



# City of Huntington Beach

**File #:** 20-1921

**MEETING DATE:** 10/19/2020

## REQUEST FOR CITY COUNCIL ACTION

**SUBMITTED TO:** Honorable Mayor and City Council Members

**SUBMITTED BY:** Oliver Chi, City Manager

**PREPARED BY:** Ursula Luna-Reynosa, Director of Community Development

**Subject:**

**Approve and authorize execution of a Professional Services Contract with Kimley-Horn and Associates, Inc. for preparation of the 2021-2029 General Plan Housing Element Update contingent upon award of a \$500,000 Department of Housing and Community Development Local Early Action Planning (LEAP) Grant**

**Statement of Issue:**

Every jurisdiction in California is required to adopt a Housing Element as one of the seven mandated elements of the General Plan and regularly update the Housing Element subject to the statutory schedule. The City is in the final stages of the application process to receive a \$500,000 grant from the Department of Housing and Community Development (HCD) to assist in completing an update for the 6<sup>th</sup> Housing Element cycle (2021-2029). The City Council may elect to enter into a professional services contract with Kimley-Horn and Associates, Inc. (KHA), who was selected following a Request for Proposals process, contingent upon the successful award of the LEAP Grant from HCD. If approved, KHA would assist the City in developing a comprehensive update to the City's 2021-2029 General Plan Housing Element.

**Financial Impact:**

When HCD awards the City a \$500,000 LEAP Grant, it will be used for the 2021-2029 Housing Element update to help offset the cost of KHA's contract. Additional funding of \$81,158 is available in Account 10060201. The additional funding primarily covers the contract's contingency amount and is available in the Community Development Department professional services budget.

**Recommended Action:**

A) Approve the Professional Services Contract between the City and Kimley-Horn and Associates, Inc. for preparation of the 2021-2029 General Plan Housing Element Update contingent upon award of a \$500,000 HCD LEAP Grant; and,

B) Approve and authorize the Mayor and City Clerk to execute a "Professional Services Contract Between the City of Huntington Beach and Kimley-Horn and Associates, Inc. for Preparation of the 2021-2029 General Plan Housing Element Update" in the amount of \$581,158 as prepared by the City Attorney (Attachment No. 2); and,

C) Approve an increase in the Community Development Department's professional services listing authority by \$581,158 for the preparation of the 2021-2029 General Plan Housing Element Update to ensure compliance with Administrative Regulation Number 228, Section 7.1; and,

D) Appropriate funds in the amount of \$500,000 from Fund 715, a grant from HCD, for the Professional Services Contract between the City and Kimley-Horn and Associates, Inc.

**Alternative Action(s):**

The City Council may make the following alternative motions:

- A. Do not approve the Professional Services Contract between the City and Kimley-Horn and Associates, Inc.
- B. Continue the item and direct staff accordingly.

**Analysis:**

On May 18, 2020, the City Council approved Resolution No. 2020-34 authorizing staff to submit a Local Early Action Planning (LEAP) Grant application to the Department of Housing and Community Development (HCD) to fund the 2021-2029 General Plan Housing Element Update. Every jurisdiction in California is required to adopt a Housing Element as one of the seven mandated elements of the General Plan. Housing Element law mandates that local governments adequately plan to meet the existing and projected housing needs of all economic segments of the community. The Housing Element will develop strategies and programs to comply with California's Housing Element law which requires that each city and county develop local housing programs to meet its "fair share" of existing and future housing needs for all income groups.

LEAP Grant funding is based upon the population of a jurisdiction. The City is eligible for an award of \$500,000 based on a population size over 200,000 people. The LEAP Grant application is considered an "over the counter" approval process in which HCD works with jurisdictions to revise their application until it is deemed complete and approved. The City has submitted an application, received comments from HCD, revised the application, and is currently awaiting final approval. The tasks and budget of the LEAP Grant are consistent with those of the Housing Element contract. The LEAP Grant will fund the entire contract with the exception of contingencies, which will be funded by the Community Development Department's professional services budget.

**Consultant Selection Process**

The City received proposals from Kimley-Horn and Lisa Wise Consulting in response to a Request for Proposals (RFP) for the 2021-2029 Housing Element Update. Three staff members reviewed the proposals based on a rating system that considered compliance with the RFP requirements, methodology, qualifications/experience, clarity, cost, and references. Kimley-Horn received the highest score and was selected based on their proposal and prior experience completing 5<sup>th</sup> Cycle Housing Elements within the SCAG region.

**Environmental Status:**

Pursuant to Section 15061(b)(3) of the California Environmental Quality Act (CEQA) guidelines, the activity is covered by the common sense exemption that CEQA applies only to projects which have the potential for causing a significant effect on the environment. Where it can be seen with certainty

that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. Approval of a contract does not have potential for causing a significant effect on the environment. The 2021-2029 General Plan Housing Element Update itself will be subject to CEQA review.

**Strategic Plan Goal:** Strengthen long-term financial and economic sustainability

**Attachment(s):**

1. Professional Services Contract Between the City of Huntington Beach and Kimley-Horn and Associates, Inc. for the Comprehensive 2021-2029 General Plan Housing Element Update
2. Insurance Certificate