

Council Communication

June 20, 2016, Study Session

Continued discussion of planning for City Hall replacement

FROM:

Kaylea Kathol, Public Works Project Manager, kaylea.kathol@ashland.or.us

SUMMARY

This update is being provided to inform Council on the status of the ongoing examination of options for replacing City Hall. The City has commissioned Ogden Roemer Wilkerson Architecture (ORW) to study the feasibility of replacing City Hall, following a 2015 seismic evaluation that indicated the cost of a necessary seismic upgrade to City Hall would exceed the cost of replacing the structure. ORW's commission includes provisions for a space and programmatic needs analysis and an evaluation of three possible siting alternatives for a new building, including (a) substantially remodeling and expanding City Hall *in situ*; (b) expanding the Community Development building; and (c) constructing a centralized municipal building on the City-owned parcel at the corner of Lithia Way and North Pioneer Street. Findings will be presented to City Council in September.

BACKGROUND AND POLICY IMPLICATIONS:

History

At the Council's February 1, 2016, study session staff provided the findings of a seismic evaluation of City Hall, directed by Council as part of a greater effort to conduct a comprehensive examination of options for replacing City Hall. The report identified seismic deficiencies in the structure, and described the upgrades necessary to bring City Hall into compliance with applicable seismic provisions in the Oregon Structural Specialty Code. The presentation was supplemented by cost estimates of the seismic upgrades, as well as preliminary cost estimates for two new construction alternatives, either of which would be more economical than performing an upgrade on the existing structure. Additional details are provided in the attached Council communications from the February 1, 2016, study session. The cost estimates that emerged from the seismic evaluation marshaled the next logical phase in the City Hall replacement effort, the evaluation of replacement options.

Status

A Request for Proposals (RFP) was crafted for personal services with of fixed budget of \$75,000 to evaluate space needs and study the feasibility of replacing City Hall. The RFP was released to nine local architectural or design firms in late March of 2016; four proposals were returned. Through a graded selection process, ORW was identified as the most suitable bidder and was awarded the commission. The City and ORW developed a refined project scope through a collaborative process. The scope (attached) includes the following components:

Space needs evaluation



ORW will explore each department’s current and projected space needs pertaining to individual work stations and offices, conference rooms, document storage, communal areas, areas for public interaction, etc. The assessment will also address important departmental adjacencies and future growth over a 15-year planning horizon. Leadership from all departments located in City Hall (Administration, Administrative Services, and Legal) and the Community Development building (Community Development and Public Works) will be surveyed. Information gathered from the space needs evaluation will inform the second component, the siting analysis.

Siting alternatives analysis

The consultant will examine the feasibility of the three siting alternatives summarized in the table below. The alternatives are described in greater detail in the attached Scoping Document that was issued as Attachment A to the RFP.

| Alternative | Description |
|---|--|
| Expansion/new construction at existing City Hall site | City Hall would be substantially demolished, although exterior facades may be maintained for historical preservation at the community’s direction. A new larger structure would be built on the existing City Hall site. |
| Expansion of Community Development | A second floor would be added to the Community Development building to consolidate offices of City Hall and Community Development buildings. The City would divest itself of the existing City Hall structure. |
| New construction at Lithia Way and North Pioneer | A new municipal building would consolidate City Hall and Community Development offices. The City would divest itself of the two existing structures and use any profits to offset construction costs. |

Public involvement

At least one public open house meeting will be scheduled to provide the community with an early opportunity to learn about the City’s larger goal of replacing City Hall. The intent of the meeting is to ensure the public is informed at a very early phase of the larger replacement project in order to develop an environment of public inclusion throughout the project. In addition, written communications will be delivered to the Historic Commission, Planning Commission, and Conservation Commission. Input from these commissions will be important during the design phase of the project, and the City feels that it is important to keep them updated and informed early on.

Deliverables

The final production, a comprehensive feasibility study report, will address construction costs and implementation schedules for each alternative. The siting alternatives analysis will address planning, parking, circulation, and solar potential at each location. Temporary relocation logistics and structural feasibility issues will also be explored for the existing City Hall and Community Development site options. In addition, the report will include a space needs program, site plans and floor plans for the three alternatives, and 3D massing views for each alternative (excluding architectural or stylistic detail).

Schedule



The study began in early June and is on track to be completed in early to mid-September. The final report is tentatively planned for presentation to City Council at the September 20th business meeting. The presentation will signify the end of this phase of the project, and will lead into the next phase: selection and design of Council's approved alternative.

COUNCIL GOALS SUPPORTED:

4. Evaluate real property and facility assets to strategically support city mission and goals.
 - 4.3 Examine city hall preplacement and other facility needs.

FISCAL IMPLICATIONS:

The current budget includes \$100,000 to fund a study for City Hall replacement. To date staff has expended \$12,000 for the seismic upgrade analysis and an additional \$1,000 for a building contractor to provide preliminary cost estimates for two of the siting alternatives. The expected cost of this feasibility study is \$47,250.

STAFF RECOMMENDATION AND REQUESTED ACTION:

This item is for information only.

SUGGESTED MOTIONS:

N/A

ATTACHMENTS:

- Council Communication from February 1, 2016 Study Session RE City Hall replacement
- ORW's proposed Scope of Work (Exhibit C of Contract)
- Scoping Document (Attachment A of RFP)



Council Communication

February 1, 2016, Study Session

Continued discussion of planning for City Hall replacement

FROM:

Michael R. Faught, Director of Public Works, Public Works, Mike.Faught@ashland.or.us

SUMMARY

The Council at its June 15, 2015, study session requested that the City conduct a seismic evaluation of City Hall to determine the cost of bringing the building up to current seismic codes. Necessary seismic upgrades would involve removing the roof, the floor on the second floor and all of the drywall on the interior of the north and west walls, then building a system of ties and braces to secure the building. The estimated cost (including contingency but excluding soft costs and temporary staff relocation) is \$176/sq. ft., or \$1,363,757. The seismic upgrades will require the relocation of city staff for approximately nine months at a cost of just under \$157,000. Soft costs would be roughly \$322,000. If the City did necessary and long-overdue HVAC and plumbing replacement as well as fire suppression and ADA improvements, the total cost of the project exceeds the cost of simply demolishing and rebuilding City Hall or building a new City Hall at a different location on City-owned property.

BACKGROUND AND POLICY IMPLICATIONS:

At the Council's June 15, 2015, Study Session, City Administrator Dave Kanner proposed a comprehensive examination of options for replacing City Hall using the \$100,000 appropriated in the current budget for a long-term facilities master plan. To that end, Mr. Kanner provided background information on past plans to replace City Hall which included a detailed history of City Hall remodels, additions, spacing needs, and needed seismic mitigation based on a 1994 seismic evaluation (see attached June 15, 2015, council communication).

Based on the age of the existing seismic report, Council directed staff to complete a new seismic study on City Hall and the Parks and Recreation building. The City Hall seismic evaluation has been completed by Miller Consulting Engineers, Inc. (see attached report). The consultant's report outlines a plan with estimated costs to upgrade City Hall to allow occupants to safely exit the building after a major earthquake which, as he indicates in his executive summary, "may not be the case in its current state." The estimated cost to upgrade the existing facility to meet seismic requirements only (excluding soft and relocation costs) is estimated to be \$176 per square foot or a total cost of \$1,363,757. If the City Council were to choose this option, all employees in the existing building would have to be relocated for about nine months at an estimated cost of \$17,426 per month or just under \$157,000.

Given that a seismic renovation of the existing facility requires a major rebuild to the building, Michael Morrison, Public Works Superintendent, recommended evaluating costs associated with modernizing all of the existing (aging) plumbing, HVAC systems and electrical systems. To assist with development of additional planning level cost estimates, staff hired Matt Small, Kistler Small +



White Architects, and John Kennedy, chief estimator with Vitus Construction, to provide economy of scale cost estimates for the following four options (see attached estimate):

1. Include soft cost and Temporary relocations costs to the to the seismic estimate
2. Estimated square foot costs for mechanical, electrical and plumbing, egress, ADA, fire suppression and tenant improvements
3. Estimated square foot costs to rebuild on the current City Hall site, replacing everything except the existing north and west historic facades.
4. Total estimated square foot costs to construct a new building elsewhere on City-Owned property, including parking and other issues arising out of its location.

These costs are shown in table 1.

Table 1:

| Seismic Upgrades plus soft costs and relocation costs | Additional cost for mechanical, electrical and plumbing, egress, ADA, Fire Suppression and Tenant Improvements | Total Remodel Costs | Rebuild on the current City hall site replacing everything except the existing north and west wall | New building on City Owned Property |
|---|--|---------------------|--|-------------------------------------|
| \$236 | \$338 | \$576 | \$405 | \$450 |
| | | | | |

*All costs are per-square foot

COUNCIL GOALS:

Organization

- 4 Evaluate real property and City assets to strategically support city mission and goals
- 4.3 Examine city hall replacement and other facility needs.

FISCAL IMPLICATIONS:

The current budget includes \$100,000 to fund a study for City Hall replacement. To date staff has expended \$12,000 for the seismic upgrade analysis and an additional \$1,000 for a building contractor to estimate cost for additional remodeling costs, rebuild in place costs and to build a new building in a different location on city owned property.

STAFF RECOMMENDATION AND REQUESTED ACTION:

Given the seismic report and the need for additional capital improvements at City Hall, staff recommends that the City move forward with a comprehensive examination of options for replacing or rebuilding City Hall. Staff seeks approval to issue an RFP to select a consultant team to examine options for replacing or rebuilding City Hall.

SUGGESTED MOTION:

N/A



Exhibit C: Scope of Work

May 25, 2016

Kaylea Kathol, Project Manager, Public Works Department
City of Ashland
51 Winburn Way
Ashland, OR 97520

Re: Ashland City Hall Feasibility Study – Scope Description

Dear Kaylea,

We look forward to serving the City of Ashland on the City Hall Feasibility Study. Our expected scope of work and deliverables are:

Meetings:

- 2 meetings with City Manager
- 2 rounds of Space Needs meetings with Department Leadership (approximately 10 total)
- 1 meeting with Historic, Planning, and Conservation commissions
- 2 public involvement meetings (Open Houses or similar)
- 1 Special Study Session meeting with City Council to present Space Needs results
- 1 presentation to City Council at regular Council meeting near project completion
- Telephone and in-person meetings with Public Works as needed

Tasks:

- Perform space needs assessment for potential departments to be housed in future City Hall: City Administrator, City Attorney, Electric, Finance, Public Works, and Planning/Building. Assessment to address area needs, departmental adjacencies, public interactions, and future growth.
- Study structural feasibility of maintaining historic facades at existing City Hall, and feasibility of a vertical addition to the existing Community Development building.
- Perform site analysis for three sites addressing planning, solar, parking, and circulation requirements.
- Using the City's preferred space needs planning horizon (e.g. 2031), explore concept designs that consolidate departments on three sites: a new building and/or a drastic renovation to the existing City Hall, an addition to the Community Development building, and a new building at N. Pioneer and Lithia Way.
- Explore temporary office accommodations for options that displace City staff and public.
- Develop schedules for each option including construction and moves.
- Develop project cost models for option/s at three sites.

Deliverables:

- Space needs program identifying preferred adjacencies and area needs for 2016, 2021, and 2031.
- Site plans for three sites.
- Floor plan diagrams for three sites.
- 3D block massing views for three sites (excludes architectural or stylistic detail).
- Temporary office strategy for options at City Hall site and Community Development site.
- Implementation schedule for each option.



- Project cost models (construction and soft costs) for each option.
- Cost increase for project designed as an Essential Facility.
- Consolidated Feasibility Study Report.

The timeline for the scope above is:

Late May: Refine scope and sign contract.

Late May/early June: Initial meetings with City Administrator to discuss public and Council process, and department leaders to discuss space needs. Meetings with Historic, Planning, and Conservation Commissions.

Throughout June: Develop space needs program and host follow-up meetings with City Administrator and department leaders to share space needs results. Perform site analyses. Perform structural feasibility studies.

Late June: Select preferred planning horizon for concept work. Initial public involvement meeting (Open House or similar) to identify public aspirations and concerns.

Throughout July: Develop concept options. Share with City project team (Project Manager and Public Works leadership) and refine.

Early August: Develop temporary office options, project schedules, and cost models.

Mid-August: Second Community Open House to share progress.

Late August: Prepare Feasibility Study Report.

September: Present findings to City Council.

If additional scope or meetings are desired we will gladly add them as additional services at our 2016 hourly rates. Please contact me if you have questions on the above scope of work.

Sincerely,



Kenneth J. Ogden, AIA
Principal

Attachment A: Scoping Document

Feasibility Study for
City Hall Replacement

City of Ashland

March 2016

1 PROJECT BACKGROUND AND DESCRIPTION

The City of Ashland (City) is accepting statements of work to conduct feasibility evaluation of replacing the City Hall facility. The existing structure, originally built in 1891, does not comply with the seismic design criteria provided in the 2014 Oregon Structural Specialty Code (OSSC). Due to the age and antiquated design of the building, the cost of a seismic retrofit on the existing structure would considerably surpass the expense of constructing a new facility.¹ The City has determined that the structure must be replaced, and has identified three replacement scenarios for evaluation, including (a) substantially remodeling and expanding City Hall at its existing location; (b) expanding the Community Development building; and (c) constructing a municipal building on a vacant lot owned by the City.

The final product, an evaluation report, will address each alternative individually, and will identify all major building, structural and spatial needs; anticipated growth needs; expected physical and regulatory constraints; estimates of timelines; and estimates of expenses. The evaluation report should provide findings in sufficient detail to inform a decision for developing a City Hall facility that complies with the 2014 OSSC and best satisfies the needs of the City and the public.

2 HIGH-LEVEL REQUIREMENTS AND ASSUMPTIONS

The feasibility study must address the following requirements for each alternative:

- Complies with applicable provisions of the 2014 OSSC
- Building programming is informed by a staffing and spatial needs analysis
- Design provides for growth (defined in section 3.1)
- Complies with all applicable zoning ordinances and parking requirements

This document includes very preliminary comparisons of the advantages and disadvantages of each alternative. These comparisons were based on certain assumptions, including:

- Divestment of City Hall will result in minimal profit, and may present an unquantified degree of risk
- Divestment of Community Development building will be profitable
- Ground-floor commercial leases will provide return on investment
- Staff displacement will be limited to the *minimum* period required by construction activities (that is, relocation will occur no sooner than necessary)

¹ The City commissioned an evaluation in 2015 to explore the feasibility of a seismic retrofit to bring the structure into compliance with OSSC. Estimates of the total expense, including structural, non-structural, and accumulated displacement costs, were compared to estimates informed by the expense of similar, recently constructed government buildings in the Rogue Valley.

3 SCOPE OF SERVICES

3.1 SPATIAL NEEDS ANALYSIS

It is essential that the City Hall replacement performs well as a structure, both for the benefit of the public and the occupants. The City is particularly interested in consolidating the offices of the City Hall and Community Development buildings to provide the public with a centralized municipal building. Accordingly, an analysis of the programmatic needs of City Hall and Community Development will be necessary to inform an evaluation of each of the replacement alternatives.

The City expects an analysis that includes, at a minimum, a description of current facility condition and space use, identification of staffing levels and vacancies; current and projected space needs of the occupants and the public, long-term document storage requirements, and long-term employee and visitor parking and traffic flow requirements.

3.2 SITING ALTERNATIVES ANALYSIS

The City wishes to evaluate the feasibility and expense of the three siting alternatives described below. The analysis of each siting alternative should include at a minimum:

- review of applicable zoning and jurisdictional requirements;
- identification of major siting constraints;
- a conceptual design;
- a projected timeline; and
- estimated project cost.

Provided below are detailed descriptions of the alternatives, certain foreseeable issues and concerns that should be addressed in the feasibility study, as well as several options, or “nice-to-haves”.

SCENARIO 1: ON-SITE REPLACEMENT OF CITY HALL

Description

This siting alternative would raze most of the existing City Hall structure. The north and west exterior walls would be retained in order to preserve the historic value of the structure. A new facility would be constructed in the footprint of the demolition.

The City envisions a new structure with four floors. The ground, second, and third floors would be utilized by the City as civic offices, storage areas, and meeting spaces. The fourth floor may be utilized for a variety of needs identified by the space needs analysis, possibly including document storage and meeting areas, growth accommodation, and providing flexibility as space needs change over time.

Options

The City has identified two potential options for using space within the proposed City Hall building. Both of the following options will require additional evaluation for expense and feasibility:

- Incorporate a basement under the new building
- Completely raze all walls and rebuild the structure (including basement, if practicable)

Additional Considerations

- The occupants of City Hall would need to be relocated during the construction phases. An evaluation of Scenario 1 must consider logistical matters related to displacement. Modular office structures (modulars) have been identified as a prospective solution to temporary displacement of employees. The evaluation must address the number of modulars needed, possible locations for modulars, and how City Hall personnel will be divided amongst modulars. Additional considerations include parking and public access, and coordinating connections to sewer, power, internet, and telephone.

*Summary: Advantages and Drawbacks**

| Advantages | Drawbacks |
|---|---|
| <ul style="list-style-type: none"> • Retains current, desirable location and historic facade • Eliminates complications and liabilities associated with vacating and divestment of property | <ul style="list-style-type: none"> • Small footprint limits flexibility in design, programming, growth • Requires significant demolition phase • Multi-phase project may impact tourism • Will not provide public with a centralized municipal facility • May disrupt downtown business flow • Demolition and construction phases may present a public safety risk • Does not alleviate existing public parking shortage |

*See Assumptions

SCENARIO 2: EXPAND COMMUNITY DEVELOPMENT BUILDING

Description

Scenario 2 proposes to annex City Hall to the existing Community Development building as a second floor. The City would vacate the existing City Hall structure.

The expansion would include a comprehensive programming component to ensure the two story facility meets the required work space, storage, meeting, and work-flow needs of the various departments that share the building.

Additional Considerations:

- The evaluation of Scenario 2 must explore the structural feasibility of constructing a second floor on Community Development building. At this early stage, it is unknown whether Community Development is able to safely support a second floor.
- Community Development personnel tend to park on Winburn Way and Granite Street. Parking spaces on these two streets are typically limited due to proximity to Lithia Park. Expansion of Community Development may further reduce parking availability. An evaluation of Scenario 2 must explore the need for additional parking. Possible solutions include purchasing or leasing parking space in the vacant lot on the south side of the Community Development property, or leasing church parking areas.

- Occupants of Community Development may need to be temporarily relocated if any construction phases require an empty building. An evaluation of Scenario 2 should address the necessity of relocation and accumulated expenses.
- A second floor may obstruct the eastern views from several neighboring homes on Granite Street. An assessment potential for view obstruction will help the City prepare for discussions with property owners.

*Summary: Advantages and Drawbacks**

| Advantages | Drawbacks |
|---|--|
| <ul style="list-style-type: none"> • Consolidates municipal offices • Improves programming for multiple departments • Significant infrastructure and services are present • Avails a large construction footprint • Relatively minor demolition required | <ul style="list-style-type: none"> • City may need to divest itself of City Hall (will City be indemnified of risk?) • Intensified parking shortage • May incur temporary displacement costs • May obstruct neighbors' views |

*See Assumptions

SCENARIO 3: RELOCATION AND CONSTRUCTION OF A NEW BUILDING

Description

Scenario 3 proposes to consolidate City Hall and Community Development staff in a new municipal building. The structure would be located on a City-owned parcel that currently provides public parking at the southeast corner of Lithia Way and North Pioneer Street City. The City envisions a multi-story facility with retail space on the ground floor and civic offices on the upper floor(s). The facility would necessarily include underground parking to compensate for the loss of a surface parking lot. Under this scenario, the City would divest itself of the City Hall and Community Development buildings and apply the profits to the expense of

Additional Considerations:

The evaluation of Scenario 3 must include the expense of parking lot demolition and provision of mandatory services on an otherwise undeveloped lot.

*Summary: Advantages and Drawbacks**

| Advantages | Drawbacks |
|---|---|
| <ul style="list-style-type: none"> • Consolidates municipal offices • Requires no purchase of property • Includes a parking solution which will not increase congestion • Increases public parking availability at the Plaza, Lithia Park, and Granite Street. • Affords a large construction footprint • Involves relatively minor demolition • Earns revenue from commercial leases • Divestment of Community Development helps offset construction costs | <ul style="list-style-type: none"> • City may need to divest itself of City Hall (risk?) • May incur greater development expenses than other scenarios • Mandatory utilities and services must be established • Potentially reduces public parking • Public may be reluctant to change the location of a long-standing institution |

| Advantages | Drawbacks |
|--|-----------|
| <ul style="list-style-type: none"><li data-bbox="203 235 719 268">• Incurs no temporary displacement costs | |

*See Assumptions