



# City of Chula Vista

## Legislation Details (With Text)

<b>File #:</b>	16-0096	<b>Name:</b>	U3 advisors amendment to agreement
<b>Type:</b>	Consent Item	<b>Status:</b>	Passed
		<b>In control:</b>	City Council
<b>On agenda:</b>	3/8/2016	<b>Final action:</b>	
<b>Title:</b>	RESOLUTION NO. 2016-040 OF THE CITY COUNCIL OF THE CITY OF CHULA VISTA WAIVING THE FORMAL SELECTION PROCESS, APPROVING AN AMENDMENT TO A TWO-PARTY AGREEMENT BETWEEN THE CITY OF CHULA VISTA AND U3 ADVISORS INCORPORATED FOR CONSULTING SERVICES RELATED TO THE ESTABLISHMENT OF THE CHULA VISTA UNIVERSITY PARTNERSHIP AND ASSISTANCE IN THE UNIVERSITY RECRUITMENT PROCESS, AUTHORIZING THE MAYOR TO EXECUTE SAID AGREEMENT AND APPROPRIATING FUNDS THEREFOR (4/5 VOTE REQUIRED)		

### Sponsors:

### Indexes:

### Code sections:

**Attachments:** 1. Item 2 - Resolution, 2. Item 2 - U3 Standard Amendment to Agreement, 3. Item 2 - Exhibit A to Amendment

Date	Ver.	Action By	Action	Result
3/8/2016	1	City Council	approve	Pass

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### RECOMMENDED ACTION

Council adopt the resolution.

### SUMMARY

In December 2014 the City completed its acquisition of 375 acres of land for the University and Innovation District (UID). On January 26, 2016 U3 Advisors Inc. presented their bi-national multi-institutional recruitment strategy report to the City Council. This item requests City Council approval of an amendment to a two-party contract between the City and U3 Advisors Inc. to provide consulting services for the establishment of the Chula Vista University Partnership, a non-profit entity facilitating the development of the UID, and continued assistance in the University recruitment process. City staff continues working on several activities that are foundational to the planning and development of the UID, including a Sectional Planning Area (SPA) Plan and an Environmental Impact Report (EIR).

### ENVIRONMENTAL REVIEW

### **Environmental Notice**

The activity is not a "Project" as defined under Section 15378 of the California Environmental Quality Act State Guidelines; therefore, pursuant to State Guidelines Section 15060(c)(3) no environmental review is required.

### **Environmental Determination**

The Development Services Director has reviewed the proposed contract approvals for compliance with the California Environmental Quality Act (CEQA) and has determined that the activity is not a "Project" as defined under Section 15378 of the State CEQA Guidelines; therefore, pursuant to Section 15060(c)(3) of the State CEQA Guidelines the activity is not subject to CEQA. Thus, no environmental review of contract approval is required.

### **BOARD/COMMISSION RECOMMENDATION**

Not applicable.

### **DISCUSSION**

While the City holds the land for the UID, establishment of a body to oversee recruitment and development of the UID has become timely. U3 Advisors Inc. will assist the City in establishing the Chula Vista University Partnership (CVUP), a new non-profit entity that will be responsible for:

- Facilitating the development of the University Campus and ensuring implementation of the University Development Goals; and,
- Attracting institutions of higher education; and,
- Seeking and attracting potential projects for the University Campus; and,
- Recommending revisions to the University Recruitment Guiding Principles and the University Development Goals; and,
- Evaluating proposed projects to determine whether such project meet the University Development Goals; and
- Seeking philanthropic capital to help fund university development.

In addition to the establishment of CVUP and the fundraising to support the operations of CVUP, U3 Advisors will begin more formal conversations with selected philanthropies to support the establishment of the higher education campus. U3 Advisors will continue the pre-recruitment process to develop a bi-national higher education campus. In addition, U3 Advisors with City staff will plan a higher education summit for the summer/fall of 2016 with educational leaders and philanthropic leaders from the bi-national mega-region including national and international attendees. The summit will include educational leaders from both sides of the boarder, will include visitation of universities in Mexico, San Diego and conclude with deliberations on the direction of CVUP and moving the bi-national University forward.

### **Amendment to Agreement:**

U3 will provide guidance and direction in the recruitment process and establishment of the CVUP through the proposed amended two-party agreement. The responsibilities of U3 Advisors include the following:

1. Assist the city in developing a short-list of potential CVUP board candidates.
2. Provide selection criteria for assessing board candidates, schedule, participate, and conduct follow up visits with potential board candidates with members of the City.
3. Have more formal conversations with selected philanthropic organizations and begin developing formal requests to support the campus and operating budget of CVUP.
4. Support the City in the formation of the CVUP entity and its board through the development of the bylaws, articles and other documents necessary to create CVUP.
5. Meet with no less than 5 universities from the U.S. and Mexico to solidify interest in the project and determine feasibility.
6. Organize an educational summit to be held in Chula Vista with educational leaders and philanthropic leaders from the bi-national mega region, the nation and possibly international attendees.

#### **Waiver of Consultant Services Selection Process:**

City staff has identified that U3 Advisors is uniquely qualified to fill their role due to the following facts:

1. U3 Advisors is an established university recruitment firm with a national reputation for matching potential higher education providers with higher education destinations and locations, especially with regards to universities partnered with innovation districts, and
2. U3 Advisors has participated in the Master Development Agreement negotiations and the SPA Planning efforts for the adjacent Village 9 which has given them unique in-depth knowledge of the UID and surrounding projects, and
3. U3 completed its bi-national multi-institutional recruitment strategy report and presented the finding of that report to the City Council on January 26, 2016.

U3 comprehensive familiarity with the UID project, coupled with their knowledge of the surrounding developments, makes them uniquely qualified to serve as the consultant for this project. Pursuant to Chula Vista Municipal Code Section 2.56.070, staff is recommending that the Council waive the formal bidding process and hire U3 advisors as a sole source.

#### **DECISION-MAKER CONFLICT**

Staff has reviewed the property holdings of the City Council members and has found no property holdings within 500 feet of the boundaries of the property, which is subject to this action. Staff is not independently aware, nor has staff been informed by any City Council member, of any other fact that may constitute a basis for a decision maker conflict of interest in this matter.

#### **LINK TO STRATEGIC GOALS**

The City's Strategic Plan has five major goals: Operational Excellence, Economic Vitality, Healthy Community, Strong and Secure Neighborhoods and a Connected Community. The planning and implementation of the UID is a key initiative under the City's goals for Economic Vitality.

#### **CURRENT YEAR FISCAL IMPACT**

Staff is requesting an appropriation of \$200,000 to the Supplies and Services expenditure category of the Non-Departmental budget. This appropriation will be offset by unanticipated one-time sales tax revenues resulting from the

end of the triple flip. There is no net fiscal impact to the General Fund as a result of this action.

**ONGOING FISCAL IMPACT**

There are no ongoing fiscal impacts as a result of this action as this is a one-time appropriation.

**ATTACHMENTS**

1. Amendment to Two-Party Agreement between the City of Chula Vista and U3 Advisors Inc.
2. Exhibit "A" Original Two Party Agreement between the City of Chula Vista and U3 Advisors Inc.

*Eric C. Crockett, Director of Economic Development*