



STAFF REPORT

Meeting Date: August 16, 2016

To: Honorable Mayor & City Council

From: Susan Healy Keene, AICP, Director of Community Development

Subject: Public Outreach Framework for Consideration of Uses for City-Owned Property on Foothill Drive

Attachments:

1. MIG, Inc. Proposal
2. MIG, Inc. Information
3. Deposit Agreement

INTRODUCTION

At the Study Session of February 2, 2016, City Council was presented with a development proposal by a private developer, Tyler Siegal of Townscape, and architect, Frank Gehry for approximately 6.5 acres of City-owned property and 0.5 acres of private property located along Foothill Drive at Third Street. City Council indicated that neither they nor the community had enough information about the proposal and potential other uses of the property to determine its merits or impacts. However, City Council did express support for initiating a public review process, subject to approval of a deposit agreement that provided developer funding of the process.

On April 5, 2016 City Council approved an agreement with Angelo Gordon Real Estate, Inc. The agreement (Attachment #3) requires a deposit of \$1 million with the costs initially capped at \$150,000. If the City approaches the cost cap and anticipates need for further expenditures, the developer has the option to either conclude the process and be refunded the expenditure balance of the deposit or agree to increase the cap by \$100,000 to continue the review process. This report provides the City Council with the proposed framework for the outreach process as directed.

DISCUSSION

Staff contacted MIG Consultants who have extensive experience in both land use planning and community engagement, to create the public process. MIG proposes a three-phase process that includes a variety of methods to obtain public input.

The first phase, Phase I: Vision, would establish a common understanding of the community's needs, priorities and future vision for the city-owned property on Foothill Drive. The consultant would host nine one-hour focus groups to engage stakeholders in a dialogue about the future of the site. The input obtained from these focus groups would inform a Virtual Town Hall Meeting. The focus groups would represent various

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groups and interests in the City including representatives from Commissions, neighborhood groups, task forces, and businesses.

The Virtual Town Hall meeting will be a web based portal where community members can share their vision for the property. A visual survey will gather the input with images on the portal that include descriptions, benefits and trade-offs of a series of options. The survey will also gather demographic information to ensure there is input from a cross-section of the community. A paper version of the survey will also be available at city facilities and gatherings such as the Library and the Farmer's Market. At the conclusion of Phase I, there will be a summary of key results that will be presented to City Council and inform Phase II.

Phase II, Guiding Principles and Prioritization, includes one City-wide community meeting that will present the results of the visual survey and introduce details about the proposed project. Small group discussions will be designed to solicit feedback on the proposed project, including impacts, benefits, and trade-offs. MIG will use real time voting technology to poll meeting participants about their preferences for elements of the project. The web portal will be updated to include the same exercises and polling questions developed for the community meetings so those not in attendance can provide input.

The final phase, Phase III, Follow Up and Next Steps, will memorialize the recommendations in a written report and a presentation to City Council. The result will be a set of guiding principles and direction on future uses that can be used in a Request for Proposals (RFP) should the City decide to proceed to solicit proposals.

FISCAL IMPACTS

The developer has deposited \$1,000,000 and the agreement caps the initial costs at \$150,000. MIG's proposal breaks down specific fees for each phase as follows:

Phase I: Vision: \$40,350

Phase II: Guiding Principles and Prioritization: \$49,550

Phase III: Follow up and Next Steps: \$21,700

The total process as outlined would cost the developer \$111,600. The cost does not include any appraisals, economic or feasibility studies, public noticing or any legal or support staff overtime. These costs would be additional cost to the developer.

RECOMMENDATION

It is recommended that the City Council review this report and provide direction to staff on how to proceed. If there is agreement on the proposed framework, staff would return with a contract with MIG for approval at an upcoming formal session.

Susan Healy Keene

Approved By



ATTACHMENT 1

CITY OF BEVERLY HILLS
Foothill Drive

Community Input Sessions

OVERVIEW

To fully engage the Beverly Hills community, the input process needs to be multipronged and strategic. Our community involvement approach features a combination of community dialogue with feedback loops informed by clear and credible data. We have found that this is the best way to engage the community in the development of a shared vision that results in informed decision making. MIG will work in partnership with city staff to extend the reach of the public involvement by implementing a suite of outreach tools that blend the traditional with technology. Specifically, MIG will design the tools described below to meet one-on-one with opinion leaders, residents, business representatives, and other stakeholders in addition to larger community-wide forums. The web-based and technology tools also provide an alternative to traditional methods to gather feedback into the process. The community input framework is organized into three phases.

PHASE I – VISION

\$40,350

The primary purpose of Phase I is to establish a common understanding of the community's needs, priorities, and future vision for the Foothill Drive opportunity site. A second objective is to gauge the community's understanding of the proposed Foothill Drive development project and associated issues.

1.1 Focus Groups/Interviews

MIG will conduct nine (9) focus groups and interviews with key Beverly Hills stakeholders to engage the community in a dialogue about the future of the Foothill Drive opportunity site. These one-hour sessions will be facilitated with small groups of three to five individuals or, in some cases with individuals. Proposed groups include project opponents, HOAs, Team Beverly Hills alumni, business leaders, and adjacent neighbors. MIG will coordinate with City staff to identify and confirm groups and individuals that are representative of the broader Beverly Hills community. MIG will develop set of questions that will be used for each session. A summary of key findings and themes will be produced after completion of all sessions. This input will be used to inform the Virtual Town Hall Meeting and to refine the questions and tools that will be used in Phase II.

The Focus Groups and Interviews will be grouped to take place over two – three days. These will occur within the first few weeks of initiating the process.

1.2 Virtual Town Hall Meeting

A web based portal will be designed to engage the Beverly Hills community in the input process. Community members will visit the City's website and be directed to the customized portal where they will have the opportunity to share their vision for the Foothill Drive opportunity site. A visual survey will be used to gather the community's vision for future uses for the site.

Images will be used to describe a series of options for the site including different public and private uses. Images will include descriptions, parameters, benefits and trade-offs to ensure context setting for the participant. The survey will also be designed to gather demographic information to ensure the website is reaching a cross-section of the community. Opportunities for open ended comments will also be provided. Social media, BHTV and the city's website will be used to drive traffic to the portal. Results from the visual survey will be captured in a summary of key results.

A paper version of the survey will be available at city facilities and community gathering places. Mail in and drop off options will be provided. Both virtual and paper versions of the visual survey will be available for two weeks. The web portal will be designed immediately after initiating the process. The survey will be developed concurrent to conducting the Focus Groups and Interviews.

1.3 Fact Sheet

To ensure maximum participation from a cross section of the community, a variety of communications tools will be required. A fact sheet will be designed to provide the community with background regarding the opportunity site and overview of the process including purpose for engaging the community, opportunities for participation, and schedule. In addition, all material will include the web address for the web based portal. These materials will be provided to the city for using on the city's website and social media platforms.

Deliverables

- Focus Groups/Interviews (9)
- Focus Group/Interview questions
- Focus Group/Interview key findings
- Web portal
- Visual survey – electronic
- Visual survey – paper
- Fact Sheet
- Virtual Town Hall Meeting Summary of Key Results

PHASE II – GUIDING PRINCIPLES AND PRIORITIZATION

\$49,550

During Phase II the community will become informed about the site's constraints and opportunities, provide input on the proposed project, and develop a set of guiding principles that will guide future decision making regarding the site.

2.1 Community Meeting

MIG will facilitate a community meeting to solicit feedback on the Foothill Drive opportunity site. The format of the meeting will include a presentation that describes results of the visual survey, background and history of the site, and introduce the details of the proposed development project. Handouts and display material will be developed to further inform the dialogue. Small group discussions will be designed to solicit feedback on the proposed project

including impacts, benefits, and trade-offs. The MIG team will use facilitator tools to document and keep the discussion focused and to maintain an accurate record of questions and comments. Following the small break out group discussions MIG will use real time voting technology to poll meeting participants about their preferences for elements of the development project and a set of guiding principles will guide future decision making for the site. A summary of the meeting will include results from the small group discussions and the polling activity.

This meeting will take place approximately two – three weeks following the Virtual Town Hall Meeting to allow for strategy development and adequate preparation.

2.2 Targeted Meetings

The Community Meeting described above will be tailored to smaller targeted areas of the community. This provides additional opportunities to reach out to groups that require more focused discussions and for community members not able to attend the community-wide meeting to participate in smaller venues. Examples include meetings with business groups, HOAs, civic clubs, and others. Feedback gathered from these discussions will also be documented in a summary of each meeting. These meetings will take place following the Community Meeting.

2.3 Virtual Community Meeting

The web portal will be updated to include the same exercises and polling questions developed for the Community Meeting. These exercises will go live following the Community Meeting and stay active for two weeks. The Virtual – Prioritization and Trade-offs web exercise will be concurrent to Targeted meetings. Results will be organized into a key findings summary.

Deliverables

- Community Meeting (1)
- Meeting Handouts (Agenda, sign-in sheets, comment form, base map)
- Display exhibits (5)
- Targeted Meetings (5)
- Meeting Summaries (6)
- Virtual Community Meeting Poll
- Virtual Community Meeting Poll Summary of Key Findings

PHASE III – FOLLOW UP AND NEXT STEPS

\$21,700

The third and final phase will focus on memorializing a set of recommendations that will be presented to the City Council. These will include a set of guiding principles and direction on future uses for the Foothill Drive opportunity site.

3.1 Community Follow up Meeting

During the Community Follow up Meeting, community members will review and provide final feedback on a set of guiding principles that will be used for future decision making for the

Foothill Drive opportunity site. Follow up will also be provided to community members regarding questions about the site including feasibility of certain ideas, uses, and recommendations. Consensus reached on the guiding principles and other topics will be documented and included in the final report.

3.2 Final Report

MIG will develop a final report that describes the outreach activities and results. The report will describe community issues, priorities, as well as areas of agreement and consensus. Summaries from each activity will be included in an appendix.

3.3 City Council Presentation

MIG will develop a PowerPoint presentation that summarizes the result of the community process.

Deliverables

- Community Follow up Meeting (1)
- Meeting Handouts (Agenda, sign-in sheets, draft guiding principles, comment form)
- Display exhibits (1)
- Final Report (Draft and Final)
- City Council Presentation PowerPoint
- City Council Presentation

ATTACHMENT 2

Public Outreach and Community Engagement Capabilities

MIG, INC.

MIG, Inc. (MIG) is a multidisciplinary woman-owned corporation that specializes in local, regional and statewide community engagement and communications programs to support successful land use, design and transportation plans, projects and programs.

Founded in 1982, MIG has worked extensively with public agencies and policy makers throughout the United States to effectively communicate complex issues to key stakeholders, businesses and the public, enabling them to actively participate in policy, planning and design processes and make informed decisions. MIG has especially strong expertise in the development arena working with the development community, public agency partners, community members and stakeholders to develop agreement and a base of support for proposed projects. MIG's ability to develop and implement an informed and comprehensive public outreach and community information process is bolstered by superior graphic design and communications capabilities, and is overseen by staff with subject-area expertise in land use policy.

This combination of skills and services helps us be an extremely effective partner with a wide range of agencies. MIG has proven abilities for managing complex, multi-objective projects with multidisciplinary teams and for designing and implementing outreach strategies that reach target audiences, especially participants with little or no tradition of participating in civic processes. MIG graphic designers bring their significant expertise to the project to produce materials that organize and present complex information enabling participants to understand and provide input on important issues that impact their lives.

AREAS OF EXPERTISE

Along with our local knowledge through extensive work with communities, developers, public agencies and leaders throughout the region, our team's multidisciplinary, collaborative and team-oriented approach is further strengthened by our knowledge, competence and extensive experience in:

Innovative Public Engagement Tools

MIG has a proven track record of developing effective community engagement tools that encourage community involvement and provide education for the public to make informed decisions regarding complex planning issues. MIG designed outreach and education programs encompassing large festivals, Pop Up events, tactical urbanism, walking tours and speakers bureaus.

Process Design and Management

MIG designs and implements multilevel, community engagement processes and social marketing efforts aimed at increasing public understanding and participation in local planning processes. The public outreach process is tailored to achieve the desired outcomes and distinctive conditions of each project and program. Our approach to strategic process design evokes creative solutions that lead to measurable outcomes and real change.

Stakeholder Engagement

Our team has experience working with elected officials, community leaders, business representatives and other stakeholders to assess potential issues and opportunities that can shape the community engagement process.

Data Gathering

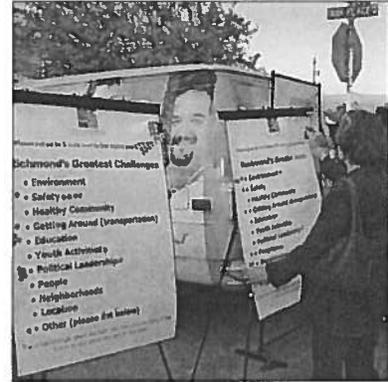
MIG works closely with all project partners to ensure clear understanding of cultural landscape. MIG conducts initial research by conducting stakeholder interviews and focus groups surveys. Data gathered is presented in a report of key findings and observations.

Education

From a classroom setting to large community-wide events, MIG has experience developing curriculum plans, collaterals and other education materials that inform the community about technical issues and topics.

Diverse/Cultural Engagement

To effectively communicate and engage multicultural and diverse communities, MIG's brings expertise in culturally-sensitive community and land use and transportation planning, urban design, facilitation and consensus building.



Technology

To extend to reach of a public involvement campaign, MIG has developed a variety of technology tools that can be applied across numerous platforms. From customized project specific websites and portals to web-based survey tools MIG can support a project from inception to project evaluation.

Award-Winning Strategic Communications and Design

MIG provides high quality written and graphic materials to document processes, create multimedia outreach and informational materials and to develop training programs and instructional toolkits. We have extensive experience producing attractive and easy-to-understand and use materials to help communicate complex concepts and issues to a wide range of audiences. Our media and communications work crosses all media: print, internet, video and multimedia and is successful in coordinating with larger and overarching branding campaigns.

Public Relations

Public relations, or earned media, are one of the most trusted sources of public information. Positive publicity broadcast through local and regional media channels helps build support from the general public, key stakeholders and decision makers. One positive story can have more influence on a project than an entire marketing campaign. Our professional communications strategists will ensure that anyone interacting with the media is well prepared, stays focused on the messages and is positive, confident and enthusiastic.

Our public relations strategy begins with a thorough understanding of the project or program—including the technical details. With that knowledge, we identify media outlets; draft public statements and press releases; organize and produce newsworthy events; designate staff resources; train spokespeople; respond to media queries; and interact with key stakeholder groups.

Online Services

MIG designs, develops and implements cutting-edge technologies that expand the use of the web as an interactive and dynamic medium. We utilize social media, and develop rich and dynamic content to further reach and connect with our customers—from interactive games, to pod casts, to videos and mobile applications. We frequently work with other web masters and engineers to ensure proper implementation of our designs. Our ability to communicate both about design and engineering makes these partnerships efficient and cost effective.

Documentation and Process Evaluation

MIG brings knowledge of effective tracking tools and processes to ensure efficiency and results. From project initiation MIG establishes goals for the public engagement process and a method for tracking success. This is supported by a protocol to ensure documentation of the process. MIG's final products document key findings and project results.

ATTACHMENT 3

DEPOSIT AGREEMENT

This DEPOSIT AGREEMENT ("Agreement") is dated as of March 1, 2016, and is entered into by the CITY OF BEVERLY HILLS (the "City") and ANGELO GORDON REAL ESTATE INC., a Delaware Corporation (the "Developer"). The City and the Developer are sometimes collectively referred to in this Agreement as the "Parties" and individually as a "Party".

RECITALS

- A. Developer has proposed that City conduct a "request for proposals" ("RFP") process for a park and commercial development on property owned by the City that is described on Exhibit "A" (the "Site"). (Developer's initial development concept is for a site that includes adjacent property not owned by the City.)
- B. The City has responded that while it welcomes a public process to review the proposal and consider alternatives, it does not have enough information to commit to issuance of an RFP. In order to initiate a public process to consider issuance of an RFP, the City requires a cash deposit from Developer in order to pay for expenses that will be incurred by the City in conjunction with the informal public process and to demonstrate that the project has sufficient financial support from Developer to warrant the City effort.
- C. At the conclusion of the informal public process, the City Council will review all public input and determine whether or not to issue an RFP. If an RFP is issued, it would be for the purpose of identifying a proposal and alternatives that would become part of a development application for environmental assessment and consideration under the standard project entitlement public hearing process.

NOW, THEREFORE, in consideration of the foregoing, and other consideration, the sufficiency of which is hereby acknowledged, the Developer and the City hereby agree as follows:

- 1. **Deposit.** Developer will deliver to the City a cash deposit (the "Deposit") of One Million and No/100 (\$1,000,000.00) on or before the date that is ten (10) days after an original of this Agreement, executed by City, is delivered to Developer. City shall not be obligated to pay interest on the Deposit.
- 2. **Use of Deposit.** The City may use up to One Hundred and Fifty Thousand and No/100 Dollars (\$150,000.00) ("Cost Cap") of the Deposit, which may be increased as provided in Section 3 below, to pay for direct costs incurred by the City that relate to the proposed public process, including:
 - A. Costs of appraisal(s) of the Site and costs of determining fair market rent under one or more potential ground leases.
 - B. Economic and financial studies, such as hotel demand studies, financial projections and pro-formas.
 - C. Land use planning studies, including parking studies (excluding CEQA costs).

- D. Costs of preparing and disseminating an RFP if issued.
 - E. Costs associated with noticing and conducting public outreach meetings.
 - F. Up to Twenty-Five Thousand and No/100 Dollars (\$25,000.00) for legal fees of the firm that provides city attorney services to the City.
 - G. City staff overtime.
 - H. Other third-party related costs deemed necessary by City in order to reach a decision on whether or not to issue an RFP.
3. **Costs in Excess of Initial Cost Cap.** If City anticipates that its costs in connection with the public process will exceed the initial Cost Cap, City shall so notify Developer in writing and Developer shall then have ten (10) days to notify City in writing that the Cost Cap is unconditionally increased to Two Hundred and Fifty Thousand and No/100 Dollars (\$250,000.00) or that Developer unconditionally elects to terminate this Agreement. Failure to timely give one of the two types of notices shall be deemed an election by Developer to terminate this Agreement.
 4. **Termination.** Subject to Section 5 below, if Developer notifies the City in writing that it has decided to terminate this Agreement, or if this Agreement is deemed terminated under Section 3 above, then the City shall return any unapplied portion of the Deposit to Developer after using it to pay for expenses described in Section 2 that have been incurred prior to the termination. If City elects not to issue an RFP at the conclusion of the informal public process, this Agreement shall terminate ten (10) days after such decision.
 5. **City Decision to Issue RFP; Nonrefundable Portion of Deposit.** If City decides to issue the RFP for a project on the Site before this Agreement is terminated or deemed terminated under Section 3 above, then City shall be entitled to retain from the Deposit the sum of One Hundred Thousand and No/100 Dollars (\$100,000.00) (“Nonrefundable Portion”) in addition to applying other portions of the Deposit to costs incurred by the City in connection with the public process pursuant to Paragraph 2 or 3 above, and City will apply the remainder of the Deposit to any deposit required under the terms of the RFP.

However, if an RFP is issued and Developer does not submit a project proposal by the RFP submission deadline, this Agreement shall terminate ten (10) days after such deadline. In such instance, the City will be entitled to retain the Nonrefundable Portion and the additional portion of the Deposit that is used to pay City costs pursuant to Section 2 or 3 above, and City will return the remainder of the Deposit to Developer within thirty (30) days after the termination.

If an RFP is issued, and the Developer timely submits a project proposal, but that proposal is not selected by the City (either because no proposal is selected or because a superior proposal, as determined by the City, is selected), then the City will promptly return to Developer the Deposit less both: (i) the portion of the Deposit used to pay City

costs pursuant to Section 2 and 3 above, and (ii) the Nonrefundable Portion. (For an abundance of clarity, no less than \$750,000 would be returned if the Cost Cap is \$150,000, and no less than \$650,000 would be returned if the Cost Cap is \$250,000.)

6. **No Project Commitment.** Neither Party is obligated in any way to enter into any further agreements, and City is not obligated in any way to issue any permits or approvals for any project. This Agreement shall not give rise to any implied obligation to negotiate, or to any implied consent of good faith and fair dealing on which such an obligation (or a similar obligation) might be based. Developer acknowledges that if an RFP is issued, the RFP may be for a project that has none of the elements of the Developer's proposed project and that, if there is an RFP and a project is selected from that process, the City reserves the right to approve, approve as modified or conditioned or disapprove such project after full compliance with the environmental review process under the California Environmental Quality Act and all other relevant laws.
7. **Notices.** Any notices shall be in writing and shall be sent by reputable overnight messenger service (such as Federal Express) for next business day delivery, or by certified mail, return receipt requested, and addressed as follows:

City:

City of Beverly Hills
455 North Rexford Drive
Beverly Hills, CA 90210
Attn: City Manager

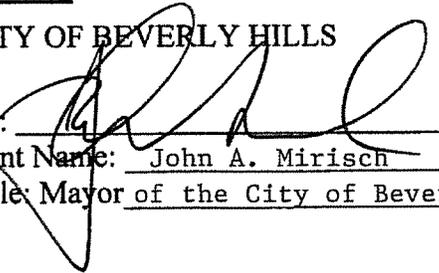
Developer:

Angelo Gordon Real Estate, Inc.
2000 Avenue of the Stars, Suite 1020
Los Angeles, CA 90067
Attn: Steve White

8. **Time of Essence.** Time is of the essence of every provision hereof in which time is a factor.
9. **Entire Agreement.** This Agreement constitutes the entire agreement of the parties with respect to the subject matter hereof, and supersedes all prior or contemporaneous communication or agreements.

"CITY":

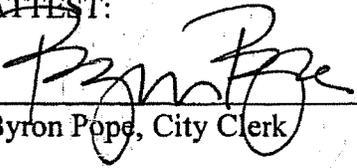
CITY OF BEVERLY HILLS

By: 

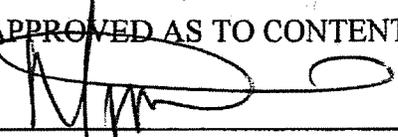
Print Name: John A. Mirisch

Title: Mayor of the City of Beverly Hills

ATTEST:

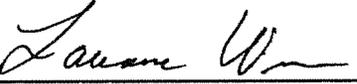

Byron Pope, City Clerk

APPROVED AS TO CONTENT:


Mahdi Aluzri, KR
City Manager


George Chavez,
Assistant City Manager/
Director of Public Works

APPROVED AS TO FORM:


Laurence S. Wiener,
City Attorney

"DEVELOPER":

ANGELO GORDON REAL ESTATE,
a Delaware Corporation

By: 
Print Name: Allan Sternberg
Title: VP

EXHIBIT "A"

DESCRIPTION OF CITY SITE

(Attached.)

