



Legislation Details (With Text)

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Title: Resolution to Authorize a Professional Services Agreement with Interface Studio LLC for Community Visioning and Master Land Use Plan Services (RFP19-06) (\$791,737.00) (8 Votes Required)

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Attachments: 1. Proposed Amendments to CA-8.pdf, 2. RFP_19-06.pdf, 3. RFP_19-06_Addendum1.pdf, 4. PROPOSAL_Interface.pdf, 5. Interface Studio LLC PSA 12-2-19 EXT.pdf, 6. 2019 Council-Appointee Team Recommendations for the Master Plan Project_04DEC2019 - F.pdf

Date	Ver.	Action By	Action	Result
12/16/2019	1	City Council		
12/16/2019	1	City Council	Lay on the table	Pass

Resolution to Authorize a Professional Services Agreement with Interface Studio LLC for Community Visioning and Master Land Use Plan Services (RFP19-06) (\$791,737.00) **(8 Votes Required)**
 Attached for your review and consideration is a resolution authorizing a Professional Services Agreement with Interface Studio, LLC ("INTERFACE"), for \$766,737.00 for Community Visioning and Master Land Use Plan services. The total estimated project cost is \$868,410.00.

As specified in the Michigan Planning Act, the purpose of a master plan is to guide development in a manner that: is coordinated, harmonious, efficient, and economical; considers character and suitability for uses, judged in trends in land and population development; and will promote public health, safety, morals, order, convenience, prosperity, and general welfare.

The Planning Commission has recommended a full review and update to the City's Master Plan based, in part, on the following:

- The consolidated Land Use Element of the City Master Plan was adopted nearly a decade ago. While this Plan has been reviewed in an ongoing fashion, it has not evolved since adoption. The Land Use Element adoption relied primarily on recommendations made from the 1990 South Area Plan, the 1992 Central Area Plan, the 1995 West Area Plan, and the 2006 Northeast Area Plan. Today, the City's land use policies are based in analysis and community goals specified nearly 30 years ago in some instances.
- According to the Great Lakes Integrated Sciences & Assessments team, annual average temperatures have warmed by .7 degrees Fahrenheit over the last 65 years, with projection of another 5-7 degrees over the next century. Precipitation has increased by 44% over the past 65 years, and the number of heavy precipitation events has increased by 21%. Additionally, such local impacts have a likely potential to be exacerbated by migration patterns and other

regional and national impacts of climate change. Response to these trends should be prominent and fundamental to the City's Plans.

- Over time, the City has adopted eight (8) current and active Master Plans and 18 "resource documents." The combined volume of these plans make it difficult for residents, property owners, and boards and commissions to maintain a comprehensive understanding of City goals in the context of legislative recommendations and decisions.
- Affordability continues to become a more acute challenge for the City in supporting a diverse population, a robust workforce, and sustainability goals. Continuing a robust conversation on the challenges and pitfalls that face the City as it becomes less accessible by low and moderate income households, should be primary in City master plan development.
- One analysis predicts that the State of Michigan will be home to more senior citizens than children by the year 2025. Developing goals and objectives for older adults to age in place are critical to this population shift, and providing a healthy community with activity, driving alternatives, and the necessary housing stock to support our City.
- While the City's population has been relatively stable over the past decades, the estimated 2015 population of 117,303 is the highest in the City's history, coinciding with a time where the majority of vacant land within the City has been developed.
- The number of workers commuting to Ann Arbor is increasing rapidly, with the Southeast Michigan Council of Government (SEMCOG) reporting an increase of 8% from 2010 to 2013. This represents the addition of more than four (4) new commuters to the City every day in that timeframe. While the transportation plan that is beginning will address the road network, the land use decisions that the City makes will have a primary impact on the corresponding transportation challenges in the City.

Based on these same factors, staff issued RFP19-06 (RFP) to solicit proposals for community visioning and Master Plan Development. The RFP specifically sought proposals to: establish City values through stakeholder and public engagement; to propose and demonstrate success with innovative, multi-format public engagement processes, the consolidation of master plans into a more concise paper and digital product, to update land use recommendations both city-wide and in particular focus areas, develop strategies to address the specific needs of an aging population, evaluate design guidelines for development, and develop a fully prioritized implementation to successfully move from community vision to community realization.

As this work will be foundational to land use and other policies in the City's future, City staff proposed a unique evaluation method by which City staff worked systematically with representatives of the Planning Commission, the University of Michigan, and six community members, (Brian Chambers, Wendy Carman, Julie Ritter, Jeannine Palms, Dianne Brainard, and Lorri Sipes) who were selected by the Mayor and the each pair of Ward Councilmembers from the City. The combination of these individuals comprised an evaluation team of 13 members.

The determination of recommendation was made via the following process:

11 proposals were received in response to the RFP. One of these proposals was determined to be non-responsive to the RFP as the proposal did not adequately address the identified work scope and provided inadequate commitment to public engagement.

Prior to distribution of 10 written proposals to the evaluation team, the team met and identified particular areas of interest, factors, or other aspects that could be utilized to evaluate the professional

qualifications, past involvement with similar projects, and proposed work plan. These were provided back to the evaluation team, who then individually evaluated the written proposals. Numeric scores for written proposals were identified by each reviewer, then assembled and discussed by the evaluation team as a group. Based on the written proposals, the evaluation team selected the top five scoring teams to interview for further evaluation. These teams included Clarion Associates, Farr and Associates, Interboro Partners, Interface Studio, and SmithGroup.

The interviews were conducted over several weeks. Each interview comprised of several hours with three defined segments: 1) presentation by the consultant team highlighting work scope and qualifications, 2) a question and answer segment where the team was asked questions developed by the evaluation team, and 3) an open segment where the consultant team was facilitate a discussion on additional questions or follow up to previously discussed topics. As staff was aware that evaluation team members would be missing two scheduled interviews, these two interviews were video-recorded and distributed to evaluation team members to review individually.

At the conclusion of the interview process, evaluation team members scored the teams numerically on each of the three interview segments. As these numeric scores were aggregated and discussed at an evaluation team meeting, the group recommended selection of Interface Studio to perform these services for the City.

While this evaluation process emphasized consultant expertise, experience, and responsiveness to the scope of services, the recommended consultant, INTERFACE, cost proposal of \$549,447.00 was approximately \$60.00 higher than the second ranked proposal.

Since recommendation of INTERFACE by the evaluation team, staff is recommending the following scope refinements to the originally submitted scope of services based on feedback from the evaluation team:

- Increased project coordination
- A comprehensive public engagement database of input
- Additional stakeholder interviews (up to 90 from previous up to 50)
- Three additional open houses
- Additional plan summary products after adoption
- Creation of a neighborhood outreach team
- Creation of topic-area working groups to support plan and/or steering committee
- Removal of Power Marketing Research as sub-consultant and reallocation of costs (this formerly Ann Arbor-based partner is relocating to another state)

Several members of the evaluation team highly recommended inclusion of a statistically valid community survey be included in the scope. While this is included as a potential task on the revised cost estimate (\$80,000.00), City staff is not recommending this task nor including it in the contract amount proposed. The challenge of developing a statistically valid questionnaire with the complexity of land use policy is not seen as a productive cost/benefit. Staff believes that a varied and extensive public engagement process can provide the foundation on which the Planning Commission and City Council can ultimately rely upon for approval of a final product.

The proposed scope changes result in an increase in contract amount to \$766,737.00. In addition, allocations are requested for a project contingency equal to 10% of the contract amount (\$76,673.70)

for any identified scope adjustments through the course of this multi-year project, as well as an additional \$25,000.00 allocation to Planning Services to support the work. This allocation will be used to supplement this work for costs such as food/beverages for public meetings, additional printing/publishing/postage costs, hiring ancillary contractors (i.e. artists, facilitators, etc.), or other expenses that will enable the City to effectively conduct and complete this project.

Summary of Costs:

- \$766,737.00 Professional Services Contract with INTERFACE
- \$76,763.00 Contingency for contract scope adjustments if determined desired
- \$25,000.00 Allocation to Planning Services for project support
- *\$868,410.00 Total Project Cost*

Budget/Fiscal Impact: Funding for this project was allocated in FY20 General Fund in the amount of \$500,000.00 to support this project. It is requested that this allocation be increased to \$868,410.70 for FY20.

Attachments: RFP19-06 and Addendum 1
Interface Studio - Original Written Proposal and Cost Estimate
Professional Services Contract (with revised scope and Cost)

Prepared By: Brett Lenart, Planning Manager

Reviewed By: Derek Delacourt, Community Services Administrator

Approved By: Howard S. Lazarus, City Administrator

Whereas, The City adopts policies and ordinances to guide the physical development of the City;

Whereas, The City's land use development ordinances are based upon the policies and goals set forth in the City's Master Plan;

Whereas, Based on community, regional, and larger trends it is an appropriate time to undertake a comprehensive review and update of the City's Master Plan;

Whereas, In response to RFP19-06, the City received 11 proposals and undertook a vigorous evaluation process to select a qualified consultant team led by Interface Studio, LLC and presented this proposal and the need for a budget amendment to City Council for its consideration;

Whereas, Council previously included funding in an amount of \$500,000 in FY20 to support this work;

Whereas, City staff negotiated scope changes from the original proposal to better meet the needs of the City; and

Whereas, Interface Studio, LLC is in compliance with the requirements of the City's Non-Discrimination and Living Wage Ordinances;

RESOLVED, That the City Council approve the Professional Services Agreement with Interface Studio LLC in the amount of \$766,737.00 for Community Visioning and Master Land Use Plan;

RESOLVED, That a contract contingency amount of \$76,673.00 be established and appropriated from the FY20 General Fund fund balance to the Planning Department FY20 budget, and that the City Administrator be authorized to approve change orders to the professional services agreement

with Interface Studio, LLC not to exceed \$76,673.00 in order to satisfactorily complete the project;

RESOLVED, That City Council approve a \$25,000.00 appropriation from the FY20 General Fund fund balance to the Planning Department FY20 budget to be used for community engagement purposes (e.g., meeting food and beverage costs, community meeting childcare costs, printing and postage, registration fees for events to promote public engagement, art or branding development, etc.) or other services to ensure satisfactory completion of this project;

RESOLVED, That the City Council appropriate \$266,737.00 from the FY20 General Fund fund balance to the Planning Department FY20 budget for the additional contract amount with Interface Studio LLC;

RESOLVED, That any unspent FY20 City Master Plan Update and Review Funding in the General Fund Planning Department budget carry forward to FY21 and future years (as necessary), and be made available without regard to fiscal year;

RESOLVED, That all amounts authorized herein be available without regard to fiscal year;

RESOLVED, That the Mayor and City Clerk be authorized and directed to execute said agreements after approval as to form by the City Attorney and approval as to substance by the City Administrator; and

RESOLVED, That the City Administrator be authorized to take the necessary administrative actions to implement this resolution including execution of any authorized renewals, contracts associated with expenditures authorized herein, and any changes or amendments that do not exceed the contingency amount.