



**DATE:** December 8, 2020

**CATEGORY:** Consent

**DEPT.:** Community Development

**TITLE:** **Housing Element Update Scope of Work**

### **RECOMMENDATION**

1. Approve the proposed Scope of Work for the City's 2023-2031 Housing Element.
2. Authorize the City Manager or designee to approve a professional services contract with Bay Area Economics in an amount not to exceed \$300,000.
3. Approve a midyear Capital Improvement Project, 2023-2031 Housing Element, and transfer and appropriate \$300,000 from the Long-Range Document Fee Fund to the new project. (Five votes required.)

### **BACKGROUND**

The City is required to update its Housing Element (a chapter of the General Plan) every eight years in accordance with State law and the Housing and Community Development (HCD) Department regulations. Per HCD, an adopted 2023-2031 Housing Element is due to the State no later than January 1, 2023.

Housing Elements include a community's housing goals, policies, and strategies, and are also required to demonstrate that a city can accommodate its required "fair share" of housing within the Bay Area region. The number of housing units allocated is determined through the Regional Housing Needs Allocation (RHNA) process. The City, like many cities in the Bay Area, is expected to receive a substantially higher number of housing units allocated through RHNA than in previous Housing Element cycles. The draft RHNA allocation from the Association of Bay Area Governments (ABAG) indicates that the City could receive up to approximately 11,380 units. ABAG will provide a final determination on housing allocations for the Bay Area by December 2021. Although this is a year from now, staff expects the Housing Element process to take approximately 18 to 24 months and recommends starting this process early to ensure that the City has adequate time to meet the January 1, 2023 HCD deadline.

## ANALYSIS

Staff is recommending Bay Area Economics (BAE) serve as the lead consultant for this project, with subconsultants Plan to Place for the public outreach component and ESA for CEQA compliance. Further information on the recommended consultant is found later in this report.

The following highlights the key proposed Housing Element update tasks. They represent a broad range of desired tasks, including public outreach, while also focusing on required State elements. The complete Scope of Work is included as Attachment 1 to this Council report. The project is proposed to start in early 2021 and conclude in late 2022.

### Public Outreach Strategy

- **Project Website.** The project will include a website that will serve as the primary communication tool for the project. It will include the schedule, project updates, upcoming events, meeting summaries, and offer opportunities to submit ideas and take surveys related to the project.
- **Community Workshop.** A community workshop (either virtual or in-person) will provide the community and decision makers with basic knowledge regarding the project and related Housing Element (i.e., State law, regional planning, etc.) information.
- **Stakeholder Meetings.** Up to 10 stakeholder interviews are proposed. These interviews will allow stakeholders to share information about the Housing Element process and the Housing Element team to gather input. The stakeholder groups are expected to include a diverse mix of local and Mountain View-based nonprofit groups, non-English-speaking groups, developers, and others.
- **City Communication Integration.** The project team will work closely with the City's Communications Officer to ensure all communications are clear, user-friendly, well-designed, and delivered via the appropriate method (i.e., website, social media, press release, etc.).
- **Diversity and Inclusion.** The City's multilingual community outreach team will be involved throughout the process, helping with translation materials and meetings as appropriate.

## **Key Analysis and Deliverables**

- **Existing Conditions and Needs.** The consultant team will review relevant background materials, including the City's current Housing Element, General Plan, Housing Element progress reports, and other supporting materials to understand the City's housing progress and priorities. *Deliverable:* This analysis will inform Housing Element policies and programs.
- **Assessment of Housing Needs.** This will include an inventory of resources and constraints relative to meeting the City's housing needs, including those affecting traditionally underrepresented groups and populations with special housing needs. *Deliverable:* This information will be included in the Housing Element Needs Assessment chapter.
- **Housing Sites Inventory and Analysis.** An updated housing sites inventory will demonstrate how the City can accommodate its RHNA within the 2023-2031 Housing Element period. The City's adopted General Plan, recent North Bayshore and East Whisman Precise Plans, and the current R3 Zoning District update project will be evaluated to identify housing unit capacity. This work will also address Affirmatively Furthering Fair Housing (AFFH) requirements to determine the extent to which locations of proposed sites can be made available for housing developments to affirmatively further fair housing in compliance with State law. *Deliverable:* This will result in a Housing Sites Inventory in accordance with HCD requirements to be included in the Housing Element.
- **Draft and Final Housing Elements.** The project team will schedule meetings with the Environmental Planning Commission and City Council regarding the final Housing Element document. Study Sessions with these bodies will also be scheduled to discuss Housing Element content. *Deliverable:* Draft and Final Housing Elements.

## **Santa Clara County Planning Collaborative ("Collaborative") and ABAG Coordination**

Staff has been meeting with the Collaborative, a group of Santa Clara County cities working with a hired consultant on housing-related issues. This group has been identifying how housing-related data and templates can be developed and shared among cities to attain maximum efficiency as cities prepare their Housing Elements. Additionally, ABAG is working on developing similar resources to assist cities.

Since these resources may be of value to the City's Housing Element update, the proposed Scope of Work lists out several tasks, such as Existing Conditions and Needs

and Housing Sites Inventory, that may be reduced in cost or scope if the resources from the Collaborative, and ABAG are found to best serve the City's needs.

### **Consultant Selection Process**

Staff contacted six firms regarding our Housing Element Request for Proposals (RFP). These firms included BAE, MIG, MGroup, ESA, Placeworks, and Baird and Driskell. These Bay Area firms are well-known firms that have produced a number of Housing Elements for surrounding cities, including Mountain View. Most expressed interest in responding to the RFP; however, the City only received one proposal, from BAE. The firms that did not respond noted that they either did not have specialized housing staff available or had other business priorities. Additionally, in discussions with the State Department of Housing and Community Development (HCD) staff, they noted a trend up and down the State where cities are having difficulty finding housing element consultants because of the general lack of experienced and available housing consultant firms.

Staff recommends BAE because of their demonstrated Housing Element knowledge and experience, including their work on the City's 2007-2014 Housing Element update and their strong working relationship with the State's HCD office.

### **FISCAL IMPACT**

This project will be funded with \$300,000 from the Community Development Department's Long-Range Document Fee Fund, which is intended to be used for long-range planning documents. This fund has a sufficient balance to cover the proposed work.

The proposed contract with BAE is \$300,000, which includes all tasks related to the Housing Element update (\$266,405), the City's administrative charge (\$17,316), and an approximate 5 percent contingency (\$14,186). (See Attachment 1 – Consultant Scope of Work, for a breakdown of consultant tasks and costs.)

### **ALTERNATIVES**

1. Do not approve the recommended Scope of Work and consultant contract and direct staff to issue a new RFP.
2. Modify the Scope of Work and budget, as appropriate, and authorize a professional services contract with BAE.
3. Provide other direction.

**PUBLIC NOTICING** – Agenda posting.

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Attachment: 1. Consultant Scope of Work