



## CITY OF MILPITAS AGENDA REPORT (AR)

<b>Item Title:</b>	<b>Approve and Authorize the City Manager to Execute an Agreement with Urban Field Studio to Provide Consulting Services related to the Transit Area Specific Plan (TASP) 2020 Update</b>
<b>Category:</b>	Public Hearings-Community Development
<b>Meeting Date:</b>	2/18/2020
<b>Staff Contacts:</b>	Ned Thomas, Planning Director, 408-586-3273 Kevin Riley, TASP Manager, 408-586-3292 Chris Schroeder, Purchasing Agent, 408-586-3161
<b>Recommendation:</b>	Approve and authorize the City Manager to execute the Agreement with Urban Field Studio to provide consulting services related to the Transit Area Specific Plan (TASP) 2020 Update.

### **Background:**

In 2008, the City Council first adopted the Transit Area Specific Plan (TASP) for the area surrounding the future Milpitas Transit Center where BART, light rail and other public transit services were planned to converge. The TASP, amended once in 2011, anticipated that the nearly 100 primarily privately-owned properties, which had been generally developed over several decades with commercial and industrial facilities, would be transformed to a walkable transit-oriented community within the larger Milpitas community. The TASP envisioned a 20-year buildout of 7,109 housing units, 993,843 square feet of office development, 287,075 square feet of new retail space and 350 hotel rooms, along with substantial and significant public improvements to facilitate the benefits of mobility, vitality and livability of the Plan area.

To date, projects that have been entitled, are under construction, or are complete and occupied include 6,955 housing units, 9,260 square feet of office and approximately 185,000 square feet of retail space. One approved project includes a hotel with up to 175 rooms, but no hotel rooms have been completed to date. Of the total 347 acres with the TASP boundaries, nearly 168 acres (48%) have yet to be redeveloped in accordance with the TASP guidelines and standards. These remaining properties represent substantial opportunities for further investment and potential new development in light of the unique relationship and proximity to the Transit Center as well as an enriched synergy among existing uses and activities in the area. With BART service expected to begin sometime in 2020, now is an ideal time to reassess the goals and accomplishments of the TASP and make adjustments in response to current market conditions and community needs.

### **Analysis:**

In anticipation of an update of the TASP to make the best advantage of the remaining potential that is governed by underlying current and future development metrics and pressures, the City circulated a Request for Proposals (RFP) in Fall 2019 and interviewed three well qualified consulting firms from among the five that submitted proposals. A panel of City staff members from various departments selected Urban Field Studio, with its technical subconsultants M-Group, EPS, W-Trans, Lexington Planning, ICF environmental services, and BKF Engineers to prepare the TASP Update. Selection criteria included consultant experience with similar projects, familiarity with the City of Milpitas, proposed timeline and scope of work, and proposed cost estimate. Urban Field Studio was selected based on depth of experience, innovative approach to planning and public outreach, previous and ongoing work in Milpitas by subconsultants, and quality of work exhibits.

Staff has prepared a contract that establishes a professional services agreement between the City and Urban Field Studio for services that include a scope of work to cover approximately 15 months at a budgeted amount

of up to \$540,000. Urban Field Studio will invoice the City on a monthly cycle, and each invoice will include a detailed progress report that indicates the amount of budget spent on each task. The consultant team will inform the TASP Update Manager regarding any out-of-scope work needed, and any overage that requires additional funds would return to the Council for approval of a contract amendment. The proposed Schedule of Charges/Payments (Exhibit B) includes funds for CEQA analysis based on assumptions regarding the level of analysis needed. Additional funds may need to be appropriated once a final scope for the environmental analysis under CEQA can be determined based on the draft plan update.

Urban Field Studio was founded in 2014 as a spinoff by several partners who had worked together for six prior years at Field Paoli Architects. With a main office in San Francisco, consulting services will be guided by Principal Jane Lin from the East Bay Office in Piedmont. The Project Manager will be Christina Paul, AICP, affiliated with M-Group, which has offices and provides planning services throughout the Bay Area. Note that EPS, the economic and financial consultant firm, has an ongoing relationship with the City, having been involved in the TASP since its inception in 2008. They prepared the recent nexus update for the recent Transit Area Development Impact Fee (TADIF) adjustment.

The TASP update will look at both the opportunities for greater or targeted development and the desirability of protecting and enhancing some existing uses within the plan area. In addition, the comprehensive planning work will look at nearby areas to assess whether the inclusion of new land areas within the boundaries of the TASP would be beneficial internally to the TASP community and to the City generally. The TASP update will also include a comprehensive assessment of infrastructure needs within the TASP boundaries and provide guidance on adjusting the TADIF to ensure a fair and equitable fee structure. Strategic changes to the TASP boundaries and adjusting the development potential of remaining undeveloped parcels in the TASP area will be key to positioning the City to meet its Regional Housing Needs Assessment (RHNA) numbers, which are expected to be significantly higher than past cycles. The new RHNA numbers will be released by the ABAG later this year, and the City will then need to update its General Plan Housing Element before 2022.

#### **Policy Alternative:**

Alternative: Do not authorize the interim City Manager to execute an agreement with Urban Field Studio to update the TASP document, policies and standards.

Pros: This action would avoid expending revenues associated with the TASP planning process.

Cons: Eliminating the TASP update would limit the opportunities for enhanced development in a manner consistent with and complementary to the policies and standards that have been put in place.

Reason not recommended: Failure to update the TASP would leave a substantial number of privately-held development parcels in limbo, and acreage available for higher density housing within now-established residential neighborhoods would likely remain un-redeveloped. The City would miss a significant opportunity to respond to new RHNA numbers and provide for future housing needs. New TASP policy incentives and the imminent opening of BART present a great opportunity to develop office employment in concert with a re-evaluation of retail needs and locations and a reassessment of public infrastructure needs and shared costs.

#### **Fiscal Impact:**

The cost to provide planning services for the TASP is covered by development impact fees generated by development activity within the TASP area. The TASP Update is a budgeted CIP project.

#### **California Environmental Quality Act:**

Not applicable. The selection and contractual arrangement of planning services do not constitute a project, in accordance with Section 15378 of the CEQA Guidelines.

#### **Recommendation:**

Approve and authorize the City Manager to execute the Professional Services Agreement with Urban Field Studio to provide consulting services related to the Transit Area Specific Plan (TASP) 2020 Update.

#### **Attachment:**

Professional Services Agreement with Urban Field Studio, including Scope of Work