



## Legislation Text

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File #: 23-0581, Version: 1

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### **CITY COUNCIL AGENDA ITEM**

#### **ACTION REQUESTED:**

Approve the award of Change Order #2 to Contract 21-054, Inclusionary Zoning Ordinance Advisory Services, to SB Friedman for an amount not to exceed \$20,105 and a total award of \$90,105 and for an additional year

**DEPARTMENT:** Transportation, Engineering and Development

**SUBMITTED BY:** William Novack, Director/City Engineer

#### **BOARD/COMMISSION REVIEW:**

N/A

#### **BACKGROUND:**

On February 16, 2021, the City Council awarded Contract 21-054, Inclusionary Zoning Ordinance Advisory Services, to SB Friedman and Duncan Associates (subconsultant) in the amount of \$40,000.

In June 2021, SB Friedman presented the City Council options regarding a potential Inclusionary Zoning Ordinance. At the conclusion of discussion, the City Council consensus was to focus affordable housing efforts on voluntary measures which result in increasing the number of affordable units through the use of incentives, such as density bonuses. Based on the revised scope recommended by the City Council (i.e., voluntary vs. required program), the City Manager approved a change order to Procurement 21-054 to increase the award amount by \$30,000 (total award of \$70,000) to fund the additional research and work required for SB Friedman to prepare an alternative voluntary program.

In 2022, SB Friedman prepared the Affordable Housing Incentive Program (AHIP) and presented it to the Human Rights and Fair Housing Commission (April and June 2022), the Planning and Zoning Commission (July 2022), and the City Council (October 2022).

During City Council review on October 4, 2022, additional revisions were recommended which required further research. The recommended revisions were prepared and the final AHIP program was presented to the City Council on January 17, 2023. City Council endorsed the AHIP program at this meeting and directed staff to complete the remaining portions of the ordinance adopting the program for final presentation to the City Council for approval.

#### **DISCUSSION:**

Contract 21-054, Inclusionary Zoning Ordinance Advisory Services expired on December 31, 2022. Further, based on the additional work and public meetings undertaken by SB Friedman in 2022, as

directed by City Council, there are no funds remaining in Contract 21-054 to prepare the final portions of the AHIP ordinance required for City Council approval.

Staff is seeking City Council approval of a change order to Contract 21-054 in the amount of \$20,105 and to extend the contract with SB Friedman for an additional year, through December 31, 2023, to complete work on the AHIP program for City Council final approval and adoption in 2023.

**FISCAL IMPACT:**

CIP #: N/A

The additional work to be performed by SB Friedman will be funded by the Affordable Housing Donations account listed below. In 2021, the City received a \$200,000 payment from Lincoln Properties as a development contribution to be used toward future affordable housing initiatives. In 2022, another \$155,000 was received through a prior year sale of the City's volume cap allocation and deposited to this account. The account currently holds a balance of \$300,000 to accommodate the requested award.

Account Number	Fund Description	Total Budget Amount
4400-228206	Escrow Fund	N/A