



# Administrative Report

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H.13., File # 22-4121

Meeting Date: 6/7/2022

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**To: MAYOR AND CITY COUNCIL**

**From: BRANDY FORBES, COMMUNITY DEVELOPMENT DIRECTOR**

## **TITLE**

APPROVE THE FIRST AMENDMENT TO THE AGREEMENT WITH VERONICA TAM & ASSOCIATES, INC. FOR CONSULTING SERVICES ASSOCIATED WITH THE HOUSING ELEMENT UPDATE AND THE PREPARATION OF AN INCLUSIONARY HOUSING ORDINANCE FOR AN ADDITIONAL AMOUNT OF \$10,440 FOR A NEW TOTAL AMOUNT NOT TO EXCEED \$172,390 AND TO EXTEND THE TERM THROUGH DECEMBER 31, 2022

## **EXECUTIVE SUMMARY**

The City of Redondo Beach is in the process of updating its Housing Element for the 6<sup>th</sup> Cycle 2021-2029 planning period, as mandated by State Law. Additionally, the City Council has requested preparation of an Inclusionary Housing Ordinance.

A contract with Veronica Tam & Associates (VTA) was approved on October 20, 2020 for both tasks, with a term through June 30, 2022. Additional time is needed to revise the Housing Element for California Department of Housing and Community Development (HCD) approval and to adopt the Inclusionary Housing Ordinance. Therefore, the Community Development Department requests that the contract term be extended to December 31, 2022.

Additionally, there have been multiple revisions to the City's Housing Element, due to a number of new HCD requirements, needed to achieve certification. In order for VTA to assist in completing the next draft, coordinate the public hearing process, and submit the document for HCD certification, her contract needs to be increased by \$10,440 for a new not to exceed amount of \$172,390.

## **BACKGROUND**

On October 20, 2020, the City Council approved a contract with Veronica Tam & Associates to begin work on the 6<sup>th</sup> Cycle Housing Element update and Inclusionary Housing Ordinance. Veronica Tam & Associates (VTA) has substantial experience in assisting municipalities in preparing Housing Element Updates and in preparing Inclusionary Housing Ordinances. Subconsultants for the contract include Environmental Science Associates (ESA), to prepare the CEQA analysis for the Housing Element, and Keyser Marston Associates (KMA), to conduct the financial evaluation for the Inclusionary Housing Ordinance. Both firms have extensive experience in their respective fields, and the City has utilized ESA to conduct CEQA processes in the past.

VTA completed work on the Housing Element, which was adopted by City Council on October 5, 2021 and then submitted it to the California Department of Housing and Community Development

(HCD) for certification. HCD issued comments on January 5, 2022. City Council provided direction to respond. Staff worked with VTA to prepare a revised Housing Element, which was adopted by City Council on February 8, 2022.

On April 12, 2022 HCD provided a comment letter, requiring additional revisions to the Housing Element. As those revisions need to be made and adopted, and because HCD requires 60 days for review and determination on the revised plan, the timeline for completing the Housing Element work will extend beyond the current contract term. This additional work requires a contract increase of \$10,440, for a new total amount not to exceed of \$172,390.

Since staff and City Council have had to focus on the Housing Element rather than moving forward with completion of the Inclusionary Housing Ordinance, the contract extension will also provide time to complete that portion of the work as well.

### **COORDINATION**

Preparation of the contract amendment was coordinated with the City Attorney's Office.

### **FISCAL IMPACT**

Funding for the original contract amount of \$161,950 was provided by the SB2 Grant Award (\$106,700) for the Housing Element portion of the work and by the General Plan Maintenance Fund (\$55,250) for the Inclusionary Housing Ordinance.

The increased contract amount of \$10,440, which will bring the total not to exceed amount to \$172,390, will be funded by the General Plan Maintenance Fund.

### **APPROVED BY:**

*Mike Witzansky, City Manager*

### **ATTACHMENTS**

- First Amendment to contract Veronica Tam & Associates 6<sup>th</sup> Cycle Housing Element and Inclusionary Housing Ordinance
- Original Contract Veronica Tam & Associates
- Administrative Report October 20, 2020