



## Legislation Text

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*Report Prepared by: Leah Brown, Management Analyst, Development Services*

**SUBJECT:** Award an Agreement for Professional Services for a Downtown Housing Feasibility Study to Mogavero Architects

### REPORT IN BRIEF

Considers approving an Agreement for Professional Services with Mogavero Architects, for \$61,800 to prepare a Downtown Housing Feasibility Study.

### RECOMMENDATION

**City Council** - Adopt a motion:

- A. Approving an Agreement for Professional Services with Mogavero Architects, in the amount of \$61,800 to prepare a Downtown Housing Feasibility Study; and,
- B. Authorizing the City Manager or Deputy City Manager to execute the agreements and any necessary documents.

### ALTERNATIVES

- 1. Approve the agreement, as recommended by staff; or
- 2. Deny; or
- 3. Refer to staff for reconsideration of specific items.

### AUTHORITY

Charter of the City of Merced, Section 200, et seq.

### CITY COUNCIL PRIORITIES

As provided for in the 2022-2023 Adopted Budget and the City Council's Pro-Housing Policies.

### DISCUSSION

In March 2019, the State of California, Department of Housing and Community Development listed a Notice of Funding Availability for Senate Bill 2 (SB2) Planning Grants Program. The goal of the program was to establish a permanent source of funding intended to increase the affordable housing stock in California. The City of Merced submitted an application that included a project to prepare a Downtown Housing Feasibility Study.

The purpose of this Downtown Housing Feasibility Study is to explore converting an existing City-owned parking lot to multi-story, mixed income, multi-family housing, while preserving parking, and possibly adding parking and retail/offices uses. The result would produce a development ready concept site plan with building elevations for mixed-use Transit Oriented Development (TOD). The

study would include financial proformas addressing construction funding and a 15-year ongoing operational funding. Recommendations for funding sources will be included to encourage and enable affordable housing development. As In-Fill development, the City can assist such future development with reduced PFFP fees and affordability covenants can add to grant opportunities. The consultant will also be asked to recommend a preferred location from those available and to evaluate the options for condominium (home ownership) vs rental units.

In February 2020, the City was awarded \$310,000 based on population of SB2 funding.

In December 2022, the City issued a request for proposals (Attachment 1) to prepare a Downtown Housing Feasibility Study. The request was posted in the local newspaper, online and on the City's website. According to the City's website analytics, over 2,000 emails were sent out, calling for proposals with 670 unique opens. Six proposals were submitted by the requested deadline. Proposals were submitted by:

Precision Civil Engineers  
RSG, Inc.  
Century Urban  
JZMK Partners  
MINDLIN Consulting  
Mogavero Architects

Staff reviewed all proposals thoroughly, four of them stood out as having the most extensive experience in conducting similar studies. Interviews were set up with Century Urban, MINDLIN Consulting, JZMK Partners, and Mogavero Architects. All of the consultants were extremely competent and had skills, staff, and ability to conduct a housing feasibility study. Mogavero Architects stood out for their exemplary multifamily, mixed-use designs, familiarity with Central California housing, and knowledge in the needs of affordable downtown developments.

Staff reviewed the scope of work and costs presented in the proposal and negotiated an Agreement for Professional Services (Attachment 2) in the amount of \$61,800.

## **IMPACT ON CITY RESOURCES**

The funding for this agreement is provided by the SB2 Planning Grants Program from the State of California Department of Housing and Community Development. No appropriation of funds is needed; funding is available within the FY2022-23 adopted budget in Fund 2013-CA SB2 Housing Planning Grant.

## **ATTACHMENTS**

1. Request for Proposals
2. Agreement for Professional Services with Mogavero Architects