

STAFF REPORT



MEETING DATE:	October 10, 2017
SUBJECT:	Amend Scope of Work for 2017 Infill & Redevelopment Incentive Program
AGENDA ITEM:	10
STAFF CONTACT:	Daniel Wayne, Senior Transportation Planner

SUMMARY

The McConnell Foundation and K2 Development have withdrawn their proposal for technical assistance under SRTA's Infill and Redevelopment Incentive Program to remove the parking structure in Downtown Redding and replace it with a mixed-use project. The project will move forward, but without technical assistance from SRTA. In place of technical assistance to the developer, SRTA and city of Redding staff recommend an abbreviated scope and budget that support the city of Redding in development of the site through an Affordable Housing and Sustainable Communities (AHSC) Program grant application.

STAFF RECOMMENDATION

It is recommended that the board of directors authorize the executive director to obtain technical consultant services, through procurement and/or by sub-recipient agreement to the city of Redding, for: 1) a Parking Gap Study and Structure Financing Plan; and 2) other technical work tasks that support city participation in an AHSC Program grant application, not to exceed a combined total of \$75,000.

DISCUSSION

SRTA's Infill & Redevelopment Incentive Program provides technical assistance to developers and local jurisdictions interested in the development of vacant and underutilized parcels in strategic growth areas, as demarcated in the 2015 Regional Transportation Plan. Candidate projects are identified through an annual call for projects and then selected by the board of directors.

Last June, the board of directors selected a proposal by The McConnell Foundation and K2 Development to replace the parking structure in Downtown Redding with a mixture of residential housing, commercial space, employment, public space, and parking. SRTA-funded work tasks included: site planning; preliminary architectural design; preliminary civil and traffic engineering; project impact analyses; cost estimating; public outreach; and preparation of a grant application under the AHSC Program. Prior to executing a consultant technical services agreement, the applicants withdrew their proposal. As noted in the attached letter, the reason for the withdrawal is to maintain direct control over pre-development activities and to ensure that deliverables are ready in time for the AHSC Program application deadline on January 16, 2018. The project will move forward, but without technical assistance from SRTA.

Staff met with the city of Redding to identify additional planning support needed for Downtown Redding redevelopment and the submittal of an AHSC Program grant application. Redding expressed the need for a more thorough parking analysis than what is currently being performed as part of the Downtown Redding Specific Plan.

The following scope work was developed in consultation with city staff, and will address a key obstacle to infill and redevelopment in Downtown Redding.

Task 1	Parking Gap Study and Structure Financing Plan Based on assumptions in the Regional Transportation Plan for future build out in Downtown Redding, quantify lost parking capacity, future parking demand, and the gap between the two. The plan will then identify a community-preferred solution with sufficient design and cost details to form the basis of a financing plan, including specific revenue mechanisms. The plan will build upon the more high-level analysis being performed for the Downtown Redding Specific Plan.
Task 2	Other technical work tasks approved by the executive director that support city participation in an AHSC Program grant application.
Budget	Not to exceed \$75,000

In lieu of technical assistance previously awarded to The McConnell Foundation and K2 Development, it is recommended that the board of directors authorize the executive director to use a portion of the Infill & Redevelopment Incentive Program funds to accomplish the above scope of work, either through SRTA's procurement process or by sub-recipient agreement to the city of Redding.

ALTERNATIVES:

The board of directors may decline to authorize the recommended scope of work.

OTHER AGENCY INVOLVEMENT:

City of Redding staff worked with SRTA staff to determine appropriate work tasks and budget. Proposed work tasks are consistent with the city of Redding's adopted plans and would build upon the Downtown Redding Specific Plan that is currently underway.

FINANCING:

Up to \$175,000 is currently budgeted in the FY 2017/18 Overall Work Program (OWP) under Work Element 702.04 (Sustainable Development Incentive Program). As per Amendment #2 to the FY 2017-19 OWP (see Agenda Item #5-6), up to \$75,000 would be used for a consultant technical services agreement and/or be amended into the city's sub-recipient cooperative agreement.



Daniel S. Little, AICP, Executive Director

Attachment: Letter from The McConnell Foundation withdrawing their proposal



The McConnell Foundation

Helping Build Better Communities Through Philanthropy

October 2, 2017

Via E-Mail and Regular Mail

Dan Little
Executive Director
Shasta Regional Transportation Agency
1255 East Street, Suite 202
Redding, CA 96001

**Re: The McConnell Foundation and K2 Development;
Block 7 (Downtown Redding Parking Structure)**

Dear Dan:

I want to thank you once again for allowing The McConnell Foundation and K2 Development to participate in the proposal process under the SRTA's Infill and Redevelopment Incentive Program. While McConnell and K2 are fully committed to revitalizing the City of Redding's downtown area, it is best for us at this time to decline SRTA's offer for technical assistance and grant writing services through Kuchman Architects, PC.

Given the accelerated nature of the AHSC grant application process, we have decided that it is necessary for us to maintain direct control over our part of the pre-development activities. As you know, the Technical Services Agreement would be between SRTA and Kuchman, and Kuchman would be responsible for compliance with the state and federal acquisition rules and regulations as well as contract stipulations. These conditions are designed for government oversight and, upon further reflection, potentially interfere with our need to direct and retain ownership of the design and engineering process, technical studies, feasibility and costing activities, and architectural work.

Please be assured that we are moving forward with our efforts to participate in the AHSC grant application process. Should you have any questions concerning this matter, please do not hesitate to contact me.

Sincerely,



John A. Mancasola
President & CEO

cc: Daniel Wayne, Senior Transportation Planner-SRTA
Allen Knott-K2 Development
Chuck Aukland, Senior Planner-City of Redding
Michael P. Ashby-Carr, Kennedy, Peterson & Frost
Kuchman Architects PC