



STAFF REPORT
2/24/2021

TO: Honorable Mayor and City Council Members

FROM: Luis Lopez, Development Services Director

SUBJECT: First Amendment to Professional Services Agreement with Lisa Wise Consulting, Inc. to prepare the City of Coachella - 6th Cycle Housing Element Update to the General Plan, in the amount of \$130,070.00 and authorize a re-allocation of SB-2 Grant funding for this Agreement as part of approved Housing-Related Tasks.

STAFF RECOMMENDATION:

Staff recommends that the City Council authorize the City Manager to execute the attached First Amendment to Professional Services Agreement with Lisa Wise Consulting, Inc, in the amount of \$130,070.00 (augmenting the original scope by \$34,020) and authorize a re-allocation of SB-2 Grant funds for this Agreement, and Housing-Related Tasks.

BACKGROUND:

On January 27, 2021 the City Council conducted a study session with staff and consultant David Bergman, representing Lisa Wise Consulting Services. At the study session, City Council gave majority direction to augment the scope of work for the consultant to include additional public outreach efforts. The consultant has submitted a revised scope of work proposal showing a modification of the current scope for meetings to include three “focus groups” (at no extra charge), and offered additional services such as the facilitation of a “steering committee” and a Housing Element website, and an on-line survey.

DISCUSSION/ANALYSIS:

Attached to this staff report is a document entitled First Amendment to Professional Services Agreement that will modify the anticipated number of public meetings to include two “focus group” meetings, and to augment the public outreach efforts. The consultant provided a proposal showing enhanced public participation options that are “within the current budget” but adjusts the number and type of public meetings. Staff recommends “Option 2” which includes three “focus group” meetings to be facilitated by the consultant.

In addition, the consultant provided a variety of “optional tasks” that would be added as new tasks (shown as Task 6 in the attached First Amendment to PSA) with a budget adjustment. Staff is recommending the options for Facilitation of a “Steering Committee” (with a minimum of two

meetings – this includes the basic task of \$7,800 plus one meeting facilitation fee of \$4,610), the “Housing Element Website” and the “On Line Survey” options. The original Professional Services Agreement is also attached for reference. The augmented tasks will increase the total budget by \$34,020 bringing the grand total to \$130,070 as shown in the staff recommendation above.

Grant Funding Re-Appportionment:

The original Professional Services Agreement with Lisa Wise Consulting, Inc. qualified for grant funding under California HCD’s Local Early Action Planning (LEAP) and SB2 Grant programs, and staff previously obtained City Council authorization for this work. Staff would like to re-appportion additional funding from the SB-2 Grant funds to make up the difference in the contract amount for the First Amendment to Professional Services Agreement attached to this report.

The following chart shows the latest allocated grant amounts for a variety of housing-related tasks. The columns on the far right indicate how staff intends to re-appportion the funding to make up the difference in the anticipated contract work for the Housing Element Update, and the recently-authorized 5th Cycle Rezoning program work (MSA contract was for \$53,310.00).

TASK	LEAP GRANT	SB2 GRANT
HOUSING ELEMENT UPDATE	\$ 65,000.00	\$ 31,050.00
CEQA PROCESSING + REZONING (5th Cycle RHNA)	\$ 50,000.00	\$ 3,310.00
ELECTRONIC PERMITTING SYSTEM	\$ 25,000.00	\$ 27,600.00
ELECTRONIC PLAN CHECK SOFTWARE	\$ -	\$ 21,000.00
ADU/JADU ARCHITECTURAL DRAWINGS	\$ 10,000.00	\$ 77,040.00
ADU/JADU Outreach/Research/Design	\$ 5,000.00	
Conceptual ADU/JADU Standard Drawing Plans	\$ 5,000.00	\$ 15,000.00
Final ADU/JADU Construction Drawing Plans	-	\$ 62,040.00
Total Projected Cost \$	\$ 150,000.00	\$ 160,000.00

The above charts show the City’s previously-allocated amount of \$96,050 for the Housing Element Update as part of the LEAP and SB2 Grant funds. Additionally, staff has contracts in place for the 5th Cycle RHNA rezoning (\$53,310) and new “Permit Tracking System” (\$52,600). In order to facilitate additional public engagement work for the LWC agreement, staff proposes to reduce the SB2 funding for ADU/JADU Architectural Drawings (\$77,040) by \$32,040. There are excess funds in this appropriation that are available to re-direct.

As previously stated, the original Professional Services Agreement is contingent upon grant funding being in place to pay for at least 75% of the award, even though the City's Grants Manager has assured staff that 100% of this work qualifies under the existing grant programs as explained above.

ALTERNATIVES:

1. Authorize the City Manager to execute the attached First Amendment to Professional Services Agreement with Lisa Wise, Inc. and re-allocate grant funding for the Housing-Related Tasks.
2. Authorize the City Manager to execute the attached Professional Services Agreement with Lisa Wise, Inc., with added or modified terms, and re-allocate grant funding for the Housing-Related Tasks.
3. Continue this item and provide staff direction.

FISCAL IMPACT:

The terms of the Lisa Wise Consulting, Inc. Agreement would require the City to pay up to 25% of the contract cost, or \$32,517.50 out of General Fund accounts, which are budgeted for in the current operating budget for the Community Development Department. The remaining 75% of the contract work must qualify for grant funding. Staff anticipates no fiscal impact in that the project will qualify for full funding through re-apportionment of the SB-2 Grant funding that the City has been awarded.

RECOMMENDED ALTERNATIVE(S):

Staff recommends Alternative #1 or #2 as noted above.

Attachment: First Amendment to Professional Services Agreement with Lisa Wise Consulting, Inc.
Public Engagement Proposal submitted by Lisa Wise Consulting, Inc.
Executed PSA with Lisa Wise Consulting, Inc.