



CITY OF GARDEN GROVE
P3 PROJECT FEASIBILITY AND
PROJECT MANAGEMENT
CONSULTING SERVICES
GARDEN GROVE CIVIC CENTER
PROJECT
BEST AND FINAL OFFER SUBMISSION UPDATE

Project Finance Advisory, Limited

May 04, 2022
Updated June 16, 2022



Project Finance Advisory Limited (“PFAL”) appreciates the opportunity to submit this Best and Final Offer (“BAFO”) in response to the City of Garden Grove’s (“the City”) letter dated April 20, 2022. We are delighted that we have been selected as a finalist for the P3 Feasibility and Project Management Consulting Services contract. Before responding to the City’s requests for clarification, we want to reiterate some of the strengths of our team and its capabilities.

- PFAL leads an **all-star team** that we assembled specifically to meet the needs of the City to successfully deliver the new Public Safety Facility. Our teams includes all the necessary disciplines and experience to successfully deliver the park revisioning and affordable housing. PFAL, HOK, HR&A, Dharam Consulting, and Altus Group are highly respected and are at the top of their respective fields, and we have worked together before to successfully deliver public-private partnerships (“P3s”). From directly relevant P3 advisory services and public safety facility design to enabling the development of placemaking outdoor spaces like the Highline in Manhattan, this team’s experience and capability is unparalleled. By selecting this team, the City will deliver the most cost-effective results and send a strong signal to the market that the City is receiving good advice from people and firms who are the best in the business.
- PFAL’s **project management philosophy** matches the City’s needs and objectives: we facilitate your work by pro-actively leading project teams, coordinating with the City’s team and managing the right experts to give the City the best information to make decisions while maintaining schedule and budget discipline. PFAL’s leadership is invested in your success and our record of accomplishment demonstrates that we can successfully deliver your project.
- We aim to help the City **control costs** while achieving your redesign objectives. This will be accomplished through careful attention to defining the project scope to avoid scope creep later, relying on expert input (including a current and comprehensive cost database) to develop realistic cost estimates for the construction, operations, and maintenance of the new City facilities, identifying revenue and cost savings opportunities, and in later phases challenging developer costs to ensure best value to the City. We are a **creative and dynamic team** of professionals who are committed to supporting the City’s project team in meeting your goals and objectives.
- An **agnostic and unbiased approach** to analyzing delivery methods with experience across the universe of available alternatives. Collectively our team has delivered projects using the full range of delivery methods and we have deep knowledge of the costs and benefits of each approach. With an awareness of the political and decision-making context, we strive to identify the right fit for each client and their specific project or capital investment and real estate asset development program.
- HOK’s **experience with Public Safety Facilities** is unmatched and includes successfully navigating government approval processes in challenging environments. Both HOK and HR&A bring creative experience and deep knowledge in implementing housing and open space planning strategies.
- We are ready to execute the City’s form of contract included in the RFP (Request for Proposal) and **begin work immediately**.

PHASE 1 – P3 PROJECT FEASIBILITY

1. UPDATE WORKPLAN. PROJECT SCOPE ANTICIPATES THE FEASIBILITY ANALYSIS OF UP TO THREE (3) ALTERNATIVE SITES TO ACCOMMODATE A NEW PUBLIC SAFETY FACILITY INCLUDING THE EXISTING SITE IDENTIFIED IN THE 2020 DEWBERRY REPORT.

Here we have provided additional detail on our previously submitted workplan to incorporate the City’s guidance on the various opportunity sites. We have incorporated the City’s most pressing concerns that were expressed during the interview and BAFO process. The PFAL team will conduct its work with the goal of satisfying the City’s objectives as stated in the RFP, to control costs and deliver the new Public Safety Facility and ancillary projects on time and on budget.

In Phase 1, we will consolidate all the relevant information that, in turn, will be analyzed with a view to recommending an optimal procurement and project delivery strategy.

First: upon being engaged, and in collaboration with the City, PFAL will establish our project management protocols. We will schedule a standing, weekly project management call with the City’s project team, schedule internal advisory team calls, set up a data room/file sharing system for the City project team and advisory team, develop an Active Issues list template which will serve as a living document to track and resolve the strategic and tactical actions needed to progress the Public Safety Facility, revisioned Civic Center Park, and housing project/s, and refresh the project schedule as needed. These living documents will be managed by PFAL and maintained in the data room where they will be readily available for review by all team members.



PFAL will take a pro-active approach to driving the project schedule forward, keeping the team focused on meeting deadlines, and maintaining the budget.

We will also perform our work with a view to developing defensible recommendations: our deliverables will help the City determine the path forward and be integrated into the City’s decision-making process. Reports and analysis will be written so that any recommendations and decisions made can be justified to internal stakeholders as well as the public.

Second: the advisory team will build on the City’s existing information, which is expected to include but is not limited to a review of the following material as well as a briefing from the City project team on the key issues and findings of these past efforts as described below:

- Dewberry 2020 report
- Active Downtown Plan
- Parks, Recreation & Facilities Master Plan and three (3) conceptual plans
- Active Streets Master Plan
- Measure O data
- Downtown Parking Management Plan
- Re:Imagine Garden Grove
- Housing unit report

At our “Goals and Objectives” meeting described below, PFAL will request that the City brief us on the key information that we should take away from the above reports, and we will focus on the content deemed by the City to be most critical to the completion of our work. In reviewing these documents and in discussions with the City, the team will consider the following:

1. Is the information and analysis current or is additional information needed, are the programming needs for the Public Safety facility post-COVID defined? Importantly, we will want to identify that the Dewberry conclusions are still intact and supported by decision makers so that new programming requirements are not introduced into the Public Safety Facility later as we conduct our work. This validation process is a crucial element of cost control and will include a review of all capital cost estimates in the original Dewberry report to ensure that capital costs are current and reflect prevalent market conditions.
2. Are the past assessments comprehensive?
3. What are the opportunities that have not been identified to help project feasibility?

At the conclusion of the review period, PFAL will lead an internal call with the consulting team to consolidate the salient points from the past studies and consolidate the list of areas where additional information may be necessary.

Third: PFAL will hold a “Confirm Goals and Objectives” meeting with the City project team to confirm our team’s key findings and to listen to staff’s perspectives on the project definition, goals and objectives, and any information that might be known to staff that was not incorporated in past studies. We will use this meeting to discuss any concerns around different delivery methods (such as design-build or DBFOM) to understand if and why any options should be ruled out from consideration. We will also be prepared to share images from recent public safety facilities to solicit the City’s reactions to certain concepts.

Fourth: PFAL has assigned specific deliverables to each of our partners and will coordinate to ensure the City is getting the most creative, cost-effective, and experience-based solutions that achieve the City’s goals.

- PFAL will confirm the City’s space needs and perform a review of available funding and financing options for the Public Safety Facility, re-visioned park, and parking facilities.
- HOK will perform site fit massing for 2 site options identified by the City, including an assessment of the opportunities to expand/revision Civic Center Park.
- Dharam will provide high-level cost estimates for construction and operations & maintenance based on the 2 massing studies.
- PFAL will then align available funding to the potential costs in a financial model that will incorporate the full lifecycle cost estimates for the Public Safety Facility, revisioned park, and parking facilities.
- PFAL will develop a site evaluation matrix to score and rank the 2 different sites based on criteria to be agreed with the City (such as cost, transit access, programming, etc.).

- HR&A will provide high-level input on the operations & maintenance cost and governance structures for the re-visioned park with a view to including the Civic Center Park in the Public Safety Facility development, including:
 - Evaluate potential operating costs for a high-quality urban park based on a high-level benchmarking exercise
 - As part of the overall delivery model recommendations, provide input on the optimal governance structure to leverage funding sources, and maintain park amenities to good standards. Options may include City led operations, creation of a new non-profit entity, or partner with the P3 developer, among others.
- PFAL will also conduct a qualitative analysis to develop a recommendation on procurement strategies.
- PFAL will be available throughout the project delivery process to work with City staff, elected officials, Placeworks, and other stakeholders in a supporting role for any other necessary meetings to ensure a comprehensive public involvement and stakeholder engagement process will support a successful procurement.

We understand that past operations and maintenance costs will not be assessed as part of our work and that the City is looking to our team to define a market standard cost framework for the projects' full lifecycle.

Fifth: we will help facilitate a site visit to one of HOK's recent public safety facility projects for City staff to provide up-to-date examples of contemporary design and operational approaches. This will likely take the form of an un-hosted (City-led) visit to the Manhattan Beach Police & Fire and/or the Orange County Fire Operations and Training Center.

Simultaneously with the work described above, we will coordinate with the City and Placeworks on the ongoing public engagement strategy. We anticipate monthly calls, preparation of presentation materials, and presentation at two public meetings. This will be important given the anticipated transition in Police Department leadership, community sentiment on the duck pond, neighborhood business interests in parking, and impacts of new housing on neighborhood parking.

Sixth: The outcome of this work will be a business case report, which will explain:

- **WHY** the new facilities are needed
- **WHAT** the project is (defining the project/s the City is seeking to deliver)
- **WHEN** the project/s can be delivered based on a specific delivery strategy
- **WHERE** the project/s should be located
- **HOW** the project/s can be delivered, which will address affordability and a recommended procurement approach

If desirable by the City, to accelerate the City's review of the full suite of analysis and recommendations, and to encourage socialization and acceptance of the key elements of the report with City stakeholders on an expedited basis, the PFAL team can deliver drafts of the separate components of the report as they are available. We anticipate that the final Business Case report will be organized as follows:

- Project rationale
- Goals and objectives
- Project definition
- Sites and costs
- Funding and financing
- Schedule
- Recommended delivery option

Separately, HR&A will also review and evaluate the opportunity for housing development at 11391 Acacia Parkway, including market, financial and delivery implications, and related tradeoffs.

- HR&A will work with the City and PFAL team to develop two development scenarios for the site, which may include a combination of market rate, mixed income (inclusionary), and 100% affordable components. The scenarios will consider the City's policy goals, available resources, market considerations and regulatory constraints such as the Surplus Land Act.
- HR&A will conduct a high-level market scan to benchmark prevailing rents, product types and potential absorption estimates.
- HR&A will then derive land value for the development scenario based on comparable transactions and map out the potential funding sources and uses to identify funding gap/surplus (if any). HR&A will also provide considerations regarding potential for bundling/unbundling of the housing component into the P3 transaction.

Finally, PFAL and HR&A will collaborate on producing a memo report that summarizes the team's findings and recommends a path for procurement of the preferred housing development option (i.e., securing an independent affordable housing developer or approach forms of bundling).

2. PLEASE PROVIDE AN UPDATED TASK(S) AND DELIVERABLE SUMMARY FOR FEASIBILITY ANALYSIS AND PROJECT SCOPE TO INCLUDE UP THE PUBLIC SAFETY FACILITY (UP TO 3 ALTERNATIVE SITES), EXPANSION OF CIVIC CENTER PARK, AND ANALYSIS OF POTENTIAL AFFORDABLE HOUSING AT 11391 ACACIA PARKWAY (OWNED BY THE GARDEN GROVE HOUSING AUTHORITY).

PFAL's work plan contemplates the following deliverables in Phase I:

Administrative:

- Establish Project data room/file share
- Monthly progress reports
- Project Management tool: Active Issues list
- Project procurement schedule

Project deliverables:

- Two (2) massing sketches showing site fits for the Public Safety Facility, parking, and Civic Center Park; one (1) draft, one (1) final for each of the two (2) sites, with space needs adjustments as needed
- Finance and funding report (detailing available funding and financing options including but not limited to Measure O, ARPA (American Rescue Plan Act) Funding, Bond Capacity, P3 financing)
- Business Case Report (detailing technical, commercial, financial, and legal feasibility and affordability) including a recommendation for the procurement method that best meets the City's goals and objectives, including a recommendation on the governance structure for the Civic Center Park and the procurement strategy for the preferred housing development option. The report will also include recommendations for concepts to consider for the existing police station. If desired by the City, the components of the Business Case Report can be delivered as available as described above.
- Qualitative site evaluation matrix to rank the preferred site alternative.
- Financial model showing concept cost estimates for the full project lifecycle, other selection criteria for each of the two (2) sites assuming one delivery strategy for the Public Safety Facility and Civic Center Park, set up to run sensitivities

3. DETAIL YOUR PROJECT MANAGER'S EXPERIENCE WITH P3 PROJECT ENTITLEMENTS RELATED TO BOTH CEQA (CALIFORNIA ENVIRONMENTAL QUALITY ACT) AND NEPA (NATIONAL ENVIRONMENTAL POLICY ACT).

David Gloss has direct experience with CEQA and NEPA processes, having most recently been the point person for liaising with Sonoma County's environmental permitting team and leading information exchanges with the federal government on the dual NEPA and CEQA processes being considered for the Sonoma County Government Center. David is well versed in all steps of the planning and environmental process necessary for project delivery, including managing and oversight of public involvement and stakeholder engagement teams, interagency coordination, definition of project purpose and need, alternatives analyses, evaluation of environmental impacts, and mitigation strategies. David has worked previously in environmental planning roles for various California projects including the Sonoma-Marina Area Rail Transit ("SMART") commuter rail project in Northern California. For the SMART Project, David's work included drafting environmental documentation of the Federal Transit Administration NEPA process through work on the Alternatives Analysis as well as Draft and Final Environmental Impact Statement/Environmental Impact Report under NEPA/CEQA. David's work also supported the drafting of

various environmental documents such as Environmental Assessment/Initial Study level work, Categorical Exclusions, and EIR/EIS level work for clients in Southern California and Illinois including LA Metro, Illinois Department of Transportation Prairie Parkway, Chicago Transit Authority, Red Line Extension Project, Yellow Line Extension Project, and Orange Line Extension Project. David also assisted the Maryland Department of Transportation to ensure necessary NEPA documentation was complete for project procurement for the 16-mile light rail transit P3 project.

Also, from a project procurement standpoint in the government building sector, David worked with staff from Miami-Dade County to ensure environmental, planning, permitting, and entitlements were in place from a lender/due diligence perspective for the successful procurement of the Miami-Dade County Courthouse project in southern Florida.

In addition to David's experience, various members of the project team have experience working through CEQA/NEPA processes on projects. Caroline Judy completed a NEPA process on a fuel cell project in Santa Clara County and on other energy efficiency projects under 2009 ARRA (American Recovery & Reinvestment Act) projects. Caroline also has experience navigating the challenges of CEQA litigation, having recent experience on a County property sale effort in Sonoma.

Our backgrounds and familiarity with NEPA and CEQA processes, and in particular the benefits of dual tracking these processes, will help us anticipate issues in this workstream. David and the PFAL team will be able to manage the City's consultant who would lead the NEPA/CEQA process.

4. DETAIL THE ANTICIPATED NUMBER OF MEETINGS INCLUDING BUT NOT LIMITED TO, PROJECT MEETINGS, INTERNAL AND EXTERNAL STAKEHOLDER MEETINGS, PUBLIC MEETINGS INCLUDING PLANNING COMMISSION AND CITY COUNCIL.

The meetings contemplated in our budget and scope are as follows:

- Kick-off meeting
- Confirm Goals and Objectives Meeting (City project team + stakeholders)
- Weekly standing video calls with City team, 1 meeting per month in person
- Internal consulting team bi-monthly standing calls
- Monthly calls with Placeworks/City outreach team
- 4 presentations of findings to City staff, Planning Commission and City Council
- Public presentations (2) at Placeworks-led meetings
- Attendance at 2 additional public meetings

5. UPDATE TIMELINE FOR IMPLEMENTATION OF PHASE I TASKS

Our updated timeline for Phase I is as follows:

Garden Grove Public Safety + Park + Housing														
Proposed Timeline for Delivery of services		Week	1	2	3	4	5	6	7	8	9	10	11	12
TASKS	Time (weeks)	Start Date	1-Aug-22	8-Aug-22	15-Aug-22	22-Aug-22	29-Aug-22	5-Sep-22	12-Sep-22	19-Sep-22	26-Sep-22	3-Oct-22	10-Oct-22	17-Oct-22
			12											
Collate and review relevant project material	2		█	█										
Develop and maintain project schedule and priority issues list	1			█	█	█	█	█	█	█	█	█	█	█
Site and program review	2				█	█								
Review/confirm estimated costs, revenues, system financing, funding	10				█	█	█	█	█	█	█	█	█	█
Financial/cash flow modeling showing cost estimates	8				█	█	█	█	█	█	█	█	█	█
Site fit and massing	2					█	█							
Funding and finance review & affordability analysis, report	7						█	█	█	█	█	█	█	█
Public Safety Facility site visit	2				█	█								
Delivery method identification, business case report	4											█	█	█
City approval to commence procurement	1													█
Stakeholder buy-in, presentations to city staff, council, and public	12		█	█	█	█	█	█	█	█	█	█	█	█
Housing reports review, analysis, and letter report	7		█	█	█	█	█	█	█	█	█	█	█	█

6. PROVIDE A SEPARATE COST AND BUDGET SUMMARY OF TASKS FOR EACH SUBCONTRACTOR(S) AND/OR PROJECT TEAM MEMBER FOR IMPLEMENTATION AND COMPLETION OF PHASE 1 TASKS.

The City has requested an expansion in our proposed scope to include the Civic Center Park revisioning and housing analysis. Our full team has tried to be as cost-efficient as possible in this update fee proposal. Our pricing is aggressive for the scope of work we have committed to provide, but we are certain we can deliver as promised for the proposed scope at the proposed fee level.

The following key assumptions have been used to develop the detailed budget for the “core” scope of work for Phase 1:

- The Dewberry Report is wholly reliable. The fees are thus reflective of the Public Safety space needs program with limited program updates/validation (e.g., remote work office changes).
- Site fit / massing diagram and associated cost estimate is limited to one draft and one final iteration for the two alternative locations. Any conceptual design work falls under the optional scope.
- Financial model will incorporate no more than 3 combinations of variables (i.e., sensitivities).
- Written memos and reports require no more than 2 sets of revisions.
- Public engagement is managed by the City directly. The PFAL Team would work alongside the City’s public and stakeholder involvement team and support that work for the project including for the environmental review processes and throughout the Procurement processes.

#	Task Description	Lead Firm	Original Proposal Budget	BAFO Budget
1	Collate and review relevant project material	PFAL + HOK + HR&A	\$6,600	\$5,900
2	Review Civic Center Park master plan and conceptual designs	HOK		\$6,300
3	Develop and maintain project schedule and priority issues list	PFAL	\$1,500	\$1,500
4	Review and confirm program	HOK		\$7,200
5	Review and confirm estimated costs, revenues, system financing, funding	PFAL	\$5,980	\$5,980
6	Financial/cash flow modeling	PFAL	\$9,260	\$9,260
7	Funding and finance review – analysis and report	PFAL	\$5,170	\$5,170
8	Business case – analysis and report incorporating housing development option	PFAL	\$12,030	\$12,030
9	Project Management (meetings, advisor coordination, Q&A, invoicing, etc.)	PFAL	\$6,540	\$6,540
10	Meeting participation, stakeholder buy-in + public engagement meeting attendance	PFAL + HOK	\$7,710	\$15,810
11	Evaluating Existing Project Data (Cost-related)	Dharam	\$1,925	\$1,925
12	Evaluate and provide PSB and Central Park capital cost opinion and high-level construction schedule.	Dharam	\$3,010	\$3,010
13	Site specific massing (PSF and Park), decreased to 3 sites, increased to include Civic Center Park	HOK	\$24,300	\$16,650
14	Civic center park O&M (Operations & Maintenance) costs and governance	HR&A		\$11,418
15	Site identification	HR&A	\$5,000	\$0
16	Site visit to HOK Public Safety Building	HOK + PFAL		\$770
17	Provide concept recommendations on future re-use/decommissioning of the current police station facility with preliminary schematic for 1 option	PFAL + HOK		\$10,455
18	Budget Contingency			\$15,000
	<i>Public Safety and Civic Center Park Subtotal</i>		<i>\$89,025</i>	<i>\$134,918</i>
19	Housing - market scan	HR&A		\$15,070
20	Housing - financial analysis	HR&A		\$11,070
21	Housing - Affordable housing analysis & recommendations	HR&A + PFAL		\$20,390
	<i>Housing Subtotal</i>			<i>\$46,530</i>

PHASE 2 – PROCESS OF PROCUREMENT

1. IF MARKET SOUNDING IS IDENTIFIED WITHIN YOUR RESPECTIVE PROPOSAL, THE CITY'S REPRESENTATIVE WILL BE PART OF ALL DISCUSSIONS AND MEETINGS. PLEASE INCLUDE THIS ACKNOWLEDGEMENT WITHIN YOUR BFO PROPOSAL.

Yes, City representatives will be part of all discussions and meetings. A market sounding has several benefits, two of which are: (1) explaining the project to the market and generating enthusiasm while sharing information to help well-qualified teams form early and (2) to help build consensus among owner stakeholders and to provide information and education to City staff.

2. DETAIL THE RFQ (REQUEST FOR QUALIFICATIONS) PROCESS OF PROCUREMENT AND ANTICIPATED PROCESS FOR IMPLEMENTATION.

The RFQ process in Phase 2 will be informed by the conclusions and recommendations in Phase 1. Therefore, we have provided a description of several potential methodologies that could be deployed during this Phase. Importantly, Phase 2 could be amended to incorporate the procurement of a housing developer. For purposes of this BAFO, we have focused specifically on describing the process to identify a developer to design and build the Public Safety Facility and revised Civic Center Park.

The important deliverables during Phase 2 are:

Evaluation Criteria	PFAL will work with the City early on to develop the evaluation criteria that will be used to assess qualifications and proposals. Putting this work at the front of the procurement helps to align stakeholder views about what the City is looking for in its P3 partner and how they will be selected.
Procurement Documents	PFAL will work in close conjunction with the City's engineer, technical staff, lawyers, and the end users of the facility to help the City define and draft the RFQ and RFP and drop-down documents such as Technical Requirements and performance specifications. These documents will shape the procurement and impact the competitive dynamics that will drive value.
DB contract and/or full Project Agreement	Ideally, this document will allocate financial and technical risks to the Project parties best able to manage those risks. The team, along with the City's lawyers and possible external counsel, will play an active role in ensuring that the City's interests are protected while looking to allocate delivery risks in the most efficient manner.
Evaluation	The team will have an active role in evaluating proposals, helping to determine whether the submittals are compliant, and facilitating evaluation of the proposals along the pre-agreed criteria.

As the scope of the Project and the associated procurement strategy that will be adopted in Phase 2 are contingent on the decisions in Phase 1, the pattern of meetings with the City will be determined once Phase 1 has been concluded. It is likely, however, that the team will participate in confidential, in-person, meetings to support the City as it negotiates the Project documentation with the shortlisted bidders.

Potential Delivery Method – Example Procurement Schedule Comparison Chart

Option 1 Traditional Delivery	Option 2 DBFOM Hard Bid Delivery	Option 3 DBF PDA Delivery
CEQA review begins/preferred site identified	CEQA review begins/preferred site identified	CEQA review begins/preferred site identified
Draft evaluation criteria, RFQ, RFP, and DB Contract	Draft evaluation criteria, RFQ, RFP including Project Agreement and performance specifications	Draft evaluation criteria, RFQ, and Project Agreement including performance specifications
Initiate DB Hard Bid Procurement – issue RFQ		
Approve Hard Bid, RFQ shortlist	Approve and initiate DBFOM Hard Bid Procurement – issue RFQ	Initiate Predevelopment Agreement (PDA) Procurement – RFQ release
Shortlist reviews and selection	Shortlist reviews and selection	Approve PDA RFQ shortlist
		Issue PDA RFP
CEQA review ends, site confirmed	CEQA review ends, site confirmed	CEQA review ends, site confirmed
Issue Hard Bid RFP	Issue Hard Bid RFP	Proposal Development
Proposal Development	Proposal Development	PDA Proposal Due Date
Hard Bid Proposal Due Date		
Evaluate; select preferred proposer; award	Proposal Due Date	Evaluate; select preferred proposer; award
Finalize, approve, and execute DB Agreement	Evaluate; select preferred proposer; award	Negotiate, approve, and execute PDA with selected Developer Scope and budget adjustments as needed
	Finalize and execute DBFOM Project Agreement	PDA phase work begins (including negotiation of DBF Project Agreement)
Financial Close Notice to Proceed Design & Construction Commences	Financial Close Notice to Proceed Design & Construction Commences	Scope and budget adjustments as needed
		Finalize DBF Agreement Approve and execute DBF Agreement
		PDA Phase Work ends Financial Close Notice to Proceed Design & Construction Commences
Occupancy DATE TBD (based on construction period)	Occupancy DATE TBD (based on construction period)	Occupancy DATE TBD (based on construction period)

4. PROVIDE A SEPARATE COST AND BUDGET SUMMARY OF TASKS FOR EACH SUBCONTRACTOR(S) AND/OR PROJECT TEAM MEMBER FOR IMPLEMENTATION AND COMPLETION OF PHASE 2 TASKS.

The outcomes of the Phase 1 work will determine the procurement scope and strategy for subsequent phases (Phases 2-5). Given the unknown conclusions of Phase 1, Phase 2 and 3 Budgets are estimates based on our experience delivering these services.

(i) Phase 2

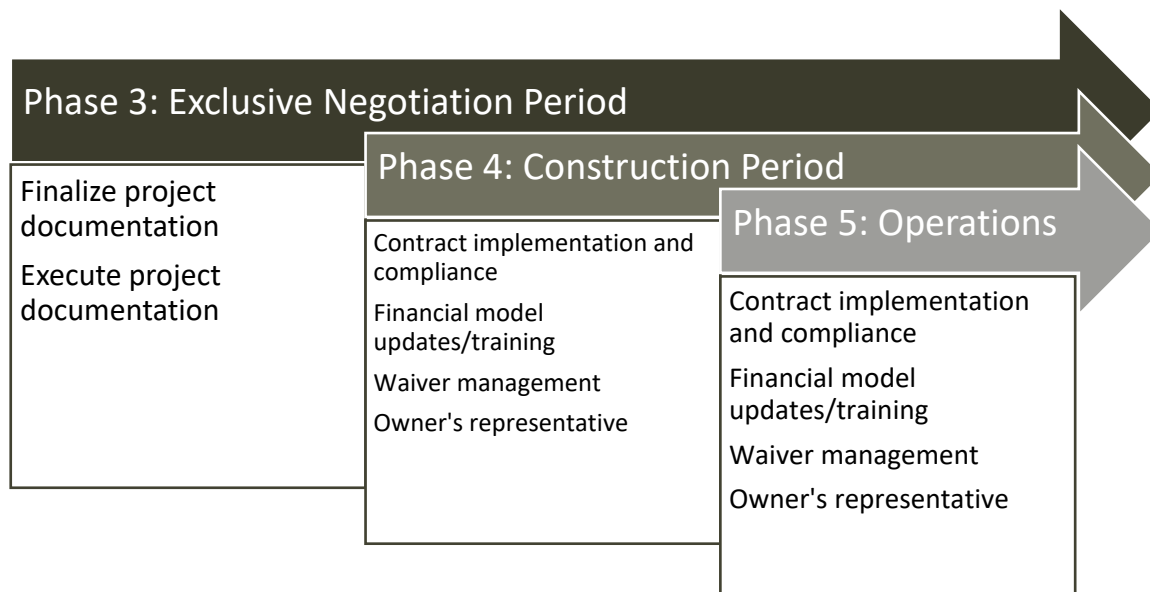
As is typical, we anticipate that the soft costs associated with a Design Build project delivery will constitute approximately 12-15% of the total project cost, and these will vary depending on the contract terms. The project management support that would be provided by the PFAL team (including program, design, commercial, and technical support) typically constitutes 3-4% of the total project cost. Here we have provided a rough indication of costs based on Option 1 and Option 2. These costs are indicative only and subject to refinement depending on the size and scale of the project as well as the selected delivery option.

#	Task Description	Lead Firm	Option 1 Task Indicative Budget	Option 2 Task Indicative Budget
1	Undertake market outreach, RFI and convention circuit to gather feedback and publicize project	PFAL	\$15,000	\$15,000
2	Develop RFQ	PFAL	\$50,000	\$75,000
3	Prepare grant/federal financing alternatives	PFAL	\$15,000	\$15,000
4	Prepare dataroom for bidders	PFAL	\$1,000	\$1,000
5	Launch RFQ	PFAL	\$10,000	\$10,000
6	Review qualification packages	PFAL	\$20,000	\$60,000
7	Development of RFP and PA	PFAL	\$50,000	\$125,000
8	Manage dataroom	PFAL	\$2,500	\$5,000
9	Launch RFP and PA	PFAL	\$5,000	\$10,000
10	Negotiate PA with bidders	PFAL	\$20,000	\$100,000
11	Review and evaluate proposals/facilitate selection	PFAL	\$25,000	\$125,000
12	Stakeholder buy-in including preliminary schematics	PFAL + HOK	\$15,000	\$20,000
13	Technical input to procurement documents, performance specifications, technical evaluation	Altus	\$75,000	\$100,000
14	Update Project Cost ROM and proposed construction schedule	Dharam	\$30,000	\$30,000
15	Develop RFQ/RFP project cost evaluation criteria	Dharam	\$30,000	\$40,000
16	Performance Specifications	HOK	\$5,000	\$10,000
17	Proposal requirements	HOK	\$5,000	\$15,000
18	Respond to RFIs - not to exceed hours	PFAL + HOK	\$10,000	\$20,000
19	High-level Proposal compliance review for design intent	HOK	\$5,000	\$10,000
20	Attend first round confidential meeting (2 days)	HOK	\$10,000	\$10,000
21	Develop real estate issues	HR&A	\$0	\$20,000
Total			\$398,500	\$816,000

PHASES 3, 4, AND 5

The Execution Stage itself comprises three phases: (i) Phase 3 – the Exclusive Negotiation Period; (ii) Phase 4 – the Construction Period; and (iii) Phase 5 – Operations. The prior Preparation Stage culminated in the selection of a preferred bidder. In Phase 3, we will finalize the terms of the Project documentation and will end with execution of these documents at a commercial/financial close. From beginning to end, Phase 3 is estimated to last 24 weeks (about 5 and a half months). Phases 4 and 5 represent post-close phases of the procurement. The team’s tasks at this point are focused on helping the City to implement and enforce the contract to ensure performance of maintenance and operations requirements. The figure below summarizes:

Figure 1 - Phases of the Execution Stage



The following table summarizes the tasks, deliverables, timing requirements of each phase within the Execution Stage.

Table 1 - Task Breakdown of Phases in the Execution Stage

Phase	Tasks	Deliverables	Estimated Timing Requirements
Phase 3	<ul style="list-style-type: none"> ▪ Negotiate PA with preferred bidder ▪ Finalize Program Design ▪ Finalize Plan of Financing ▪ Finalize Construction & O&M arrangements ▪ Finalize Project Documentation 	<ul style="list-style-type: none"> ▪ Final PA ▪ Commercial/financial close 	24 weeks
Phases 4 and 5	<ul style="list-style-type: none"> ▪ Contract implementation and compliance ▪ Financial model updates/training ▪ Waiver management ▪ Owner's representative ▪ Enforcement of performance requirements 	<ul style="list-style-type: none"> ▪ Training ▪ Waiver assessment/recommendations ▪ Owner's representative reports 	To be confirmed

6. CONCLUSION

The team constituents, PFAL, HOK, Altus Group, HR&A, and Dharam Consulting, afford the City excellent qualifications across the four essential disciplines of procurement advice: financial/commercial, technical, design, and development. The team can draw on the broadest and deepest cross section of highly relevant experience to help the City determine the most appropriate procurement strategy; one that will deliver best value and is manageable within the City's requirements.

On behalf of the wider team, PFAL thanks the City for the opportunity to work on the Garden Grove Civic Center Project.

APPENDICES

APPENDIX I – OPTIONAL ADDITIONAL SCOPE ITEMS

APPENDIX II – STAFF RATES 2022

APPENDIX III – HIGHLINE EXPERIENCE

APPENDIX IV – SAN FRANCISCO CRIME LAB & POLICE STATION

APPENDIX I

Optional Additional Scope Items

WORK PLAN – PHASE (1) OPTIONAL SCOPE

To present a budget that is both responsive to the RFP and cost effective, PFAL has proposed a Phase (1) Core Scope of Work that is dependent on specific assumptions. Our experience tells us that certain additional services may be attractive to the City for community and stakeholder engagement, project definition, and support for the recommended project delivery method. Here we presented these optional items to give the City choices and a reasonable expectation around the fee implications of additional services.

- Value-for-Money (VfM) Study
- Risk Assessment
- Risk Review/Workshop (Public Safety)
- Risk Review/Workshop (Parks/Open Spaces)
- Risk Review/Workshop (Affordable Housing)
- Design Visioning Session - in person (Owner)
- Program Validation - remote (Owner)
- [Additional] Site test fit - remote (Owner)
- Architectural Room data sheets - remote (no engineers)
- Program Narratives
- Co-ordination Meetings (HOK and PFAL)
- Iterative design process support / Risk analysis / Ownership, governance, and delivery analysis / P3 suitability test and VFM analysis
- Public realm capital funding
- Public realm programming and governance
- Real estate market analysis
- Real estate financial analysis
- Affordable housing analysis

APPENDIX II

Staff Rates



STAFF RATES - 2022

Vice President/Engagement Lead	PFAL	\$320
President/Project Oversight, Deputy Project Manager	PFAL	\$350
Managing Director/Procurement Strategist	PFAL	\$340
Manager/Model Lead	PFAL	\$300
Associate/Analyst and Modeler	PFAL	\$290
Director/Technical Lead	Altus	\$315
Senior Director/Technical Advisor	Altus	\$415
Director/Technical Advisor	Altus	\$300
Associate Director/Technical Advisor	Altus	\$275
Senior Cost Consultant/Technical Advisor	Altus	\$240
Cost Consultant/Technical Advisor	Altus	\$175
Director	Dharam	\$210
Director	Dharam	\$210
Senior Consultant	Dharam	\$175
Principal in Charge	HOK	\$380
Project Manager	HOK	\$250
Planner Programmer	HOK	\$350
Lead Designer	HOK	\$320
Structural Engineer	HOK	\$310
Mechanical Engineer	HOK	\$205
Electrical Engineer	HOK	\$230
Plumbing Engineer	HOK	\$215
Security	HOK	\$315
Sustainability	HOK	\$230
Specifications	HOK	\$260
Partner	HR&A	\$450
Partner	HR&A	\$450
Principal	HR&A	\$395
Director	HR&A	\$345
Senior Analyst	HR&A	\$255
Analyst	HR&A	\$200
Partner	HR&A	\$450

APPENDIX III

Highline Experience



Determining the Economic Benefit of Transforming the High Line

CLIENT

Friends of the High Line

LOCATION

New York, NY

YEAR

2013

SERVICES

- Economic Impact Analysis
- Funding & Financing Strategy
- Market Analysis
- Governance Strategy

REFERENCE

Adam Ganser
Vice President of Planning and Design
Friends of the High Line
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(212) 206-9922

Friends of the High Line crafted the business case for transforming a formerly abandoned railway into a vibrant public park using HR&A's economic benefits analysis and land use strategies.

CHALLENGE

When Friends of the High Line sought to convert the High Line, an abandoned railway on Manhattan's west side, into a public park, HR&A prepared an economic and fiscal impact study to demonstrate that the economic and social benefits of converting the rail line would far outweigh the necessary capital costs of development.

SOLUTION

In addition to assessing the economic and fiscal benefits of converting the High Line to a public park, HR&A also worked with the Friends of the High Line and the New York City Department of Planning to develop an innovative rezoning overlay that encouraged surrounding development to preserve and protect the park. This overlay transferred air rights to nearby land parcels and consisted of three parts: a floor area transfer mechanism to preserve light, air and views of the park; a floor area bonus in exchange for building park access, structural restoration and open space development; and special bulk regulations that built on the surrounding neighborhood's distinct cultural and artistic character.

IMPACT

The award-winning West Chelsea rezoning ultimately preserved private property rights, protected the historic railway structure, catalyzed contextual real estate development, and enhanced the position of West Chelsea and the Meatpacking District as the center for art and culture in Manhattan.

The High Line has now hosted over seven million visitors, and over 30 development projects have been planned or developed in the area. Since HR&A's initial projections, the High Line has generated \$52 billion in net new economic activity for the City and will contribute \$1 billion in tax revenues by 2027, which exceeds the City's investment by 800 percent.



The High Line + The High Line 18th Street Plaza

LOCATION

New York, NY

SERVICES

Cost Estimating Services

SIZE

7 acres

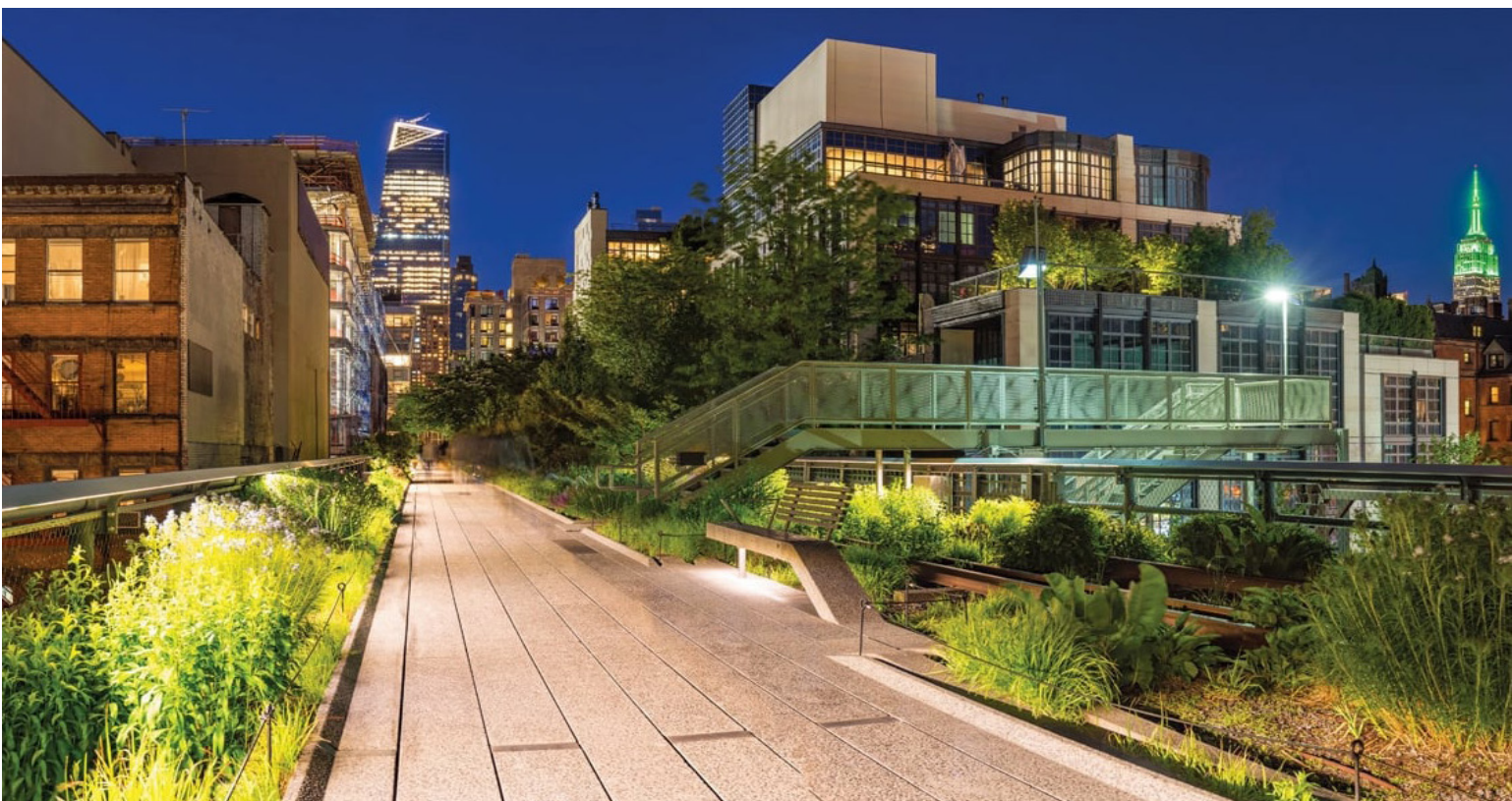
SERVICE DATES

2013 -2017

This project is a 1.5-mile-long elevated park in the heart of mid-town Manhattan.

Our cost team have worked on phase 2 and 3 of The High Line project, providing cost management services including budget setting, cost estimating and reconciliation with the CM.

In addition, our cost team have provided cost management and value engineering services during multiple design stages on a new 9,500 SF at-grade plaza located between West 17th and West 18th Street at the High Line, which includes paving, built-in and movable furnishings, canopy trees, and understory plantings.



APPENDIX IV

HOK's San Francisco Police and Crime Lab





1995

1995

A man in a blue suit is walking down the steps.











EXIT

MOHAWK





























