



**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 09/20/2022

ITEM NO: 4

DATE: September 15, 2022
TO: Mayor and Town Council
FROM: Laurel Prevetti, Town Manager
SUBJECT: Authorize the Town Manager to Execute a First Amendment to the EMC Planning Group Inc. Agreement for Completion of the Housing Element Update as Proposed by the Firm for a Not to Exceed Total of \$455,329 and authorize Revenue and Expenditure Budget Adjustments up to the Amount of \$172,894 (\$131,500 Plus 10 Percent Contingency) from the Available General Plan Update Deposit Account.

RECOMMENDATION:

Authorize the Town Manager execute a first amendment to the EMC Planning Group Inc. agreement for completion of the Housing Element update as proposed by the Firm for a not to exceed total of \$455,329 and authorize revenue and expenditure budget adjustments up to the amount of \$172,894 (\$131,500 plus 10 percent contingency) from the available General Plan Update Deposit Account (Attachment 1).

BACKGROUND:

On June 15, 2021, the Town Council authorized the Town Manager to enter into an Agreement with EMC Planning Group Inc. for the preparation of the 2023-2031 Housing Element and associated environmental review documents.

DISCUSSION:

Staff is requesting a budget adjustment in the amount of \$131,500 to cover the cost for additional work by EMC Planning Group Inc. This budget adjustment reflects the greater level.

PREPARED BY: Jocelyn Shoopman and Erin Walters
Associate Planner and Associate Planner

Reviewed by: Town Manager, Assistant Town Manager, Town Attorney, Community Development Director, and Interim Finance Director

DISCUSSION (continued):

of detail that is being required by the California Department of Housing and Community Development (HCD) in its review of other local governments' Housing Elements.

Specifically, HCD is requiring more analysis of Affirmatively Furthering Fair Housing (AFFH) as part of the Housing Element. In addition, Assembly Bill 215 (AB 215) was signed by the Governor on September 28, 2021, after the agreement with EMC Planning Group Inc. was authorized. AB 215 requires that a local government make the first draft revision of the Housing Element available for public comment for at least 30 days and, if any comments are received, take at least 10 additional business days to consider and incorporate public comments into the draft Housing Element before submitting it to HCD. These two considerations require additional time and work than originally anticipated in the original agreement.

CONCLUSION:

Staff recommends that the Town Council authorize the Town Manager to execute a first amendment to the EMC agreement and a budget adjustment in the amount of \$131,500 plus a 10 percent contingency of \$41,394. The base amount, plus adjustment and contingency totals \$455,329. The inclusion of a contingency is proposed for consistency with previous consultant agreements. The contingency will only be utilized if necessary, and it has been included to allow the Town Manager or their designee to authorize limited additional costs without impacting the project schedule.

COORDINATION:

This report was coordinated with the Town Manager's Office, Town Attorney's Office, and Finance Department.

FISCAL IMPACT:

Funding for the Housing Element update, including this budget amendment, come from the General Plan Update Deposit Account. Sufficient funds are available in this account.

ENVIRONMENTAL ASSESSMENT:

Environmental review is not required for this budget adjustment as it is not a project defined by the California Environmental Quality Act (CEQA).

Attachment:

1. Draft EMC Planning Group, Inc. First Amendment to an Agreement with Exhibit A