

# **EXECUTIVE SUMMARY**

**DATE ISSUED:** December 4, 2009 **REPORT NO:** HCR 09-128

**ATTENTION**: Chair and Members of the Housing Commission

For the Agenda of December 18, 2009

SUBJECT: Architectural Services for Design and Construction Monitoring at the Smart

Corner (District 2)

#### **SUMMARY:**

Davis Davis Architects, Inc. will be responsible for designing, creating construction documents, and providing construction monitoring services necessary to complete the build out of the second floor space. This contract has been procured through the sole source methodology, as Davis Davis Architects, Inc. was involved in the original design of tenant improvements at the Smart Corner.

It is anticipated that the tenant will occupy the entire second floor containing approximately 22,216 square feet of space. In order to meet a target occupancy date of October 1, 2010, it is necessary to move forward with this contract at this time. Staff anticipates requesting the approval of a tenant lease by the Housing Commission and Housing Authority sometime in late January 2010 or early February 2010.

#### STAFF RECOMMENDATION:

- 1) That the Housing Commission approves the A/E contract to Davis Davis Architects, Inc. in the fixed amount of \$99,500 plus an additional not to exceed \$10,000 to cover for reimbursable expenses for the design and construction monitoring of the second floor tenant improvements at the Smart Corner.
- 2) That the Housing Commission approves a budget revision to transfer funds from building reserves to facilities management contract consultants in the amount of \$109,500 to fund this contract.
- 3) Authorize that the President and Chief Executive Officer or designee be authorized to execute contract documents, in a form approved by General Counsel, and all necessary documents.

#### FISCAL CONSIDERATIONS:

Funding for this contract is contained in the FY10 Housing Commission budget previously approved by the Housing Commission and the Housing Authority on May 15, 2009 and June 16, 2009, respectively.

Respectfully submitted.

Steven R. Shyder

Vice President for Asset Management

Approved by,

Carrol M. Vaughan
Executive Vice President &

Chief Operating Officer



## REPORT

DATE ISSUED:

December 4, 2009

REPORT NO: HCR 09-128

ATTENTION:

Chair and Members of the Housing Commission

For the Agenda of December 18, 2009

**SUBJECT:** 

Architectural Services for Design and Construction Monitoring at the Smart

Corner (District 2)

#### REQUESTED ACTION:

Approval of a "Sole Source" architectural services (A/E) contract to Davis Davis Architects, Inc., a professional architectural firm, for design and construction monitoring of the second floor tenant improvements at the Smart Corner.

#### **STAFF RECOMMENDATION:**

- 1) That the Housing Commission approves the A/E contract to Davis Davis Architects, Inc. in the fixed amount of \$99,500 plus an additional not to exceed \$10,000 to cover for reimbursable expenses for the design and construction monitoring of the second floor tenant improvements at the Smart Corner.
- 2) That the Housing Commission approves a budget revision to transfer funds from building reserves to facilities management contract consultants in the amount of \$109,500 to fund this contract.
- 3) Authorize that the President and Chief Executive Officer or designee be authorized to execute contract documents, in a form approved by General Counsel, and all necessary documents.

#### **BACKGROUND:**

On July 23, 2003 and July 29, 2003 the Housing Commission Board and the Housing Authority, respectively, approved a Purchase and Sale Agreement (PSA) between the Housing Commission and Lankford & Associates, Inc., for the Housing Commission's new office facility located at 1122 Broadway in San Diego. Further, the Housing Authority delegated responsibility for all cardinal issues related to the acquisition of the office facility to the Housing Commission.

On November 1, 2006, the Housing Commission took title to the parking garage and office building on time and on budget. The Housing Commission occupies three of the five floors in the Smart Corner building. The ground floor and the second floor are available for lease to other organizations.

Davis Davis Architects, Inc. will be responsible for designing, creating construction documents, and providing construction monitoring services necessary to complete the build out of the second floor space. This contract has been procured through the sole source methodology (Attachment 1), as Davis Davis Architects, Inc. was involved in the original design of tenant improvements at the Smart Corner.

It is anticipated that the tenant will occupy the entire second floor containing approximately 22,216 square feet of space. In order to meet a target occupancy date of October 1, 2010, it is necessary to move forward with this contract at this time. Staff anticipates requesting the approval of a tenant lease by the Housing Commission and Housing Authority sometime in late January 2010 or early February 2010.

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## FISCAL CONSIDERATIONS:

Funding for this contract is contained in the FY10 Housing Commission budget previously approved by the Housing Commission and the Housing Authority on May 15, 2009 and June 16, 2009, respectively.

### **ENVIRONMENTAL REVIEW:**

This activity is not a project pursuant to State of California Environmental Quality Act (CEQA) Guidelines. Therefore, no CEQA processing is required. Processing under the National Environmental Protection Act is not required since no federal funds are implicated in the action.

Respectfully submitted,

Steven E. Shyder

Vice President for Asset Management

Approved by,

Carrol M. Vaughan

Executive Vice President & Chief Operating Officer

Attachments: 1) Sole Source Justification Memorandum

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 <a href="https://www.sdhc.org">www.sdhc.org</a>.



# **MEMORANDUM**

Date:

December 4, 2009

To:

File

From:

Steve Snyder, Vice President for Asset Management

Subject:

Davis Davis Architects, Inc. Sole Source Procurement Justification

In accordance with applicable HUD regulation and San Diego Housing Commission Administrative Regulation (AR203.100, paragraph 3.5), this shall serve as the Sole Source Justification in the support of the non-competitive award of contract to Davis Davis Architects, Inc. in the fixed amount of \$99,500 plus an additional not to exceed \$10,000 to cover for reimbursable expenses. Work shall include but not be limited to "comprehensive architectural consulting and construction monitoring services relating to the tenant improvements for the second floor space at the Commission's office facility located at 1122 Broadway, San Diego, and known as the Smart Corner."

AR 203.100, paragraph 3.5 (5) –"In case of consultant services, there is a bona fide requirement for the special expertise of the particular individual or firm."

Davis Davis Architects, Inc. was involved in the original design of tenant improvements at the Smart Corner Office Building at 1122 Broadway, San Diego, are intimate with the design complexity of the entire building/project, and are immediately available to do the work.

The time and cost to get a new Architect up to speed will delay the leasing of the space and will result in additional cost to the Housing Commission, which can be avoided by the utilization of the Sole Source method of procurement.

Cost and Price Analysis – This contract is a "fixed fee contract" in the amount of \$99,500 plus an additional not to exceed \$10,000 to cover for reimbursable expenses. Rates are "equal to or less than "those currently being paid by the commission in its competitively procured Architectural Services contract with M.W. Steele, Inc.

Steve Snyder

Vice President for Asset Management

D. Lawrence Clemens
Senior Vice President for Real Estate