



CITY OF MILPITAS AGENDA REPORT (AR)

Item Title:	Authorize the City Manager to Execute the Master Funding Agreement with the Metropolitan Transportation Commission for the Priority Development Area Planning Grant Program and the Professional Services Agreement with Ascent Environmental for Consultant Services Related to Preparation of the Milpitas Gateway/Main Street Specific Plan Update in the Amount of \$930,708.00
Category:	Consent Calendar-Community Development
Meeting Date:	9/21/2021
Staff Contact:	Ned Thomas, Planning Director, 408-586-3273 Jay Lee, Principal Planner, 408-586-32
Recommendation:	Authorize the City Manager to execute the master funding agreement with the Metropolitan Transportation Commission for the Priority Development Area Planning Grant Program and the professional services agreement with Ascent Environmental for consultant services related to preparation of the Main Street/Gateway Specific Plan Update in the amount of \$930,708.00

Background:

The Milpitas Midtown Specific Plan was originally adopted by City Council in 2002 to maximize land use, transportation, and economic opportunities along the City’s historic Main Street and to energize and catalyze mixed-use, transit-oriented development in the Midtown area, also known as the “heart” of Milpitas. Since adoption of the current Midtown Specific Plan, little of the community’s vision for this area has been realized, and many potential development sites remain vacant and underutilized, especially along Main Street. Other commercial sites along the busy Calaveras Boulevard corridor are poised for new development or redevelopment to revitalize this important gateway to the City. Obstacles to redevelopment in the Midtown area include small and fragmented parcel sizes and ownership, depreciating assets, lack of a cohesive identity, gaps in the transportation network, and a perceived shortage of parking and public open space.

As part of the update process, the Midtown Specific Plan will be renamed the “Milpitas Gateway/Main Street Specific Plan” to reflect a greater focus on: 1) the historical significance of Main Street as a place for community members to gather and mingle; 2) the importance of Calaveras Blvd. as a primary gateway into central Milpitas, and; 3) the valuable 1-880 freeway frontage along Abbott Avenue with opportunities for new mixed-use commercial and office development. The Gateway/Main Street Specific Plan will provide a new vision and strategic policy framework to guide redevelopment and reinvestment in these three focus areas and transform this important gateway into an attractive and vibrant destination for the City and the region.

On April 6, 2021, the City Council adopted the FY2022-26 Capital Improvement Plan (CIP), which included the Milpitas Gateway/Main Street Plan (Midtown Specific Plan Update) as Project No. 3437 with an initial outlay of up to \$960,000 from the Community Planning Fund. As of today, the remaining project balance is \$828,000. On May 26, 2021, the Metropolitan Transportation Commission (MTC) awarded the City of Milpitas an additional \$500,000 through its Priority Development Area (PDA) Planning Grant Program. This program provides funding for specific plans that result in intensified land uses around public transit hubs and bus and rail corridors in the Bay Area. In awarding this funding to the City of Milpitas for the Midtown Specific Plan Update, the MTC noted that preference was given to proposals that would implement Plan Bay Area 2050 and support housing production at all income levels.

Analysis:

On March 16, 2021, the Purchasing Division released RFP No. 2515 seeking proposals from qualified vendors with demonstrated experience in municipal planning services to assist the City with the Milpitas Gateway/Main Street Specific Plan (Midtown Specific Plan Update).

The RFP was publicly noticed in accordance with the City’s Municipal Code, advertised on the City’s website, and emailed to companies registered with the City via ProcureNow.com, the City’s eProcurement system. Additionally, the RFP was published on the City website. Upon release, 404 potential firms received the solicitation notification, and 46 firms downloaded the RFP documents.

The Purchasing Division received three (3) proposals by 2:00 pm on April 23, 2021, the published deadline to provide a response to the RFP. After an initial evaluation by five City staff members who comprised the evaluation committee, all three firms were invited to participate in a virtual interview via Zoom to gather information and ask clarifying questions regarding their proposals. Interviews were held on June 4, 2021 and scoring was finalized on June 16, 2021.

The three firms invited to participated in the interview process with the evaluation committee were:

1. Ascent Environmental
2. M-Group
3. Raimi + Associates

The evaluation committee reviewed proposals based on the following criteria:

1. Organization
2. Staff
3. Experience
4. Specific Management Approach
5. Professional Standing
6. Familiarity with Locality
7. Quality Control and Assurances
8. Proposed Compensation

The table below shows the final evaluation scores with the recommended firm highlighted in green:

Main Street/Gateway Specific Plan Update RFP No. 2420	Ascent Environmental	M-Group	Raimi + Associates
Final Evaluation Score	93	76.2	70.3

After compiling preliminary scoring, the top firm, Ascent Environmental, was invited to continue in the evaluation process by providing a detailed scope of work with the proposed compensation for all services outlined in the RFP. Staff’s recommendation to the Council is based on the final proposal from Ascent Environmental.

Policy Alternatives:

Alternative 1: Do not authorize the City Manager to execute the master funding agreement with MTC and the professional services agreement with Ascent Environmental.

Pros: This action would avoid expending City staff time and resources to manage the Main Street / Gateway Specific Plan Update and consultant team.

Cons: In failing to update the Midtown Specific Plan, the City would forgo \$500,000 in approved PDA grant funds, which need to be expended within 36 months of execution of a funding agreement with MTC. Without the Milpitas Gateway/Main Street Specific Plan, the existing Midtown Specific Plan would remain in place. Absent new policies and standards to facilitate catalytic development, the Main Street area and Calaveras

Corridor would likely continue to suffer from disinvestment and a lack of identity. The City would potentially miss out on the opportunity to revitalize an important area of the city.

Reason not recommended: In light of the City's anticipated Regional Housing Needs Allocation (RHNA) from the Association of Bay Area Governments (ABAG), the Milpitas Gateway/Main Street Specific Plan is needed to help Midtown realize its full development potential and support regional and state efforts to address critical housing needs. If Midtown is unable to accommodate more housing development, it will be more challenging to meet the City's RHNA obligation. Moreover, the Milpitas Gateway/Main Street Specific Plan is needed to implement the vision of the recently adopted General Plan, which establishes Midtown as a key opportunity area for new economic growth and development in the City.

Fiscal Impact:

The cost to provide planning services for the Milpitas Gateway/Main Street Specific Plan will be covered by a combination of Community Planning Fees and the General Government CIP Fund in the amount of \$828,000, and funds received from MTC through the PDA Planning Grant Program in the amount of \$500,000. As noted above, the Milpitas Gateway Specific Plan is a budgeted CIP project (No. 3437).

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:

Authorize the City Manager to execute the master funding agreement with the Metropolitan Transportation Commission for the Priority Development Area Planning Grant Program and the professional services agreement with Ascent Environmental for consultant services related to preparation of the Main Street/Gateway Specific Plan Update in the amount of \$930,708.00.

Attachments:

1. Master Funding Agreement with MTC
2. MTC Resolution No. 4202 (PDA Grant Awards)
3. Budget Change Form
4. Professional Services Agreement with Ascent Environmental