



CONSENT CALENDAR

Agenda Item # 2

AGENDA REPORT SUMMARY

Meeting Date: December 14, 2021

Subject: Authorization for the City Manager to Execute a Three Year Agreement with Alta Housing (Formerly Palo Alto Housing) for Housing Services in a Not to Exceed Amount of \$195,000.

Prepared by: Jon Biggs, Community Development Director

Approved by: Gabriel Engeland, City Manager

Attachment(s):

None

Initiated by:

Staff

Fiscal Impact:

Total expenditures for this three-year agreement are not expected to exceed \$195,000, \$65,000 for each year, which have been budgeted for in the Community Development Department's Professional Services Fund.

Environmental Review:

This agreement has been assessed in accordance with the California Environmental Quality Act (Cal. Pub. Res. Code, § 21000 et seq.) ("CEQA") and the State CEQA Guidelines (14 Cal. Code Regs. § 15000 et seq.) and is categorically exempt from CEQA under CEQA Guidelines, § 15061(b)(3), which exempts from CEQA any project 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. Authorizing the City Manager to sign an agreement for housing services will not be an activity with potential to cause significant adverse effect on the environment because it is related to the organizational or administrative activities of the City and will not result in direct or indirect physical changes in the environment, and therefore is exempt from CEQA.

Policy Question for Council Consideration:

- Shall the City Council authorize the City Manager to sign an agreement with Alta Housing (formerly Palo Alto Housing) for on-going services related to affordable housing units, both existing and future, in Los Altos?

Summary:

Reviewed By:

City Manager

City Attorney

Finance Director



Subject: Housing Services Agreement with Alta Housing

This is a request of the City Council to authorize the City Manager to sign an agreement with Alta Housing to provide on-going housing services for affordable housing, both current and future, in the City.

Staff Recommendation:

Authorize the City Manager to sign an agreement with Alta Housing for on-going housing services.

Purpose

Provide services for the affordable housing units in the City of Los Altos.

Background

In 2018, City staff entered into an agreement with Alta Housing to provide housing services for the City in the processing of an array of services related to affordable housing units in Los Altos. Services include:

- Program set-up and monitoring of existing affordable housing units
- Processing subordination and re-finance requests
- Administering the sale and resale of affordable units
- Administering affordable rental units and outreach / tenant selection when these units become available
- In conjunction with staff, develop an affordable housing waiting list program

The compensation for these services, which were provided for in the agreement, was set at \$69,825. These funds have been expended and Alta Housing has continued providing these services and a new agreement is necessary. The total amount of this three-year agreement exceeds the City Manager signature authority; thus, authorization from the City Council is being requested for the new agreement.

Discussion/Analysis

Given the number of new affordable units that have come on-line and are expected to come on-line, the number of affordable units, that have changed title, and other work related to affordable housing that has been provided by Alta Housing at the request of the City, such as the review of affordable housing agreements, review of multi-family or mixed use projects that contain affordable units, staff feels it is appropriate to enter into an agreement with Alta Housing that allows for the continuation of the services they provide.



Subject: Housing Services Agreement with Alta Housing

Staff is therefore requesting that the City Council authorize the City Manager to enter into a new agreement that reflects an expenditure of \$65,000 for each year of the agreement, or a not to exceed amount of \$195,000 for the three-year agreement.

The funds for this expenditure are included in the approved budget of the professional services fund for the Community Development Department.

Recommendation

The staff recommends that the City Council authorize the City Manager to execute an agreement with Alta Housing for affordable housing services for a not to exceed amount of \$195,000 for a three-year agreement.