



## REPORT TO CITY COUNCIL

**To:** Honorable Mayor and Members of the City Council

**From:** Jason Simpson, City Manager

**Prepared by:** Damaris Abraham, Interim Assistant Community Development Director

**Date:** April 11, 2023

**Subject:** **Amendment No. 2 to the Professional Services Agreement with Sagecrest Planning & Environmental**

### **Recommendation**

Approve and authorize the City Manager to execute Amendment No. 2 to the Agreement for Professional Services with Sagecrest Planning & Environmental, LLC for additional services to prepare California Environmental Quality Act (CEQA) compliance documents for a total contract amount not to exceed \$72,900, in final form as approved by the City Attorney.

### **Background**

The City entered into the original Professional Services Agreement on December 7, 2021, for \$29,100 to prepare CEQA documentation for the Evergreen Commercial Development project under the City Manager's signature authority to evaluate the environmental impacts of the project. The cost of preparing the environmental analysis is paid for by the project applicant (Evergreen Development) through the application fee process.

On July 26, 2022, the City Council approved Amendment No. 1 to the Professional Services Agreement for additional services not exceed \$36,500, bringing the total compensation under the Agreement to a contract amount not to exceed for \$65,600. Amendment No. 1 included additional services to incorporate peer review for the Air Quality, Greenhouse Gas, and Noise Impact Analysis reports and to complete the Initial Study and associated tasks to prepare the CEQA document for public review and public hearings.

## **Discussion**

The applicant has submitted an entitlement application for the proposed development of an integrated grocery-anchored shopping center in two phases. The first phase consists of a gas station, a 4,088 sq. ft. convenience store, a 3,000 sq. ft. drive-thru restaurant, and a 4,116 sq. ft. drive-thru automated car wash. Phase 2 includes the development of a freestanding 43,050 sq. ft. grocery store and a 3,000 sq. ft. drive-thru restaurant. The project will also have a comprehensive sign program for the shopping center. The proposed project is located on an approximately 8.87-acre vacant site at the southeast corner of Central Avenue and Cambern Avenue (APNs: 377-020-014, 016, 017, 018, and 019).

Several technical studies have been prepared for the proposed project, including a Traffic Report, Air Quality/Greenhouse Gas Emissions Report, Noise Report, Hydrology Report, Biological Resources Report, Cultural Resources Report, Phase 1 Environmental Site Assessment, Energy Report, Geotechnical Report, and Preliminary Water Quality Management Plan.

Sagecrest prepared an Initial Study/Mitigated Negative Declaration (IS/MND) that was circulated for public review and comment between from September 12, 2022 to October 12, 2022. Sagecrest has been working with the City and the Applicant to respond to the comments received during the public comment period. Amendment No. 2 is being requested in order to respond to all the comments received and to prepare the Final IS/MND. Compensation for the additional services provided under Amendment No. 2 will not exceed \$7,300, bringing the total compensation under the Agreement, as amended, to a contract amount not to exceed \$72,900.

## **Fiscal Impact**

The cost of preparing the environmental review will be paid by fees collected from the developer through the City's cost recovery program. All administrative staff time and consultant costs are paid from the applicant's fees. No General Fund budgets will be allocated or used for the completion of the CEQA documents for the project.

## **Attachments**

Attachment 1 – Amendment No. 2  
Exhibit A – Proposal  
Attachment 2 – Amendment No. 1  
Attachment 3 – Original Agreement