

REPORT TO THE CITY COUNCIL

City of Salinas, California

DATE: January 10, 2017

FROM: Matt N. Pressey, CPA, Finance Director

SUBJECT: **PROFESSIONAL SERVICES AGREEMENT WITH ECONOMIC &
PLANNING SYSTEMS, INC. FOR THE WEST AND CENTRAL AREA
SPECIFIC PLANS FISCAL IMPACT ANALYSIS**

RECOMMENDATION:

It is recommended that the Council adopt a resolution approving professional services agreement with Economic & Planning Systems, Inc. (EPS) for the West and Central Area Specific Plans Fiscal Impact Analysis study.

DISCUSSION:

A fiscal impact analysis is required to ensure that the development in the West Area Specific Plan and the Central Area Specific Plan are fiscally sound and will have either a positive or neutral impact to the City's General Fund. On August 1, 2016, the City issued a Request for Proposal (RFP) for a Fiscal Impact Analysis (FIA) on the West Area Specific Plan. This study along with an Environmental Impact Report (EIR) are required to be completed in order for the Specific Plan to be complete and adopted by City Council. The City is recommending that the City Council award the contract to EPS.

The Central Area Specific Plan was initially not part of the RFP because the developer of the Central Area was not moving forward with the EIR at that time. However, the developer of the Central Area is now moving forward with the EIR and is now ready to move forward with the FIA too.

There were six firms who responded to the request for proposal, none of which were local. A staff team review the six proposals and narrowed the pool down to the top three. Interviews were held with the top three firms. All three firms were highly experienced and could do the work. Staff ranked EPS as the top firm based on the staff assigned to the work and their answers to the interview questions.

ISSUE:

Shall the City Council adopt a resolution approving professional services agreement with EPS for the West and Central Area Specific Plans Fiscal Impact Analysis study?

FISCAL IMPACT:

The contract is for a not-to-exceed amount of \$98,600. It will be funded with funds received from the developers of the West and Central Areas.

CITY COUNCIL GOALS:

This contract and study will accomplish all five Council Goals.

TIME CONSIDERATIONS:

By moving this initiative forward, the City will be able to finalize the specific plans by early summer.

ALTERNATIVES/IMPLICATIONS:

The Council may direct staff to:

1. Not move this initiative forward
2. Provide other direction

CONCLUSION:

The City have been waiting for the Future Growth Area development for a long time. The Great Recession is over and the market is ready for this new development.

Back Up Pages:

Resolution
Contract with EPS, Inc.