



Council Agenda Report

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

Prepared by: Richard Mollica, Planning Director
Patricia Salazar, Development and Operations Manager

Reviewed by: Joseph D. Toney, Assistant City Manager

Approved by: Steve McClary, City Manager

Date prepared: June 6, 2024 Meeting date: June 10, 2024

Subject: Amendment No. 2 to Services Agreement with Rincon Consultants, Inc. Expedited Contract Planning Services

RECOMMENDED ACTION: Authorize the Mayor to execute Amendment No. 2 to Professional Services Agreement with Rincon Consultants, Inc. for expedited contract planning services related to the Cross Creek Ranch shopping center development agreement.

FISCAL IMPACT: There is no fiscal impact associated with the recommended action. The costs for the services are being paid from funds deposited by Cross Creek Ranch Malibu, LLC (Developer).

WORK PLAN: This item is part of the day-to-day operations identified in the Adopted FY 2023-24 Strategic Priority Project List.

DISCUSSION: The Cross Creek Ranch shopping center (formerly known as La Paz Ranch) was developed pursuant to a development agreement¹ that provided a number of benefits to the City. The development agreement included a provision to expedite planning entitlement and permits related to the project. Section 5.5 states as follows:

¹ The Development Agreement was approved by the City Council on November 24, 2008 and was subject to approval by the California Coastal Commission. Documents related to the La Paz Ranch project approvals are available at malibucity.org/crosscreekranch.

CITY Processing of Permit Applications On An Expedited Basis. The CITY shall expedite the processing of all permits needed for the Preferred Project at LA PAZ's expense, including, but not limited to, all plan checking, excavation, grading, building, encroachment and street improvement permits, certificates of occupancy, utility connection authorizations, and other permits or approvals necessary, convenient or appropriate for the grading, excavation, construction, development, improvement, use and occupancy of the Projects in accordance with the CITY's accelerated plan check process under the Applicable Rules. Without limiting the foregoing, if requested by LA PAZ, the CITY agrees to utilize contract planners and plan checkers (at LA PAZ's sole cost), and any other reasonably available means, to expedite the processing of Project applications and approvals, including concurrent processing applications by various CITY departments.

In September 2023, the City entered into a settlement agreement with the Developer which among other things tolled the expiration date of the development agreement to August 14, 2024. Concurrently, the Developer began to file applications to the Planning Department for processing.

Due to the urgency of the matter, in September 2023, the City solicited the assistance of Rincon Consultants, Inc. for expedited contract planning services to process planning clearances, sign permits, tenant improvements, tenant outdoor lighting applications, and conditional use permits.

To begin work, the City authorized Rincon to proceed under its existing agreement for planning contract services. However, to not encumber appropriation meant for the planning contract services, staff is requesting that the Council amend Section 4.0 (Compensation for Services) to clarify that the services related to Cross Creek Ranch shall be funded by deposits for services made by the Developer. The amendment adds the following language to Section 4.0 to clarify the terms: "...and work performed on expedited-planning review services for the Cross Creek Ranch Malibu shopping center shall not exceed the amount required for the project which has deposited by the applicant in order for the City to reimburse Consultant" Making this distinction will maintain the City's ability to utilize Rincon for regular contract planning services through the term of the agreement without depleting the existing not to exceed amount based on work related to the Cross Creek Ranch development.

Staff recommends the City Council approve the amendment to maintain services.

ATTACHMENTS: Amendment No. 2 to Professional Services Agreement with Rincon Consultants, Inc.

AMENDMENT NO. 2 TO AGREEMENT

THIS AMENDMENT NO. 2 TO AGREEMENT is made and entered in the City of Malibu on June 10, 2024, by and between the CITY OF MALIBU, hereinafter referred to as City, and Rincon Consultants, Inc., hereinafter referred to as Consultant.

The City and the Consultant agree as follows:

RECITALS

- A. On October 26, 2022, the City entered into an Agreement with Consultant for contract planning services (the “Agreement”).
- B. On November 28, 2022, the City approved Amendment No. 1 to Agreement to increase the compensation.
- C. The City desires to amend the Agreement to include services related to expedited planning entitlements for the Cross Creek Ranch Malibu (formerly known as La Paz Ranch) shopping center pursuant to Section 5.5 (City Processing of Permit Applications On An Expedited Basis.) of the Malibu City Council Ordinance No. 330, approved by the Coastal Commission on March 10, 2010, and recorded as Document No. 20150150136 on February 10, 2015, (“Development Agreement”), and amended by the Settlement Agreement recorded as Document No. 20230610838 on September 13, 2023, and Consultant has submitted a proposal for this purpose that is acceptable to the City.

NOW THEREFORE, in consideration of their mutual promises, obligations and covenants hereinafter contained, the parties hereto agree as follows:

- 1. Section 4.0 – Compensation for Services, of the Agreement, is hereby amended:

4.0 COMPENSATION FOR SERVICES. The City shall pay the Consultant for its professional services rendered and costs incurred pursuant to this Agreement in accordance with the Scope of Work attached as Exhibit A. The cost of services shall not exceed \$275,000 for contract planning services; and work performed on expedited-planning review services for the Cross Creek Ranch Malibu shopping center shall not exceed the amount required for the project which has deposited by the applicant in order for the City to reimburse Consultant. No additional compensation shall be paid for any other expenses incurred, unless first approved by the City Manager, or his designee.
- 2. The Parties agree that this Amendment will be considered signed when the signature of a party is delivered physically or by facsimile transmission or scanned and delivered via electronic mail. Such facsimile or electronic mail copies will be treated in all respects as having the same effect as an original signature.
- 3. All terms and conditions of the Agreement not amended by this Amendment No. 2 remain in full force and effect.

This Agreement is executed on _____, at Malibu, California, and effective as of June 10, 2024.

CITY OF MALIBU:

STEVE UHRING, Mayor

ATTEST:

KELSEY PETTIJOHN, City Clerk
(seal)

APPROVED AS TO FORM:

THIS DOCUMENT HAS BEEN REVIEWED
BY THE CITY ATTORNEY'S OFFICE

TREVOR RUSIN, Interim City Attorney

CONSULTANT:



By: JENNIFER HADOW
Title: Vice President