

**CONSULTING SERVICES AGREEMENT BETWEEN
THE CITY OF MILPITAS AND
BAE URBAN ECONOMICS, Inc.**

THIS AGREEMENT for consulting services is made by and between the City of Milpitas, a municipal corporation of the State of California ("City") and BAE Urban Economics, Inc., a California corporation ("Consultant") as of June 19, 2013.

AGREEMENT

Section 1. SERVICES. Subject to the terms and conditions set forth in this Agreement, Consultant shall provide to City the services described in the Scope of Work attached as Addendum A at the time and place and in the manner specified therein. In the event of a conflict in or inconsistency between the terms of this Agreement and Addendum A, the Agreement shall prevail.

- 1.1 **Term of Services.** The term of this Agreement shall begin on the date first noted above and shall end on January 31, 2015 the date of completion specified in Addendum A, and Consultant shall complete all the work described in Addendum A prior to that date, unless the term of the Agreement is otherwise terminated or extended, as provided for in Section 8. The time provided to Consultant to complete the services required by this Agreement shall not affect the City's right to terminate the Agreement, as provided for in Section 8.
- 1.2 **Standard of Performance.** Consultant shall perform all services required pursuant to this Agreement in the manner and according to the standards observed by a competent practitioner of the profession in which Consultant is engaged in the geographical area in which Consultant practices its profession. Consultant shall prepare all work products required by this Agreement in a substantial, first-class manner and shall conform to the standards of quality normally observed by a person practicing in Consultant's profession.
- 1.3 **Assignment of Personnel.** Consultant shall assign only competent personnel to perform services pursuant to this Agreement. Addendum A shall name any specific personnel who shall be performing services. In the event that City, in its sole discretion, at any time during the term of this Agreement, desires the reassignment of any such persons, Consultant shall, immediately upon receiving notice from City of such desire of City, reassign such person or persons.
- 1.4 **Time.** Consultant shall devote such time to the performance of services pursuant to this Agreement as may be reasonably necessary to meet the standard of performance provided in Section 1.1 above and to complete Consultant's obligations hereunder.

Section 2. COMPENSATION. City hereby agrees to pay Consultant a guaranteed maximum price not to exceed One Hundred Thirteen Thousand Seven Hundred Nineteen Dollars (\$113,719.00) for all services to be performed and reimbursable costs incurred under this Agreement. City shall pay Consultant

for services rendered pursuant to this Agreement at the time and in the manner set forth herein. The payments specified below shall be the only payments from City to Consultant for services rendered pursuant to this Agreement. Consultant shall submit all invoices to City in the manner specified herein. Except as specifically authorized by City, Consultant shall not bill City for duplicate services performed by more than one person.

Consultant and City acknowledge and agree that compensation paid by City to Consultant under this Agreement is based upon Consultant's estimated costs of providing the services required hereunder, including salaries and benefits of employees and subcontractors of Consultant. Hourly rates for personnel performing services shall be as shown in Addendum B. Consequently, the parties further agree that compensation hereunder is intended to include the costs of contributions to any pensions and/or annuities to which Consultant and its employees, agents, and subcontractors may be eligible. City therefore has no responsibility for such contributions beyond compensation required under this Agreement.

2.1 Invoices. Consultant shall submit invoices, not more often than once a month during the term of this Agreement, based on the cost for services performed and reimbursable costs incurred during the billing period. Invoices shall contain the following information:

- Serial identification of bills;
- The beginning and ending dates of the billing period;
- A Task Summary containing the original contract amount, the amount of prior billings, the total due this period, the balance available under the Agreement, and the percentage of completion, if applicable;
- At City's option, for each work item in each task, a copy of the applicable time entries or time sheets shall be submitted showing the name of the person doing the work, the hours spent by each person, a brief description of the work, and each reimbursable expense;
- The total number of hours of work performed under the Agreement by Consultant and each employee, agent, and subcontractor of Consultant performing services hereunder, as well as a separate notice when the total number of hours of work by Consultant and any individual employee, agent, or subcontractor of Consultant reaches or exceeds 800 hours, which shall include an estimate of the time necessary to complete the work described in Addendum B;
- The Consultant's signature.

2.2 Monthly Payment. City shall make monthly payments, based on invoices received, for services satisfactorily performed, and for authorized reimbursable costs incurred. City shall have thirty (30) days from the receipt of an invoice that complies with all of the requirements above and is otherwise acceptable to the City to pay Consultant. In the event that an invoice is not acceptable to the City, said invoice shall be returned to Consultant within thirty (30) days of the City's receipt of the invoice with a detailed explanation of the deficiency. City's obligation to pay a returned invoice shall not arise earlier than thirty (30) days after resubmission of the corrected invoice.

2.3 Total Payment. City shall pay for the services to be rendered by Consultant pursuant to this Agreement. City shall not pay any additional sum for any expense or cost whatsoever incurred by Consultant in rendering services pursuant to this Agreement. City shall make no payment for any extra, further, or additional service pursuant to this Agreement.

In no event shall Consultant submit any invoice for an amount in excess of the maximum amount of compensation provided above either for a task or for the entire Agreement, unless the Agreement is modified prior to the submission of such an invoice by a properly executed change order or amendment. In the event that Consultant identifies additional work outside the scope of services specified in Addendum A that may be required to complete the work required under this Agreement, Consultant shall immediately notify the City and shall provide a written not-to-exceed price for performing this additional work.

2.4 Hourly Fees. Fees for work performed by Consultant on an hourly basis shall not exceed the amounts shown on Addendum B.

2.5 Reimbursable Expenses. Reimbursable expenses are shown on Addendum B, and shall not exceed One Hundred Twenty Two Thousand Thirty Eight Dollars (\$122,038.00). Expenses not listed in Addendum B are not chargeable to City. Reimbursable expenses are included in the total not-to-exceed amount of compensation provided under this Agreement.

2.6 Payment of Taxes. Consultant is solely responsible for the payment of employment taxes incurred under this Agreement and any other applicable federal or state taxes.

2.7 Payment upon Termination. In the event that the City or Consultant terminates this Agreement pursuant to Section 8, the City shall compensate the Consultant for all outstanding costs and reimbursable expenses incurred for work satisfactorily completed as of the date of written notice of termination. Consultant shall maintain adequate logs and timesheets in order to verify costs incurred to that date. The City shall have no obligation to compensate Consultant for work not verified by logs or timesheets.

2.8 Authorization to Perform Services. The Consultant is not authorized to perform any services or incur any costs whatsoever under the terms of this Agreement until receipt of a written Notice to Proceed from the City.

Section 3. FACILITIES AND EQUIPMENT. Except as set forth herein, Consultant shall, at its sole cost and expense, provide all facilities and equipment that may be necessary to perform the services required by this Agreement. City shall make available to Consultant only the facilities and equipment listed in this section, and only under the terms and conditions set forth herein.

City shall furnish physical facilities such as desks, filing cabinets, and conference space, as may be reasonably necessary for Consultant's use while consulting with City employees and reviewing records and the information in possession of the City. The location, quantity, and time of furnishing those facilities shall be in the sole discretion of City. In no event shall City be obligated to furnish any facility that may involve

incurring any direct expense, including but not limited to computer, cellular telephone, long-distance telephone, or other communication charges, vehicles, and reproduction facilities.

If the performance of the work specified in Addendum A requires destructive testing or other work within the City's public right-of-way, Consultant, or Consultant's subconsultant, shall obtain an encroachment permit from the City.

Section 4. INSURANCE REQUIREMENTS. Consultant shall procure and maintain for the duration of this Agreement insurance policies against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder and the results of that work by the Consultant, his or her agents, representatives, employees or subcontractors, as set forth in Addendum A, attached hereto, which is incorporated herein by reference.

4.1 Remedies. In addition to any other remedies City may have if Consultant fails to provide or maintain any insurance policies or policy endorsements to the extent and within the time herein required, City may, at its sole option exercise any of the following remedies, which are alternatives to other remedies City may have and are not the exclusive remedy for Consultant's breach:

- Obtain such insurance and deduct and retain the amount of the premiums for such insurance from any sums due under the Agreement;
- Order Consultant to stop work under this Agreement or withhold any payment that becomes due to Consultant hereunder, or both stop work and withhold any payment, until Consultant demonstrates compliance with the requirements hereof; and/or
- Declare Consultant in material breach of the Agreement and terminate the Agreement.

4.2 Waiver. The Risk Manager of the City has the authority to waive or vary any provision of Sections 4, including Addendum A. Any such waiver or variation shall not be effective unless made in writing.

Section 5. INDEMNIFICATION AND CONSULTANT'S RESPONSIBILITIES. Consultant shall indemnify, defend with counsel reasonably acceptable to the City, and hold harmless the City and its officials, officers, employees, agents, contractors, consultants, and volunteers from and against any and all losses, liability, claims, suits, actions, damages, and causes of action, including but not limited to those for personal injury, bodily injury, loss of life, or damage to property, or any violation of any federal, state, or municipal law or ordinance, arising from any acts or omissions of Consultant or his or her employees, subcontractors, or agents in performing services under this Agreement. The foregoing obligation of Consultant shall not apply when the injury, loss of life, damage to property, or violation of law arises solely from the negligence or willful misconduct of the City or its officers, employees, agents, contractors, consultants, or volunteers. For purposes of Section 2782 of the Civil Code, the parties hereto recognize and agree that this Agreement is not a construction contract. For purposes of Section 2782.8 of the Civil Code, the parties hereto recognize and agree that this Agreement is not for design professional services.

Acceptance by City of insurance certificates and endorsements required under this Agreement does not relieve Consultant from liability under this indemnification and hold harmless clause. This indemnification and hold harmless clause shall apply to any damages or claims for damages whether or not such insurance policies shall have been determined to apply. By execution of this Agreement, Consultant acknowledges and agrees to the provisions of this Section and that it is a material element of consideration.

In the event that Consultant or any employee, agent, or subcontractor of Consultant providing services under this Agreement is determined by a court of competent jurisdiction or the California Public Employees Retirement System (PERS) to be eligible for enrollment in PERS as an employee of City, Consultant shall indemnify, defend, and hold harmless City for the payment of any employee and/or employer contributions for PERS benefits on behalf of Consultant or its employees, agents, or subcontractors, as well as for the payment of any penalties and interest on such contributions, which would otherwise be the responsibility of City.

Section 6. STATUS OF CONSULTANT.

- 6.1 Independent Contractor.** At all times during the term of this Agreement, Consultant shall be an independent contractor and shall not be an employee of City. City shall have the right to control Consultant only insofar as the results of Consultant's services rendered pursuant to this Agreement and assignment of personnel pursuant to Subparagraph 1.3. Otherwise, City shall not have the right to control the means by which Consultant accomplishes services rendered pursuant to this Agreement. Notwithstanding any other City, state, or federal policy, rule, regulation, law, or ordinance to the contrary, Consultant and any of its employees, agents, and subcontractors providing services under this Agreement shall not qualify for or become entitled to, and hereby agree to waive any and all claims to, any compensation, benefit, or any incident of employment by City, including but not limited to eligibility to enroll in the California Public Employees Retirement System (PERS) as an employee of City and entitlement to any contribution to be paid by City for employer contributions and/or employee contributions for PERS benefits.
- 6.2 Consultant Not Agent.** Except as City may specify in writing, Consultant shall have no authority, express or implied, to act on behalf of City in any capacity whatsoever as an agent. Consultant shall have no authority, express or implied, pursuant to this Agreement to bind City to any obligation whatsoever.

Section 7. LEGAL REQUIREMENTS.

- 7.1 Governing Law.** The laws of the State of California shall govern this Agreement.
- 7.2 Compliance with Applicable Laws.** Consultant and any subcontractors shall comply with all laws applicable to the performance of the work hereunder.
- 7.3 Other Governmental Regulations.** To the extent that this Agreement may be funded by fiscal assistance from another governmental entity, Consultant and any subcontractors

shall comply with all applicable rules and regulations to which City is bound by the terms of such fiscal assistance program.

- 7.4 **Licenses and Permits.** Consultant represents and warrants to City that Consultant and its employees, agents, and any subcontractors have all licenses, permits, qualifications, and approvals of whatsoever nature that is legally required to practice their respective professions. Consultant represents and warrants to City that Consultant and its employees, agents, any subcontractors shall, at their sole cost and expense, keep in effect at all times during the term of this Agreement any licenses, permits, and approvals that are legally required to practice their respective professions and to perform this Agreement. In addition to the foregoing, Consultant and any subcontractors shall obtain and maintain during the term of this Agreement a valid business license from City.
- 7.5 **Nondiscrimination and Equal Opportunity.** Consultant shall not discriminate, on the basis of a person's race, religion, color, national origin, age, physical or mental handicap or disability, medical condition, marital status, sex, or sexual orientation, against any employee, applicant for employment, subcontractor, bidder for a subcontract, or participant in, recipient of, or applicant for any services or programs provided by Consultant under this Agreement. Consultant shall comply with all applicable federal, state, and local laws, policies, rules, and requirements related to equal opportunity and nondiscrimination in employment, contracting, and the provision of any services that are the subject of this Agreement, including but not limited to the satisfaction of any positive obligations required of Consultant thereby.

Consultant shall include the provisions of this Subsection in any subcontract approved by the City or this Agreement.

Section 8. TERMINATION AND MODIFICATION.

- 8.1 **Termination.** City may terminate this Agreement at any time and without cause upon written notification to Consultant.

In the event of termination, Consultant shall be entitled to compensation for services performed prior to the effective date of termination as provided in Section 2. City, however, may condition payment of such compensation upon Consultant delivering to City any or all documents, photographs, computer software, video and audio tapes, and other materials provided to Consultant or prepared by or for Consultant or the City in connection with this Agreement.

- 8.2 **Extension.** City may, in its sole and exclusive discretion, extend the end date of this Agreement beyond that provided for in Subsection 1.1. Any such extension shall require a written amendment to this Agreement, as provided for herein. Consultant understands and agrees that, if City grants such an extension, City shall have no obligation to provide Consultant with compensation beyond the maximum amount provided for in this Agreement. Similarly, unless authorized by the City, City shall have no obligation to

reimburse Consultant for any otherwise reimbursable expenses incurred during the extension period.

8.3 Amendments. The parties may amend this Agreement only by a writing signed by all the parties.

8.4 Assignment and Subcontracting. City and Consultant recognize and agree that this Agreement contemplates personal performance by Consultant and is based upon a determination of Consultant's unique personal competence, experience, and specialized personal knowledge. Moreover, a substantial inducement to City for entering into this Agreement was and is the professional reputation and competence of Consultant. Consultant may not assign this Agreement or any interest therein without the prior written approval of the City. Consultant shall not subcontract any portion of the performance contemplated and provided for herein, other than to the subcontractors listed in the Consultant's proposal, without prior written approval of the City.

8.5 Survival. All obligations arising prior to the termination of this Agreement and all provisions of this Agreement allocating liability between City and Consultant shall survive the termination of this Agreement.

8.6 Options upon Breach by Consultant. If Consultant materially breaches any of the terms of this Agreement, City's remedies shall include, but not be limited to, any or all of the following:

8.6.1 Immediate cancellation of the Agreement;

8.6.2 Retention of the plans, specifications, drawings, reports, design documents, and any other work product prepared by Consultant pursuant to this Agreement prior to cancellation; and

8.6.3 Retention of a different consultant at Consultant's cost to complete the work described in Addendum A not finished by Consultant.

Section 9. KEEPING AND STATUS OF RECORDS.

9.1 Records Created as Part of Consultant's Performance. All reports, data, maps, models, charts, studies, surveys, photographs, memoranda, plans, studies, specifications, records, files, or any other documents or materials, in electronic or any other form, that Consultant prepares or obtains pursuant to this Agreement and that relate to the matters covered hereunder shall be the property of the City. Consultant hereby agrees to deliver those documents to the City at any time upon demand of the City. It is understood and agreed that the documents and other materials, including but not limited to those described above, prepared pursuant to this Agreement are prepared specifically for the City and are not necessarily suitable for any future or other use. Failure by Consultant to deliver these documents to the City within the time period specified by the City shall be a material

breach of this Agreement. City and Consultant agree that, until final approval by City, all data, plans, specifications, reports and other documents are preliminary drafts not kept by the City in the ordinary course of business and will not be disclosed to third parties without prior written consent of both parties.

- 9.2 Consultant's Books and Records.** Consultant shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for services or expenditures and disbursements charged to the City under this Agreement for a minimum of three (3) years, or for any longer period required by law, from the date of final payment to the Consultant to this Agreement.
- 9.3 Inspection and Audit of Records.** Any records or documents that Section 9.2 of this Agreement requires Consultant to maintain shall be made available for inspection, audit, and/or copying at any time during regular business hours, upon oral or written request of the City. Under California Government Code Section 8546.7, if the amount of public funds expended under this Agreement exceeds TEN THOUSAND DOLLARS (\$10,000.00), the Agreement shall be subject to the examination and audit of the State Auditor, at the request of City or as part of any audit of the City, for a period of three (3) years after final payment under the Agreement.

Section 10 MISCELLANEOUS PROVISIONS.

- 10.1 Attorneys' Fees.** If a party to this Agreement brings any action, including an action for declaratory relief, to enforce or interpret the provision of this Agreement, the prevailing party shall be entitled to reasonable attorneys' fees in addition to any other relief to which that party may be entitled. Reasonable attorney's fees of the City Attorney's Office, private counsel is not used, shall be based on comparable fees of private attorneys practicing in Santa Clara County. The court may set such fees in the same action or in a separate action brought for that purpose.
- 10.2 Venue.** In the event that either party brings any action against the other under this Agreement, the parties agree that trial of such action shall be vested exclusively in the state courts of California in the County of Santa Clara or in the United States District Court for the Northern District of California.
- 10.3 Severability.** If a court of competent jurisdiction finds or rules that any provision of this Agreement is invalid, void, or unenforceable, the provisions of this Agreement not so adjudged shall remain in full force and effect. The invalidity in whole or in part of any provision of this Agreement shall not void or affect the validity of any other provision of this Agreement.
- 10.4 No Implied Waiver of Breach.** The waiver of performance or any breach of a specific provision of this Agreement does not constitute a waiver of any other breach of that term or any other term of this Agreement.

- 10.5 **Successors and Assigns.** The provisions of this Agreement shall inure to the benefit of and shall apply to and bind the successors and assigns of the parties.
- 10.6 **Use of Recycled Products.** Consultant shall prepare and submit all reports, written studies and other printed material on recycled paper to the extent it is available at equal or less cost than virgin paper.
- 10.7 **Conflict of Interest.** Consultant may serve other clients, but none whose activities within the corporate limits of City or whose business, regardless of location, would place Consultant in a "conflict of interest," as that term is defined in the Political Reform Act, codified at California Government Code Section 81000 *et seq.*

Consultant shall not employ any City official in the work performed pursuant to this Agreement. No officer or employee of City shall have any financial interest in this Agreement that would violate California Government Code Sections 1090 *et seq.*

Consultant hereby warrants that it is not now, nor has it been in the previous twelve (12) months, an employee, agent, appointee, or official of the City. If Consultant were an employee, agent, appointee, or official of the City in the previous twelve months, Consultant warrants that it did not participate in any manner in the forming of this Agreement. Consultant understands that, if this Agreement is made in violation of Government Code §1090 *et seq.*, the entire Agreement is void and Consultant will not be entitled to any compensation for services performed pursuant to this Agreement, including reimbursement of expenses, and Consultant will be required to reimburse the City for any sums paid to the Consultant. Consultant understands that, in addition to the foregoing, it may be subject to criminal prosecution for a violation of Government Code § 1090 and, if applicable, may be disqualified from holding public office in the State of California.

Consultant certifies that it has not paid any direct or contingent fee, contribution, donation or consideration of any kind to any firm, organization, or person (other than a bona fide employee of Consultant) in connection with procuring this Agreement, nor has Consultant agreed to employ or retain any firm, organization, or person in connection with the performance of this Agreement as a condition for obtaining this Agreement.

- 10.8 **Solicitation.** Consultant agrees not to solicit business at any meeting, focus group, or interview related to this Agreement, either orally or through any written materials.
- 10.9 **Contract Administration.** This Agreement shall be administered by Felix J. Reliford, Principal Housing Planner who is authorized to act for, and on behalf of, City. All correspondence shall be directed to or through the Contract Administrator or his or her designee.
- 10.10 **Notices.** Any written notice to Consultant shall be sent to:
Paul Peninger-Principal
BAE Urban Economics-1285 66th Street/Second Floor

Emeryville, CA 94602
(510) 547-9380/ppeninger@bae1.com

Any written notice to City shall be sent to:
Thomas C. Williams, City Manager
City of Milpitas-City Hall
455 East Calaveras Boulevard
Milpitas, California 95035

- 10.11 **Professional Seal.** Where applicable in the determination of the City, the first page of a technical report, first page of design specifications, and each page of construction drawings shall be stamped/sealed and signed by the licensed professional responsible for the report/design preparation.
- 10.12 **Integration.** This Agreement, including the addendums, represents the entire and integrated agreement between City and Consultant and supersedes all prior negotiations, representations, or agreements, either written or oral.
- 10.13 **Addendums.** All addendums referenced in this Agreement are incorporated by reference herein.
- 10.14 **Counterparts.** This Agreement may be executed in counterparts and each counterpart will have the same force and effect as an original

CITY OF MILPITAS

CONSULTANT

Thomas C. Williams, City Manager

[NAME, TITLE]

Date

Date

Taxpayer Identification Number

City of Milpitas Business License Number

APPROVED AS TO FORM:

Michael J. Ogaz, City Attorney

ATTEST:

Mary Lavelle, City Clerk

ADDENDUM A
SCOPE OF WORK

Consultant shall provide the following services subject to applicable State Laws and City review and approval:

1. **Task 1:**

Initial meeting with Planning and Neighborhood Services Department staff to gain a comprehensive understanding of the Housing Element Update and CEQA clearance required for the Housing Element update and related actions.

Deliverable: Meeting with Planning and Neighborhood Services Department staff.

2. **Task 2:**

Review Streamlined Update Process: Review of the Streamlined Update Review Process including completion of Housing Element Completeness Checklist Review and other requirements to determine if the Housing Element is eligible to meet this criterion.

Recommendations of appropriate General Plan and other text amendments to update the General Plan Housing Element for eligibility for Streamlined Update Process.

Preparation of necessary environmental review documents (negative declaration, supplemental environmental impact report, etc.) to meet California Environmental Quality Act requirements.

Deliverables: Prepare General Plan and Zoning Ordinance Amendments to address eligibility requirements for Streamlined Update Process and CEQA Documents.

3. **Task 3:**

Prepare the Housing Element update pursuant to State of California Housing Element Law, Article 10.6 and Sections 65580-65589.9 and State CEQA requirements. The update shall include the following components:

- a. **Population and Household Profile:** This section shall use the latest information and data from DOF, County of Santa Clara Consolidated Plan, the 2010 census data, and other available sources.
- b. **Housing Needs:** This Section shall incorporate the Cities share of the Regional Housing Needs as developed and adopted by ABAG to reflect the 8-year planning period of the Housing Element.

- c. Housing Characteristics: This section must use the most recent housing data and information from DOF 2010, Census, and ABAG. Information should also be gathered from the City's Housing Rehabilitation Program, the Local Board of Realtors and any other relevant sources.
- d. Adequate Site Inventory: This section must evaluate the City's existing inventory of available land and infrastructure, which could accommodate future housing developments. Discuss the use of mixed-use development to increase the housing supply. Create an adequate sites map and database.
- e. Housing Goals, Policies and Programs: This section shall describe the City's anticipated housing goals for the next five-year period and shall discuss specific housing programs and list quantifiable objectives by income group.
- f. Housing Constraints: In addition to identifying governmental and market constraints to housing, this section of the Housing Element shall include a description of local efforts to remove barriers to housing.
- g. Analysis of the City's Homeless Population: This section shall address the City's strategies and efforts to identify and assist the homeless population with programs and housing opportunities.
- h. Preservation of Assisted Housing Units At-Risk: Analysis of existing assisted rental housing developments that are eligible to change to market rate units including estimated total cost of producing new replacements of housing units, and cost of preserving the assisted housing developments. Name, location of projects, earliest possible date of conversion to market rate and total number of elderly and non-elderly units to be lost from low-income housing stock. Discuss the government code requirements related to financial resources available for housing and conversions of at-risk residential units.
- i. Review of Existing Housing Element: This section shall evaluate the progress made in implementing the goals, objectives and programs from the 2009-2014 Housing Element. This review should include the following:
 - (i). Progress in the implementation;
 - (ii). Effectiveness of the element; and
 - (iii). Effectiveness in meeting goals, objectives, and polices.

Deliverable: Draft Housing Element Update report for City review and comments
Final Housing Element Update report incorporating all City comments

4. **Task 4:**

Housing Implementation Plan: Provide a comprehensive 5-year plan of action to implement policies that achieve the goals and objectives outlined within the Housing Element. Topics to be included are: administration of land use and development controls, provision of regulatory concessions and incentives, utilization of appropriate federal, and state financing, subsidy of low and moderate-income housing, identification of adequate housing sites, analysis of ABAG projections of housing needs, and discussion of local housing programs and activities.

Deliverable: Draft Housing Implementation Plan for City review and comments
Final Housing Implementation Plan incorporating all City comments

5. **Task 5:**

Additional Topics: Address any additional topics, which may not be included in this proposal to comply with state laws governing preparation of Housing Elements and that aid the City in meeting its housing goals.

Deliverable: As required by City in writing.

6. **Task 6:**

A listing of affordable housing partners working within the community, such as the Santa Clara County Housing Authority and other local non-profits housing providers. All of these groups should be contacted as part of the process of preparing the housing element.

Deliverable: Contact all applicable partners as part of update process.

7. **Task 7:**

Attendance at public meetings. The budget should assume attendance at a minimum of four (4) public meetings: Two Planning Commission meetings, Two Council meetings, and three public participation meetings. The budget should reference the cost for additional meetings beyond four on a per-meeting basis.

Outline a public participation process to obtain public input and comments on preparing the Milpitas General Plan Housing Element

Deliverables: Outline public participation process and attend Planning Commission, City Council and Community Meetings to receive public input, comments, feedback to prepare Housing Element, Seismic Safety Element and other General Plan and Zoning Ordinance Amendments and respond to questions.

8. **Task 8:**

Preparation of charts, graphics, tables, maps, statistical and geo-data, etc. to meet the Housing Element Requirements.

Deliverables: Draft charts, graphics, tables, maps and other required documents for City review and comments. Final charts, graphics, tables, maps, and other required documents incorporating all City comments.

Resources

Information where consultants can find the following documents on-line (www.ci.milpitas.ca.gov)

- General Plan
- Housing Element Update (2009-2014)
- Zoning Ordinance
- Midtown Specific Plan
- Transit Area Specific Plan
- Climate Action Plan
- Housing Market Study

Other documents will be provided by the City of Milpitas upon request.

ADDENDUM B

COMPENSATION SCHEDULE

The total amount of compensation for the scope of work stated in Addendum A shall not exceed the amount of One Hundred Thirteen Thousand Seven Hundred Nineteen Dollars (\$113,719.00). Payments for the scope of work to be provided in this contractual agreement shall include the following:

Tasks No. 1 and 2

50% of Tasks 1 and 2 Completed	\$14,215
100% of Tasks 1 and 2 Completed	<u>\$14,215</u>
Total:	\$28,430

Estimated Completion Date: By December 1, 2013

Tasks No. 3, 4 and 5

50% of Tasks 3, 4, and 5 Completed	\$28,430
100% of Tasks 3, 4 and 5 Completed	<u>\$28,430</u>
Total:	\$56,860

Estimated Completion Date: By September 1, 2014

Tasks No. 6, 7 and 8

50% of Tasks 6, 7 and 8 Completed	\$8,529
100% of Tasks 6, 7 and 8 Completed	<u>\$8,528</u>
Total:	\$17,058

Estimated Completion Date: By November 1, 2014

Contingency (10% of the Total Contract): \$11,371.00

City of Milpitas, California

BUDGET CHANGE FORM

Type of Change	From		To	
	Account	Amount	Account	Amount
Check one: <input checked="" type="checkbox"/> Budget Appropriation <input type="checkbox"/> Budget Transfer	295-2938	\$ 113,719	295-910-4237	\$ 113,719

Explain the reason for the budget change:

Background: Pursuant to California Government Code 65580-65589, each city and county are required to prepare and implement a General Plan Housing Element every eight years toward obtain the state and regional housing goals.

Milpitas previous Housing Element was adopted by City Council in June 2010 and was found by State of California, Department of Housing and Community Development (HCD) to be in conformance with the state housing element law. As required by Housing Element Law, a series of community meetings will be held to obtain the public input and comments during the preparation process. The proposed Housing Element will be due by December 31, 2014.

Since the adoption of the previous housing element in 2010, several new state housing element laws has been adopted. Upon the selection of the Housing Element Consultant, staff and consultant will be addressing these amendments and will be bring them forward to the Planning Commission and City Council for review and approval.

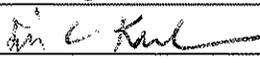
During the selection process, staff sent out ten (10) Request for Proposals, received five (5) responses and interviewed four (4) planning consulting firms. Staff recommends the consultant firm of BAE Urban Economics to prepare and update the Milpitas General Plan Housing Element (2014-2022). BAE has over 25 years of local government planning experience and has prepared numerous housing elements throughout the state and bay area. BAE prepared Milpitas previous Housing Element in 2004-2009 which HCD presented the City with its Local Government Leadership Award for it housing element. The cost of the General Plan Housing Element is \$113,719. There are sufficient funds in the Milpitas Housing Authority to funds the preparation of the state-mandated housing element. Budget appropriation is part of the request and recommendation. Included in the Council agenda packet is the contract agreement.

Fiscal Impact: \$113,719. Budget appropriation from the Milpitas Housing Authority will be required to allocate funding for this project.

Recommendation:

1. Approve the budget appropriation request of \$113,719 from the Milpitas Housing Authority to fund the General Plan Housing Element Update
2. Authorize City Manager to execute contract agreement with BAE Urban Economics to prepare the General Plan Housing Element in an amount not to exceed \$113,719.

Check if City Council Approval required. **Meeting Date:** June 18, 2013

Requested by:	Felix Reliford, Planning & Neighborhood Services	Date: June 7, 2013
Reviewed by:	Finance Director: 	Date: 6/10/13
Approved by:	City Manager:	Date:
Date approved by City Council, if required:		Confirmed by: