




# TOWN OF PORTOLA VALLEY

## STAFF REPORT

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**TO:** Mayor and Members of the Town Council

**FROM:** Laura Russell, Planning & Building Director 

**DATE:** March 8, 2023

**RE:** Contact Extensions with Urban Planning Partners for Housing Element and Safety Element

### RECOMMENDATION

Staff recommends that the Town Council amend two contracts with Urban Planning Partners to assist the Town with updating its Housing Element and Safety Element, and prepare the Initial Study/Mitigated Negative Declaration.

### BACKGROUND

On April 28, 2021, Town staff issued a Request for Qualifications (RFQ) to complete the Housing Element Update as required by state law, and included as an optional task, the update to the Safety Element. Town staff identified Urban Planning Partners (UPP) as a qualified firm to complete the tasks.

#### Housing Element and CEQA

On [July 14, 2021](#) the Town Council approved a contract with UPP for planning services to support the Housing Element Update and prepare the first step of the environmental review under the California Environmental Quality Act (CEQA). At that time, it was too early to estimate the full cost of the CEQA review but it was important to begin the Vehicle Miles Traveled (VMT) analysis because it needed to be completed early in the process. At that time, it was known that a large contract amendment would be needed for the majority of the CEQA work.

On [March 23, 2022](#), Town Council received an update on the Housing Element update process and provided additional direction on next steps. Council considered options for additional resources and expressed support for additional funds, even though they would need to be paid from reserves. An additional \$98,222 was authorized for the Housing Element. A portion of that was to cover increased work by UPP while the Town's Senior Planner was out on maternity leave. At that time, the authorized budget for the CEQA review was \$168,210.

Safety Element

On [August 11, 2021](#) the Council approved a second contract with UPP for \$100,256 to prepare the Town's Safety Element. At that time, there was a possibility of collaborating with other jurisdictions to save resources. However, the potential to collaborate with other local jurisdictions on the Safety Element Update did not develop at a rate that was useful to the Town. Waiting for the collaborative effort would have resulted in a lack of needed information to support the Housing Element Update process. On [February 23, 2022](#), Town Council authorized an increase of approximately \$35,000 (with a contract amendment to follow) for the additional Safety Element work, bringing the total authorized for the Safety Element to \$135,256.

**DISCUSSION**

As the Town Council is aware, the complexity, and length of the Housing Element Update process and associated CEQ review has exceeded all initial estimates. The challenges and number of meetings has far outpaced what was expected. Each time a map, technical analysis, program, or site analysis is revised, that requires additional resources. Each public meetings takes many hours to prepare for. Please see the [Table of Meetings and Documents](#) for more detail on the number and scope of meetings that have been held.

The costs associated with this effort are detailed below. The Town Council has provided previous authorizations for much of the work, which is being formalized through the currently proposed contract amendments. The consultant invoices have been paid, based on past authorizations and direction from Town Council. These contract amendments formalize past authorizations and additional requests necessary to support the process.

The Town was awarded three State grants to cover some of the costs of the Housing Element Update process. The total of those three grants is \$245,000.

**Housing Element Expenses**

\$117,402	Original contract
\$98,222	Authorized on 3-23-22
\$215,624	Total Authorized by Council
\$13,782	Additional Request
<b>\$229,406</b>	<b>Total with this Amendment</b>

**CEQA Review Expenses**

\$168,210	Original Authorization on 3-23-22
\$95,041	Additional Request
<b>\$263,251</b>	<b>Total with this Amendment</b>

Total contract: \$229,406 + \$263,251 = **\$492,657**

**Safety Element Expenses**

\$100,256	Original contract
\$35,000	Authorized on 2-23-22
\$135,256	Total Authorized by Council
\$22,579	Additional Request
<b>\$157,835</b>	<b>Total with this Amendment</b>

**FISCAL IMPACT**

Staff is exploring any other potential sources of funding to support the Housing and Safety Element to try to reduce spending from reserves. There is complexity in the accounting for the Housing Element and Safety Element because there are several sources of income and expenses that cross over fiscal years. Staff anticipates doing additional analysis and providing an update to Council at an upcoming meeting.

**ATTACHMENTS**

1. Original Agreement with UPP for preparation of the Housing Element
2. Amendment No. 1 with UPP – Housing Element
3. Original Agreement with UPP for preparation of the Safety Element
4. Amendment No. 1 with UPP – Safety Element