

City of Culver City, California
City Council Agenda Item Report

Meeting Date: 07/09/07		Item Number: <u>A-1</u>	
AGENDA ITEM: Approval of a Professional Services Agreement with Conexus to Prepare the 2008 Housing Element Update; and Creation of a Joint Council/Commission Housing Element Subcommittee and Appointment of Two Councilmembers thereto.			
Contact Person/Dept.: Susan Yun / CDD		Phone Number: (310) 253-5755	
Fiscal Impact: Yes ☒ No ☐		General Fund: Yes ☒ No ☐	
Public Hearing: ☐		Action Item: ☒ Attachments: ☒	
Public Notification: John Douglas of Conexus (7/3/07); Master Notification List (07/03/07).			
Department Approval: Sol Blumenfeld (6/13/07)		City Attorney Approval: Carol Schwab (by H. Iker) (06/26/07)	
City Controller Approval: Marlee Chang (07/02/07)		City Manager Approval: Jerry B. Fulwood (07/03/07)	

RECOMMENDATION:

Staff recommends the City Council:

1. Approve a professional services agreement with Conexus in an amount not to exceed \$63,000 for the preparation of the 2008 Housing Element Update;
2. Authorize the City Manager or his designate to approve the expenditure of an additional amount not to exceed \$37,000 in contingencies for other additional/unforeseen costs and services associated with the preparation of the Housing Element (i.e. Demographic Surveys, Housing Studies, Graphics, Public Meetings, Mailings, etc.); and
3. Create a Council Subcommittee which would have jurisdiction of the subject of the Housing Element and appoint members thereto.

BACKGROUND:

Regional Housing Needs Assessment (RHNA)

State housing law requires that jurisdictions provide their "fair share" of regional housing needs. Local governments and Councils of Governments (COG's), together with the California Department of Housing and Community Development (HCD), are charged with determining existing and future housing needs {commonly known as the Regional Housing Needs Assessment (RHNA)}. The Southern California region's COG, the Southern California Association of Governments (SCAG), prepares the RHNA numbers for all jurisdictions within its six-county territory.

City of Culver City, California
City Council Agenda Item Report

The last RHNA cycle covered the period from January 1998 through June 2005. The current RHNA cycle will cover the period of 2008 through 2014; jurisdictions will be given credit for housing built during the gap period of 2005 through 2008.

On February 1, 2007, after several workshops, presentations, and analysis of local jurisdiction input, SCAG's Regional Council approved the final draft RHNA number distribution for the 2008-2014 planning cycle for all member jurisdictions, including Culver City.

SCAG not only provides a target number of new housing units for each City and County but also distributes those numbers by income levels, specifically by very low, low, moderate, and above moderate. Culver City's share of the SCAG region RHNA numbers is as follows:

Affordability Level	Units
Very Low	128
Low	80
Moderate	85
Above Moderate	211
Total RHNA	504

Housing Element

HCD measures how a City will achieve its RHNA allocation by reviewing and certifying the City's Housing Element. To receive HCD certification, a Housing Element must demonstrate that a City has sufficient land and policies in place that will allow the potential for its RHNA allocation to be met with special attention given to its share of very low and low income housing. This need should be met during the planning cycle for which the RHNA numbers are allocated. Other supporting documents such as the General Plan Land Use Element and the Zoning Code are also reviewed along with the Housing Element. State Law requires that at the beginning of a RHNA planning cycle, local jurisdictions have in place a State HCD certified and adopted Housing Element.

By June 30, 2008, Culver City is required to submit to HCD, for final certification, an adopted Housing Element that has already gone through Planning Commission and City Council public hearings and at least one round of reviews by HCD.

The Housing Element update is anticipated to take at least one year to complete. The City will review its current Housing Element (which received HCD certification at the beginning of the last planning cycle) and update it as appropriate. This update

City of Culver City, California
City Council Agenda Item Report

is required to make the Housing Element consistent with applicable current State housing law and to demonstrate the City has the potential to construct its RHNA allocation for the 2008-2014 cycle.

The process leading to the adoption and certification of the Housing Element will involve holding community workshops, joint study sessions, and public hearings by the Planning Commission and City Council. The process also includes a 60-day review period by HCD.

In addition, as with any adoption of an element of the General Plan, an environmental analysis will be prepared pursuant to CEQA guidelines. The scope of work and proposed budget assumes that an Initial Study and Negative Declaration will be prepared for the Housing Element update. If the Initial Study finds that significant impacts could occur, an EIR would be required and a revision to the proposed scope and budget may be subsequently presented to the City Council for consideration and approval.

Housing Element - Council/Planning Commission Subcommittee

Staff recommends that a City Council/Planning Commission Housing Element Subcommittee be created so that there is a forum for status updates and guidance on policy issues throughout the Housing Element update process. This would be particularly useful during the stage where HCD provides their comments to the City's Housing Element document. Staff would then have the opportunity to touch base on a regular basis with the Subcommittee to provide updates and to obtain feedback as necessary.

Should a Housing Element Subcommittee be formed, staff anticipates meeting with the Subcommittee as a joint Council/Commission Subcommittee.

DISCUSSION:

Because of the significant amount of work needed to accomplish what is mandated by the State within a relatively short time frame, staff requests the assistance of a Housing Consultant. The Housing Consultant will assist the City in drafting a Housing Element that can be certified by HCD and will further assist in organizing workshops and public hearings. This assistance will include the analysis of the various issues noted above and the required environmental analysis as part of the adoption process.

Staff received the following three proposals from qualified firms for this project:

**City of Culver City, California
City Council Agenda Item Report**

Consulting Firms	Proposed Budget	Average Hourly Rate
1. Conexus	\$62,777	\$ 95
2. Hogle – Ireland, Inc.	\$63,080	\$ 102
3. Veronica Tam & Associates	\$100,000 -125,000	\$ 100

Staff recommends Conexus to prepare the Housing Element due to their extensive public sector experience and competitive rates. Of the three proposals received, Conexus' overall budget was the lowest and included competitive rates when comparing rates to other professional firms.

Mr. John Douglas, who is the co-founder and partner of Conexus, will be primary point of contact and Principal Project Manager for the Housing Element. Mr. Douglas has extensive experience in land use and environmental planning, housing policy, conflict resolution and public participation. He has 32 years' experience in the planning field, including 15 years in local public agency management.

For the past several years he has been a consultant to Culver City on planning and CEQA compliance issues for projects including: the MTA Exposition Light Rail Transit Line, Washington/National Specific Plan, Hampton Inn, West Los Angeles College, Symantec Office Complex, and 700 Corporate Pointe. As a result of his prior experience in Culver City, he is uniquely well-qualified to assist the City with its 2008 Housing Element update.

FISCAL ANALYSIS:

There are sufficient funds in the Planning Division budget to cover the costs associated with the Housing Element Update project in the amount of \$100,000 under Other Contractual Services account (1015210.619800) for services and costs related to the 2008 Housing Element Update project.

The appropriated budget of \$100,000 will be allocated as follows:

1. \$63,000 for consulting services with Conexus to prepare Housing Element.
2. \$37,000 in contingency for additional / unforeseen costs and services associated with the preparation of the Housing Element. This money would be used to pay for items including, but not limited to, necessary contract amendments with Conexus, new contracts with consultants other than Conexus for work ancillary to the Housing Element (any further contracts needed for this work will comply with

City of Culver City, California
City Council Agenda Item Report

all City Council established contracting policies and procedures and, if necessary, will be returned to the City Council for consideration), and out of pocket costs from the City for preparing any supplemental housing related studies, demographic information, public meetings, graphics, etc. It should be noted that the Housing Fund will reimburse the City in the amount of \$50,000 for the contract services.

ATTACHMENTS:

Conexus Scope of Work and Budget.

MOTION:

That the City Council:

1. Approve a Professional Services Agreement with Conexus for the preparation of the 2008 Housing Element Update for an amount not to exceed \$63,000; and
2. Authorize the City Manager or his designate to approve the expenditure of an additional amount not to exceed \$37,000 for additional/unforeseen Housing Element project related cost; and
3. Authorize the City Attorney to prepare the necessary documents and authorize the City Manager to execute such documents on behalf of the City; and
4. Create a joint Council/Commission Subcommittee entitled "Housing Element Subcommittee" and appoint Council member _____ and Councilmember _____ to serve on that Subcommittee; and
5. Direct the Planning Commission to appoint two of its members to the Housing Element Subcommittee.