



City of Arts & Innovation

City Council Memorandum

TO: HONORABLE MAYOR AND CITY COUNCIL **DATE: MARCH 12, 2024**

FROM: OFFICE OF THE CITY MANAGER **WARDS: ALL**

SUBJECT: APPROVAL OF A NO-COST TIME EXTENSION (AMENDMENT NO. 2) TO A PROFESSIONAL SERVICES AGREEMENT WITH ECONOMIC AND PLANNING SYSTEMS, INC., FOR COMPLETION OF ANALYSES RELATED TO AN ECONOMIC AND FISCAL IMPACT STUDY OF THE UNIVERSITY OF CALIFORNIA AT RIVERSIDE CAMPUS

ISSUE:

Approval of a no-cost time extension (Amendment No. 2) to a Professional Services Agreement with Economic and Planning Systems, Inc., for additional time to complete analyses related to an economic and fiscal impact analysis of benefits and impacts of the University of California at Riverside (UCR) campus in relation to its adopted Long Range Development Plan.

RECOMMENDATIONS:

That the City Council:

1. Authorize a Second Amendment (no-cost extension) to a Professional Services Agreement (Exhibit A) with Economic and Planning Systems, Inc., to complete analyses related to an economic and fiscal impact study of benefits and impacts of the UCR campus in relation to its adopted Long Range Development Plan (LRDP); and
2. Authorize the Assistant City Manager, of designee, to execute a Second Amendment to a Professional Services Agreement with Economic and Planning Systems, Inc., making minor corrections as necessary.

BACKGROUND:

UCR and Riverside have enjoyed a strong long-term partnership and over the last 18 months have engaged in substantive discussions regarding Campus, impacts on the surrounding neighborhoods and larger city, and the need to potentially partner on service cost offsets, if necessary and justified by objective data. To assist in discussions, the City choose to hire an experienced consultant team to obtain objective analysis and data on the economic benefits versus City costs to serve the UCR campus.

DISCUSSION:

On April 7, 2022 the City issued RFP # 2173 seeking a consultant with an economic development cost analysis background to complete an analysis of the approved LRDP associated with the UCR campus. Economic and Planning Systems, Inc., (EPS) and found to be both responsive and competitively priced. The analysis will better inform long-term discussions between the City and UCR regarding long-range campus growth and development. The ultimate goal is to ascertain a balanced and informed partnership for cost recovery related to campus growth related to direct/indirect impacts on municipal services. The City Council approved an Agreement with EPS on July 5, 2022. The original Agreement with EPS was due to expire in July of 2023, but was extended by six months (Amendment #1). The Second Amendment proposed here would extend the Agreement to June 30, 2024 (end of the current fiscal year).

The analysis proposed by EPS will be broad and complex, but generally covers the economic impact of UCR on Riverside, including direct, indirect, and induced Impacts; UCR's net impact on City finances; and the Role of increasing UC enrollment and staffing on the City's housing market and neighborhood conditions. City staff expects that all aspects of the EPS project will be completed by the end of the current fiscal year.

Purchasing Resolution No. 23914, Section 1104(d) states that, "Unless otherwise specifically authorized by the Awarding Entity, Change Orders which cumulatively exceed the following will require Awarding Entity approval, (d) A Contract Amendment which extends the term of the agreement beyond one year of the original expiration date."

Purchasing Manager concurs that the recommendation is in accordance with Purchasing Resolution No. 23914.

STRATEGIC PLAN ALIGNMENT:

This item aligns the Envision Riverside 2025 Strategic Plan as providing, "High Performing Government," especially Goal 5.4 to maintain fiscal health by addressing gaps between revenues and expenditures.

This report also touches the five cross-cutting threads:

1. **Community Trust** – Developing service equity with UCR will serve the public interest by potentially freeing additional funding elsewhere in the municipal budget that can be used in expanding programs and completing projects with external funding; benefiting the City's diverse populations, and result in greater public good.
2. **Equity** – Outside funding can be used to allow more City departments to be creative and competitive for grants, resulting in a more equitable distribution of funding opportunity that can reach populations citywide.
3. **Fiscal Responsibility** – The City ensures to maximize outcomes in usage of Campus offset funds as a way to lessen pressure on the General fund.
4. **Innovation** – This funding provides the City with the ability to create an innovative program for building capacity with the result in receiving greater external funding.
5. **Sustainability & Resiliency** – Riverside builds capacity to allow more departments to

apply for grants, and compete for funding that allows the City to adaptively address resident needs.

FISCAL IMPACT:

There is no fiscal impact related to this item as this is a time extension only and requires no additional compensation.

Prepared by: Jeff McLaughlin, Grants Administrator
Certified as to
availability of funds: Kristie Thomas, Finance Director/Assistant Chief Financial Officer
Approved by: Rafael Guzman, Assistant City Manager
Approved as to form: Phaedra Norton, City Attorney

Attachment: Professional Consulting Services Agreement – Amendment No. 2