



Staff Report

File #: REPORT 20-0490, Version: 1

**Honorable Mayor and Members of the Hermosa Beach City Council
Regular Meeting of August 11, 2020**

**APPROVAL OF PROFESSIONAL SERVICES AGREEMENT WITH JHD PLANNING, LLC TO
PREPARE THE 2021-2029 HOUSING ELEMENT**
(Community Development Director Ken Robertson)

Recommended Action:

Staff recommends that the City Council approve a Professional Services Agreement with JHD Planning, LLC to prepare the 2021-2029 Housing Element Update.

Executive Summary:

The Housing Element is a state-mandated requirement of the General Plan. The 2021-2029 Housing Element Update will identify housing constraints and opportunities, as well as provide a detailed analysis of how the City can meet its 6th Cycle Regional Housing Needs Assessment (RHNA) allotment, which is currently anticipated to be 556 units.

The Community Development Department released an RFP for the 2021-2029 Housing Element Update and received two proposals. Staff recommends the selection of JHD Planning, LLC and the approval of the Professional Services Agreement.

Background

Since 1969, Housing Elements have been mandatory portions of local general plans in California because providing housing for all Californians is considered by the state legislature to be of vital statewide importance. A Housing Element provides an analysis of a community's housing needs for all income levels, and strategies to respond to provide for those housing needs. It is a key part of the City's overall General Plan. State Law establishes that each city accommodate its fair share of affordable housing as an approach to distributing housing needs throughout the state. The General Plan (Housing Element) is required by law to be updated every five years.

In 2012, the City's adopted the 2013-2021 Housing Element.

Analysis

Outline of 2021-2029 Housing Element Update Process

The major steps include project management and coordination and project initiation (Task 1-2);

Evaluation of the Current Housing Element (Task 3); Public Engagement (Task 4); Assessment, Analysis and Implementation (Task 5); Planning Commission and City Council Workshops (Task 6); Prepare the Draft Housing Element (Task 7); CEQA Compliance (Task 8); formal public hearing process and finalizing the housing element (Task 9-10); and Review by the California Department of Housing and Community Development (Task 11). The Project schedule is anticipated to start in late August 2020 and be completed by the State mandated deadline of October 2021.

Consultant Selection

On June 4, 2020, the City released the RFP 20-03 for the 2021-2029 Housing Element Update. On July 16, 2020, two proposals were received and evaluated by the City's Community Development Department Staff. Proposals were evaluated on the firm's approach and methods, relevant experience and expertise, and timeframe and cost. Based on these criteria, staff recommends JHD Planning, LLC.

JHD Planning, LLC is recommended based on experience in managing and preparing Housing Elements to be consistent with the State and expertise in housing law and policy. John Douglas, owner of JHD Planning, LLC, has expertly managed the past two Housing Elements for the City of Hermosa Beach and offers great insight to the opportunities and challenges that the City faces with meeting the State RHNA goals.

Community Outreach

Community involvement would occur throughout the process with targeted workshops at key milestones, such as educational forums, ongoing outreach via a website designed for this process, outreach to community groups, and community workshops to inform and seek input. One of the consultant's first tasks would be working with staff to refine the public engagement program that ensures inclusive opportunities for participation by a variety of stakeholders, such as residents, persons with special housing needs and affordable housing advocates to build broad community support.

Community stakeholders would review draft materials, followed by broad community workshops, and Planning Commission/City Council review and direction on key products before moving to the next step in the process.

Community involvement would include two community workshops, stakeholder interviews, Housing Element FAQs and other informational material for posting on the City website, a public survey questionnaire, and social media outreach.

The scope of work proposed by JHD Planning, LLC would facilitate the State's review and certification of the Housing Element before the October 2021 deadline.

General Plan Consistency:

PLAN Hermosa, the City's General Plan, was adopted by the City Council in August 2017. The General Plan (Housing Element) is a mandatory element and, when adopted, will be consistent with

the remainder of PLAN Hermosa.

Fiscal Impact:

On April 14, 2020, the City Council passed Resolution No. 20-7231 approving an application for the Local Early Planning (LEAP) Grant Program Funds and authorizing the City Manager to execute the grant agreement. The proposed grant of \$65,000 would be used to supplement the budget for updating the General Plan Housing Element to be consistent with the upcoming 6th Cycle Regional Housing Needs Assessment (RHNA).

The FY 2020-21 Budget appropriated total funding of \$150,000 to cover the cost of updating the Housing Element based on estimates at that time. This includes \$65,000 in grant revenue, reducing the amount of City funds needed to complete the update.

The estimated cost for preparing the Housing Element of \$93,320 is well below the amount that was budgeted for this project. Also, as set forth in the budget, \$65,000 would be reimbursed by the LEAP Grant in compliance with the Grant Agreement and the remaining amount funded through the General Plan Maintenance fees in the General Fund.

The California Department of Housing and Community Development (HCD) is awarding the grant on an ongoing basis. Assuming the Grant Agreement is signed on September 1, 2020, the \$65,000 grant must be spent between September 1, 2020 and December 31, 2023 (FY 2020-21 through FY 2023-24). The project would be completed by October 2021. The remainder of the estimated cost would be provided by the General Plan Maintenance fees, which are collected at the building permit stage expressly for updating the General Plan, including required updates to the Housing Element.

Attachments:

1. City Council Resolution No. 20-7231
2. Link to April 14, 2020 City Council Meeting Agenda
3. Draft Professional Services Agreement with JHD Planning, LLC

Respectfully Submitted by: Melanie Emas, Assistant Planner

Concur: Nicole Ellis, Associate Planner

Concur: Ken Robertson, Community Development Director

Noted for Fiscal Impact: Viki Copeland, Finance Director

Legal Review: Mike Jenkins, City Attorney

Approved: Suja Lowenthal, City Manager