



CITY OF POMONA COUNCIL REPORT

December 17, 2018

To: Honorable Mayor and Members of the City Council

From: Linda Lowry, City Manager

By: Kirk Pelser, Deputy City Manager

Subject: **Approval of a Contract Amendment to the Professional Services Agreement with Tierra West Advisors for Economic and Feasibility Services Pertaining to the Downtown Parking Structure and Maya Cinema Projects, in the Amount of \$25,000, for a Total Contract Amount of \$104,500.**

OVERVIEW

Recommendation - That the City Council approve an amendment (see Attachment) to the existing Professional Services Agreement with Tierra West Advisors to allow for continued economic and project feasibility services in the amount of \$25,000 regarding development of a Downtown Parking Structure and the Maya Cinema Project.

Fiscal Impact – Funds for the amendment are available as follows:

- \$12,500 from Capital Improvement Program (CIP) Project “Downtown Parking Structures,” Account No. 441-6725-52285-73368 (Controllable Contract Services)
- \$12,500 from the Vehicle Parking District (VPD) Operating Budget, Account No. 230-9200-52285-00000 (Controllable Contract Services).

Previous Actions –

On April 17, 2018, the City Council approved an amendment for additional work to the Tierra West contract in the amount of \$50,000.

On March 10, 2016, the Vehicle Parking District engaged Tierra West Advisors to provide strategic consulting and analysis for development of several downtown projects including Maya Cinemas, The Charles Company’s mixed-use proposal, and a Downtown parking structure. The original contact amount was \$29,500.

EXECUTIVE SUMMARY

The recommended City Council action is to approve an amendment to the existing Tierra West Advisors Professional Services Agreement in the amount of \$25,000. The amendment will provide additional economic and project feasibility services and analysis as well as implantation with property disposition and development for a Downtown parking structure, a multi-screen theater complex and a potential land exchange. These projects involve the sale, exchange and development of City/VPD properties as well as use of former RDA bond proceeds to move the Parking Structure project forward.

DISCUSSION

Currently active, and potential projects, in the downtown that involve sale of City/VPD land and negotiation of various agreements trigger the need for expert real estate transactional analysis services. The original Tierra West contract was for \$29,500. On April 17, 2017, the City Council approved a contract amendment for \$50,000 for ongoing services related to negotiating the Maya Cinema Disposition & Development Agreement (DDA) as well as a possible Development Agreement with The Charles Company and for various services associated with the downtown Parking Structure Projects.

The Maya DDA was approved by the City Council in August 2018. As implementation of the Maya project proceeds, there will be an ongoing need for Tierra West's services relating to Maya Cinema's anticipated New Market Tax Credit allocation and for aspects of the design and implementation of the Parking Structure. Union Pacific Rail Road currently owns a portion of the planned Parking Structure site, and Tierra West has been assisting the City with negotiations to acquire needed property from the Railroad. It is necessary to continue Tierra West Advisors' services for an additional amount of \$25,000, bringing their total contract amount to \$104,500.

Attachment: Tierra West Professional Services Amendment dated October 9, 2018