




Agenda Item #:

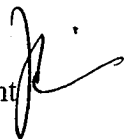



Staff Report

City of Manhattan Beach

TO: Honorable Mayor Montgomery and Members of the City Council

THROUGH: Geoff Dolan, City Manager 

FROM: Richard Thompson, Director of Community Development 
Laurie B. Jester, Planning Manager 

DATE: December 2, 2008

SUBJECT: Consideration of an Amendment to an Existing Contract with PCR to Prepare the Environmental Impact Report for the Manhattan Village Shopping Center Expansion

RECOMMENDATION:

Staff recommends that the City Council **AUTHORIZE** the City Manger to enter into a contract amendment with PCR to Prepare the Environmental Impact Report for the Manhattan Village Shopping Center Phased Expansion Project.

FISCAL IMPLICATION:

There are no fiscal implications associated with the recommended action as the contract will be fully funded by RREEF, the project applicant. The contract amendment is \$32,800 and original contact with PCR approved in 2006 is \$196,309.

BACKGROUND:

On November 7, 2006 RREEF, the owners of the Center, submitted a Master Use Permit amendment and Variance, for building height, applications for an approximate 200,000 SF (136,000 SF net new) three phase expansion of the Center. The applications require the preparation of an Environmental Impact Report (EIR) in accordance with the requirements of the California Environmental Quality Act (CEQA) in order to evaluate the potential environmental impacts of the proposed project. Over the past two years RREEF and their team of consultants have been meeting with the neighbors, tenants, and community leaders to introduce the proposed project and to make revisions to address their concerns. Since the project has undergone refinement additional work has been required of the Environmental consultants, PCR, and therefore this contract amendment is required.

Phase One of the expansion would surround California Pizza Kitchen and China Grill with 52,000 SF of new retail, restaurants, or office uses and two new 2-level semi-subterranean parking decks with approximately 200 net new parking spaces. Phase Two would include a 50,000 SF Macy's expansion north of the current store, demolition of 20,000 SF including the theater and adjacent restaurant uses, and a new 3-level, approximate 320 (180 net) space parking structure north of the new retail. Phase Three includes the demolition of Fry's and construction

of 87,000 SF of retail, restaurant or office area and a parking “bridge” extension of the existing Center parking lot with approximately 380 (150 net) new parking spaces. With the completion of Phase Three there would be a net increase of approximately 124,000 SF for a total of 620,000 SF, and an increase of approximately 380 parking spaces for a total of over 2,900 parking spaces on site.

DISCUSSION:

The EIR will include a traffic study and parking demand analysis as well as address other potential environmental impacts such as land use, noise, air quality, public services, utilities, hazards and geology. RREEF has deposited the full amount of the EIR and traffic study contracts with the City, and the City has been administering and managing the contracts. In accordance with CEQA the EIR is the City’s document and as such the City is responsible to ensure its adequacy and accuracy. The applicant will have the ability to review and comment on the screen check EIR along with the City, however the City will make final decisions on the content. Noticed public hearings on the EIR, Master Use Permit and Variance before the Planning Commission and City Council will be required. It is anticipated that Scoping meetings for the EIR will be held the beginning of 2009, and the Draft EIR will be released summer 2009.

CONCLUSION:

Staff recommends that the City Council **AUTHORIZE** the City Manger to enter into a standard contract amendment with PCR to complete the preparation of the Environmental Impact Report for the Manhattan Village Shopping Center Expansion. When the original contract was approved in 2006, Council authorized staff to approve contract amendments of up to 10% of the original approved contract amount in order to keep the review process moving along in an expeditious manner if through the EIR process the need for additional work is identified. This amendment exceeds 10% and that is why it is being brought to the Council for approval, however staff would still request the flexibility for up to 10% additional work. An amendment to the traffic consultants’ contact may also be required in the future, and if it exceeds 10% of the contract cost then it will be brought to the Council for approval. The applicant would be responsible for all costs associated with any expansion in the required scope of services.

- Attachments: A. Agreement Amendment
B. Exhibit A- Amendment to Contract for consultant services- PCR revised scope of work- August 11, 2008

cc: Charles Fancher, Fancher Partners
Ruth Tewalt, RREEF
Stephanie Eyestone-Jones, PCR

**AGREEMENT
AMENDMENT**

THIS AGREEMENT AMENDMENT is made this _____ day of _____, 2008, by the CITY OF MANHATTAN BEACH, a municipal corporation, ("CITY"), and PCR Services Corporation, an environmental planning consultant/, ("CONTRACTOR").

RECITALS

The following recitals are a substantive part of this Agreement:

1. City is desirous of obtaining services necessary to prepare an Environmental Impact Report for the Manhattan Village Shopping Center expansion;
2. CONTRACTOR is qualified by virtue of experience, training, education, and expertise to accomplish these services.

AGREEMENT

THE PARTIES MUTUALLY AGREE AS FOLLOWS:

1. **Term of Agreement.** This Agreement shall Amend the existing agreement dated December 5th, 2006, and all terms and conditions of that Agreement shall continue and remain effective and in full force, with the exception of the Compensation. The Compensation section shall be amended as indicated by this agreement, and shall be in addition to the existing Agreement and as set forth in Exhibit "A", Amendment to Contract Regarding Preparation of Environmental Documentation for Proposed Manhattan Village Shopping Center Improvement Project, dated August 11, 2008.

2. **Compensation.** CONTRACTOR shall be compensated additionally as follows:

3.1 **Amount.** Compensation under this Amendment Agreement shall not exceed Thirty- Two Thousand, Eight Hundred Dollars (\$32,800) as set forth in Exhibit "A", which is attached hereto and incorporated herein by this reference.

IN WITNESS THEREOF, the parties hereto have executed this Agreement on the day and year first shown above.

CONTRACTOR

By

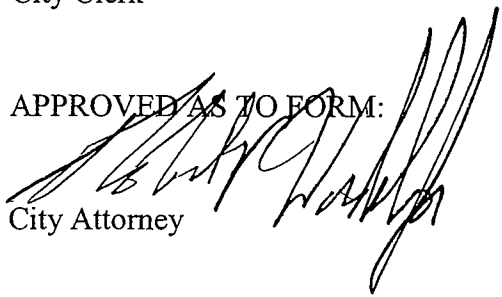
CITY OF MANHATTAN BEACH

By

ATTEST:

City Clerk

APPROVED AS TO FORM:


City Attorney

August 11, 2008



Laurie Jester
CITY OF MANHATTAN BEACH
1400 Highland Avenue
Manhattan Beach, California 90266

Re: AMENDMENT TO CONTRACT REGARDING PREPARATION OF ENVIRONMENTAL DOCUMENTATION FOR PROPOSED MANHATTAN VILLAGE SHOPPING CENTER IMPROVEMENT PROJECT

Dear Laurie:

This letter provides for the additional fees necessary for PCR to complete an Environmental Impact Report (EIR) for the proposed Manhattan Village Shopping Center Improvement project. As described below, these fees are associated with changes to the project that have occurred and the associated need to update analyses that have been completed to date, as well as updated approaches for addressing environmental topic areas that have occurred since our proposal was first provided in August, 2006. This amendment supersedes the contract amendment submitted to you on February 9, 2007.

REVISED SCOPE OF SERVICES

REVISIONS TO PROJECT DESCRIPTION, INITIAL STUDY, AND SEVERAL EIR SECTIONS

As of December 2007, a substantial amount of work had been completed for the project including preparation of a Project Description and draft Initial Study. These documents were submitted to the City for review. During this timeframe, several iterations of the site plan and the square footage for the project were provided. Thus, PCR incurred more fees than anticipated in our original contract for preparation of the Project Description and Initial Study to reflect those plans and data. In addition, during this timeframe, PCR commenced preparation of multiple EIR sections of the Draft EIR, including land use and noise.

PCR recently received updated site plans, dated June 2008. These updated plans include changes to the design of the project and changes to each of the square footage totals for the individual phases. Thus, PCR will need to make additional revisions to the Project Description and Initial Study to reflect these changes. In addition, PCR will also need to update various sections of the Draft EIR that were commenced in 2006 and 2007 to reflect the updated design and square footage numbers.

EXHIBIT
"A" Agreement
Amendment 1 of 3



REVISED AIR QUALITY SCOPE

In response to growing scientific and political concern with global climate change, California has recently adopted a series of laws to reduce emissions of Greenhouse Gasses (GHGs) to the atmosphere from commercial and private activities within the State. In September 2006, Governor Arnold Schwarzenegger signed the California Global Warming Solutions Act of 2006, also known as AB32, into law. At this time no air agency, including the SCAQMD, has established project-level significance thresholds for GHGs emissions. However, based on recent guidance from the State of California Office of Planning and Research (OPR), our revised scope of work includes a quantitative analysis of construction and operational GHG emissions on both a project and cumulative basis. As part of this analysis, PCR will provide a qualitative discussion of those project features which will help reduce GHG emissions.

TREE SURVEY

Due to the community interest in the preservation of trees, the City previously requested that a tree survey be conducted for the project site. PCR's own in-house International Society of Arboriculture (ISA) Certified Arborists will conduct an assessment of all on-site trees. Each tree will be identified by species, measured for height and diameter at breast height (DBH), and given a rating based on health and aesthetics. All trees will be mapped in the field using Global Positioning System (GPS) technology and appropriate photo-documentation will be taken. A graphic showing the location of each tree with a corresponding table describing the species, size, and rating of the tree will be provided.

AESTHETICS SECTION WITHIN DRAFT EIR

Based on the Initial Study drafted for the project and discussion with the City of Manhattan Beach, PCR will include a separate section addressing aesthetics within the Draft EIR. Specific issues to be addressed in this analysis include the protection and maintenance of view corridors and the visual compatibility of new development with the existing environment. The analysis of impacts on aesthetics and views will incorporate the following: (1) a description of the existing visual quality of the site and surrounding areas as well as identifying any valued focal or panoramic views and aesthetic features; (2) a description of relevant regulations, policies, and guidelines governing views and aesthetic considerations; and (3) an evaluation of impacts with an emphasis on the potential for the project to introduce features that would detract from the aesthetic quality of the area or conflict with applicable design guidelines, remove features that contribute to the aesthetic character of the area, or, obstruct, or diminish valued views. The analysis will be illustrated through the use of maps, photographs, and graphic illustrations provided by the Applicant and photographs prepared by PCR. While PCR had previously indicated in a proposal dated February 9, 2007 that this section could be provided in lieu of a hazards section, based on our review of the many hazards reports provided to date, we believe that it is more appropriate to address the issue of hazards in the Draft EIR.

EXHIBIT
"A" Agreement
Amendment 2 of 3



PROPOSED FEES

Based on the scope of work provided above, our estimated fees to update materials prepared to date and to complete the EIR are \$25,000. In addition, since our original proposal was provided nearly two years ago with billing rates from that time, we are also requesting an amendment for \$7,800 to account for just a portion of the rate increases that have occurred since that time. These fees are much less than the fees that would result from enacting the rate increase clause in Exhibit A of the contract dated December 20, 2006.

SUMMARY OF PROPOSED FEES

<u>Task Description</u>	<u>Estimated Fee</u>
Revisions to Project Description, Initial Study and Draft EIR Sections	\$9,000
Analysis of Global Climate Change within Air Quality Section	\$3,800
Tree Survey	\$6,900
Aesthetics Section Within Draft EIR	\$5,300
Increase Associated with Changes in Billing Rates since 2006	\$7,800
Total PCR Additional Fees	\$32,800

We look forward to continuing our work with you and the City of Manhattan Beach. Should you have any questions, please do not hesitate to contact me at 310.451.4488.

Sincerely,
PCR SERVICES CORPORATION

Stephanie Eyestone-Jones
Senior Vice President
Director of Environmental Planning & Documentation

EXHIBIT
"A" Agreement

Amendment - 3 of 3