

HOUSING AUTHORITY REPORT

DATE ISSUED: December 12, 2008

REPORT NO: HAR 09-004

ATTENTION: Chair and Members of the Housing Authority
For the Agenda of February 3, 2009

SUBJECT: Award of Contract for Architectural Services at Via Las Cumbres (Council District 6)

REQUESTED ACTION:

Approval of the award of “full service” architectural/engineering (A/E) contract to M.W. Steele Group, Inc., a professional architectural firm, for initial architectural planning, discretionary permitting and design and construction administration services related to the development of an affordable senior housing project of approximately 60 units on an existing 19 acre San Diego Housing Commission (SDHC) owned property known as University Canyon located at 2052 – 2095 Via Las Cumbres.

STAFF RECOMMENDATION:

- 1) That the Housing Authority approve of award of a “full service” A/E contract to M.W. Steele Group, Inc. in an amount not to exceed \$900,000 for the creation and development of senior affordable housing.
 - a. Phase I is not to exceed \$225,000 to undertake the initial architectural planning and entitlement process including community plan amendment in order to create senior affordable housing.
 - b. Phases II & III are not to exceed \$675,000 for the design preparation and construction drawings and administration of the senior affordable housing.
- 2) Authorize the President and Chief Executive Officer or designee to execute the contract, in a form to be approved by General Counsel, together with any and all necessary documents, and, if necessary, to expend a contingency of up to \$200,000 for environmental impact report processing and preparation, and design preparation of items not anticipated in the original scope of work.

BACKGROUND:

On September 10, 2007 SDHC received approval from the U.S. Department of Housing and Urban Development and the Special Applications Center (SAC) for the disposition of its existing portfolio of 1,366 low-rent public housing units.

As a result of the Public Housing disposition approval, SDHC must produce a minimum of 350 additional affordable housing units through the leverage of its existing portfolio. A Selection Committee was formed to assist in the creation of additional units and on August 15, 2008, the committee recommended that SDHC review its existing portfolio to determine opportunities for additional development. One such site is the 120 unit family development known as University Canyon located at 2052 to 2095 Via Las Cumbres in the Linda Vista community near the University of San Diego. Adjoining land uses include residences to the east, Kelly Street Park to the northeast and Tecolote Canyon Park to the north and northwest. The property is surrounded by newer homes and condominiums in good condition. Additionally, available are four (4) acres of open space which could accommodate approximately 60 additional dwelling units.

FISCAL CONSIDERATIONS:

Funding for this contract is contained in the FY09 SDHC budget previously approved by the Housing Authority on June 10, 2008. Housing programs reserves will be utilized to fund this contract.

COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:

On August 29, 2008 a Request for Qualifications (RFQ) for Architectural Services at Via Las Cumbres was issued. Bid advertisements were placed in the *San Diego Union Tribune* and the *San Diego Daily Transcript*. During the proposal period a total of fifteen (15) proposal packages were provided to interested firms and plan rooms.

At the close of solicitations on September 12, 2008, four (4) proposals were received and on September 22, 2008, the Proposal Evaluation Committee met to rank the proposals based on Qualifications and Experience. Proposals were received from the following firms:

Firm	Responsive Bidder	DBE	Total Score
M.W. Steele Group, Inc.	Yes	No	300
Matalon Architecture and Planning, Inc.	Yes	No	285
Salerno/Livingston Architects	Yes	No	270
Studio E Architects	Yes	No	270

Staff interviewed and evaluated the four firms and unanimously recommended the firm of M.W. Steele Group, Inc., as the top firm based on their qualifications and vast San Diego experience with similar projects.

M.W. Steele submitted an initial cost proposal to perform the services required under this contract. Negotiations were entered into which resulted in a reduction in cost of approximately 20-30% for both the initial architectural and entitlement phase (Phase I), and the design preparation and construction drawings and administration phases (Phases II & III), including sub-consultants cost (Attachment 1).

The contract will include three phases, Phases I, II & III, and allows for termination should Phase I be unsuccessful. In addition, SDHC may terminate the contract at anytime with notice without further liability to the Architect.

Outreach to the surrounding community, including the University of San Diego and the Linda Vista Community Planning Group will be undertaken to discuss the development proposal(s).

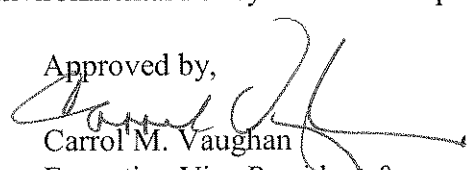
ENVIRONMENTAL REVIEW:

The proposed activity is not a project pursuant to the California Environmental Quality Act (CEQA); therefore, no CEQA environmental review is required. Because no federal funding is involved in this activity, processing under the National Environmental Policy Act is not required.

Respectfully submitted,


Steven E. Snyder
Director of Development &
Asset Management

Approved by,


Carol M. Vaughan
Executive Vice President &
Chief Operating Officer

December 12, 2008

Award of Contract for Architectural Services at Via Las Cumbres

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Attachment: 1 - Project Scope

Hard copies are available for review during business hours at the Housing Commission offices at 1122 Broadway, San Diego, CA 92101, Main Lobby and at the Office of the City Clerk, 202 C Street, San Diego, CA 92101. You may review complete docket materials on the San Diego Housing Commission website at www.sdhc.org.

Attachment 1

M.W. STEELE GROUP, INC.

325 FIFTEENTH STREET
SAN DIEGO | CA | 92101
TELEPHONE 619 238 0325
FACSIMILE 619 238 0355
WWW.MWSTEELE.COM
ARCHITECTURE | PLANNING

November 25, 2008

Steve Snyder
Mgr. of Asset Management
San Diego Housing Commission
1122 Broadway, Suite 300
San Diego, CA 92101

Re: University Canyon – Via Las Cumbres Affordable Senior: Project Scope

Project Description:

- Development of approximately 60 to 70 units of affordable senior rental apartments
- Building(s) are to be two or three story with elevator access
- Existing surplus, surface parking provided for adjacent SDHC property may be used to fulfill some of the parking requirements for the proposed development
- A revised parcel map or lot-line adjustment may be required and provided by others
- Construction staging, site access, and soil conditions are major cost considerations for this project
- Sanitary Sewer upgrades may be required
- The project will require an amendment to the Linda Vista Community Plan and a rezone to allow senior multi-family residential use
- The project will require a Planned Development Permit, in accordance with Process V

Project Consultants:

- Architecture: MW Steele Group
- Civil Engineering: Rick Engineering Company
- Geotechnical Engineering: Christian Wheeler Engineering
- Landscape Architecture: Wimmer Yamada & Caughey
- Structural Engineering: KPFF
- Environmental: Kimley-Horn & Associates
- Traffic Engineering: Kimley-Horn & Associates
- Acoustical Engineering: Kimley-Horn & Associates
- Mechanical, Electrical & Plumbing Engineering: Alliance Consulting Engineers
- Utility Consulting: Utility Specialists

Phases of Work:

We envision the following phases of work will be required to achieve the scope of work:

- **Phase I** Pre-Design, Schematic Design & Entitlement (Hourly Not to Exceed)
- **Phase II** Design Development, Construction Documents & Specifications (Stipulated Sum)
- **Phase III** Construction Administration (Hourly Not to Exceed)

Please note that we will only work at your direction; and should you choose to pause or discontinue work at any time, you are only responsible for payment of work performed to date.

Attachment 1

M.W. STEELE
GROUP, INC.

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ARCHITECTURE | PLANNING

Phase I: Pre-Design, Schematic Design & Entitlement \$225,000

Task 1: \$5,000

Pre-Design: Programming, Planning, Conceptual Design Hourly Not to Exceed

This phase begins with review of relevant zoning and building code documents, review of existing site conditions, initial discussion with city staff regarding site use if necessary, research of environmental development requirements, initial planning studies, and conceptual feasibility studies. Since a site feasibility study has already been performed by MW Steele Group, Inc., it is anticipated that additional code review and site research will not be required to perform this phase of work.

The conceptual feasibility studies will allow us to work collaboratively with you to explore the site and the design ideas that we both have. Through this exploration we will be able to determine how best to program the site and what development is possible. This phase will also provide us with the parameters for the Schematic Design. At completion of this phase we will have an agreement on program and scope of a preferred option. A preliminary engineered site survey and geotechnical investigation is crucial to the success of this stage.

Deliverables for this phase would include at a minimum: zoning and building code analysis as related to the proposed site use, map of existing site opportunities and constraints, site planning sketches, and initial building sketches.

Task 2: \$5,000

Community Plan Amendment Initiation Hourly Not to Exceed

As soon as possible and with your permission we will prepare and submit an application for a Community Plan Amendment in accordance with the City of San Diego Land Development Procedures and Submittal Requirements for Policy Approvals. This process includes a Letter of Initiation, detailing the proposed request, and a Public Notice Package. Other studies may be required after the first submittal, depending on the nature of the project and per City of San Diego requirements. These include a Drainage Study, Water & Sewer Studies, Traffic Study, Noise Report, Biological Survey, and Historical Survey. (The aforementioned studies are included in task 4). Following the submittal of the application package, we will coordinate with city staff to ensure the timely processing of the Community Plan Amendment. We will work with staff and prepare presentations to community and neighborhood groups as required, as well as meeting with the district City Council member, if appropriate.

Task 3: \$65,000

Schematic Design Hourly Not to Exceed

To assure the final project is within Substantial Conformance with the entitlements documents being prepared under this agreement, the discretionary permit exhibits must closely match the final design. Both you and the design team need to consider our decisions carefully during the design process. We should also make sure the appropriate team members have been involved to assure the project's feasibility during these early stages because of this limited future design flexibility.

This phase of work includes developing architectural floor plans, roof plans, elevations, sections and site plan for your approval, based upon the preferred option conceived in the Pre-Design phase. MWSG will require the services of consultants in order to ensure that the proposed design meets anticipated structural, utility, mechanical, electrical and plumbing needs.

Attachment 1

M.W. STEELE
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ARCHITECTURE | PLANNING

Deliverables for this phase would include at a minimum: development tabulation spreadsheet; single-line drawings including architectural site plans, building plans, building elevations, building sections; sketch perspectives; and as appropriate, a study model. Consultant deliverables include a preliminary structural foundation and framing design, a schematic design of the mechanical systems and general utility requirements, and all required landscape plans for entitlement review.

Task 4: Reports & Studies **\$85,000**
Hourly Not to Exceed

The following reports and studies will be provided during the environmental review and entitlement submittal, as required by the City of San Diego for discretionary approval:

- Noise Analysis Study Report
- Biological Study
- Cultural Resources Survey
- Environmental Checklist
- Traffic Study
- Geotechnical Investigation and Soils Report
- Concept Grading & Utility Plan
- Tentative Map
- Topography Exhibit
- Sewer Study
- Drainage Study/ Preliminary Water Quality Technical Report

Task 5: Mandatory Initial Review **\$5,000**
Hourly Not to Exceed

To utilize the city's Expedite Program for Affordable Housing we must submit and process the project through a Mandatory Initial Review (MIR). The MIR process is not a Preliminary Review, but involves a much more thorough and detailed initial review of the project prior to the project's official deemed complete date. Some of the benefits are: early initiation of the environmental review process, more opportunity to resolve environmental issues and identification and early resolution of potential project issues.

We will prepare a MIR submittal package based on the Development Services Department's requirements for completeness check. The MIR package must also include a deposit for completeness review. After city staff has determined the package complete, we will submit for a full submittal package including the required number of sets of plans, as well as fees and deposits due (paid by owner).

Submittal and application fees, city staff review fees, and permit fees are not included in this agreement.

Task 6: Planned Development Permit Submittal Preparation **\$10,000**
Hourly Not to Exceed

In order to secure the appropriate discretionary entitlement permits from the City of San Diego, MWSG will prepare the submittal documents that include application forms, calculations, site plan, floor plans, elevations, and sections. In addition, MWSG will coordinate with the consultants listed above to provide all required reports and drawings. MWSG will compile the documents required for a Planned Development Permit, Process Five.

Attachment 1

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ARCHITECTURE | PLANNING

Deliverables for this phase would include at a minimum: development permit submittal documents and application per city requirements.

Submittal and application fees, city staff review fees, and permit fees are not included in this agreement.

Task 7: CPA & Planned Development Permit Submittal Processing **\$30,000**
Hourly, Not to Exceed

Following the submittal of the application package, we will coordinate with city staff to ensure the timely processing of the permit. We will work with staff and prepare presentations for the various hearings that may be required. This includes visits to community and neighborhood groups for presentations, as well as meeting with the district City Council member, if appropriate. The amount budgeted is for city processing, which includes a first full submittal set of drawings and three additional re-submittals to city staff during the review process. It is difficult to estimate total fees for this phase of work due to the uncertain nature of community groups and public hearings. We have estimated a range to account for some of this uncertainty, but we will advise you if and when it appears that the work required to successfully obtain the development permit will exceed the expressed budget.

Submittal and application fees, city staff review fees, and permit fees are not included in this agreement.

Task 8: Community Outreach / Public Meetings & Hearings **\$20,000**
Hourly, Not to Exceed

With our knowledge of working in various communities throughout San Diego, we believe it is important to engage the community during the entire process of a project's development. As such, we anticipate public outreach will take place during all phases of work, from early concept design through Planning Commission and City Council Hearing. As we initiate the entitlements process, we will present preliminary ideas and project goals to the appropriate neighborhood groups to keep them informed and involved in the evolution of the project. This may include presentations to various groups such as the Linda Vista Community Planning Group. Due to the uncertain nature of the process and depending on the level of political support for the project, our involvement with the community and public agencies may be more or less than we have anticipated in this scope. We have provided our best estimate for this phase of work, and will advise you if and when it appears that the work required to successfully obtain the development permit will exceed the expressed budget.

Phase II: Design Development, Construction Documents & Specifications **\$500,000**

Task 1: Design Development **\$170,000**

Following an approved Preliminary Design package, we embark on a detailed design development phase of work that details all the materials, systems, design details, colors and construction costs. Our engineering consultants will develop their schematic designs during this period as well. In order to stay on schedule, we often engage in close consultant team coordination early and throughout the process to ensure we meet project milestones and go out to bid per our proposed CPM schedule. We will develop this work over a period of time that is sufficient to coordinate closely with the Housing Commission, ensuring concurrence with our work.

Attachment 1

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ARCHITECTURE | PLANNING

Deliverables for this task include fully developed and coordinated plans, elevations and sections, as well as outline specifications.

Task 2: \$300,000

Construction Documents

Construction documents will commence following an approved design development package and cost estimate. Bringing our full team into the project, we will develop the construction documents and specifications over a prescribed time frame, with your continued review, in accordance with relevant codes and regulations. The design team will contact public utility companies and city agencies early in this process. Early identification of required agency approvals and permits, including permits for hazardous materials and environmental approvals, will help us maintain the design schedule.

The final step of our cost estimating program will be in place at the completion of construction documents. Your approval of the documents and cost will be secured prior to our submitting the plans for permits and bidding.

Task 3: \$30,000

Permits & Bidding

We customarily administer the building permit process, through persistent project management and by responding to plan check requirements. This phase of work may require up to three submittals to the building department for review and approval. We often work simultaneously with the bidding phase of the project. During that phase, we make ourselves available to answer questions, providing the needed information to expedite the process, including addenda and bid documents.

Phase III: Construction Administration \$175,000

We understand the critical nature of getting information to the jobsite before it is needed. Therefore, we work to fuse industry standard methodologies, contract requirements, and team preferences to provide consistent and coordinated communication during the Construction Administration phase. We are prepared to lead, participate in, or review the following typical construction activities:

- Preconstruction meetings
- Regular on-site meetings
- Respond to the RFIs and submittals
- Compaction and materials testing
- Invoice review
- Punch lists
- Close out

SAN DIEGO HOUSING COMMISSION
REPORT OF SAN DIEGO COUNTY WORKFORCE
 Company Name M.W. Steele Group, Inc. Payroll Ending Date September 15, 2008

Occupational Category	Total Number of Employees		Caucasian Non Hispanic		African American Non Hispanic		Hispanic All Races		Asian/Pacific Islander Non Hispanic		Native American Non Hispanic		Filipino		Disabled		Total Disadvantaged	
	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F	M	F
Executive, Administrative and Managerial				1						1								
Professional Specialty		8		2			1		1									
Technicians and Related Support		1																
Sales																		
Administrative Support																		
Services																		
Precision Production, Craft and Repair																		
Machine Operators, Assemblers and Inspector																		
Transportation and Material Moving																		
Handlers, Equipment Cleaners, Helpers and Laborers																		
TOTALS			9	3			1		1									

OCCUPATIONAL CATEGORY LIST

Executive, Administrative and Management

Executive, Administrative
Management Related

Professional Specialty

Engineers, Architects, Surveyors
Mathematical and Computer Scientists
Health Diagnosing
Health Assessment and Treating
Teachers, Postsecondary
Teachers, Except Postsecondary
Counselors, Educational and Vocational
Librarians, Archivists, Curators
Social Scientists and Urban Planners
Social, Recreation and Religious Workers
Lawyers and Judges

Technicians and Related Support

Health Technologists and Technicians
Engineering and Related Technologists and Technicians
Technicians, Except Health, Engineering and Service

Sales

Supervisors and Proprietors
Sales Representatives, Finance and Business Services
Sales Representatives, Commodities Except Retail
Sales Workers, Retail and Personal Services

Administrative Support

Supervisors, Administrative Support
Computer Equipment Operators
Secretaries, Stenographers, Typists
Information Clerks
Records, Processing Except Financial
Financial Records Processing
Duplicating and Other Office Machine Operators
Communications Equipment Operators
Mail and Message Distributing
Material Recording and Distributing Clerks
Adjusters and Investigators
Other Administrative Support
Private Households
Protective Services

Services

Supervisors, Protective Services
Firefighting and Fire Prevention
Police and Detectives
Guards
Supervisors, Food Preparation and Services
Health Services
Cleaning and Building Services

Personal Services

Precision Production, Craft and Repair

Supervisors, Mechanics and Repairers
Vehicle and Mobile Equipment Mechanics and Repairers
Industrial Machinery Repairer
Machinery Maintenance
Electrical and Electronic Equipment Repairers
Heating, Air Conditioning, Refrigeration Mechanics
Other Mechanics and Repairers
Supervisors Construction
Construction Trades, Except Supervisors
Extractive Occupations
Precision Production Occupations

Machine Operators, Assemblers and Inspectors

Metalworking and Plastic Working Machine Operator
Metal and Plastic Processing Machine Operators
Woodworking Machine Operators
Printing Machine Operators
Textile, Apparel and Furnishing Machine Operators
Machine Operators, Assorted Materials
Fabricators, Assembler & Hand Working Occupations

Transportation and Material Moving

Motor Vehicle Operators
Rail Transportation Occupations
Water Transportation Occupations
Material Moving Equipment Operators

Handler, Equipment Cleansers, Helpers and Laborers

Handlers
Equipment Cleaners
Helpers
Laborers

NAME OF COMPANY: M.W. Steele Group, Inc.

ADDRESS: 325 15th Street

CITY: San Diego

STATE: California ZIP 92101

TELEPHONE NO.: (619) 230-0325

FAX NO.: (619) 230-0335

PREPARED BY: Diego Velasco

DATE: September 11, 2008