



City of Emeryville

CALIFORNIA

MEMORANDUM

DATE: January 18, 2022
TO: Christine Daniel, City Manager
FROM: Charles S. Bryant, Community Development Director
SUBJECT: **Resolution Of The City Council Of The City Of Emeryville Authorizing The City Manager To Execute A Professional Services Contract With PES Environmental, Inc. To Provide Environmental Consulting Services Associated With The Christie Sites For A Total Contract Amount Not To Exceed \$100,000**

RECOMMENDATION

Staff recommends that the City Council adopt the above-entitled resolution authorizing the City Manager to execute a Professional Services Contract with PES Environmental, Inc. ("PES") to provide environmental consulting services associated with the Christie Sites for a total contract amount not to exceed \$100,000.

BACKGROUND

The City owns three parcels at 5890, 5900 and 6150 Christie Avenue, which total 2.01 acres bounded to the north by Christie Park, to the west by Christie Avenue, to the east by the Marketplace Redevelopment Project, and to the south by a parking structure that serves an office building at 5850 Shellmound Way. Together, these properties comprise the "Christie Sites" (Assessor Parcel Numbers 49-1493-3, -4 and -5).

The Christie Sites were acquired using low and moderate-income housing funds by the former Emeryville Redevelopment Agency. Due to the Christie Sites' status as a former redevelopment "housing asset", California Health and Safety Code ("HSC") Section 33334.16 applies, which requires activities to develop the properties for affordable housing to be initiated within five years from the date of transfer to the Housing Successor. Otherwise the properties must be sold, and the proceeds deposited in the City's Low-Moderate Income Housing Asset Fund.

For the Christie Sites, the time periods described in HSC Section 33334.16 commenced on the date that the California Department of Finance approved the property as a housing asset, or August 31, 2012. On July 25, 2017 the Emeryville City Council adopted Resolution No. 17-130, which extended the time period to initiate development by five years, to September 1, 2022.

The Planning Commission and City Council each held study sessions regarding the Christie sites on December 11, 2014 and February 3, 2015, respectively. On January 18, 2022, the City Council is scheduled to hold a study session to revisit the input provided in the prior study sessions and provide direction to staff on the City Council's priorities for

the development of the Christie Sites. This input will inform the preparation of a Request for Proposals/Qualifications for a developer partner for the Christie Sites.

DISCUSSION

In September 2021, staff circulated a Request for Proposals (“RFP”) for planning, environmental and financial feasibility analysis for development of the Christie Sites. Proposals were due on October 27, 2021, and the City received one response to the RFP, from DRA. DRA’s proposal included a recommendation that the City directly engage an environmental consulting firm to advance site characterization and identification of remediation methods and costs to the extent possible, in parallel with the developer selection process.

In 2019, the City circulated a Request for Qualifications for consulting services in various disciplines, including environmental consulting. Ten submittals from environmental consulting firms were received by the submittal deadline and a panel comprised of staff scored the submitted qualifications. The results of this scoring placed eight of the ten environmental consulting firms on the qualified consultants list, including PES.

The qualifications submitted by PES include a description of work completed for the Marketplace Redevelopment Project. PES prepared soil management plans, obtained Department of Toxic Substances Control (“DTSC”) approval of soil management plans, and prepared implementation reports for DTSC approval. Given the proximity of the Marketplace Redevelopment Project to the Christie Sites and the likelihood of similar contaminants, staff selected PES from the qualified list and requested that PES prepare a scope of work to conduct site characterization and preliminary identification of remediation methods and costs for the Christie Sites.

The environmental characterization work is effectively the “critical path” activity towards development of the Christie Sites because knowledge of the costs and timing of site remediation is required for developers to appropriately assess total development costs. PES has demonstrated that they possess the experience and qualifications to assist the City with this work.

FISCAL IMPACT

The total proposed contract amount is \$100,000. The City’s Capital Improvement Program for Fiscal Years 2019-2020 through 2023-2024 includes sufficient funding in Project H-02, “6150, 5890 and 5900 Christie Housing” for the proposed contract. Additionally, the Affordable Housing Bond Administration and Expenditure Plan programmed \$250,000 from the Affordable Housing Fund (Fund 299) for the Christie Sites. As part of the developer selection and negotiation process, staff will seek reimbursement of the costs of the contract with PES as part of negotiations of financial terms.

STAFF COMMUNICATION WITH THE PUBLIC

Staff has had no communication with the public related to this proposed Professional Services Contract.

CONFLICT OF INTEREST

None.

CONCLUSION

Staff requests that the City Council adopt the attached resolution authorizing the City Manager to execute a Professional Services Contract with PES to provide environmental consulting services associated with the Christie Avenue Sites.

PREPARED BY: Chadrick Smalley, Economic Development and Housing Manager

APPROVED AND FORWARDED TO THE CITY COUNCIL OF THE CITY OF EMERYVILLE:



Christine Daniel, City Manager

ATTACHMENTS:

- Draft Resolution
 - Exhibit A, Professional Services Contract with PES Environmental, Inc.