

SUMMARY REPORT

Agenda Date: 1/14/2020

To: Board of Supervisors Department or Agency Name(s): Permit Sonoma Staff Name and Phone Number: Nina Bellucci, 565-1236 Vote Requirement: Majority Supervisorial District(s): All

Title:

Housing Sites Environmental Review Services Contract

Recommended Action:

Authorize the Director of Permit Sonoma to negotiate, finalize, and execute an agreement with Rincon Consultants, Inc., for the preparation of an Environmental Impact Report to rezone sites for affordable, higher-density, and workforce housing, in an amount not to exceed \$310,000.

Executive Summary:

Over the last year, Permit Sonoma has been gathering sites to consider for rezoning for housing, to meet its obligations for planning and zoning for housing under State law. An Environmental Impact Report (EIR) will be necessary to complete the rezoning effort. The County received an entitlement grant of \$310,000 from the California Department of Housing and Community Development SB 2 Planning Grants program to fund this effort.

In September 2019, Permit Sonoma released a Request for Proposals (RFP) to select a consultant to prepare the EIR. This item presents a proposed Agreement (Att. 1) between the County and the preferred consultant, Rincon Consultants, Inc. (Rincon), to prepare the EIR. Staff recommends that the Board authorize the Director of Permit Sonoma to execute an agreement with Rincon in an amount not to exceed \$310,000.

Discussion:

The County of Sonoma, along with all other cities and counties in California, is required by State law to identify sites for housing, zone them appropriately, and report on those sites and their development potential as part of the County's Housing Element. The current Housing Element planning period ends January 2023, and the County's Housing Element must be updated by December 31, 2022. The County's effort to identify and rezone housing sites was included in the Comprehensive Planning Work Plan for FY 19/20 and FY 20/21.

The California Department of Housing and Community Development determines the quantity and affordability levels of new dwellings that need to be built to ensure that housing is available to future Californians at all income levels. The total number of units at each affordability level is called the Regional Housing Needs Allocation (RHNA). The RHNA is divided and distributed to each local jurisdiction by a regional planning agency. The County is required to plan for its RHNA allocation by identifying sites which are zoned to accommodate the number and affordability level of units specified in the allocation. These sites must be inventoried and maintained through regular updates of the County's Housing Element of the General Plan

Agenda Date: 1/14/2020

(Government Code Section 65583(a)(3)). Appropriate zoning designations include R2 (Medium Density Residential) and R3 (High Density Residential), and the AH (Affordable Housing) and WH (Workforce Housing) combining districts.

Sites to be rezoned will be located throughout the unincorporated County and a program Environmental Impact Report (EIR) will be required to complete the rezoning process. This project will enable the County to meet its State mandates while facilitating the future development of housing on these sites by completing environmental review under the California Environmental Quality Act (CEQA). Program EIRs are commonly used for planning documents or ordinances that affect various parcels across a jurisdiction. This effort is similar to the efforts undertaken by other jurisdictions to rezone sites for housing as a part of the update of their General Plan Housing Elements. The environmental review process will identify any potential environmental impacts associated with new or intensified housing development on identified sites, and may result in some sites being eliminated from further consideration for rezoning.

In late 2018, the County asked members of the public to nominate sites and received about 50 viable site nominations through that process. In order to be considered for rezoning, sites must have met the following criteria:

- 1. Located in the unincorporated County
- 2. Located within an Urban Service Area as defined by the Land Use Element of the County's General Plan where public sewer and water service is available
- 3. Not located within a Community Separator
- 4. Not located outside of a city's Urban Growth Boundary (if near an incorporated city)

The General Plan sets additional criteria to be used in considering which sites to rezone for housing (<u>Housing</u> <u>Element <http://sonomacounty.ca.gov/PRMD/Regulations/Housing/Housing-Element/></u> Policy HE-2f and Programs 11 and 20). These factors include proximity to jobs, transit, services, and schools. The <u>Workforce Housing Combining Zone <http://sonomacounty.ca.gov/PRMD/Regulations/Housing/Housing-Types/Workforce-Housing-Combining-Zone/></u>has additional eligibility criteria, including:

- 1. Commercial or industrial base zoning
- 2. Located within 3,000 feet of a transit center, or within 3,000 feet of at least three acres of commercialzoned land or 10 acres of industrial-zoned land

County staff evaluated nominated sites for basic eligibility. Sites will be evaluated further under the CEQA process to determine their suitability for rezoning.

Request for Proposals

The County issued a Request for Proposals on September 16, 2019, to select a consultant to prepare the EIR. Five responses were received from the following consultants:

- 1. FirstCarbon Solutions
- 2. ICF Jones & Stokes, Inc.

Agenda Date: 1/14/2020

- 3. Raney Planning & Management, Inc.
- 4. Rincon Consultants, Inc.
- 5. Stantec Consulting Services, Inc.

The RFP identified several key challenges to this effort, including analysis of the availability of sewer and water service in multiple Urban Service Areas, transportation impacts under the new vehicle miles traveled (VMT) protocols, and the challenge inherent to assessing impacts of rezoning on scattered sites throughout the County.

Bidders were advised that any proposed work beyond that scope requested in this RFP, including tasks that may be expanded versions of the scope identified, should be costed separately and clearly identified as "optional" within the proposed scope of work.

County staff evaluated and scored all proposals received, and a panel of four Permit Sonoma staff members interviewed three consultant teams:

- 1. FirstCarbon Solutions (FCS)
- 2. ICF Jones & Stokes, Inc. (ICF)
- 3. Rincon Consultants, Inc. (Rincon)

Rincon was unanimously chosen as the preferred bidder by the review panel, due to these strengths demonstrated in their proposal and responses to interview questions:

- 1. Rincon's scope of work and responses to interview questions demonstrated the greatest understanding of the project and the challenges associated with it.
- Rincon's project team included subconsultants with demonstrated understanding of the specific challenges of the project, including an analysis of available utility service and infrastructure and VMT analysis.

Through contract negotiations with Rincon, scope amendments were prepared to add public outreach tasks.

The tasks identified in the scope of work total \$257,821, and the contract not-to-exceed amount is \$310,000.

Permit Sonoma's application for SB 2 Planning Grant funds was authorized by the Board of Supervisors on May 21, 2019, and \$310,000, the maximum entitlement grant amount was awarded on September 18, 2019.

Prior Board Actions:

May 21, 2019 - Authorization to Accept SB 2 Grant Funds June 4, 2019 - FY 19/20 and FY 20/21 Comprehensive Planning Work Plan

FISCAL SUMMARY

Expenditures	FY 19-20	FY20-21	FY 21-22
	Adopted	Projected	Projected

Agenda Date: 1/14/2020

Budgeted Expenses	232,500	77,500	0	
Additional Appropriation Requested				
Total Expenditures	232,500	77,500	0	
Funding Sources				
General Fund/WA GF				
State/Federal	232,500	77,500	0	
Fees/Other				
Use of Fund Balance				
Contingencies				
Total Sources	232,500	77,500	0	

Narrative Explanation of Fiscal Impacts:

The grant award letter provides for a maximum conditional commitment of \$310,000 to be paid by the California Department of Housing and Community Development from the SB 2 Planning Grants Program. The increased grant revenue and the related contract appropriations have not yet included in the current budget for FY19-20. The grant related contract costs are projected to be \$232,500 for FY19-20 and \$77,500 for FY20-21, and they will be fully funded by the state a reimbursement basis.

Narrative Explanation of Staffing Impacts (If Required):

N/A

Attachments:

Attachment 1, Professional Services Agreement

Related Items "On File" with the Clerk of the Board:

California Department of Housing and Community Development - 2019 Planning Grants Program Award Letter dated September 18, 2019.