



# CITY OF INGLEWOOD

## OFFICE OF THE CITY MANAGER



**DATE:** December 17, 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**

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### **RECOMMENDATION:**

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

- 1) Approve the Third Amendment to CEQA Funding Agreement No. 18-055 with Murphy's Bowl LLC to include an additional \$1,616,958.60 to cover certain City costs and activities associated with the Phase III Scope of Services provided by third party consultants necessary to provide certain environmental and legal services on behalf of the City as required and/or contemplated by the ENA based on the following:
  - a. Fourth Amendment to Agreement No. 18-056, with ESA (Environmental Science Associates) to include an additional \$1,004,952.00, for Phase III scope and cost;
  - b. Second Amendment to Agreement No. 18-057, with Trifiletti Consulting Inc. to include an additional \$130,006.60, for Phase III scope and cost;
  - c. Third Amendment to Agreement No. 18-058, 2019, with RMM (Remy Moose Manley LLP) to include an additional \$432,000.00 for Phase III scope and cost;
  - d. First Amendment to Agreement No. 20-049, Gordon Anderson to include an additional \$50,000.00, to continue to provide project management services which includes Phase III;
  - e. Payment of invoices in the amount of \$\_\_\_\_\_ to RMM to cover Phase II costs incurred during October, November, and December 2019.

- 2) Adopt a resolution amending the Fiscal Year 2019-2020 Budget.

**BACKGROUND:**

On August 15, 2017, the City Council, the City of Inglewood as Successor Agency to the Former Inglewood Redevelopment Agency, and the Inglewood Parking Authority approved an Amended and Restated 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, "ESA"), Professional Services Agreement No. 18-057 (Trifiletti Consulting Inc., "Trifiletti"), and Professional Services Agreement No. 18-058 (Remy Moose Manley, "RMM") to fund certain costs of environmental implementation activities and environmental legal services with regard to the proposed development of a National Basketball Association arena and associated facilities (the "Project").

On April 10, 2018, the City Council approved a First Amendment to CEQA Funding Agreement No. 18-055 and Professional Services Agreement 18-056 with ESA and 18-058 with Remy to increase the total cost of their respective consultant agreements in order to fund Phase II of the environmental implementation consultant work.

On July 23, 2019, the City Council approved a Second Amendment to CEQA Funding Agreement No. 18-055 and Professional Services Agreement 18-056 with ESA to increase the total cost of the agreements for additional costs related to Phase II of the environmental implementation consultant work; however, while the ESA agreement was executed, the Second Amendment to CEQA Funding agreement was not executed by Murphy's Bowl LLC.

On November 19, 2019, the City Council approved a n Amended and Restated Second Amendment to CEQA Funding Agreement No. 18-055; along with a Third Amendment to Agreement No. 18-056 (ESA), Second Amendment to Agreement No. 18-058 (RMM), and a Professional Services Agreement No. 20-049 with Gordon Anderson to initially fund and/or increase the total costs of their respective consultant agreements related to the additional costs of the Phase II environmental implementation work. In addition to the above consultant agreements, the Amended and Restated Second Amendment to Funding Agreement No. 18-055 also provided funding for the Amy Herman (ALH) and Stone Planning short form agreements previously approved by the City.

**DISCUSSION:**

Pursuant to the terms of the ENA, the City is charged with performing certain implementation activities with respect to the negotiation and preparation of a disposition and development agreement for the proposed development of the Project. When 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 obligations.

Pursuant to such third party hiring and assistance, 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 November 19, 2019, City Council approved an Amended and Restated Second Amendment to the CEQA Funding Agreement to cover certain additional consultant costs associated with the Phase II work. The draft Project EIR is ready to proceed to Phase III environmental impact analysis process. The Third Amendment to the CEQA Funding is for Phase III work to be performed by the following consultants: ESA and its subconsultants (\$1,004,952.00); Remy Moose Manley (\$432,000); Trifiletti Consulting Inc. (\$130,006.60); and Gordon Anderson (\$50,000). The proposed Third Amendment to CEQA Funding Agreement No. 18-055 shall provide for a total additional increase to the CEQA Funding Agreement (18-055) of \$1,616,958.60. (see Murphy's Bowl CEQA Funding Agreement Analysis)

**Murphy's Bowl CEQA Funding Agreement Analysis**

<b>CONSULTANT</b>	<b>CEQA Funding Agreement (No. 18-055) December 19, 2017</b>	<b>First Amendment to CEQA Funding Agreement (No. 18-055) April 10, 2018</b>	<b>Second Amended and Restated CEQA Funding Agreement (18-055) November 19, 2019</b>	<b>Proposed Third Amendment to CEQA Funding Agreement (No. 18-055) Phase III December __, 2019</b>
ESA*	\$188,418.00	\$2,228,032.00	\$2,061,466.00	\$1,004,952.00
RMM*	\$325,000.00		\$577,000.00	\$432,000.00
Trifiletti*	\$75,000.00	\$354,701.10	\$0.00	\$130,006.60
Anderson*			\$100,000.00	\$50,000.00
ALH*			\$18,700.00	\$0.00
Stone*			\$47,074.73	\$0.00
<b>TOTAL</b>	<b>\$588,418.00</b>	<b>\$2,582,733.10</b>	<b>\$2,804,240.73</b>	<b>\$1,616,958.60</b>

\*Includes reimburseables

**FINANCIAL/FUNDING ISSUES AND SOURCES:**

Based upon approval of the Third Amendment to CEQA Funding Agreement and adoption of the resolution amending the Fiscal Year 2019-2020 budget, Murphy's Bowl LLC will deliver funds in the amount of \$1,616,958.60 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).

**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.

**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: Third Amendment to Funding Agreement No. 18-055, Murphy's Bowl LLC
- Attachment 2: Fourth Amendment to Agreement No. 18-056, ESA
- Attachment 3: Second Amendment to Agreement No. 18-057, Trifiletti Consulting Inc.
- Attachment 4: Third Amendment to Agreement No. 18-058, RMM
- Attachment 5: First Amendment to Agreement No. 20-049, Gordon Anderson
- Attachment 6: 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:**

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Christopher E. Jackson, Sr., ECD Director

**CITY MANAGER APPROVAL:**

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Artie Fields, City Manager