



**Request for City Council Committee Action  
from the Department of Community Planning & Economic  
Development (CPED)**

**Date:** April 3, 2012

**To:** Council Member Lisa Goodman, Community Development Committee  
Council Member Betsy Hodges, Ways and Means/Budget Committee

**Subject:** Peavey Plaza: Authorize execution of amendment to contract with Conurbation LLC for Peavey Plaza

**Recommendations:**

1. Authorize appropriate officials to execute a contract amendment with Conurbation LLC, to provide owner's representative services for Peavey Plaza, not to exceed an additional \$75,000, which will be reimbursed from private fundraising.
2. Approve an allocation of an additional \$45,000 to Peavey Plaza from the existing 2012 Preliminary Planning Fund unallocated appropriation, which will be reimbursed from private fundraising.

**Previous Directives:**

- On November 18, 2011, the City Council authorized up to \$30,000 to pay for soil borings at Peavey Plaza and CPED staff time.
- On November 4, 2011, the City Council authorized execution of contracts with Oslund and Associates and HR & A Advisors for up to \$800,000 and \$100,000, respectively, for design consulting services for Peavey Plaza; authorized reimbursing the Minnesota Orchestral Association for \$69,080 for HR & A Advisors services related to Peavey Plaza; authorized City staff to negotiate with Minnesota Orchestral Association and the State of Minnesota regarding a long-term lease, grant and other agreements related to state bond funding for Peavey Plaza and Orchestra Hall improvement; approved a capital advance in the amount of \$970,000 from the Common Project Reserve(01CPZ –Common Project Reserve) to Capital Projects – Other (01CPO-Capital Projects Other) to pay for design fees to be reimbursed from state bond proceeds following execution of agreements with the State of Minnesota and amended the 2011 General Appropriation Resolution accordingly.

- On August 19, 2011, the City Council authorized staff to enter into an agreement with HR&A Advisors to provide services in an amount not to exceed \$60,000 and authorized an additional \$38,500 to amend the agreement with Conurbation.
- On November 19, 2010, the City Council authorized staff to enter into negotiations and execute an agreement with Oslund and Associates in an amount for Phase 1 Concept Design not to exceed \$250,000, approved a capital advance of \$250,000 from the Development Account to Capital Projects-Other, and delegated to the Finance Officer authority to establish appropriations from state grant and private funds raised from a capital campaign for revitalization of Peavey Plaza.
- On February 16, 2010, the City Council authorized CPED staff to issue a Request for Qualifications, and on September 24, 2010, the City Council authorized CPED staff to issue a Request for Proposals (RFP) for Peavey plaza design services.

**Department Information**

Prepared by: Beth Grosen, CPED (612-673-5002)  
 Approved by:  
 Charles T. Lutz, Deputy Director, CPED \_\_\_\_\_  
 Funding Source and Appropriation Language Reviewed by Development Finance:  
 Jeffrey Streder, Development Finance Director \_\_\_\_\_  
 Catherine A. Polasky, Director of Economic Development \_\_\_\_\_  
 Presenters in Committee: Beth Grosen

**Reviews**

- Permanent Review Committee (PRC): Approval: Yes Date: February 9, 2012
- Civil Rights Approval Approval: Yes Date: March 6, 2012
- Policy Review Group (PRG): Approval: Not applicable

**Financial Impact:**

Funds to reimburse the fees paid by the City to Conurbation LLC will come from private contributions for the project.

**Community Impact:**

- Neighborhood Notification: Staff is working with a Community Engagement Committee that has been organized around the Orchestra Hall/Peavey Plaza project. The CEC met several times in the past year and reviewed the preferred design on October 12, 2011. An open house for the public was held on October 19, 2011.
- City Goals: Livable Communities, Healthy Lives—Plentiful arts, cultural, and recreational opportunities; Eco-focused—World class parks fully enjoyed.
- Comprehensive Plan: Consistent.
- Zoning Code: Consistent.

**Supporting Information:**

In November 2010, CPED staff solicited proposals from three firms to serve as an owner’s representative for the Peavey Plaza project. Conurbation, LLC was selected, due to principal Peter Brown’s previously public sector economic development experience, his work at Nelson Tietz and Hoyer on behalf of the Minnesota Orchestra, and his standing as a licensed architect. A standard contract for professional services was executed with Conurbation in December 2010 for \$49,500.

Mr. Brown has effectively facilitated communication between the Architect (Tom Oslund), City, and Orchestra Hall. Peavey Plaza is a prominent public space on the Nicollet Mall with multiple stakeholders and an expectation for substantial public participation and private fundraising.

The new extension will provide for Conurbation's continued work through the end of 2012, including new tasks related to fundraising assistance to our elected officials, bidding and contract award (including possible revisions and add alternates based on fundraising results), and more work on the planning for long term operations and maintenance of the plaza. An RFP will be issued before entering into a contract for owner's representative services for the construction phase, when all the funds are raised.

The existing 2012 Preliminary Planning Fund allocation to Peavey Plaza includes \$30,000 available for this contract expenditure. Therefore, an additional \$45,000 allocation to Peavey Plaza from the existing 2012 Preliminary Planning Fund unallocated appropriation is requested to cover the full contract amendment amount.