



Staff Report

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**File #:** 22-0639

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**REQUEST FOR CITY COUNCIL ACTION**

**DATE:** 08/03/2022

**TO:** Honorable Mayor and City Council Members

**FROM:** Planning and Development Department

**SUBJECT:**

Second Amendment to the Professional Services Agreement with Rincon Consultants, Inc. to extend the term of the agreement and increase the compensation by \$25,000 for a total compensation of \$191,895.

**EXECUTIVE SUMMARY:**

Rincon Consultants entered into a Professional Services Agreement with the City on September 16, 2020, for the preparation of the General Plan Housing Element Update for Planning Period 2021-2029. The Housing Element is a mandatory element of the General Plan and is required to be updated every eight years in accordance with state law. The City Council adopted the updated Housing Element on November 3, 2021. The Housing Element is pending review and approval by the California Department of Housing and Community Development

**RECOMMENDED ACTION:**

**That the City Council:**

- a. Approve the Second Amendment to the Professional Services Agreement with Rincon Consultants, Inc. to extend the term and increase the amount by \$25,000.
- b. Authorize the City Manager, or his designee, to execute the Second Amendment to the Professional Services Agreement with Rincon Consultants, Inc. for a total contract amount of \$191,895.
- c. Authorize the Purchasing Manager to issue Changer Order No. 2 to Purchase Order P21810 to Rincon Consultants, Inc., in the amount of \$191,895.

**BACKGROUND & HISTORY:**

The Housing Element of the General Plan is required to be updated every eight years in accordance

with State law. The City advertised Requests for Proposals for the preparation of the Housing Element Update in 2020 and selected Rincon Consultants to prepare the document. The City entered into a Professional Services Agreement with Rincon Consultants on September 16, 2020.

The statutory deadline to complete the Housing Element was October 15, 2021. However, public agencies within the Southern California Association of Governments (SCAG) region were given an additional 120 days from the deadline, ending on February 15, 2022, to obtain a state-compliant Housing Element from the California Department of Housing and Community Development (HCD). The City Council approved the Housing Element on November 3, 2021, and subsequently submitted the document to HCD on November 5, 2021. HCD is allowed up to 90 days for its first review.

On February 3, 2022, the City received comments from HCD, which required the City to do additional work on the Housing Element before HCD would determine the document to be compliant with State law. The comments mostly focused on the housing sites identified in the element, realistic site capacities, the need for a more comprehensive analysis on affirmatively furthering fair housing, more discussion on contributing factors to fair housing issues, and identifying meaningful actions that would improve access to housing for all persons.

The extent of the work related to the comments from HCD on the Housing Element was not anticipated in the initial contract amount. Therefore, the cost of the total contract amount is being increased to cover the additional work performed by the consultant to ensure a timely response to the comments from HCD and any subsequent work required to finalize the City's Housing Element. The City's Housing Element was resubmitted to HCD on June 16, 2022, for an informal, second review. HCD has up to 60 days to respond to the City's latest draft.

### **ANALYSIS:**

The amendment to the existing Professional Services Agreement will provide continued work on the City's Housing Element to finalize the document and receive approval from HCD. Staff is hopeful that the latest revisions to the Housing Element correctly address the comments received from HCD. Once the informal review is complete, staff and the Consultant will address any additional comments and resubmit the Housing Element to HCD through the formal review process. The increased compensation will cover costs incurred by the Consultant to address the comments from HCD dated February 3, 2022, and future work that may be necessary after the second review.

### **FINANCIAL IMPACT:**

Funding for the recommended actions is available in the Capital Improvement Project titled, "General Plan/Climate Action Plan Update," CIP No. 69060. Approval of the recommended actions will not result in an additional appropriation.

### **ENVIRONMENTAL ANALYSIS:**

This action is exempt pursuant to Section 15061(b)(3) of the Guidelines for the California Environmental Quality Act (CEQA), which states that a project is exempt from CEQA if the activity is covered by the commonsense exemption that CEQA applies only to projects that have the potential

for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. This action is simply to approve an amendment to a professional services agreement for consultant services, and there is no possibility that approving this amendment will have a significant effect on the environment. Therefore, no environmental analysis is required.

**PREPARED BY:** JOANNE COLETTA, PLANNING AND DEVELOPMENT DIRECTOR

**Attachments:**

1. Exhibit 1 - Second Amendment to the Professional Services Contract Agreement