



Legislation Text

File #: 22-527, **Version:** 1

Adopt a Resolution to Approve and Authorize the City Manager to Execute Amendment No. 1 to a Consulting Services Agreement with Rincon Consultants, Inc. for a total not to exceed amount of \$575,013 and approve an appropriation of \$75,013 into account 150-41-131-5120 (funded by the City's Community Planning Fees - Account 010-3385) for fiscal year 2022-2023

COUNCIL PRIORITY

- Housing and Homelessness
- Community Engagement and Outreach

SUMMARY

Amendment No. 1 to the Consulting Services Agreement with Rincon Consultants, Inc. will allow for completion of the 2023-2031 Housing Element Update, Related General Plan and Zoning Code Amendments, and Associated Environmental Impact Report (EIR) Project. The proposal represents an increase of \$75,013 for a total not to exceed amount of \$575,013, and requires an appropriation from the City's Community Planning Fees.

RECOMMENDATIONS

Staff recommends that the City Council approve and authorize Amendment No. 1 to the Consulting Services Agreement with Rincon Consultants, Inc. for completion of the City's 2023-2031 Housing Element Update and related General Plan and Zoning Amendments. In addition, staff recommends that City Council approve an appropriation of \$75,013 into account 150- 41- 131- 5120 for fiscal year 2022-2023 from the City's Community Planning Fees (Revenue Account 010-3385).

BACKGROUND

The Housing Element is a mandatory element of a City's General Plan that provides goals, policies, and actions that help the City plan for the existing and projected housing needs for all income levels of the community. State legislation requires that local agencies update their Housing Elements every eight years. The State has also established a series of specific requirements as to the scope, content, and process by which a housing element is updated and adopted, including review and approval (known as certification) by the State Department of Housing and Community Development (HCD)

In addition to the Housing Element Update, the scope of work also includes associated revisions to the City's Land Use Element and Zoning Code as well as state-mandated updates to the Safety Element and the creation of a newly required Environmental Justice Element, in compliance with Senate Bill 1000. The Environmental Justice Element will identify objectives and policies to reduce health risks in disadvantaged communities, promote civic engagement in the public decision-making process, and prioritize improvements and programs that address the needs of disadvantaged

communities.

On July 19, 2021, the City Council adopted Resolution No. 2021-118 that authorized the City Manager to execute a consulting services agreement with Rincon Consultants, Inc. to prepare the 2023-2031 Housing Element Update, related General Plan and Zoning Code Amendments, and associated EIR. The Council also appropriated funds for the project including: \$300,000 from an approved Local Early Action Planning (LEAP) Grant; \$47,400 from a Regional Early Action Planning (REAP) Grant; and the remaining \$152,600 is funded from the Community Planning Fee fund. The requested amendment would increase the Community Planning Fee project funding to \$227,613.

Analysis

Rincon Consultants, Inc. has made significant progress on the initial scope of work:

- Community engagement, including community workshops, website, newsletter, opportunity sites selection tool, survey, and stakeholder meetings;
- Draft 2023-2031 Housing Element routed for public review June 27, 2022 through July 27, 2022 and submitted to HCD for initial review on August 16, 2022;
- Draft Environmental Justice Element;
- Draft Environmental Hazards Element; and
- Draft Supplemental EIR routed for 45-day comment period on September 16, 2022.

Due to emerging guidance from the State HCD and more stringent standards of review, the effort entailed has exceeded that envisioned under the original scope of work. The \$75,013 budget augmentation will cover additional tasks and effort to complete the project and receive HCD certification, including:

- Additional outreach and mapping related to the Environmental Justice Element;
- Evacuation analysis for the Environmental Hazards Element;
- Additional project management support;
- Revisions based on HCD's feedback;
- Additional support during the public hearing and certification phase.

The related General Plan and Zoning Code Amendments will be discussed at a Council Work Session on October 10. It is anticipated that the 2023-2031 Housing Element Update, related General Plan and Zoning Code Amendments, and associated EIR will be brought to a Planning Commission public hearing in mid-November at a special meeting and to the City Council on December 5 for approval and introduction of ordinance.

Previous Actions

- Resolution No. 2021-118 approving and authorizing the City Manager to execute a Consulting Services Agreement with Rincon Consultants, Inc. for the 2023-2031 Housing Element Update, related General Plan and Zoning Code Amendments, and associated EIR

Financial Impacts

This project will require Council appropriation of \$75,013 for Fiscal Year 2022-2023 from Community

Planning Fees (010-3385) into account 150-41-131-5120. There is a combined \$347,400 in State grant funding revenues to off-set the \$75,013 needed to support this project.

The project will be funded as follows:

• State LEAP Grant, Account 150-41-129-5120	\$300,000
• State REAP Grant, Account 150-41-130-5120	\$47,400
• Community Planning Fees, 150-41-131-5120	\$227,613
Total	\$575,013

The Community Planning Fees revenue is generated when residential, commercial and industrial work building permit applications are submitted and calculated as 0.3% of construction valuation. There are sufficient revenues to cover the additional \$75,013 requested for this project.

ATTACHMENTS

Attachment A: Draft Resolution to Approve and Authorize the City Manager to Execute Amendment No. 1 to a Consulting Services Agreement with Rincon Consultants, Inc. for a total not to exceed amount of \$575,013 and approve an appropriation of \$75,013 into account 150-41-131-5120 (funded by the City's Community Planning Fee - Account 010-3385) for fiscal year 2022-2023

Attachment B: CSA Amendment No. 1 to a Consulting Services Agreement with Rincon Consultants, Inc. for a total not to exceed amount of \$575,013

Attachment C: CSA between the City of San Leandro and Rincon Consultants, Inc. dated July 21, 2022

PREPARED BY: Avalon Schultz, AICP, Principal Planner, Community Development Department