



**STAFF REPORT**  
**3/8/2023**

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

**FROM:** Gabriel Perez, Development Services Director

**SUBJECT:** Approve a Professional Services Agreement with Lisa Wise Consulting, Inc. to complete the City of Coachella - 6<sup>th</sup> Cycle Housing Element Update to the General Plan, for \$44,825.00 and authorize an appropriation of \$35,825 from the General Fund.

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**STAFF RECOMMENDATION:**

Staff recommends that the City Council authorize the City Manager to execute Professional Services Agreement with Lisa Wise Consulting, Inc. in the amount of \$44,825.00 (augmenting the original scope from \$143,070 to \$187,895) and authorize an appropriation of \$35,825 from the General Fund.

**BACKGROUND:**

On January 24, 2021 the City Council approved a first amendment to the professional services agreement (PSA) with Lisa Wise Consulting, Inc (LWC) in the amount of \$130,070.00 (augmenting the original scope of \$96,050 by \$34,020) and authorize a re-allocation of SB-2 Grant funds for this Agreement, and Housing-Related Tasks to include additional public outreach efforts which includes 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.

On October 27, 2021, the City Council approved a second amendment with LWC augmenting the original agreement by \$13,000 from \$130,070 to \$143,070 due to the issuance in April 2021 by the California Department of Housing and Community Development (HCD) of new guidelines for analysis related to affirmatively furthering fair housing (AFFH) as a requirement for 6<sup>th</sup> Cycle Housing Elements. This analysis requires inclusion of a separate appendix in the Housing Element with specified spatial and quantitative analysis of the conditions of protected classes.

On December 19, 2022, HCD issued a review letter for Coachella’s draft 6<sup>th</sup> Cycle Element that requires additional work to be performed to address HCD comments, which is not covered under the previous scope of work with LWC and the original PSA has expired. The City of Coachella obtained a proposal from LWC to complete the Housing Element to completion in the amount of \$44,825, which would result in total expenditures on the Housing Element in the amount of \$187,895.

**DISCUSSION/ANALYSIS:**

Attached to this staff report is a PSA that will modify the scope of for completion of the Housing Element. The augmented tasks will increase the total budget by \$44,825, bringing the grand total of expenditures by the City on the Housing Element to \$187,895 as shown in the staff recommendation above. On January 24, 2021, the City Council approved a reallocation of LEAP and SB 2 grant funds in the amount of \$152,070 for the Housing Element Update. A total of \$9,000 is available from Leap and SB 2 funds to cover a portion of the expenses for LWC services. The remainder of the Housing Element costs would need to be funded through an appropriation of \$35,825 from the General Fund.

**ALTERNATIVES:**

1. Authorize the City Manager to execute a Professional Services Agreement with Lisa Wise Consulting, Inc. and appropriate \$35,825 from the General Fund.
2. 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 \$35,825 out of General Fund accounts, which are not budgeted for in the current operating budget for the Development Services Department. The remaining \$9,000 would be paid from SB-2 and LEAP Grant funding that the City has been awarded.

**RECOMMENDED ALTERNATIVE(S):**

Staff recommends Alternative #1 as noted above.

Attachment:

1. Professional Services Agreement (PSA) with Lisa Wise Consulting, Inc.
2. Proposal memo submitted by Lisa Wise Consulting, Inc. for completing Housing Element.
3. Comment Letter to City of Coachella from Department of Housing and Community Development