

DATE ISSUED: July 22, 2009 REPORT NO.: CCDC-09-24
CCDC-09-16

ATTENTION: Honorable Chair and Members of the Redevelopment Agency
Council President and City Council
Docket of July 28, 2009

ORIGINATING DEPT.: Centre City Development Corporation

SUBJECT: North Embarcadero Visionary Plan Phase 1A Public
Improvements (W. Broadway between the railroad right-of-way
and Harbor Drive) – Request to Bid – Columbia Sub Area of the
Centre City Redevelopment Project

COUNCIL DISTRICT: Two

REFERENCE: None

STAFF CONTACT: Gary J. Bosse, Assistant Vice President, Public Works
(619) 533-7163

REQUESTED ACTION:

That the Redevelopment Agency of the City of San Diego (“Agency”) and City Council of the City of San Diego (“City Council”) approve all actions as necessary for the construction of the North Embarcadero Visionary Plan (NEVP) Phase 1A Public Improvements located in the Columbia Sub Area of the Centre City Redevelopment Project.

STAFF RECOMMENDATION:

That the Agency:

- Authorizes the Centre City Development Corporation (CCDC), on behalf of the Agency, to advertise and receive bids for the proposed construction of the NEVP Phase 1A Public Improvements, for the reconstruction of W. Broadway between the railroad right-of-way and Harbor Drive (“Project”) in the Columbia Sub Area of the Centre City Redevelopment Project (Attachment A – Site Map);
- Authorizes the Executive Director of the Agency, or his/her designee, to award the construction contract to the lowest responsible bidder, provided bids are within the established budget of \$6.1 million, that the construction contract shall not exceed \$6.1 million and all other requirements are met;

- Authorizes the Corporation, on behalf of the Agency, to execute the construction contract with the lowest responsible bidder;
- Authorizes the Corporation, on behalf of the Agency, to administer said construction contract;
- Makes certain findings that the proposed Project benefits the Project Area or the immediate neighborhood in which the Project is located; that no other reasonable means of financing is available to the community; that the payment of funds will assist in eliminating blighting conditions by serving as a catalyst providing an incentive for private investment in the redevelopment of adjacent, underutilized development parcels; and that the proposed Project is consistent with the Implementation Plan adopted for the Project Area pursuant to California Health and Safety Code 33490; and
- Finds and determines that because the prior environmental review and documentation adequately cover this activity as part of the previously approved Project, this activity is not a separate project for purposes of review under the California Environmental Quality Act (CEQA), pursuant to CEQA Guidelines sections 15060(c)(3) and 15378(c).

And, that the City Council:

- Authorizes the Agency, by and through the Corporation, to administer and manage the construction of the Project;
- Authorizes the City of San Diego ("City") to accept the improvements upon completion of the Project;
- Makes certain findings that the proposed Project benefits the Project Area or the immediate neighborhood in which the Project is located; that no other reasonable means of financing is available to the community; that the payment of funds will assist in eliminating blighting conditions by serving as a catalyst providing an incentive for private investment in the redevelopment of adjacent, underutilized development parcels; and that the proposed Project is consistent with the Implementation Plan adopted for the Project Area pursuant to California Health and Safety Code 33490; and
- Finds and determines that because the prior environmental review and documentation adequately cover this activity as part of the previously approved Project, this activity is not a separate project for purposes of review under the California Environmental Quality Act (CEQA), pursuant to CEQA Guidelines sections 15060(c)(3) and 15378(c).

SUMMARY:

The proposed improvements will consist of the following:

- Reconstruct W. Broadway between Harbor Drive eastward to the railroad right-of-way;

- Lower the crest in W. Broadway between Harbor Drive and Pacific Coast Highway;
- Install a raised median in W. Broadway; and
- Construct other ancillary below-grade infrastructure improvements.

In April 2007, a Joint Exercise of Powers Agreement was executed among the City, the Agency, acting through the Corporation, and the Port of San Diego ("Port"). The Joint Powers Authority (JPA) was established with the power to direct staff work as necessary to facilitate the completion of design, construction and development of a financing/phasing plan necessary to implement the Visionary Plan. Subsequent to agreement on the limits of Phase 1 of the NEVP, staff selected and contracted with the necessary consultants to prepare construction documents for Phase 1. During the design phase, for reasons related to efficiencies of preparing the plans and securing the necessary permits, Phase 1 was subdivided into 1A and 1B. The approximate limits of phases 1A and 1B are shown in Attachment A. It has been proposed that the Corporation be the lead agency in the advertising, bidding and administration of the construction contract for NEVP Phase 1A, and the Port be the lead agency in the advertising, bidding, and administration of the construction contract for Phase 1B. Both agencies agree to continue to cooperatively co manage efforts to deliver a completed Phase 1 project.

It should be noted that approval of a First Amendment to the Joint Exercise of Powers Agreement is necessary prior to consideration of this Request to Bid in order to:

- Amend the definition of the "First Phase";
- Memorialize the construction funding arrangement between the City, the Port and the Agency, acting through the Corporation, for Phase 1 improvements; and
- Memorialize the maintenance funding arrangement agreement between the City, the Port and the Agency, acting through the Corporation, for Phase 1 improvements.

The staff report requesting the recommendation to approve said First Amendment to the Joint Exercise of Powers Agreement would be considered prior to considering this report's recommendation.

FISCAL CONSIDERATIONS:

Agency funds in the amount of \$6.1 million are available in the Agency Fiscal Year 2010 North Embarcadero Project Budget. The amount includes funding the Port's 50 percent share, as an advance, pursuant to the First Amendment to the Joint Exercise of Powers Agreement.

CENTRE CITY DEVELOPMENT CORPORATION RECOMMENDATION:

On July 22, 2009, the Corporation Board of Directors will consider the proposed Project. Corporation staff will provide an oral update to the Agency and City Council at its meeting of July 28, 2009.

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:

Throughout the design validation process, examination of the previously approved design elements and the proposed changes were thoroughly vetted through a transparent and accessible

engagement with the public. Seven public design workshops/updates were held. Ten JPA Board meetings were convened. Multiple interviews and meetings with potential stakeholders were held, including but not limited to, the Port tenants, adjacent private development teams, the United States Navy, Port Cruise and Maritime Operations, Harbor Police, San Diego Bicycle Coalition, franchise utility companies, NEVP Public Art Committee, and the Port and City Accessibility Advisory committees.

KEY STAKEHOLDERS AND PROJECTED IMPACTS:

Key stakeholders include but are not limited to, the Port tenants, adjacent private development teams, the United States Navy, Port Cruise and Maritime Operations, Harbor Police, San Diego Bicycle Coalition, franchise utility companies, NEVP Public Art Committee, and the Port and City Accessibility Advisory committees.

BACKGROUND

The proposed Project advances the Visions and Goals of the Centre City Community Plan and the Objectives of the Centre City Redevelopment Project by:

- Creating an amenity worthy of a distinctive world-class downtown, reflecting San Diego's unique setting;
- Celebrating San Diego's climate and waterfront location;
- Enhancing downtown's connection to its context and to San Diego Bay;
- Providing a land use and development framework to guide downtown's evolution as a premier regional and global center of commerce, residence, arts, education and recreation;
- Creating an enhanced pedestrian and vehicular connection to an expanding and comprehensive open-space system that provides a diverse range of outdoor opportunities for residents, workers and visitors;
- Coordinating planning efforts with relevant agencies including the Port, City, California Coastal Commission, U.S. Navy and San Diego County; and
- Improving accessibility to recreational, leisure, and cultural opportunities on the waterfront.

JPA has co-managed the Phase 1 design of the NEVP. Design efforts began in the last quarter of 2007 with the initiation and completion of a six-month design validation exercise. The design validation exercise tested all of the design elements contained within the previously approved schematic design package prepared for the NEVP between 2003 and 2006. Elements that were consistent with NEVP guiding principles and compatible with known changes within and adjacent to the Project Area were confirmed and remained within the plan. Elements that were not consistent with the NEVP guiding principles and were not compatible with the changes within and adjacent to the Project Area were redesigned to respond to the changes. To facilitate the JPA Board's desire to begin construction in calendar year 2009, it is necessary to begin the process of seeking approval to advertise, bid and award Phase 1A of the NEVP at this time.

Previous Agency actions on the North Embarcadero Visionary Plan Phase 1 project included approval of the agreement with Project Design Consultants for architectural and engineering design services on February 19, 2008, and an amendment to that same contract on March 10, 2009.

EQUAL OPPORTUNITY

This Project will utilize the Subcontracting Outreach Program (SCOPE). The mandatory subcontracting outreach percentage for this Project will be determined by the City's Engineering and Capital Improvement Projects Department.

This agreement is subject to the City's Equal Opportunity Contracting (San Diego Ordinance No. 18173, Section 22.2701 through 22.2702) and Non-Discrimination in Contracting Ordinance (San Diego Municipal Code Sections 22.3501 through 22.3517).

DISCUSSION

Project Description – The Project consists of the demolition, curb to curb, of all surface improvements within the public right-of-way, and reconstruction thereof, between Harbor Drive eastward, to the railroad right-of-way.

Project Financing – The installation costs of the proposed work are anticipated to be as follows:

Scope of Work	Cost
Construction	\$ 5,250,000
Contingency, including escalation (16.2%)	\$ 850,000
Total	\$6,100,000

Participation by Agency – The Agency will fund the total cost of the Project in an amount not to exceed \$6.1 million and pursuant to the funding agreement described in the First Amendment to the Joint Exercise of Powers Agreement.

Proposed Schedule of Performance – The following is a summary of the Project schedule:

Date	Action or Approval
July 7, 2009	Board of Port Commissioners
July 22, 2009	Corporation Board of Directors – Request to Bid
July 28, 2009	Agency/Council – Request to Bid
August 2009	Bid Advertisement
October 2009	Bid Opening
November 2009	Notice to Proceed
December 2010	Project Completion

Project Benefits – The Project will improve the Project Area, including the Columbia neighborhood, by helping to provide access to a world-class waterfront experience to visitors and residents alike by promoting the Corporation's commitment to implement high-quality open-space amenities, while supporting the Port's mission to enhance and sustain a dynamic and diverse waterfront.

Environmental Impact – This activity is covered under the NEVP Master EIR and the Addendum to the EIR, prepared by the Port as the lead agency, and certified for the NEVP Phase 1 Coastal Access Features Project, and this activity is adequately addressed in said EIR, and there are no substantial changes in circumstance, additional information of substantial importance or project changes to warrant additional environmental review.

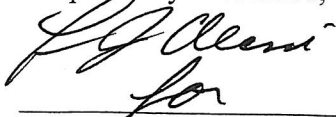
The prior environmental review and documentation adequately cover this activity as part of the previously approved Project. This activity is not a separate project for purposes of review under the California Environmental Quality Act [CEQA] pursuant to CEQA Guidelines Sections 15060(c)(3) and 15378(c).

Findings – State law requires that certain findings be made by the City Council and Agency prior to the expenditure of Agency funds for public facilities/improvements. Attachment B recites the proposed findings with respect to the benefits of the proposed Project to the Centre City Redevelopment Project Area, the unavailability of other means to finance the proposed Project by the community (i.e., City), how the proposed Project will assist in the elimination of blighting conditions, and that the proposed Project is consistent with the Implementation Plan adopted for the Project Area pursuant to California Health and Safety Code 33490.

CONCLUSION

The Project will improve the Project Area, including the Columbia neighborhood, by providing a world-class waterfront experience to visitors and residents alike by promoting the Corporation's commitment to implement high-quality open-space amenities, while supporting the Port's mission to enhance and sustain a dynamic and diverse waterfront. Therefore, staff recommends approval of the proposed recommendations.

Respectfully submitted,



Gary J. Bosse
Assistant Vice President, Public Works

Concurred by:



Frank J. Alessi
Executive Vice President &
Chief Financial Officer

Attachments: A – Site Map Phase 1A & 1B
B – Findings of Benefit