



## SUMMARY REPORT

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**Agenda Date:** 3/2/2021

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**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:**

Rezoning Sites for Housing Environmental Review Services Contract Amendment

**Recommended Action:**

Authorize the Director of Permit Sonoma to negotiate, finalize, and execute an amendment to the agreement with Rincon Consultants, Inc., dated January 14, 2020, for the preparation of an Environmental Impact Report to rezone sites for affordable, higher-density, and workforce housing, to increase the contract amount from \$310,000 to \$430,082.

**Executive Summary:**

In January 2020, the Director of Permit Sonoma executed an agreement with Rincon Consultants, Inc. (Rincon), to prepare an environmental impact report to analyze the rezoning of 59 potential sites for housing. This item presents an amendment to the agreement to accommodate tasks not contemplated in the original scope of work. Staff recommends that the Board authorize the Director to execute an amendment to the agreement with Rincon to increase the contract amount from \$310,000 to \$430,082.

**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 its Housing Element.

This project will enable the County to meet its State mandates while facilitating future housing on these sites by completing environmental review under the California Environmental Quality Act (CEQA). County staff determined that under CEQA, the scope of the project would require a program Environmental Impact Report (EIR). Program EIRs are commonly used for planning documents or ordinances that affect various parcels across a jurisdiction. The environmental review process will identify potential environmental impacts of intensified housing development on identified sites, and may result in some sites being eliminated from further rezoning consideration.

The Comprehensive Planning Work Plan for FY 19/20 and FY 20/21 included the County's efforts to identify and rezone housing sites. The California Department of Housing and Community Development (HCD) awarded the County a \$310,000 SB-2 Planning Grant to cover partially 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. Rincon Consultants, Inc. (Rincon), was chosen as the preferred bidder, and the Board of Supervisors on January 14, 2020, authorized the Director of Permit Sonoma to negotiate, finalize, and execute an agreement with Rincon

for an amount not to exceed \$310,000 (Att. 1). The tasks included in that agreement totaled \$257,821.

Tasks 1 through 5, as described in the Scope of Work (Att. 1), are complete. The Draft EIR will be available for public review (Task 6) in spring 2021. Once the Final EIR is completed, the Planning Commission and Board of Supervisors will review the proposal for zone changes or General Plan amendments, as applicable.

After execution of the agreement, circumstances changed that required additional or different tasks to be added to the original agreement's scope of work:

- 1) The COVID-19 pandemic prevented in-person public workshops and required a change in the project's public outreach strategy toward more geographically targeted virtual public meetings.
- 2) The County needed additional analysis for the Greenhouse Gas Emissions and Utilities and Service Systems sections of the Administrative Draft EIR to ensure consistency with other County CEQA documents in development but not available at the time the agreement was executed.
- 3) Significant wastewater capacity constraints in multiple urban service areas required additional analysis for and revisions to the Utilities and Service Systems section in order to meet the project objectives.
- 4) County staff requested second rounds of edits to several sections of the Administrative Draft EIR, including Biological Resources, Greenhouse Gas Emissions, Transportation and Circulation.
- 5) Additional project management time was required to coordinate and complete these additional tasks, and weekly (instead of bi-weekly) meetings kept the project on track.

Approximately 356 hours of Rincon staff time is required to complete these tasks. With tasks remaining in order to complete the preparation of the Final EIR, an amendment (Att. 2) to Rincon's agreement is necessary to amend the scope of work and increase the project budget by \$80,984 to a new total of \$390,984. The amendment includes a 10 percent contingency amount, bringing the total not-to-exceed amount of the contract to \$430,082.

As the HCD SB 2 planning grant amount of \$310,000 will be exceeded by these additional tasks, additional funding for this work will come from a second HCD-sponsored grant program, the Local Early Action Planning (LEAP) grant program. The County's application for the LEAP grant included \$235,500 for preparation of the Housing Element, of which the sites inventory is a necessary part; therefore, this work is authorized under the LEAP grant.

### **More Information**

More information about the project can be found at the [project website](https://sonomacounty.ca.gov/PRMD/Regulations/Housing/Housing-Sites-EIR/) [<https://sonomacounty.ca.gov/PRMD/Regulations/Housing/Housing-Sites-EIR/>](https://sonomacounty.ca.gov/PRMD/Regulations/Housing/Housing-Sites-EIR/). A list of sites can be found in the [Notice of Preparation](https://sonomacounty.ca.gov/PRMD/Regulations/Housing/Housing-Sites-EIR/Resources-and-Documents/) [<https://sonomacounty.ca.gov/PRMD/Regulations/Housing/Housing-Sites-EIR/Resources-and-Documents/>](https://sonomacounty.ca.gov/PRMD/Regulations/Housing/Housing-Sites-EIR/Resources-and-Documents/). A [map of sites](https://experience.arcgis.com/experience/83b2b6566c33411cb67841d1d6981d67) [<https://experience.arcgis.com/experience/83b2b6566c33411cb67841d1d6981d67>](https://experience.arcgis.com/experience/83b2b6566c33411cb67841d1d6981d67) is available for viewing now, and will accept public comments when the Draft EIR is published. The Draft EIR will be posted on the website once it is published.

### **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

**FISCAL SUMMARY**

<b>Expenditures</b>	<b>FY 20-21 Adopted</b>	<b>FY21-22 Projected</b>	<b>FY 22-23 Projected</b>
Budgeted Expenses	90,062	30,020	
Additional Appropriation Requested			
<b>Total Expenditures</b>			
<b>Funding Sources</b>			
General Fund/WA GF			
State/Federal	90,062	30,020	
Fees/Other			
Use of Fund Balance			
Contingencies			
<b>Total Sources</b>	90,062	30,020	

**Narrative Explanation of Fiscal Impacts:**

Revenue and expenditure appropriations for this project consultants expanded work is budgeted and included in Permit Sonoma's FY 2020-21 currently approved budget. Permit Sonoma received an entitlement grant award of \$500,000 from the California Department of Housing and Community Development's Local Early Action Planning Grants Program on November 17, 2020. The grant agreement constitutes a commitment in the amount of \$500,000. This contract will be funded by the grant award on a reimbursement basis, which will be tracked for year-end accrual of Due from State accounts receivable, if applicable.

**Narrative Explanation of Staffing Impacts (If Required):**

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**Attachments:**

Attachment 1, Professional Services Agreement

Attachment 2, First Contract Amendment

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**Agenda Date:** 3/2/2021

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**Related Items “On File” with the Clerk of the Board:**1. Resolution No. 20-0215, authorizing the Director of Permit Sonoma to apply for and accept a \$500,000 grant from the California Department of Housing and Community Development’s Local Early Action Planning Grants program  
2. LEAP Grant Agreement, executed December 23, 2020