



TO: Board of Contracts and Awards

FROM: Peter Huffman, Planning and Development Services Department
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COPY: City Council, City Manager, City Clerk, SBE Coordinator, LEAP Coordinator, and Marie Holm, Finance/Purchasing

SUBJECT: Tacoma Mall Neighborhood Subarea Plan and Environmental Impact Statement (EIS), Contract Amendment No. 2 to Expand Scope and Budget – Contract No. 4600010695 – May 24, 2016

DATE: May 9, 2016

SUMMARY:

The Planning and Development Services Department requests approval to increase and extend Contract No. 4600010695 with 3MW Studio LLP, dba 3Square Blocks, LLP, Seattle, WA, in the amount of \$66,208.46, sales tax not applicable, to provide additional assistance to the City in the development of the Tacoma Mall Neighborhood Subarea Plan and EIS. The contract commenced in May 2015 and expires January 2017. This increase will bring the contract to a cumulative total of \$308,798.46, sales tax not applicable, and extend the contract term through June 30, 2017.

STRATEGIC POLICY PRIORITY:

- Foster a vibrant and diverse economy with good jobs for all Tacoma residents.
- Assure outstanding stewardship of the natural and built environment.

This effort supports many of Tacoma’s strategic policy priorities, with a particular emphasis on fostering a vibrant and diverse economy and assuring stewardship of the natural and built environment. The Tacoma Mall Neighborhood is designated by the City of Tacoma and the Puget Sound Regional Council for substantial jobs and housing growth. To accommodate that growth in a sustainable and equitable manner, the area must function well on many levels. Well-planned infrastructure, services, transportation choices, housing, neighborhood amenities and appropriate guidance for growth and development are key components.

BACKGROUND:

The City is developing a Subarea Plan and EIS for the Tacoma Mall Neighborhood Subarea. The effort will result in a vision, goals and policy framework as well as programmatic environmental approval intended to catalyze development and positive change in the area. The Subarea Plan will fulfill Tacoma’s obligation under Vision 2040 to plan for designated Regional Growth Centers. A \$250,000 National Estuaries Program Watershed Protection Grant, administered by the State Departments of Ecology and Commerce, is the primary funding source.

The project is in the draft plan and EIS development phase, supported by ongoing stakeholder engagement. The Planning Commission draft plan review phase is scheduled to begin in July 2016. Project information is available at www.tacomamallneighborhood.com. The City Council received its most recent project update at the March 22, 2016 study session.

The increase to the contract budget allows tasks related to market potential, business community engagement, and implementation steps to be added to the scope of work. The tasks are possible through additional funds becoming available from the same funding source which provided the initial grant. They would address issues identified through the planning process as being both critical to implementation and



complex enough to warrant analysis beyond the current budget and scope. The additional work, if approved by City Council, will inform policy development and position the City for effective plan implementation. Finally, the project schedule would be extended to allow ample time for the planning effort and robust stakeholder engagement.

This plan envisions a significant amount of change in the neighborhood. One key question is when market conditions would reach a point that property owners and investors would see the vision as profitable and thus consider taking action. In addition, some implementation strategies would be relatively new to Tacoma, would be phased over time, and would require collaboration by a range of public and private actors. The additional tasks are intended to address these topics, and include the following:

- A qualitative assessment of residential and mixed use development market potential;
- Analysis and recommendations for acquiring new street connections;
- Recommendations for a future phase of zoning changes; and
- Development of an implementation leadership recruitment strategy.

This would be the second contract amendment for this project. The first amendment approved per Resolution No. 39351 on January 5, 2016, added an approximately 116-acre area study area to the planning effort funded by a \$17,590 contribution from Pierce County.

ISSUE: Staff is seeking Council authorization for this contract amendment, as required per Tacoma Municipal Code 1.06.269.

ALTERNATIVES: The Council could direct staff to refrain from amending the current contract. The result would be a more limited analysis of market potential and implementation strategies.

COMPETITIVE SOLICITATION: The contract was originally awarded to 3MW Studio LLP, dba 3Square Blocks, LLP, through Request for Qualifications Specification No. PL14-0428F in October 2014. The consultant has agreed to increase the contract at the same prices, terms and conditions as the original contract.

CONTRACT HISTORY: The original contract was approved by Resolution No. 39169 on April 14, 2015, in the amount of \$225,000. Amendment 1 increased the contract by \$17,590 per Resolution No. 39351 on January 5, 2016. This increase of \$66,208.46 will bring the cumulative contract total to \$308,798.46, sales tax not applicable.

SUSTAINABILITY: The goals and objectives of this effort are deeply rooted in the principles of sustainability. The effort seeks to promote sustainable, concentrated, multi-modal growth in urban areas as an alternative to suburban development, thus reducing the overall impacts on natural systems and the Puget Sound.

SBE/LEAP COMPLIANCE: 3Square Blocks, LLP is certified by the Washington State Office of Minority and Women’s Business Enterprises as a Disadvantaged Business Enterprise in compliance with federal and state regulations and the Small Business Enterprise (SBE).



RECOMMENDATION:

The Planning and Development Services Department requests approval to increase Contract No. 4600010695 with 3MW Studio LLP, dba 3 Square Blocks, LLP, Seattle, Washington, in the amount of \$66,208.46, sales tax not applicable, to provide additional assistance to the City in the development of the Tacoma Mall Neighborhood Subarea Plan and EIS. This increase will bring the contract to a cumulative total of \$308,798.46, sales tax not applicable and to extend the contract term through June 30, 2017.

FISCAL IMPACT:

EXPENDITURES:

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
NEP Watershed Grant, 1195-BUILD, Misc Planning Grants	753200	5330100	\$225,000
Pierce County contribution, 1195-BUILD, Misc Planning Grant	753200	5330100	\$17,590
NEP Watershed Grant, 1195-BUILD, Misc Planning Grants	753200	5330100	\$66,208.46
TOTAL			\$308,798.46

* General Fund: Include Department

REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
NEP Watershed Grant, 1195-BUILD, Misc Planning Grants	753200	4333261	\$225,000
Pierce County contribution, 1195-BUILD, Misc Planning Grant	753200	4337108	\$17,590
NEP Watershed Grant, 1195-BUILD, Misc Planning Grants	753200	4333261	\$66,208.46
TOTAL			\$308,798.46

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$66,208.46

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? Yes

IF EXPENSE IS NOT BUDGETED, PLEASE EXPLAIN HOW THEY ARE TO BE COVERED. N/A

MAY 10 2016 9:17:17
FINANCE PURCHASING