

AGENDA ITEM SUMMARY

Urban Renewal Authority



STAFF

Andy Smith, Redevelopment Program Manager
Josh Birks, Acting Executive Director

SUBJECT

Resolution No. 2024-132 Adopting a Supplemental Budget Resolution.

EXECUTIVE SUMMARY

The purpose of this item is to note several key real estate projects are expected to become priorities for URA staff to manage during 2024 and 2025. Most milestones for these projects are unknown, and a considerable amount of the work to be performed is highly technical in nature. In anticipation of this dynamic workload, staff recommends that several professional service providers be contracted “on call” to provide deliverables as specific needs emerge. To be clear, the budget for these services will only be spent as technical services are procured and only the funds anticipated for 2024 (\$180,000) will be appropriated by this supplemental request. Anticipated funds for 2025 are included for discussion purposes only and will be included in the 2025/2026 URA Budget.

In addition to the real estate projects mentioned above, staff are also requesting supplemental funds to update the URA website so that it complies with the accessibility provisions required by HB21-1110 and WCAG 2.1 AA by July 1, 2024.

STAFF RECOMMENDATION

Staff recommends adoption of the Resolution.

BACKGROUND / DISCUSSION

For technical real estate services, Staff estimated total budget numbers based on 18 months of potential activity to begin July 1, 2024, and conclude December 31, 2025. For the website consultant, staff has roughly estimated a “not to exceed” project cost for immediate engagement. It should be noted that these cost estimates are based on broad defined work scopes that are difficult to confirm at this early stage, given the dynamic nature of real estate due diligence and the projects in question.

It is important to note that many of the potential expenses (development soft costs) can and will be reimbursed by specific projects via their respective financing agreements.

URA staff recommends the following technical services and associated budgets be contracted for the remainder of 2024 and 2025:

1. Physical Due Diligence/Engineering: These services are to provide environmental, mechanical, electrical, plumbing, and structural analysis in the event the URA contracts to purchase real estate. \$75,000 total (\$25,000 in 2024, and \$50,000 in 2025).

2. Financial and Economic Modeling and Analysis: The URA currently has a funded on-call contract for services with Economic and Planning Systems (EPS). This service includes but is not limited to market studies, pro forma analysis, partnership structure, and TIF forecasts.
3. Planning: These services include zoning reports, site planning, utility infrastructure, access plans, massing studies, and entitlements. \$120,000 total (\$40,000 in 2024, and \$80,000 in 2025).
4. Architecture: These services include conceptual building design, code analysis, site planning, and cost estimating. \$75,000 total (\$25,000 in 2024 and \$50,000 in 2025).
5. Owners Rep: These services include project management, contractor management, cost management, and technical negotiations. \$120,000 total (\$40,000 in 2024, and \$80,000 in 2025).
6. Website Update: This service will update the URA website so that it complies with the accessibility provisions required by HB21-1110 and WCAG 2.1 AA by July 1, 2024. Estimated not to exceed amount of \$50,000.

AUTHORITY FINANCIAL IMPACTS

An amount not to exceed \$180,000.

Only the funds anticipated for 2024 (\$180,000) will be appropriated by this supplemental request. Potential funds for 2025 discussed above will be included in the 2025/2026 URA Budget.

COMMITTEE RECOMMENDATION

Recommendation by URA Finance Committee to proceed to Board for consideration.

PUBLIC OUTREACH

None.

ATTACHMENTS

1. Resolution for Consideration