

Housing Element Consultant Contract City Council

Tuesday, June 8, 2021
7pm

Housing Element Background

- 7 required elements or chapters to the General Plan
- Housing Elements is mandated to be updated every 5-8 years.

New State Mandates

SB 330	SB 35	AB 1763	AB 1485	AB 101
AB 1560	SB 744	AB 1197	AB 1482	AB 1110
SB 329	SB 18	SB 68	AB 881	SB 13
AB 587	AB 670	AB 671	AB 1486	SB 6
AB 1355				

Legal Implications for Non-Compliance

- Loss of state funding, including transportation dollars
- Legal action by the Attorney General
- Significant fines
- Loss of all local control-appointment of a local receiver

Affirmatively Furthering Fair Housing

2018 — AB 1771 (Bloom) and AB 686 (Santiago) strengthened the mandate for regions and local governments to combat discrimination, overcome historic patterns of segregation, and create equal access to opportunity through housing planning and decision-making, in other words, to affirmatively further fair housing.

No Net Loss

No Net Loss provisions now require that each city maintain unit capacity for specific income levels. While adequate capacity in connection to the total number of units remains important, Section 65863 now also requires that each city maintain unit capacity to meet each income level required by the city's RHNA allocation.

Non-Vacant Sites

Non-vacant site, cities also must identify any applicable leases and existing contracts for current uses, market demand for the existing use, and prior experience converting non-vacant sites to higher density residential.

Strict Interpretation of 'Vacant.'

In a recent review of a housing element, HCD indicated that the following sites were not 'vacant':

- o A large vacant site that had not yet been subdivided from the non-vacant part of the site.
- o A large vacant site containing a high-voltage power line.
- o Sites used for agriculture.
- o A large vacant site containing one vacant, abandoned single-family home.

Limits on Site Size

Sites smaller than 0.5 acre or larger than 10 acres are not considered to be suitable for lower income housing without evidence that the site can be developed for lower income housing. (§ 65583.2(c)(2).)

Limits on Reuse of Sites.

If a vacant site was identified in the site inventory in two previous housing elements, or a non-vacant site was identified in one previous housing element, it will not be considered suitable for lower income housing unless it is zoned to permit 'by right' development at the default density for a project with 20 percent lower income housing. (§ 65583.2(c).)1

More Scrutiny of Site Capacity.

- Each site must individually have access to water, sewer, and dry utilities (or a plan must have been adopted to provide those services). More detail is required regarding site constraints, and cities need to provide information regarding the density of projects on similar sites in the jurisdiction. (§§ 65583.2(b)(5), (c)(2).)

RFP Process

- 3 consulting firms submitted proposals
- All consulting firms were interviewed

Request for Proposal

Table 3-RFP Contract Process Timeline

RFP Released	December 17, 2021
Pre-Bid Conference Call	January 7, 2021 at 10AM
Posting of Answers from Pre-Bid Conference	January 14, 2021 at 10AM
Final Submittal	January 21, 2021 at 4PM
Consultant Interviews	February 4, 2021
City Council Authorization of Contract	March 9, 2021
Contract Execution/Kick Off Meeting	April 8, 2021

Lisa Wise Consulting

- Currently working on the City's Objective Zoning Standards.
- Can “Hit the Ground Running”
- Extensive community outreach by the same firm that did the Downtown Vision Plan (Plan to Place)
- Certified Housing Elements (Temple City, San Gabriel, Livermore, Benicia, Vallejo, Pacific Grove, and Monte Sereno)

Staff Input

- Worked with the consultant to “sharpen the pencil” to reduce the budget.

Budget Breakdown

Table 1-Contract Breakdown	
Base Contract	\$552,228
Contingency	\$48,000
Total	\$600,228
Consultant Contract	
Less REAP Funds	\$35,000
True City Cost	\$565,228

Optional Task

Task	Cost
AB-1851 Religious institution affiliated housing development projects	\$9,300
El Camino Real Tax Credit Sites Analysis	\$20,800
Affordable Housing Overlay Zone	\$14,200
Housing In Lieu Fee Study	\$27,680

Comparative Analysis of Other Cities

City	Status
<u>Monte Sereno</u>	Council approved contract on June 1 st
<u>Saratoga</u>	Council approval of contract on June 2 nd .
<u>Palo Alto</u>	Consultant contract executed in April Subcommittee formed in February; committee has met a few times;
Sunnyvale	Released RFP; two proposals submitted; hoping for Council approval in July
Milpitas	RFP submitted; two proposals submitted; hoping for Council approval in August/September
Campbell	Released RFP; no firms submitted proposals; going back to Council for further direction
Cupertino	Selecting consultant; no firm date from city staff
<u>Mountain View</u>	Council approved contract in December 2020
Gilroy	Council approval of contract likely in August

Recommendation

Authorize the Interim City Manager to execute an agreement with Lisa Wise Consulting (LWC) in an amount not to exceed \$600,228 for the Housing Element Update and amend the budget for the Community Development Department as needed.

Questions ???