



# CITY OF SANTA BARBARA

## COUNCIL AGENDA REPORT

**AGENDA DATE:** September 20, 2016

**TO:** Mayor and Councilmembers

**FROM:** Engineering Division, Public Works Department

**SUBJECT:** Contract For Design Of Light Industrial Buildings On 6100 Hollister Avenue

**RECOMMENDATION:** That Council:

- A. Authorize the Public Works Director to execute a City Professional Services contract with Kupiec Architects PC in the amount of \$266,025 for final design services of the 6100 Hollister Avenue Development Project, and authorize the Public Works Director to approve expenditures of up to \$27,000 for extra services of Kupiec Architects PC that may result from necessary changes in the scope of work;
- B. Increase revenues and appropriations by \$8,683,341 in the Airport Development Fund for Commercial/Industrial Area Development to be funded from the net proceeds of the sale of 7.99 acres of Airport property to Direct Relief; and
- C. Transfer \$691,505 from the Airport Development Fund to the Airport Operating Fund, and authorize the necessary budget adjustments necessary for this transfer, for reimbursement of Commercial/Industrial Area Development expenditures incurred prior to the sale of Airport property.

### **DISCUSSION:**

#### Background

Airport Department staff has been working to develop portions of its Specific Plan Area (Airport property north of Hollister Avenue) for many years. Many solicited proposals were considered; however, none of the concepts were completed. The Airport had demonstrated a need for light industrial building space and researched feasible funding alternatives, but the debt coverage requirements for construction of new space were deemed too high risk.

### Sale of Property to Direct Relief

Escrow closed on the sale of Airport Property Parcel 1 (Parcel Map 20824) on August 5, 2016, and Parcel 1 (7.99 acres) was sold to Direct Relief. Upon close of escrow the Airport received \$8,683,341, after closing costs. The proceeds from the sale provided the capital for the Airport to design and construct new light industrial facilities on Parcels 2 and 3 (6.48 acres), which will provide operating and capital funding for the Airport.

### Light Industrial Development

Staff is proposing to develop 50,046 total square feet of new construction, with 42,004 square feet zoned as light industrial/R&D space, 6,032 square feet of retail, and 2,010 square feet of coffee shop over two phases of construction. The first phase of construction consists of 23,525 total square feet. Of that, 19,504 square feet are light industrial, 2,010 square feet are retail, and 2,010 square feet are zoned for a coffee shop or similar. This phase of work is expected to be bid in spring 2017. The second phase of work consists of 26,521 square feet. Of that, 22,500 square feet are light industrial and 4,021 square feet are retail. Depending on the bids the City receives in the spring of 2017, some of the square footage described in the second phase of the project may be constructed in the first phase.

### Airport Development Fund

An Airport Development Fund has been established to fund the design and construction of the new buildings and their related infrastructure at the Airport. The Airport Development Fund would initially be funded from the Direct Relief sale proceeds to construct light industrial buildings at 6100 Hollister Avenue. The Airport Operating Fund will be reimbursed \$691,505 for preliminary design and engineering costs related to the light industrial building development, which were incurred prior to the sale of the property to Direct Relief.

Staff proposes to provide subsequent funding of the Airport Development Fund based upon a portion of the revenues generated by the new development. It is proposed that revenues be equally divided between the Airport Operating Fund and Airport Development Fund.

### Project Description

The work consists of the final design of improvements for retail and light industrial space, consistent with the Airport's approved Specific Plan. The work will include development plans for 6100 Hollister Avenue through the building permit and construction bidding phases.

Design Phase Consultant Engineering Services

Staff recommends that Council authorize the Public Works Director to execute a contract with Kupiec Architects PC in the amount of \$266,025 for design, and \$27,000 for potential extra services, for a total amount of \$293,025. Kupiec Architects PC is experienced in this type of work and was selected as part of a Request For Proposals process that included the submittal of statement of qualifications and team interviews.

Funding

The following summarizes all estimated total project costs:

**ESTIMATED TOTAL PROJECT COST**

Preliminary Design (Kupiec)	\$308,000
Final Design (Kupiec)	293,025
Civil and Geotechnical Design	261,050
<b>Subtotal</b>	<b>\$862,075</b>
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Estimated Construction Contract w/Change Order Allowance	\$7,200,000
Estimated Construction Management/Inspection (by Contract or City)	400,000
<b>Subtotal</b>	<b>\$7,600,000</b>
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<b>TOTAL PROJECT COST</b>	<b>\$8,462,075</b>

There will be sufficient funds appropriated in the Airport Development Fund to cover these costs upon approval of the recommendations. The total project cost estimate is \$8,462,075, and equals the amount budgeted in the Airport Development Fund.

**SUSTAINABILITY IMPACT:**

This project will go through the Leadership in Energy and Environmental Design (LEED) building process with a goal of LEED Silver. Features of the project are the solar photovoltaic panels, the stormwater design, both quantity and quality control, water efficient landscaping, the optimization of energy performance, construction waste management, and having a LEED accredited Professional on the project design team throughout construction.

A copy of the contract is available for public review at the City Clerk's Office.

**ATTACHMENT:** Project Vicinity Map

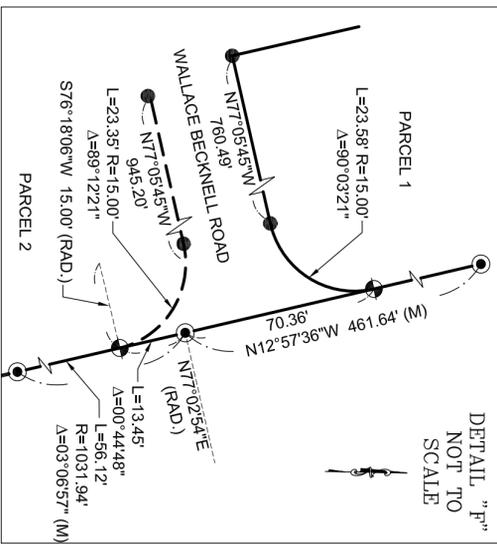
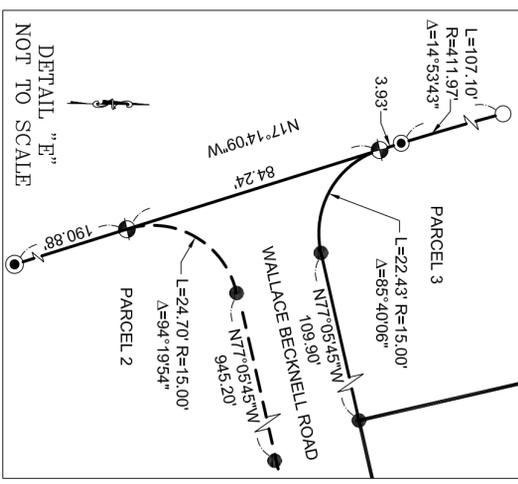
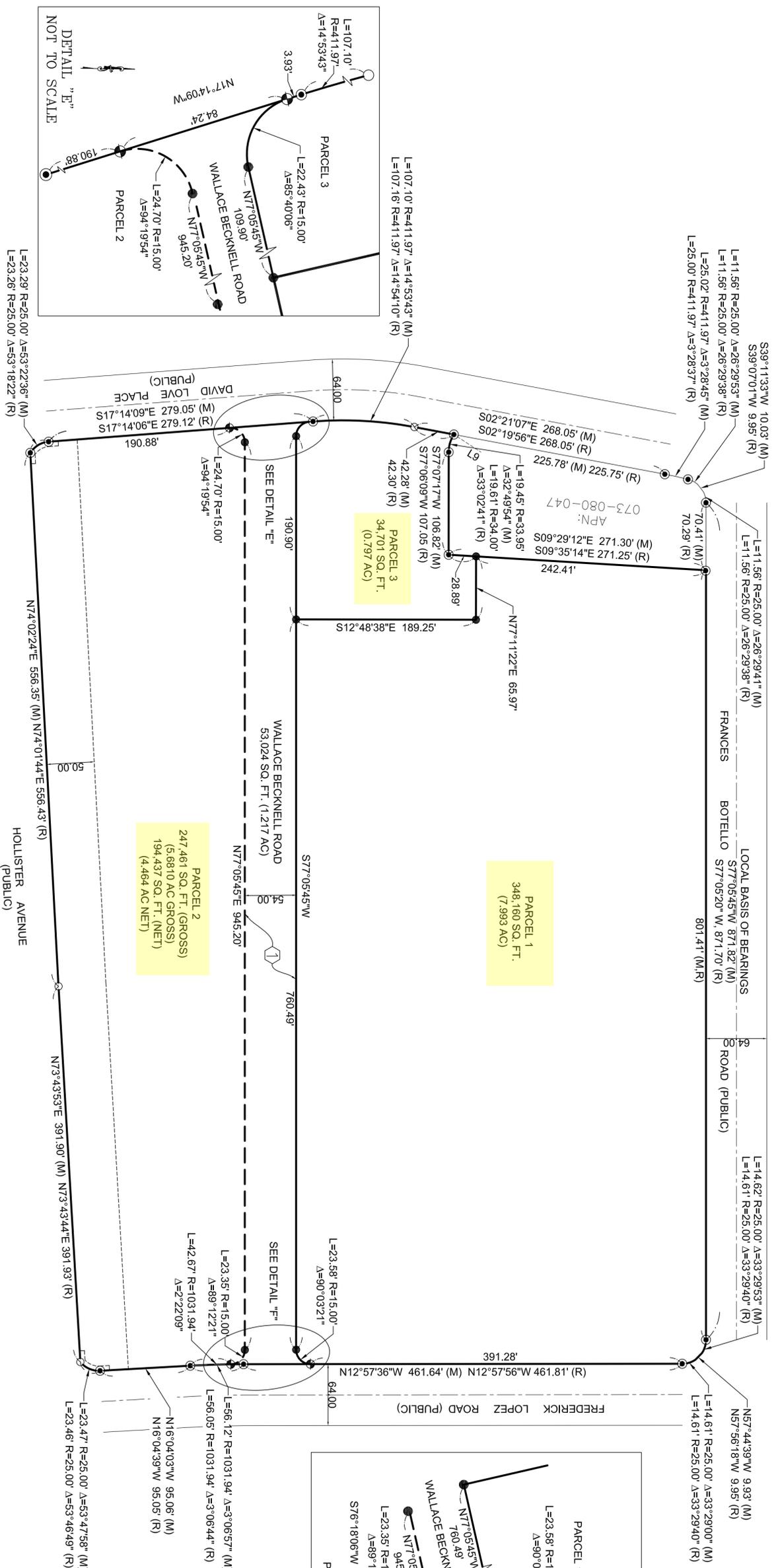
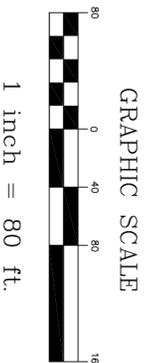
**PREPARED BY:** Owen Thomas, Supervising Engineer/LR/sk

**SUBMITTED BY:** Rebecca J. Bjork, Public Works Director

**APPROVED BY:** City Administrator's Office

# EASEMENTS (Per this map):

1 54.00 FOOT ROAD RIGHT OF WAY EASEMENT, WALLACE BECKNELL ROAD, TO BE DEDICATED TO THE CITY OF SANTA BARBARA.



- SYMBOL LEGEND:**
- ⊕ = SET 2" BRASS CAP IN 1/2" IRON PIPE WITH TAG MARKED "I.S. 6491"
  - ⊙ = ROUND MONUMENT AS NOTED
  - ⊙ = SET 1/2" IRON PIPE WITH TAG MARKED "I.S. 6491"
  - = NOTHING ROUND OR SET

- MAP LEGEND:**
- I.P. = IRON PIPE
  - N&T = NAIL & TAG
  - BC = BRASS CAP
  - EST = ESTABLISHED
  - (RAD) = RADIAL
  - (M) = MEASURED DISTANCE REFERS TO GROUND
  - DISTANCE UNLESS STATED OTHERWISE
  - MON = MONUMENT
  - (CER) = CALCULATED FROM RECORD
  - CHS-X = CHISELED "X"
  - (FTC) = FROM TRUE CORNER
  - (R) = PARCEL MAP BOOK 54, PAGES 63-69
  - (RI) = RECORD OF SURVEY BOOK 170, PAGES 63-65
  - (RD) = RECORD OF SURVEY BOOK 178, PAGES 34-41
  - (R3) = RECORD OF SURVEY BOOK 170, PAGES 47-49

- LINE/TYPPE TABLE:**
- PROPOSED PROPERTY LINE: ————
  - EXISTING PROPERTY LINE: - - - - -
  - PROPOSED EASEMENTS: - - - - -
  - EXISTING EASEMENTS: - - - - -

DATE: MAY 2016  
**PARCEL MAP No. 20,824**  
SHEET 3 OF 3

**CARDENAS AND ASSOCIATES SURVEYING, INC.**  
201 N. CALLE CESAR CHAVEZ, STE. 100,  
SANTA BARBARA, CA 93103  
Phone: (805) 966-3713  
jcardenas@casurveying.com