, soliciting, or directing a campaign contribution of more than \$250 (aggregated) from a party, their agent/representative, or a financially-interested participant during a proceeding and for 12 months following the date a final decision is made. In addition, a party, their agent/representative, or a financially-interested participant is prohibited from contributing more than \$250 (aggregated) to a Councilmember during a proceeding and for 12 months following the date a final decision is made.

COUNCIL GOAL COMPLIANCE:

Meets the following City Council goals:

A. Create a more equitable, accessible, safe, welcoming, and inclusive government and community regardless of race, color, ethnicity, religion, sex, physical or mental ability, sexual orientation, gender identity and expression, age, language, education, and/or socio-economic status.

Project Design Services for Downtown Thousand Oaks Project (CI 5540)

December 3, 2024

Page 9

C. Operate City government in a fiscally and managerially responsible and prudent manner to ensure that the City of Thousand Oaks remains one of California's most desirable places to live, work, visit, recreate, and raise a family.

I. Maintain a strong local employment base geared toward retaining high quality businesses; Sustain a healthy business community; and, Diversify the local economy, with a specific emphasis on small businesses and high technology/biomedical jobs.

PREPARED BY: Akbar Alikhan, Deputy City Manager

Attachments:

Attachment #1 – RRM Proposed Downtown Site Plan

Attachment #2 – Agreement with RRM Design Group, Inc. for
Architectural/Engineering and Entitlement Services

Attachment #3 – Agreement with HR&A Advisors, Inc. for Financial and
Public-Private-Partnership Advisory Services