

REPORT TO CITY COUNCIL

DATE: MARCH 28, 2007

TO: HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

FROM: GREG RAMIREZ, CITY MANAGER

BY: MIKE KAMINO, DIRECTOR OF PLANNING AND COMMUNITY DEVELOPMENT

SUBJECT: APPROVAL OF AGREEMENT WITH KAREN WARNER ASSOCIATES FOR CONSULTING SERVICES FOR PREPARATION OF THE GENERAL PLAN HOUSING ELEMENT UPDATE

The purpose of this item is to seek City Council approval for the City to enter into a Professional Services Agreement with Karen Warner Associates, located in Pasadena, for consulting services to prepare the Housing Element Update of the City's General Plan. Staff is requesting that the City Council approve a contract with Karen Warner Associates in the amount of \$48,230 through the end of the Fiscal Year 2007-08. There are sufficient funds in the 2006-07 Planning and Community Development Department budget to commence the contract this fiscal year. The remainder of the contract will be re-budgeted for Fiscal Year 2007-08.

According to the *State of California General Plan Guidelines* (2003), Housing Element law requires local governments to adequately plan to meet their existing and projected housing needs, including their fair share of the regional housing need (Regional Housing Needs Assessment or RHNA). Housing Element law is the State's primary market-based strategy to increase housing supply. Further, the *Guidelines* state that in order for the private sector to adequately address housing needs and demand, local governments must adopt land use plans and regulatory schemes that provide opportunities for, and do not unduly constrain, housing development for all income groups. A Housing Element must include, among other items, the following:

- Demonstrated ability to accommodate projected housing needs (RHNA) through site development capacity.
- Assessment of housing needs and analysis of inventory of resources and constraints (including population and household characteristics and needs, inventory of land, analysis of governmental and non-governmental constraints, and analysis of special housing needs).
- Policies, goals and objectives to achieve the housing requirements.

- Estimation of the amount of funds expected to accrue to the Redevelopment Agency Low- and Moderate-Income Housing Fund (LMIHF) over the planning period of the element and description of the planned uses for the funds.
- Establishment of a housing program that sets forth a five-year schedule of actions to achieve the goals and objectives of the Housing Element (including identifying adequate sites with appropriate zoning, development standards and public facilities that encourage and facilitate a variety of housing types; assisting in development of housing to meet the needs of low- and moderate-income households; addressing, and where possible, removing governmental constraints on development and maintenance and improvement of housing; conserving and improving the condition of the existing affordable housing stock; promoting equal housing opportunities for all; and preserving for lower income households the multi-family assisted housing developments at-risk of conversion to market rate uses).

The Housing Element is the only element of the General Plan that the State must certify. The State requires that the City's Housing Element be updated every five years, and the State established deadline for submittal of the next Housing Element is July 1, 2008. Given these mandated timeframes and certification requirement, updates of housing elements by cities and counties usually occur separately from the overall General Plan Update, which has no established requirement for revising. For these same reasons, the City's process for updating the other elements of the General Plan, currently underway, will be separate from the Housing Element Update. The Housing Element would require less time to complete than the overall General Plan Update.

Karen Warner Associates will conduct the following scope of work:

- Prepare Housing Element Update that complies with the State Housing Element law as generally described above. Specific tasks would include preparing a progress report outlining the affordable housing available in the City to date, housing needs assessment, site availability analysis, governmental and non-governmental constraints analysis to provide housing, funding resources analysis, and housing plan/program to outline goals, policies and objectives for housing in the City.
- Conduct California Environmental Quality Act (CEQA) compliance for the Housing Element.
- Attend public meetings, and coordinate with other City consultants working on housing and General Plan Update tasks.

Karen Warner Associates will coordinate with Rosenow Spevacek Group (RSG), the firm that City staff is currently working with to implement various projects and programs to expend monies within the Redevelopment Agency Housing Set-Aside Fund, Inclusionary Housing In-Lieu Fund, and CDBG funds. These actual projects and programs to be undertaken by the City will be reflected in the Housing Element, and will make up the critical component of the

Element's Housing Program. Karen Warner Associates will also coordinate with EDAW, the General Plan Update consultant, to obtain land use data and ensure consistency of the Housing Element with the other elements of the General Plan, and will coordinate with MDG Associates as that firm continues to implement the City's First Time Homebuyer and Single Family Housing Rehabilitation Programs.

Karen Warner prepared the City's current Housing Element in 2001 while she was employed with Cotton/Bridges/Associates of Pasadena, as well as undertaking an in-lieu housing fee study for the City. City staff was pleased with her work on both of these projects. Ms. Warner has since started her own consulting firm, in 2002, specializing solely in the preparation of housing elements. She is a recognized leader in the field of housing elements and has authored nearly 100 elements throughout the State. She has an excellent reputation not only working with clients, but working with State Department of Housing and Community Development staff, which must certify the City's Housing Element. Based on our past experience with Ms. Warner, staff believes she is well qualified to undertake this update.

City staff also received a proposal from EDAW to prepare the Housing Element. However, that firm's proposal was for an additional \$12,000, and Karen Warner Associates' scope and proposal is more focused and appropriate to what the City needs.

The City Attorney has approved the attached agreement as to form.

RECOMMENDATION

Staff recommends the City Council approve the attached Professional Services Agreement with Karen Warner Associates in the not-to-exceed amount of \$48,230.

Attachment: Agreement (with Exhibit A)