

STAFF REPORT

City Council Consent Item

DATE: December 19, 2022

TO: Honorable Mayor and Council Members

FROM: Liz Shorey, Deputy Director of Community Development

THROUGH: Merritt Perry, City Manager

SUBJECT: Supplemental Budget Request for \$11,880 to Provide Supplemental Support for the Mill District Specific Plan

STAFF RECOMMENDATION:

Approve Supplemental Budget Request to allocate \$11,880 to be received from the Caltrans miscellaneous revenue fund for additional tasks identified to complete the Mill District Specific Plan and authorize the City Manager to execute a contract with Planwest Partners.

EXECUTIVE SUMMARY:

City staff is underway with planning of the Mill District Specific Plan for infrastructure, design standards, land use, and zoning of the Palco mill site, funded by a LEAP grant from HCD (\$65,000) and a Headwaters grant (\$75,000 plus a \$25,000 City match). Alternative land use scenarios are being designed for presentation at stakeholder and public meetings, with the goal of a preferred alternative to be presented to the Planning Commission for review, and the City Council for adoption. The first stakeholder meeting was held on 9/20/22, and numerous collaborative meetings have subsequently been held with a firm who is in the process of purchasing the mill site property and who has a vision that is generally consistent with the City's economic and land use goals of the site. The specific plan will identify integrated infrastructure throughout the 75-acre site, and land uses and zoning that are market-competitive and economically viable.

Because of additional planning efforts in responding to developer input and an expanded scope, staff has identified extra steps needed to complete the planning project. These efforts include updating maps and analysis for the revised concepts, changes to land use and zoning, increased allowable commercial and industrial square footage that exceed the General Plan area limits, and review of General Plan conformance for the changes. Due to the modified scope, the degree of analysis under the California Environmental Quality Act (CEQA) will increase as well.

The detailed scope of work and cost proposal by Planwest Partners is attached to this staff report outlining the additional work beyond that originally contemplated as a result of coordination with the anticipated purchaser of the Palco mill site.

FINANCIAL IMPACT:

The total cost of the project is anticipated to be \$176,880. This includes HCD and Headwaters

grants, and the requested amount of \$11,880 to complete the project. The funds would be derived from the Caltrans miscellaneous fund for their materials testing lab on River Ranch Road that was paid to the City to compensate for the conversion of the River Ranch parcel from commercial to public agency and subsequent loss of sales and property tax income.

RECOMMENDED COUNCIL ACTION:

Approve a Supplemental Budget Request for \$11,880 to provide additional support for the Mill District Specific Plan to allocate \$11,880 to be received from the Caltrans miscellaneous fund and authorize the City Manager to execute a contract with Planwest Partners. Consent agenda vote.

ATTACHMENTS:

- *Supplemental Budget Request*
- *Planwest Partners Scope of Services and Cost Schedule*