



CITY OF INGLEWOOD
OFFICE OF THE CITY MANAGER



DATE: July 23~~November XX5~~, 2019

TO: Mayor and Council Members

FROM: Economic and Community Development Department

SUBJECT: Third Amendment to CEQA Funding Agreement No. 18-055 with Murphy's Bowl LLC, to Fund the Costs of certain Legal Activities and Services Required or Contemplated by that certain Amended and Restated Exclusive Negotiating Agreement (ENA) to be Performed by certain Third Party Legal Consultants at the Request and on the Behalf of the City with Regard to the Proposed Development of a National Basketball Association Arena and Associated Facilities (Project) near the Intersection of Prairie Avenue and Century Boulevard

RECOMMENDATION:

It is recommended that the Mayor and Council Members take the following actions:

- 1) ~~Third Amendment to Agreement No. 18-055 with Murphy's Bowl LLC to include an additional \$1,345,204.73X XXX XXX XX1,570,204.73 to cover certain additional City costs and activities associated with hiring third party consultants necessary to provide certain environmental legal activities and services on behalf of the City as required and/or contemplated by the ENA (Corrected 2nd Amendment to Agreement No. 18-055);~~
- 1)2) ~~Amend Agreement No. 18-055 with Murphy's Bowl LLC to include an additional \$2,870,994.60 to cover certain additional City costs and activities associated with hiring third party consultants necessary to provide certain environmental legal activities and services on behalf of the City as required and/or contemplated by the ENA (3rd Amendment to Agreement No. 18-055);~~
- 2) ~~Third Amend ment to~~ Agreement No. 18-056 with ESA (Environmental Science Associates) to include an additional \$X XXX XXX1,836,988 to amend the Phase II scope and cost, and ~~increase the cost by \$1,229,430 to provide Phase III scope and cost;~~
- 3) ~~Second Amendment to Agreement No. 18-057 with Trifiletti Consulting Inc. to include an additional \$XXX XXX XX130,006.06 to provide Phase III scope and cost;~~
- 5) ~~Third Amendment to Agreement No. 18-058 with RMM (Remy Moose Manley LLP) to include an additional \$XXX XXX XX804,000 to amend the Phase II scope and cost;~~
- 6) Approve a Professional Services Agreement (\$90,000) with Gordon Anderson to provide project management services;
- 3) Adopt a ~~corrected~~ resolution amending the Fiscal Year 2018-2019 Budget;
- 7) ~~Adopt a resolution amending the Fiscal Year 2019-2020 Budget.~~
- 8) Adopt a resolution amending the Fiscal Year 2019-2020 Budget.

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~~***MINDY AS A REMINDER, YOU INDICATED A CORRECTION WAS NEEDED FOR THE PRIOR BUDGET ACTION.***~~

BACKGROUND:

On August 15, 2017, the City Council, the City of Inglewood as Successor Agency to the Former Redevelopment Agency, and the Inglewood Parking Authority approved an Exclusive Negotiating Agreement (ENA) with Murphy's Bowl LLC.

On December 19, 2017, the City Council approved CEQA Funding Agreement No. 18-055 (Murphy's Bowl LLC), Professional Services Agreement No. 18-056 (Environmental Science Associates), and Professional Services Agreement No. 18-058 (Remy Moose Manley) to fund the cost of environmental implementation activities and environmental legal services with regard to the proposed development of a National Basketball Association arena and associated facilities.

On April 10, 2018, the City Council approved a first amendment to CEQA Funding Agreement No. 18-055 and Professional Services Agreement 18-056 to increase the total cost of the agreements in order to include Phase II of the environmental implementation consultant work scopes.

On July 23, 2019, the City Council approved a second amendment to CEQA Funding Agreement No. 18-055 and Professional Services Agreement 18-056 to increase the total cost of the agreements for additional costs related to Phase II of the environmental implementation consultant work scopes.

DISCUSSION:

Pursuant to the terms of the ENA, the City is charged with performing certain implementation activities as part of its negotiations with the Developer and the preparation of a disposition and development agreement providing for the proposed development of the Project. As the City does not have the specific expertise to carry out all its ENA obligations, it hires certain third party consultants to perform or provide such implementing activities.

City staff and the consultant team began preparation of the environmental documentation in December 2017. On February 20, 2018, the City released the Notice of Preparation of an Environmental Impact Report for the Project.

~~As indicated above, on July 23, 2019, City Council approved a second amendment to the CEQA Funding Agreement to cover additional costs associated with various consultant's' Phase II scopes of work. Since that time, additional costs have been determined to be needed to complete Phase II scopes and to provide for Phase III scopes of work as follows: ESA and its subconsultants (\$X,XXX,XXX,XX1,836,988); Trifiletti Consulting Inc.(\$XXX,XXX,XX130,006.06); Remy Moose Manley (\$XXX,XXX,XX804,000); and by, Gordon Anderson (\$50,00090,000). Since beginning work on the environmental analysis for the project, it has been determined that~~

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additional services and costs are required by: David Stone (\$47,074.73); Amy Herman (\$18,700); Gordon Anderson (\$50,000); Remy Moose Manley (\$225,000); and by ESA and its subconsultants (\$1,229,430), related to preparation of the environmental document. The proposed ~~second~~ third amendment to CEQA Funding Agreement No. 18-055 shall provide for the advance of funds to cover the additional cost of the Phase II work and proposed Phase III work. The total increase to the CEQA Funding Agreement (18-055) is \$1,345,204.73 ~~XXX XXX XX2,870,994.60~~.

Since July 23, 2019, when the City Council approved the second amendment to the funding agreement, staff has determined that there was a typographic error in the Budget Amendment Resolution. As such, the Council is requested to approve a corrected Budget Amendment Resolution to correctly reflect that the Second Amendment to Agreement 18-055 increased the amount by \$1,570,204.73.

FINANCIAL/FUNDING ISSUES AND SOURCES:

Upon approval of the Second Amendment to CEQA Funding Agreement and adoption of the resolution amending the Fiscal Year 2018-2019 budget, Murphy's Bowl LLC will deliver funds in the amount of \$1,570,204.73 to be deposited into Fund Account Code No. 300.100.A002.

Upon approval of ~~the~~ ~~Second-Third~~ Amendment to CEQA Funding Agreement and adoption of the resolution amending the Fiscal Year ~~2018~~ ~~2019-2019~~ ~~2020~~ budget, Murphy's Bowl LLC will deliver funds in the amount of \$1,345,204.73 ~~XXX XXX XX2,730,273~~ to be deposited into Fund Account Code No. 300.100.A002. Consultant invoices will continue to be paid from Account No. 300.100.A002.4486 (CONTRACT SERVICES).

MINDY AS A REMINDER, YOU INDICATED A CORRECTION WAS NEEDED FOR THE PRIOR BUDGET ACTION.

LEGAL REVIEW VERIFICATION:

Administrative staff has verified that the legal documents accompanying this report have been submitted to, reviewed and approved by the Office of the City Attorney.

LEGAL REVIEW VERIFICATION: _____

Administrative staff has verified that this report, in its entirety, has been submitted to, reviewed and approved by the Office of the City Attorney.

BUDGET REVIEW VERIFICATION:

Administrative staff has verified that this report, in its entirety, has been submitted to, reviewed and approved by the Budget Division.

FINANCE REVIEW VERIFICATION: _____

Administrative staff has verified that this report, in its entirety, has been submitted to, reviewed and approved by the Finance Department.

DESCRIPTION OF ANY ATTACHMENTS

Attachment 1: Amendment to Funding Agreement No. 18-055, Murphy's Bowl LLC (2nd)

Attachment 2: ~~Second-Third~~ Amendment to CEQA Funding Agreement No. 18-055 ~~by and between City and~~, Murphy's Bowl LLC (3rd)

Attachment 3: ~~Second-Third~~ Amendment to Agreement No. 18-056 ~~by and between City and~~, ESA

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- Attachment 34: Second Amendment to Agreement No. 18-057 by and between City and Trifiletti Consulting Inc.
- Attachment 45: Third Amendment to Agreement No. 18-058, by and between City and RMM
- Attachment 6: Professional Services Agreement, Gordon Anderson (Remy-Moore-Monley LLP)
- Attachment 36: Corrected Resolution for Budget Amendment, FY 2018-2019
- Attachment 7: Resolution for Budget Amendment, FY 2019-2020

APPROVAL VERIFICATION SHEET

PREPARED BY:

Christopher E. Jackson, Sr., Economic and Community Development Director
Mindy Wilcox, AICP, Planning Manager

COUNCIL PRESENTER:

Mindy Wilcox, AICP, Planning Manager

DEPARTMENT HEAD APPROVAL:

Christopher E. Jackson, Sr., ECD Director

CITY MANAGER APPROVAL:

Artie Fields, City Manager