



COUNTY OF SONOMA

575 ADMINISTRATION
DRIVE, ROOM 102A
SANTA ROSA, CA 95403

SUMMARY REPORT

Agenda Date: 12/5/2023

To: Sonoma County Board of Supervisors

Department or Agency Name(s): Permit Sonoma

Staff Name and Phone Number: Eric Gage, Planner III (707) 565-1391

Vote Requirement: Majority

Supervisorial District(s): Countywide

Title:

Housing Element Update (formerly Rezoning Sites for Housing) Environmental Review Services Contract, Third Amendment

Recommended Action:

Authorize the Director of Permit Sonoma to negotiate and execute a third amendment to the agreement with Rincon Consultants, Inc., for the preparation, processing and revision of the updated Housing Element and an Environmental Impact Report to analyze the environmental impact of the County's Housing Element Update, increasing the total contract amount from \$888,447.90 to \$1,002,886.90, and extending the contract through March 1, 2024.

Executive Summary:

In January 2020, the Director of Permit Sonoma executed an agreement with Rincon Consultants, Inc. (Rincon), to prepare an environmental impact report (EIR) to analyze the impact of zoning and land use changes for up to 59 sites to add sites to the County's Housing Element site inventory, as required by State law. The agreement was amended on March 1, 2021, by action of the Board of Supervisors, to reflect an expanded scope of work that included additional analysis for the Utilities and Service Systems and Greenhouse Gas Emissions sections of the Draft EIR, additional public outreach and project management, and additional edits to draft EIR sections. Due to the anticipated housing element update schedule, the agreement was amended a second time on February 8, 2022, to incorporate preparation of the updated Housing Element and expand the scope of the EIR to include Housing Element policies and implementation programs.

This third contract amendment follows the recent adoption of the final draft Housing Element by the Board of Supervisors at the public hearing on August 22, 2023, and the certification of the approved Housing Element by the state Department of Housing and Community Development on October 25, 2023. This third amendment is for work exceeding the scope of the second amendment and already completed in 2023, including post-adoption revisions to Housing Element documents, responding to comments from reviewing state agencies, and responses to public comments. This work concludes the Housing Element adoption process, and staff shifts the focus of their efforts to implementation of the approved programs in the Housing Element.

Discussion:

The State of California requires all cities and counties including Sonoma County, to identify sites for housing, zone them appropriately, and report on those sites and their development potential in their Housing

Elements. The California Department of Housing and Community Development (HCD) awarded the County a \$310,000 SB-2 Planning Grant to partially cover the cost of the EIR preparation.

The County issued a Request for Proposals on September 16, 2019, to select a consultant to prepare the EIR for the Rezoning Sites for Housing project. Rincon Consultants, Inc. (Rincon) was chosen as the preferred bidder. On January 14, 2020, the Board of Supervisors authorized the Director of Permit Sonoma to negotiate, finalize and execute an agreement with Rincon for an amount not to exceed \$310,000 through January 13, 2022 (Att. 1). The contract was amended on March 2, 2021, to include additional virtual public outreach due to the COVID-19 pandemic which prevented in-person workshops. The first amendment to the contract also included additional analysis for and revisions to the Greenhouse Gas Emissions and Utilities and Service Systems sections of the Draft EIR, updating the Biological Resources and Transportation and Circulation sections of the Draft EIR, and additional project management. The first amendment to the contract increased the contract not-to-exceed amount to \$430,082 (Att. 2).

In compliance with the terms of the contract and first amendment, the Draft EIR was published on April 19, 2021, and was available for comment until June 18, 2021. County staff reviewed the comments and the Administrative Draft Response to Comments and Final EIR. Due to the anticipated housing element schedule, County staff recommended combining these efforts into a single EIR. Staff recommended the second contract amendment to combine the required environmental review for the policy changes required for the housing element update simultaneously with the housing sites rezoning project. The second amendment to the contract increased the contract not-to-exceed amount to \$888,448 through December 1, 2023(Att. 3).

Permit Sonoma staff published the Draft EIR for both the housing element and housing rezoning sites on December 28, 2022. Following a public review process, the Board of Supervisors reviewed the updated housing element, other General Plan amendments and zoning changes for individual sites. The Board approved the final draft of the Housing Element and certified the final draft of the EIR on August 22, 2023. Following Board adoption, the Housing Element was transmitted to HCD for review. The Housing Element was certified by HCD on October 25, 2023. The review and revisions to the Housing Element and EIR exceeded the initial approval timeline and scope of work. Staff recommends the third contract amendment to pay Rincon for additional work already completed through October 2023 responding to unanticipated needs, and state deadlines requiring expeditious completion of the Housing Element adoption process.

This third contract amendment will allow the County to pay for additional consultant work done to complete revisions to the Housing Element documents on an expedited timeline by increasing the not-to-exceed amount to \$1,002,886.90, extending the term through March 1, 2024, and amending the scope of work and budget. The third contract amendment (Att. 4) includes:

- Necessary document revisions in response to HCD direction on the initial submittal on the Housing Element;
- Revised site inventory scenarios and related changes to Housing Element text and figures at the direction of county Planning Commissioners and Board of Supervisors;
- Revisions to the Board adopted Housing Element following HCD review and comment;
- Additional analysis for compliance with HCD requirements to Affirmatively Further Fair Housing;
- Expanded scope of work on the Final EIR to respond to a high volume of comments and related document revisions;
- Project coordination beyond the initial adoption schedule of January 2023.

With Board adoption of the Housing Element on August 22, 2023, and the certification of the Housing Element by HCD on October 26, 2023, the Housing Element update process is concluded and staff moves to the implementation phase of the Housing Element.

Strategic Plan:

This item directly supports the County's Five-year Strategic Plan and is aligned with the following pillar, goal, and objective.

Pillar: Healthy and Safe Communities

Goal: Goal 3: In collaboration with cities, increase affordable housing development near public transportation and easy access to services.

Objective: Objective 1: Rezone 59 unincorporated urban sites suitable for housing development, increasing density allowance from 354 units to 2,975 units, and partner with developers and the community to break ground on as many sites as possible by 2026.

Racial Equity:

Was this item identified as an opportunity to apply the Racial Equity Toolkit?

No

Prior Board Actions:

May 21, 2019 - Authorized application for, and receipt of, the \$310,000 California Department of Housing and Community Development (HCD) SB 2 Planning Grant, to prepare an environmental impact report to analyze the potential rezoning of sites to add to the County's Housing Element Site Inventory ("Rezoning Sites for Housing" project).

January 14, 2020 - Authorized the Director of Permit Sonoma to negotiate, finalize, and execute an agreement with Rincon Consultants, Inc., to prepare an environmental impact report for the Rezoning Sites for Housing project, for an amount not to exceed \$310,000.

June 9, 2020 - Authorized application for, and receipt of, the \$500,000 HCD Local Early Action Planning Grant to support the County's efforts to streamline and accelerate housing permitting and production, including preparation of the Housing Element update.

March 2, 2021 - Authorized the Director of Permit Sonoma to execute an amendment to the agreement with Rincon Consultants, Inc., to increase the contract amount from \$310,000 to \$430,082.

October 19, 2021 - Approve resolution delegating authority to the Director of Permit Sonoma to negotiate the terms of the Regional Early Action Planning Grant Suballocation Agreement and execute the final grant agreement with the Association of Bay Area Governments.

February 8, 2022 - Authorized the Director of Permit Sonoma to execute an amendment to the agreement with Rincon Consultants, Inc., to increase the contract amount from \$430,082 to \$888,448.

August 22, 2023 - Approved resolution adopting the 2023-2031 Housing Element and certifying the Final

Environmental Impact Report for the Housing Element.

FISCAL SUMMARY

Expenditures	FY23-24 Adopted	FY24-25 Projected	FY25-26 Projected
Budgeted Expenses	\$114,439		
Additional Appropriation Requested			
Total Expenditures	\$114,439		
Funding Sources			
General Fund/WA GF			
State/Federal			
Fees/Other	\$114,439		
Use of Fund Balance			
General Fund Contingencies			
Total Sources	\$114,439		

Narrative Explanation of Fiscal Impacts:

The existing contract, and first and second amendments to the contract were funded in part from two grants from HCD and one grant from ABAG. This included the HCD SB-2 planning grant (\$310,000), and the Local Early Action Planning (LEAP) grant program in the amount of \$451,750 (restructured from \$135,668 with HCD approval), and the Regional Early Action Planning Grant (REAP) grant in the amount of \$47,588.

The additional scope of work in the third amendment, requested with today’s action, totaling \$114,439, is budgeted in the department’s FY 2023-24 operational budget, for preparation of the draft Housing Element and EIR, and staff support and coordination.

Narrative Explanation of Staffing Impacts (If Required):

N/A

Attachments:

Attachment 1, Professional Services Agreement

Attachment 2, First Contract Amendment

Attachment 3, Second Contract Amendment

Attachment 4, Third Contract Amendment

Related Items “On File” with the Clerk of the Board:

1. California Department of Housing and Community Development’s Local Early Action Planning (LEAP) Grant Agreement, executed December 23, 2020.
2. Association of Bay Area Governments Regional Early Action Planning Grant Agreement, dated August 16, 2021.