

STAFF REPORT

DATE: May 3, 2011

TO: Redevelopment Agency Board

FROM: Ken Hiatt, Deputy Executive Director
Katherine Hess, Community Development Administrator

SUBJECT: Hotel Conference Facility – CEQA Consultant Contracts

Recommendation

Staff recommends the Redevelopment Agency Board approve consultant contracts with Fehr and Peers and with Heidi Tschudin for environmental analysis of the proposed hotel / conference facility on Richards Boulevard, with the goal of having environmental review complete by June 30 of this year.

City Council Goals

- Consider a hotel conference center in the downtown.

Fiscal Analysis

The cost of the recommended contracts is \$73,240 (\$59,180 for the traffic analysis and \$14,060 for the CEQA management). These costs can be incorporated within the 2010-11 Redevelopment Agency budget. Staff is proposing a 15% contingency for each contract, to allow for minor adjustments in scope within the current schedule.

Total cost of the Agency's contribution to the hotel conference center is likely to exceed five million dollars. In March, the Agency issued four million dollars of taxable bonds intended to assist in a downtown hotel conference center project. The remainder of the Agency's contribution would come from existing fund balance.

Background and Analysis

On March 29, the City Council identified a hotel / conference proposal at the University Park Inn site as its preferred alternative for Redevelopment Agency assistance. The Council directed staff to proceed with negotiations with the property owner and return with a financing package for the project.

Staff and the property owner are continuing to work to refine the project, identify the need for Redevelopment Agency assistance, and evaluate both feasibility and impacts of the project. The Redevelopment Agency Counsel has confirmed that environmental review under the California Environmental Quality Act must be complete before the Agency considers a contract to assist the project.

CEQA Review

The California Environmental Quality Act requires that a project's impacts be analyzed and – where feasible – mitigated to less-than-significant levels. If a project has no impacts, or if all of a project's impacts will be mitigated, the public agency may issue a "Negative Declaration" instead of proceeding with the more complex Environmental Impact Report.

Staff and the City Attorney believe that it may be possible to mitigate any impacts from the proposed hotel / conference center to a less-than-significant level. To make that determination, we need to evaluate possible impacts, particularly those from vehicle trips.

The attached contract with Fehr and Peers calls for evaluation of the traffic impacts of the hotel conference center along the Richards Boulevard corridor, on the I-80 mainline segments at each side of Richards, and extending into downtown. The scope calls for measuring existing traffic counts, evaluating the Level of Service before and after the project, and identifying any necessary mitigation measures. Traffic counts will be done in May, while DJUSD and UC Davis are still in session.

Ordinarily, a contract of this magnitude would require solicitation from other consultants. Staff is comfortable with a sole-source contract with Fehr and Peers for the following reasons:

- Fehr and Peers is the firm that developed the citywide travel model;
- They are currently under contract with UC Davis to evaluate the proposed Old Davis Road extension; and
- Fehr and Peers has an updated version of the city's traffic model that is being used in the sports park EIR.

The City generally prepares Negative Declarations in-house. However, this project is more complex than usual, and the desired timeline is accelerated because of uncertainty in Redevelopment Agency financing. Staff is recommending consultant assistance in preparation of the Negative Declaration. This will improve the defensibility and timeliness of the CEQA analysis and allow staff to focus on the other aspects of bringing the project forward to Redevelopment Agency decision.

Heidi Tschudin has prepared numerous CEQA documents for the City of Davis, including the evaluation of the Richards Boulevard corridor following voter determination to not widen the tunnel. The recommended contract calls for CEQA project management, with the goal of having the Negative Declaration completed in June, 2011.

Other Project Issues

The proposed hotel conference center has a number of items that need to be resolved before the project can be presented to the Redevelopment Agency for approval of a financing package. These include accommodations for the existing tenants on the property (Caffé Italia), hotel access, and Agency contribution to aesthetic, signage, and bike/pedestrian improvements to the Richards Boulevard corridor.

The owners of Caffé Italia have requested a Redevelopment Agency commercial rehabilitation loan to assist in their acquisition and improvement of the former Denny’s restaurant on Chiles Road, adjacent to the Days Inn hotel. Staff has contracted with Economic & Planning Systems to help evaluate the proposal. It has not been determined how the commercial rehabilitation loan request relates to the potential displacement of Caffé Italia from the existing site at Richards and Olive. Staff is meeting with the Caffé Italia owners and attorneys to continue to pursue a mutually-beneficial solution.

As part of the City Council action on the Business Park Lands Strategy in October, the Council moved to “Re-vision Richards/Olive Drive as the entry to Downtown and the Nishi property, with enhanced aesthetics, signage, and bicycle/pedestrian access.” Later in May, staff will be presenting to City Council a scope and recommended consultant contract for developing a comprehensive access and circulation plan and design improvements for the Olive and Richards corridors. The work done under this hotel analysis will help inform that process.

Attachments

1. Resolution approving contract with Fehr and Peers
2. Letter from Fehr and Peers
3. Attachment A – Patel Hotel/Conference Center Transportation Impact Report – Scope of Work
4. Attachment B – Patel Hotel/Conference Center Transportation Impact Report – Budget
5. Resolution approving contract with Heidi Tschudin
6. Scope of Work for Preparation of Draft Initial Study and Negative Declaration

RDA RESOLUTION NO. XXXX

RESOLUTION APPROVING CONTRACT WITH FEHR AND PEERS

WHEREAS, the City Council 2010-12 goals call for considering a hotel conference center in the downtown; and

WHEREAS, the owner of the University Park Inn has proposed to redevelop the existing hotel with a four-star hotel and conference center; and

WHEREAS, the Redevelopment Agency will be considering assistance to the proposed hotel conference center; and

WHEREAS, analysis of the project under the California Environmental Quality Act is required before consideration of a commercial rehabilitation loan for the hotel conference center; and

WHEREAS, Fehr and Peers is uniquely positioned to perform the traffic analysis required for CEQA analysis because of its existing knowledge of the neighborhood and the City of Davis traffic model.

NOW, THEREFORE, BE IT RESOLVED by the Redevelopment Agency of the City of Davis that it hereby approves the a consultant agreement with Fehr and Peers, not to exceed \$57,080, plus a 15% contingency, for the scope of work attached to this Resolution.

PASSED AND ADOPTED by the Redevelopment Agency of the City of Davis on this 3rd day of May, 2011 by the following vote:

AYES:

NOES:

Joseph F. Krovoza
Board Chairperson

ATTEST:

Zoe S. Mirabile, CMC
Board Secretary

April 26, 2011

Ms. Katherine Hess
Community Development Department
City of Davis
23 Russell Boulevard
Davis, CA 95616

Re: Proposal for Patel Hotel/Conference Center Project Traffic Study

Dear Ms. Hess:

We appreciate the opportunity to submit this proposal to prepare a Transportation Impact Assessment Report for the Patel Hotel/Conference Center Project. Our scope of work is based on our meeting of April 18, discussions with City staff, and our work on previous studies in the project area. Per our discussions, our work scope is based on evaluating nine study intersections. Given the potential that responses to the upcoming Notice of Preparation (NOP) may request that additional intersections be studied or that our evaluation of the project's trip generation and distribution characteristics may indicate the need to study additional locations, and the fact that this information may not be known until the summer when counts can't be collected (i.e., our window for collecting counts ends in early June and begins again in mid-October), we propose to collect count data at an additional five intersections in May. Our work scope includes the cost to collect these additional counts, and identifies optional tasks to evaluate conditions at these locations should that become necessary. Our detailed scope of work is contained in Attachment A.

Our cost estimate is contained in Attachment B. We can complete the scope of work for a not-to-exceed cost of \$59,180. Note that this includes a \$900 reduction in the count cost because we were recently directed to collect counts at three of the study intersections for another project. The cost for Optional Tasks 4a and 6a, which involves the Level of Service (LOS) evaluation of nine additional study intersections and inclusion of the results into the traffic report, can be completed for an additional budget of \$27,235. This includes all labor, data collection, and other direct expenses for the project team.

We understand the urgent nature of conducting counts in May 2011, before summer break, and completing the traffic study as quickly as possible. Our typical schedule for a study of this scale requires about 10-12 weeks. We will complete this study on an accelerated basis and provide a Draft Transportation Report to City staff for review within 5-6 weeks of authorization to proceed and receipt of a full project description. Please call if you have any questions or need additional information.

Sincerely,

FEHR & PEERS

Bob Grandy, P.E.
Principal

P11-2620-RS

Attachment A
PATEL HOTEL/CONFERENCE CENTER TRANSPORTATION IMPACT REPORT
Scope of Work – April 26, 2011

Fehr & Peers will complete the following tasks for the development of the Patel Hotel/Conference Center Traffic Impact Study located on Richards Boulevard just south of Olive Drive in the City of Davis. This scope of work follows the guidelines of the City of Davis General Plan, and is based on our knowledge of the area. The following is an approximate development program for the project.

- Hotel - 150 rooms
- Conference center (10-12,000 square feet)
- Sit-down restaurant (5-10,000 square feet)

SCOPE OF WORK

Task 1 – Existing Conditions Analysis

The existing conditions analysis will contain a description and operational analysis of the transportation system serving the proposed hotel/conference center. The operations of the pedestrian, bicycle, and transit systems will be qualitative. The operations of the roadway system will be analyzed based on Level of Service (LOS) calculations. Operations of the study intersections will be evaluated during a weekday morning peak period (7:00 to 9:00 AM) and weekday evening peak period (4:00 to 6:00 PM).

Traffic counts will be collected at the following study intersections during the AM and PM peak periods on a Tuesday, Wednesday, and/or Thursday. The counts will be conducted prior to the end of the school year for UC Davis and the Davis Joint Unified School District.

Study Intersections:

1. Richards Boulevard / Olive Drive
2. Richards Boulevard / Existing Project Driveway
3. Richards Boulevard / I-80 Westbound ramps
4. Richards Boulevard / I-80 Eastbound ramps
5. Richards Boulevard / Research Park Drive/Cowell Boulevard
6. Richards Boulevard / Pole Line Road/Lillard Drive
7. First Street/F Street
8. First Street/E Street
9. First Street/D Street
10. First Street/B Street
11. First Street/A Street
12. Second Street/E Street
13. Second Street/G Street

14. Third Street/E Street
15. First Street/C Street
16. Second Street/F Street
17. Cowell Boulevard/Drew Avenue
18. Cowell Boulevard/Valdora Street

In addition to the above study intersections, the following freeway mainline segments will be analyzed:

1. I-80 between Richards Boulevard and Mace Boulevard/Chiles Road
2. I-80 between Richards Boulevard and Old Davis Road

We will collect counts at the existing driveways for University Inn & Suites and Café Italia on Richards Boulevard and Olive Drive to determine the existing level of traffic generated by the project site. The counts will be conducted during the weekday AM and PM peak periods, on the same day as the above intersection counts.

Using the data collected and the Transportation Research Board’s (TRB) *Highway Capacity Manual (HCM)* method, the existing peak-hour level of service for the first nine intersections will be determined.

Freeway segment analyses will be conducted using *HCM* methods. Existing peak hour traffic volumes and truck percentages for I-80 will be obtained from the most recent count data from Caltrans.

Task 2 – Significance Criteria

Fehr & Peers will work with the City of Davis and the lead environmental consultant to identify the significance criteria against which project transportation system impacts will be measured. Criteria will be developed for each travel mode/facility type including intersections, freeway segments, transit services, bicycle and pedestrian facilities, parking, and site access/circulation. The criteria will be based on policy direction of the City’s General Plan, previous EIR documents, and other adopted documents.

Task 3 – Project Trip Generation and Distribution

The trip generation of the proposed project will be estimated based on the most recent published rates from the Institute of Transportation Engineers (ITE), and other previous trip generation data collected by Fehr & Peers for similar hotel/conference and restaurant facilities. Fehr & Peers will work with City staff to obtain detailed program information given the nature of the proposed project. We will adjust the total number of “gross” project trips by deducting the number of existing trips generated by hotel and restaurant uses on the project site, as measured in Task 1, for the Existing Plus Project scenario.

We will estimate the trip distribution of project traffic under ‘Existing Plus Project’ and ‘Cumulative Plus Project’ conditions using sources such as existing counts, market data to be provided by the project applicant, the City’s traffic model, and the City’s GIS database.

We will work with City staff to identify whether planned improvements to the I-80/Richards Boulevard interchange, which are identified in the SACOG MTP, should be included in the cumulative scenarios. We will also work with City staff to identify the proposed project access and any alternatives to be evaluated. The assumptions will be submitted to City of Davis staff for review and comment prior to proceeding with the project impact analysis.

Task 4 – Impact Analysis

Study intersection (Intersections 1 to 9) and freeway segment operations will be evaluated for the following conditions:

- Existing (conducted under Task 1)
- Existing Plus Project conditions
- Cumulative No Project
- Cumulative Plus Project Buildout

The most recent version of the City’s traffic model will be applied to develop weekday AM and PM peak hour turning movement volumes for the study intersections under the ‘Existing Plus Project’ scenario.

We will work with the EIR consultant team and City staff to determine a future forecast year for cumulative conditions. For the ‘Cumulative No Project’ scenario, we will assume full buildout of the Davis General Plan. We will also assume full buildout of the 2003 UC Davis Long Range Development Plan. We will add any new development projects not previously included in the travel model as identified by City staff, including priority housing projects. For the purposes of this scope and budget, we assume that planned improvements at the I-80/Richards Boulevard interchange are included in both cumulative scenarios. We will modify the model as necessary and then run the model to develop weekday AM and PM peak-hour turning movement volumes for the study intersections. The roadway network assumptions under cumulative conditions will also be verified with City staff prior to running the model.

The AM and PM peak hour levels of service will be computed for the study locations using the 2000 *HCM* methods. Peak hour signal warrants analyses will be conducted for the unsignalized intersections. Mitigation measures will be identified for impacts that exceed the thresholds established in the significance criteria, and the project’s proportionate share of identified intersection and roadway improvements will be calculated.

Project impacts will be assessed for transit, bicycle, and pedestrian facilities by evaluating the proposed project against the significance criteria established in Task 2. This analysis will be completed under both ‘Existing Plus Project’ and ‘Cumulative Plus Project’ conditions.

We will also determine the total Vehicle Miles Traveled (VMT) generated by the proposed project. We will provide this information to the EIR consultant team so that it can be used in relation to any analysis regarding greenhouse gas emissions.

Optional Task 4A – Impact Analysis of Additional Intersections

If authorized to do so, Fehr & Peers will expand the study area to analyze intersection operations at the additional intersections listed in Task 1 (Intersections 10 to 18). The same process will be used to develop traffic volumes at the additional intersections under the Existing Plus Project, Cumulative No Project, and Cumulative Plus Project scenarios.

AM and PM peak hour levels of service will be computed for these intersections using *HCM* methods. Peak hour signal warrants analyses will be conducted for the unsignalized intersections. Mitigation measures will be identified for impacts that exceed the thresholds established in the significance criteria, and the project's proportionate share of identified intersection and roadway improvements will be calculated.

At the additional intersections, project impacts will be assessed for transit, bicycle, and pedestrian facilities by evaluating the proposed project against the significance criteria established in Task 2. This analysis will be completed under both 'Existing Plus Project' and 'Cumulative Plus Project' conditions.

Task 5 – Mitigation Monitoring Plan

Fehr & Peers will review the mitigation monitoring plan to be developed by the lead environmental consultant. We will specifically review those items in the plan related to the monitoring of off-site traffic impacts.

Task 6 – Documentation

The following documents will be prepared:

- Technical Memorandum summarizing the proposed trip generation and distribution assumptions
- Draft Transportation Impact Analysis Report
- Final Transportation Impact Analysis Report (including revisions based on staff comments)

We have allocated 14 hours of staff time to respond to comments on the Draft Traffic Report.

Optional Task 6A – Documentation for Additional Intersections

If authorized to do so, Fehr & Peers will add the analysis results of the additional intersections to the documents prepared under Task 6.

Task 7 – Meetings

We have allocated 16 hours of staff time to attend up to a total of five (5) meetings throughout the duration of the project. The following is an illustrative list of meetings we'd expect to attend.

- One (1) kick-off meeting (to discuss project characteristics including trip generation, distribution, access, etc.)
- One (1) meeting to discuss Draft Transportation Report
- Up to three (3) meetings to attend commission hearings and City Council meetings

Attachment B
PATEL HOTEL/CONFERENCE CENTER TRANSPORTATION IMPACT REPORT
Budget

The table below details our cost estimate to conduct the scope of work contained in Attachment A.

Task	Staff & Billing Rates				Total Hours	Total Cost
	Bob Grandy	Senior Engineer	Engineer/Planner	Graphics		
	\$225	\$175	\$120	\$120		
<i>Davis Patel Hotel-Conference Center Traffic Study</i>						
Task 1: Data Collection/Existing Conditions	1	20	54	0	75	\$10,205
Task 2: Significance Criteria	1	0	2	0	3	\$465
Task 3: Trip Gen. & Dist. Memo	2	4	4	4	14	\$2,110
Task 4: Impact Analysis	4	60	108	0	172	\$24,360
Task 5: Mitigation Monitoring Plan	1	1	4	0	6	\$880
Task 6: Documentation	6	22	16	18	62	\$9,280
Task 7: Meetings	8	4	4	0	16	\$2,980
<i>Total Labor Cost</i>						\$50,280
<i>Direct Costs (traffic counts)</i>						\$5,900
<i>Direct Costs (travel, communication, report copies, etc.)</i>						\$3,000
<i>Traffic Study Total Cost</i>						\$59,180

Optional Tasks						
Task 4A: Impact Analysis	2	58	96	0	156	\$22,120
Task 6A: Documentation	1	6	20	12	39	\$5,115
<i>Total Labor Cost for Optional Tasks 4a and 6a</i>						\$27,235
<i>Traffic Study Total Cost with Optional Tasks</i>						\$86,415

RDA RESOLUTION NO. XXXX

RESOLUTION APPROVING CONTRACT WITH HEIDI TSCHUDIN

WHEREAS, the City Council 2010-12 goals call for considering a hotel conference center in the downtown; and

WHEREAS, the owner of the University Park Inn has proposed to redevelop the existing hotel with a four-star hotel and conference center; and

WHEREAS, the Redevelopment Agency will be considering assistance to the proposed hotel conference center; and

WHEREAS, analysis of the project under the California Environmental Quality Act is required before consideration of a commercial rehabilitation loan for the hotel conference center; and

WHEREAS, Heidi Tschudin is uniquely positioned to perform the CEQA analysis required for the proposed project because of her existing knowledge of the neighborhood and the City of Davis.

NOW, THEREFORE, BE IT RESOLVED by the Redevelopment Agency of the City of Davis that it hereby approves the a consultant agreement with Heidi Tschudin, not to exceed \$14,060 plus a 15% contingency, for the scope of work attached to this Resolution.

PASSED AND ADOPTED by the Redevelopment Agency of the City of Davis on this 3rdst day of May, 2011 by the following vote:

AYES:

NOES:

Joseph F. Krovoza
Board Chairperson

ATTEST:

Zoe S. Mirabile, CMC
Board Secretary

SCOPE OF WORK FOR PREPARATION OF DRAFT INITIAL STUDY AND NEGATIVE DECLARATION

- Scope of Work – Prepare Draft Initial Study and Negative Declaration (64 hours). Specific tasks include:
 - 1) Review of project files and related material (4 hrs);
 - 2) Site visit (2 hrs);
 - 3) Preparation of Draft Initial Study/Environmental Questionnaire (30.0 hrs);
 - 4) Preparation of Negative Declaration, Notice of Intent (NOI), and Mitigation Monitoring Plan (MMP)(8 hrs);
 - 6) Miscellaneous coordination with City staff/meetings (8 hrs);
 - 7) Edits and revisions (12 hrs);
 - 8) Project assistance/clerical support/direct expenses (\$300).
- Labor Rate – Labor rate of \$215.00 per hour. Invoices will include the billing period, total hours spent on project, a running total, and remaining balance for the cost-estimate total. A day-by-day, task-by-task, break-down of hours will not be provided.
- Contract Type – Time and materials, not to exceed.
- Period of Engagement – 4 months (May 1, 2011 through August 31, 2011).
- Budget – Not to exceed \$14,060 unless subsequently amended by the parties.
- Assumptions – 1) City concurrence with approach provided prior to finalization of the package; 2) technical studies provided for use in preparation of the negative declaration are adequate and can/will be defended by the authors; 3) relevant project information will be submitted in full-scale hard-copy and electronically; 4) project files will be made available for Tschudin to review and copies of requested documents will be provided; 5) Tschudin will rely on County staff for related clerical work like document filing, mailouts, public notices, preparation and processing of staff reports, etc; 6) NOD filing fees and notices charges are not included; 7) graphics will be generated by staff or other consultants.
- Other Terms – Other terms, including non-labor expenses, shall be as identified in Tschudin Consulting Group Compensation Schedule.