



September 30, 2020

Sean Scully
Planning Manager
City of Redondo Beach

Subject: Proposal to Prepare the 6th Cycle Update to the Redondo Beach Housing Element

Dear Mr. Scully:

Veronica Tam and Associates, Inc. (VTA) is pleased to submit this proposal to assist the City of Redondo Beach in completing the 2021-2029 Housing Element (6th Cycle Update).

VTA is a recognized consulting firm with a strong focus on housing planning and community development. We have substantial experience in assisting jurisdictions in preparing the Housing Element updates. For the fifth cycle Housing Element update cycle, we successfully completed close to 60 Housing Elements for jurisdictions throughout the State. We also have a long history working with the City of Redondo Beach and are familiar with the constraints and opportunities in the City.

We look forward to continuing our working with the City. Please contact me if you have questions or need additional information.

Respectfully,

Veronica Tam, AICP
Principal

Scope of Work

Task 1 – Project Administration and Coordination

Maintaining schedule is critical for the Housing Element update. We will work with City staff and coordinate with the General Plan consultant as necessary to achieve Housing Element adoption on time (by October 15, 2021 or within the 120-day grace period). Given the late start of the Redondo Beach Housing Element update, and the challenges that City is facing, we anticipate utilizing the grace period for the update.

We will set up regular progress updates with City staff. These meetings will be conducted via audio/video conferencing.

Task 2 – Housing Element Assessment

Task 2.1 – Evaluation of the 2013-2021 Housing Element

As an initial task to the Housing Element update, we will review and evaluate the City's progress in implementing the programs in the City 2017 Midterm Review of the 2013-2021 Housing Element and recommend changes in programs and objectives needed. The City's 2019 Housing Element Annual Progress Report (APR) is a good starting point for this evaluation.

Task 2.2 – Needs Analysis

The Housing Needs Assessment will contain the following topics to satisfy Government Code Section 65583(a) requirements:

- Demographics, income, and employment trends;
- Household characteristics;
- Housing stock characteristics;
- At-risk housing analysis; analysis of special housing needs; and
- Affirmatively furthering fair housing analysis.

Most recently, HCD released a Technical Memo for AB 686 (Affirmatively Furthering Fair Housing). VTA will consult this memo and HCD staff to ensure this new requirement is adequately addressed in the Housing Element update.

Task 2.3 – Sites Inventory and Analysis

The 6th Cycle RHNA is significant for the entire region. The City's draft RHNA is 2,483 units, doubled the City's 5th cycle RHNA. This Housing Element update would require significant efforts to identify additional sites with sufficient capacity for the increased RHNA, taking into considerations the adequate sites requirements under new Housing Element laws (SB 166, AB

1397, etc.). Specifically, HCD recommends a 20 percent buffer to accommodate the No Net Loss requirements.

We will begin with the City's 2017 Housing Element Midterm Review sites inventory and remove parcels that are no longer available for development due to recent development/improvements or change in circumstance. We will then identify additional sites to meet the RHNA. Identification of adequate sites for the RHNA require coordination with the General Plan consultant. The proposed Land Use Policy for the General Plan update may need to be adjusted in order to provide adequate sites for the RHNA.

Task 2.4 – Housing Constraints and Opportunities

We will identify potential governmental and non-governmental constraints to housing production, including environmental and infrastructural constraints. This analysis must contain a review of factors that may potentially constrain the development, improvement, and preservation of housing in Redondo Beach. Factors to be reviewed include market, governmental, environmental, and infrastructural constraints. With the anticipated need to designate additional capacity for residential uses, the impacts of Measure DD would have to be analyzed as a potential constraint.

New Housing Element laws require the assessment of non-governmental constraints, including NIMBYism, lending practices, shortage of labor, and other economic factors.

In addition to the sites inventory, we will also discuss other resources such as funding available and partnership opportunities, as well as opportunities for energy conservation.

Task 2.5 – Housing Implementation Plan

Based upon the analyses and research conducted in the previous tasks, we will update the Housing Element. For each program included in the Housing Element, we will establish the timeframe for implementation, specific objectives, funding sources, and responsible agencies. The programs will satisfy requirements of Government Code Sections 65583(b) and (c). Several new programs are mandated:

- Program to incentivize Accessory Dwelling Units
- Program to address impediments to fair housing

Task 3 – Community Participation (4 Meetings)

During the development of the Housing Element, the City is required to conduct outreach for community participation. The Housing Element will summarize outreach activities and public participation efforts conducted as part of the General Plan Update that are relevant to the Housing Element. In addition, our budget and scope include the following:

- GPAC (1 Meeting) – To discuss with GPAC members regarding the Land Use Alternative and the need for adequate capacity for the RHNA
- Planning Commission and City Council (3 Meetings) –
 - Housing Element Kickoff (2 Meetings) - To discuss the Housing Element update, new requirements, and potential challenges for the Redondo Beach Housing Element before the Planning Commission and City Council. Agencies and organizations serving low and moderate income residents and special needs groups, developers, and community stakeholders will be invited to these meetings.
 - Review of Draft Housing Element (1 Meeting) – To review the Draft Housing Element with the Planning Commission prior to submittal to HCD for review

Agencies and organizations serving low and moderate income residents and special needs groups, developers, and community stakeholders will be invited to these public meetings.

Task 4 – Review and Approval of Housing Element Amendment

Task 4.1 – Staff Review of Draft Housing Element

With the analyses conducted in the previous tasks, we will comprehensively update the City's 2017 Midterm Review Housing Element for the 2021-2029 cycle. A Screendraft Housing Element will be prepared for staff review.

Task 4.2 – Public Review Draft Housing Element

We will revise the Screendraft Housing Element, responding to staff comments to formulate the Public Review Draft. We recommend presenting this Draft Housing Element to the Planning Commission prior to submitting for HCD review (see Task 3). We will revise the Public Review Draft Housing Element to reflect any changes desired by the Planning Commission and respond to public comments.

Task 4.3 – HCD Submittal and Review

HCD review of the Draft Housing Element is mandatory. During the review, we would work to address all HCD comments. We would communicate with HCD and facilitate review of the revisions via revised pages. All revisions made to the Draft Housing Element would be shown as tracked changes. The goal is to secure a Finding of Substantial Compliance on the Draft Element before proceeding to adoption. This way, final certification would be contingent upon adopting the Housing Element as revised and reviewed by HCD, and the City would avoid adopting a Housing Element that does not completely meet HCD requirements and needing to repeat the review and adoption process again.

Task 4.4 – Adoption Public Hearings (2)

Upon completion of HCD review, VTA will conduct two public hearings one before the Planning Commission and one before the City Council for the adoption of the Housing Element.

Task 4.5 – Final Housing Element and State Certification

After the City Council adoption hearing, we will package a Final Adopted Housing Element, along with the signed resolution, and send to HCD for its final 90-day review. We will follow through with assisting the City in achieving State certification of the Housing Element.

Task 5 – CEQA Clearance

The Housing Element will proceed before the General Plan Update. However, all redesignation of sites will occur as part of the General Plan Update. Therefore, we assume the Housing Element will be able to obtain CEQA clearance via a Negative Declaration or Mitigated Negative Declaration. Proposals were obtained from ESA and Rincon Consulting (attached) to provide the CEQA services.

- ESA - ND – \$15,840; MND – \$18,290
- Rincon – ND/MND - \$33,965

Task 6 – Inclusionary Housing Ordinance

We understand the City is interested in pursuing an inclusionary housing ordinance. The following outlines the scope for preparing an inclusionary housing ordinance for the City.

Task 6.1 – Financial Feasibility Study

Keyser Marston Associates (KMA) will conduct a feasibility study to test various parameters for the program, such as:

- Ownership versus rental units
- Housing unit type
- Project size threshold
- Percent of requirement
- Income distribution of required affordable units

KMA study also includes a summary of recently adopted inclusionary housing programs in the State and compare the various parameters used in these programs. KMA estimates a fee of \$39,200; its scope is attached.

Task 6.2 – Public Meetings (5)

We have included up to five meetings to discuss the inclusionary housing program with the Planning Commission and City Council. We anticipate these meetings:

- Introductory meeting – inclusionary housing program basics, including process and parameters for consideration, and relationship with the Housing Element and RHNA
- Parameters setting – discussions to establish basic parameters for KMA to test feasibility
- Recommendation – KMA to report on findings of study and recommend parameters for City ordinance
- Public hearings (2) – for adoption of ordinance

Some cost savings may be achieved if some of these meetings could be combined with the Housing Element meetings.

Task 6.3 – Ordinance Preparation

Based on Council direction (after completion of KMA study), we will draft the Inclusionary Housing Ordinance for the City. We anticipate two rounds of revision to address staff comments. However, our budget and scope do not include legal review the Draft Ordinance. We assume the City's legal team will provide the necessary legal review.

We assume that the City may claim exemption status under CEQA for the Inclusionary Housing Ordinance. Therefore, our scope and budget do not include CEQA documentation for the Ordinance.

Budget

The budget on the following page includes the following:

- Housing Element Preparation - \$88,410
- CEQA for Housing Element
 - ESA - \$18,290
 - Rincon - \$33,965
- Inclusionary Housing Ordinance - \$55,250
 - KMA - \$39,200
 - VTA - \$16,050

	Task	Tam \$ 170	Planners \$ 110	Plnrs/ GIS \$ 100	Other	VTA Total
Task 1:	Project Administration and Coordination					
	Project Administration and Coordination	40	20			\$ 9,000
Task 2:	Housing Element Assessment					
Task 2.1:	Evaluation of the 2013-2021 Housing Element	4	16			\$ 2,440
Task 2.2:	Needs Analysis	16	60	8		\$ 10,120
Task 2.3:	Sites Inventory and Analysis	40	60	20		\$ 15,400
Task 2.4:	Housing Constraints and Opportunities	24	60	4		\$ 11,080
Task 2.5:	Implementation Program	8	12			\$ 2,680
Task 3:	Community Participation (4 Meetings)					
	GPAC (1 Meeting)	8	12			\$ 2,680
	Planning Commission and City Council (3 Meetings)	24	24	6	\$ 500	\$ 7,820
Task 4:	Review and Approval of HE Amendment					
Task 4.1:	Staff Review Draft Housing Element	16	40	8		\$ 7,920
Task 4.2:	Public Review Draft Housing Element	8	20			\$ 3,560
Task 4.3:	HCD Submittal and Review	40	40	8		\$ 12,000
Task 4.4:	Adoption Public Hearings (2 meetings)	12	8		\$ 100	\$ 3,020
Task 4.5:	Final Housing Element and State Certification		4	2	\$ 50	\$ 690
	Total Housing Element	240	376	56	\$ 650	\$ 88,410
Task 5:	CEQA Clearance					
	ESA - ND/MND					\$ 18,290
	Rincon - ND/MND					\$ 33,965
Task 6:	Inclusionary Housing Ordinance					
Task 6.1:	KMA - Financial Feasibility Study					\$ 39,200
Task 6.2:	Public Meetings (5)	40	20		\$ 250	\$ 9,250
Task 6.3:	Ordinance Preparation	40				\$ 6,800
	Total Inclusionary Housing Ordinance					\$ 55,250

Qualifications

Veronica Tam and Associates, Inc. (VTA) is a California corporation located in Pasadena, California. VTA was established in November 2005 and has since been providing housing and community development consulting to local jurisdictions throughout California. We provide assistance in the following areas:

- Housing Element updates
- Zoning revisions for housing-related issues
- Special housing studies
- Consolidated Plan and related reports
- Grants administration and technical assistance
- Analysis of Impediments to Fair Housing Choice
- Environmental clearance for housing-related plans and projects

The person authorized to negotiate contract conditions for the company is:

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Veronica.Tam@vtaplanning.com

Housing and Community Development Planning Experience

Our clients have included rural towns/communities, suburban and urban cities, metropolitan areas, and counties.

Fifth Cycle Housing Elements

We are well known for our expertise in State Housing Element law. We have prepared Housing Elements for jurisdictions throughout the State and maintain an excellent track record of receiving State certification. For the fifth cycle, we prepared close to 60 Housing Element updates in the San Diego, SCAG, ABAG, AMBAG, and FCOG regions.

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| ▪ Alhambra | ▪ Glendora | ▪ Rancho Santa Margarita |
| ▪ Avalon | ▪ Gonzales | ▪ Redondo Beach |
| ▪ Buena Park | ▪ Hawthorne | ▪ Salinas |
| ▪ Burbank | ▪ Hercules | ▪ San Bernardino |
| ▪ Camarillo | ▪ Imperial Beach | ▪ San Clemente |
| ▪ Chino | ▪ Jurupa Valley | ▪ San Joaquin |

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|-----------------|------------------------|------------------|
| ▪ Corona | ▪ Kingsburg | ▪ San Marcos |
| ▪ Coronado | ▪ La Canada Flintridge | ▪ San Marino |
| ▪ Costa Mesa | ▪ Lake Forest | ▪ Santa Clara |
| ▪ Cupertino | ▪ La Mesa | ▪ Santee |
| ▪ Del Mar | ▪ Lawndale | ▪ Seaside |
| ▪ Dublin | ▪ Lomita | ▪ Selma |
| ▪ El Cajon | ▪ Long Beach | ▪ Simi Valley |
| ▪ El Centro | ▪ Marina | ▪ South Gate |
| ▪ El Segundo | ▪ Monterey County | ▪ Tracy |
| ▪ Escondido | ▪ Parlier | ▪ Vista |
| ▪ Fowler | ▪ Pinole | ▪ Walnut |
| ▪ Fresno County | ▪ Pomona | ▪ West Hollywood |

Analysis of Impediments (AI) to Fair Housing Choice/Assessment of Fair Housing (AFH)

We have prepared some of the most complex AI and AFH reports in the State.

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| ▪ Alhambra AI | ▪ Monterey County AI | ▪ Salinas AI |
| ▪ Glendale AI | ▪ Pasadena AI | ▪ San Bernardino AI |
| ▪ Los Angeles AI | ▪ Pomona AI and AFH | ▪ San Diego County AI |
| ▪ Long Beach AI and AFH | ▪ Monterey County AI | ▪ Ventura County AI |

Similar Projects

Seaside Housing Element (2015-2023)

The City of Seaside was updating the Housing Element along with the comprehensive General Plan update. The Draft Housing Element was able to secure a Finding of Substantial Compliance from HCD, and was waiting to be adopted along with the entire General Plan. Unfortunately, the General Plan growth forecast became the subject of litigation, significantly delaying the General Plan/Housing Element adoption process. To move forward with the Housing Element so the City would be eligible for SB 2 grants, VTA revised the Element to rely on the current General Plan (instead of the proposed General Plan) for the RHNA. The Element was also updated to reflect the changes in Housing Element requirements due to the 2017 and 2018 housing bills. The Seaside Housing Element received a Finding of Substantial Compliance in October and is currently in the adoption process.

Gloria Stearns, Director of Community Development

GStearns@ci.seaside.ca.us

(831) 899-6830

Marina Housing Element (2015-2023)

The City of Marina committed in its fourth cycle of Housing Element to redesignate 27 acres of land into high-density mixed use commercial uses. However, with the housing market implosion that occurred between 2006 and 2012, and the dissolution of redevelopment in 2012, the City never completed the required rezoning. Therefore, the City never commenced the fifth cycle update of the Housing Element until 2016 when the City was finally able to pursue the creation of the Downtown Vitalization Specific Plan. VTA worked closely with HCD to devise a two-part plan to help the City prepare the fifth cycle update within three months in order to qualify for CDBG funds, and then move on to achieve a certifiable Housing Element later.

Matt Mogensen, Assistant City Manager

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(831) 884-1240

Maywood Housing Element (2013-2021)

The City of Maywood adopted the 2013-2021 Housing Element on time but the adopted Element did not address HCD comments. The City was therefore identified by the State Attorney General's Office as a non-compliant city, potentially subject to litigation. The City retained VTA in July 2019 to revise the Housing Element and pursue certification. VTA worked in an expedited manner and was able to achieve compliance status for the City on November 14, 2019. As part of the Housing Element amendment, VTA also revised the Zoning Ordinance to address emergency shelters for homeless, density bonus, and create an affordable housing overlay.

David Mango, Director of Building and Planning

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Cupertino Housing Element (2014-2022)

The Cupertino Housing Element was updated with a concurrent update to the City's Land Use Element, seeking to redesignate a number of potential sites for higher intensity residential or mixed use development. The update process involved an extensive community outreach process that included more than 20 community meetings and public hearings. The need to rezone and upzone properties was met to vigorous community opposition. A carefully crafted process helped navigate the community through the discussions and ultimately led to an innovative strategy to accommodate the City's Regional Housing Needs Allocation (RHNA) and the certification of the Housing Element by HCD.

Piu Ghosh, Principal Planner

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PiuG@cupertino.org

Long Beach Housing Element (2013-2021)

As one of the largest and most diverse cities in California, Long Beach has extensive housing needs. The Housing Element update must address debates such as geographic distribution, intensity, affordability, new construction vs. preservation, and displacement, gentrification, and tenant protection. An extensive outreach program was conducted to obtain input from community groups, housing advocates, developers, and property owners. VTA worked closely with City staff and HCD to respond to comments from the community. The Final Housing Element contains detailed actions and specific timelines that answer to community demands.

Patrick Ure, Housing Operations Officer
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