

RESOLUTION NO. _____

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CAPITOLA
AMENDING THE 2025-26 FISCAL YEAR CITY BUDGET AND CAPITAL IMPROVEMENT
PROGRAM BUDGET TO ALLOCATE FUNDING FOR HOUSING ELEMENT
IMPLEMENTATION AND AUTHORIZING THE CITY MANAGER TO EXECUTE AMENDMENT 2
TO THE PROFESSIONAL SERVICES AGREEMENT WITH BEN NOBLE PLANNING**

WHEREAS, it is necessary to adopted the FY 2025-26 Budget for all City funds and Capital Improvement Program on June 26, 2025; and

WHEREAS, since the adoption of the FY 2025-26 Budget, the City continued implementation of the 6th Cycle Housing Element Program; and

WHEREAS, on May 23, 2024, the City Council authorized a contract with Ben Noble Planning in the amount of \$124,375 for Housing Element implementation ("Agreement"); and

WHEREAS, on September 11, 2025, the City Council authorized Amendment 1 to the Agreement to expand the scope of services and increase compensation in the amount of \$67,936; and

WHEREAS, to date, there have been two extra Planning Commission meetings and one extra round of revisions than originally budgeted. Staff anticipate up to two additional public meetings based on the complexity of the updates; and

WHEREAS, it is necessary to further expand the scope of services and increase compensation by up to \$41,829; and

WHEREAS, it is necessary to amend the FY 2025-26 Budget to receive and appropriate the \$41,829 from the General Plan Update and Maintenance Fund balance.

NOW, THEREFORE, BE IT HEREBY RESOLVED by the City Council of the City of Capitola that the 2025-26 Fiscal Year Budget is hereby amended, including Exhibit A (Budget Amendment) to this Resolution; and

BE IT FURTHER RESOLVED that the City Manager is authorized to execute the second amendment to the Professional Services Agreement with Ben Noble Planning to expand the scope of services and provide additional compensation for the expanded scope in an amount of \$41,829 in a form subject to review and approval by the City Attorney.

I HEREBY CERTIFY that the foregoing Resolution was passed and adopted by the City Council of the City of Capitola on the 8th day of January 2026, by the following vote:

AYES:

NOES:

ABSENT:

ABSTAIN:

ATTEST:

Margaux Morgan, Mayor

Julia Gautho, City Clerk