



## **CITY OF SALINAS COUNCIL STAFF REPORT**

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**DATE:** October 24, 2017

**DEPARTMENT:** COMMUNITY DEVELOPMENT

**FROM:** MEGAN HUNTER, COMMUNITY DEVELOPMENT DIRECTOR

**TITLE:** Agreement for Professional Services with Veronica Tam and Associates, Inc. for Assessment of Fair Housing

**RECOMMENDED MOTION:**

It is recommended that the City Council approve a motion to authorize the approval of the Agreement for Professional Services (Agreement) with Veronica Tam and Associates, Inc. (Consultant) in the amount of \$125,000 for the Assessment of Fair Housing (AFH).

**RECOMMENDATION:**

Staff recommends that the City Council authorize the approval of the Agreement with Consultant for the United States Department of Housing and Urban Development (HUD) required AFH.

**EXECUTIVE SUMMARY:**

On July 16, 2015, HUD released the Affirmatively Furthering Fair Housing (AFFH) Final Rule. HUD's AFFH Final Rule is a legal requirement, which requires entitlement jurisdictions such as the City to further the purposes of the Fair Housing Act, included in Title VIII of the Civil Rights Act of 1968, 42 U.S.C. 3608 and Executive Order 12892. The purpose of the AFFH Final Rule is to equip communities that receive HUD funding with the data and tools that will help to meet long-standing fair housing obligations in utilizing HUD funds. The AFFH Final Rule requires communities to take meaningful actions to overcome historic patterns of segregation, promote fair housing choice, and foster inclusive communities that are free from discrimination. As a result of AFFH Final Rule, the AFH refers to the analysis required to be undertaken by entitlement jurisdictions such as the City pursuant to 24 C.F.R. § 5.154.

**BACKGROUND:**

As part of its continued fair housing efforts, the City recently prepared a HUD required fair housing plan called the "Analysis of Impediments to Fair Housing Choice" (AI) concurrent with its 2015-2019 Consolidated Plan (Con Plan). The AFH will replace the AI, which was typically conducted about every five years. The AI included both regional and local data sources along with planning documents to provide an overview of the laws, policies, procedures, and circumstances that shape housing choice for individuals and households in the City. The AFH will require communities to take the data and planning efforts one-step further by taking actionable steps to meet fair housing goals.

## DISCUSSION:

HUD encourages a “regional collaboration approach” that includes Public Housing Authorities (PHA) and neighboring jurisdictions to conduct and submit a regional collaborative AFH. As a result, in 2016 the City began discussions with neighboring jurisdictions throughout Monterey County along with the local Housing Authority of the County of Monterey (HACM). After several meetings and months of discussion, the County of Monterey – Urban County (Urban County), City of Monterey, City of Seaside and Housing Authority of the County of Monterey agreed to partner through a regional AFH update collaboration. The City of Salinas (lead agency) entered into a Collaboration Agreement on April 27, 2017 with the Urban County, City of Monterey, City of Seaside and HACM in order to conduct a regional AFH in accordance with the requirements for consultation and community participation as outlined in 24 C.F.R. 5.158. The rationale for the collaborative effort is that fair housing issues expand across jurisdictional boundaries and all Con Plan program participants are required to conduct a regional analysis whether or not they choose to work with regional partners. It is, therefore, in the City’s best interest to collaborate with neighboring jurisdictions and the PHA to share the costs of the AFH while participating in a regional analysis. The regional collaboration promotes 1) fair housing goals, 2) priorities in community development and 3) priorities in housing planning processes that would lead to meaningful actions that would overcome discrimination and promote fair housing choice.

After the Collaboration Agreement was fully executed, the City drafted and issued a Request for Proposals (RFP) on July 7, 2017 to seek a consultant to assist with the regional AFH update. The RFP deadline ended on August 7, 2017. A total of six (6) organizations submitted their RFP proposals to the City. A separate RFP rating and ranking panel was established consisting of at least one staff member from each of the regional collaborating parties. After an extensive rating and ranking process a unanimous decision was made by the RFP rating and ranking panel to recommend moving forward with Veronica Tam and Associates, Inc. The final RFP rating and ranking panel results are listed below.

<b>RFP Rating and Ranking Panel Final Results</b>		
<b>Overall Ranking</b>	<b>Overall Average Score</b>	<b>Organization</b>
1	88	Veronica Tam and Associates, Inc.
2	82	Michael Baker International
3	79	Lawyers’ Committee for Civil Rights Under Law
3	79	Western Economic Services, LLC (WES)
4	78	LeSar Development Consultants
4	78	The Ramsay Group

The next step is to enter into an Agreement with the Consultant in order to start the regional AFH update process. The due date for the AFH to be submitted to HUD is October 5, 2019.

### CEQA CONSIDERATION:

**Not a Project.** The City of Salinas has determined that the proposed action is not a project as defined by the California Environmental Quality Act (CEQA) (CEQA Guidelines Section 15378). In addition, CEQA Guidelines Section 15061 includes the general rule that CEQA applies only to activities which have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. Because the proposed action and this matter have no potential to cause any effect on the environment, or because it falls within a category of activities excluded as projects pursuant to CEQA Guidelines section 15378, this matter is not a project. Because the matter does not cause a direct or foreseeable indirect physical change on or in the environment, this matter is not a project. Any subsequent discretionary projects resulting from this action will be assessed for CEQA applicability.

### STRATEGIC PLAN INITIATIVE:

The AFH update and its implementation supports the following City Council strategic goals: 1) Economic Diversity and Prosperity; 2) Safe, Livable Community; 3) Effective, Sustainable Government; and 4) Quality of Life.

### FISCAL AND SUSTAINABILITY IMPACT:

The estimated total cost of the AFH is \$125,000 with the City of Salinas' portion not to exceed \$42,755. Due to the City acting as the lead agency, the City is entering into the contract directly with the Consultant for the total amount of \$125,000. The shared cost allocation is determined by a calculation of population by region or number served plus a \$10,000 base cost share. There are significant cost savings due to the shared cost among jurisdictions. The table below details the estimated costs to each jurisdiction involved in the study.

<b>Program Participant</b>	<b>Population</b>	<b>Share of Population</b>	<b>Base Cost</b>	<b>Population Share Cost</b>	<b>Total</b>
HACM	8,135	2.4%	\$10,000	\$1,771	\$11,771
City of Monterey	27,810	8.1%	\$10,000	\$6,055	\$16,055
City of Salinas	150,441	43.7%	\$10,000	\$32,754	\$42,755
City of Seaside	33,025	9.6%	\$10,000	\$7,190	\$17,190
Urban County	125,064	36.3%	\$10,000	\$27,229	\$37,229
<b>Total</b>	<b>344,475</b>		<b>\$50,000</b>	<b>\$75,000</b>	<b>\$125,000</b>

Upon execution of the Consultant contract, each collaborating agency will deposit a minimum of fifty-percent (50%) of their allocated share for a total of \$42,508 to the City. In addition, each collaborating agency shall submit the remaining balance of their allocated share in the amount of \$39,737 to the City upon acceptance of the deliverable representing fifty-percent (50%) of the total AFH assessment. The City Council approved the City's share of the AFH funding up to \$42,754 under Resolution No. 21139 on March 21, 2017. After further calculations, the City's share was one dollar short and will be increased to \$42,755. The funding is part of CIP 9215 that included the HUD Consolidated Plan. This project funded by Measure G was originally budgeted at \$310,000 for FY 2019-20. Due to HUD Requirements, funding priority will be given to this project and be included in FY 2017-18 Capital Improvement Budget. The table below represents the collaborating agencies shared cost along with deposit structure.

<b>Participant</b>	<b>Participant's Share Cost</b>	<b>1<sup>st</sup> Deposit</b>	<b>2<sup>nd</sup> Deposit</b>
HACM	\$ 11,771.00	\$ 5,885.50	\$ 5,885.50
City of Monterey	\$ 16,055.00	\$ 8,027.50	\$ 8,027.50
City of Salinas	\$ 42,755.00	\$ 42,755.00	\$ 0.00
City of Seaside	\$ 17,190.00	\$ 8,595.00	\$ 8,595.00
Urban County	\$ 37,229.00	\$ 20,000.00	\$ 17,229.00
<b>Total</b>	<b>\$ 125,000.00</b>	<b>\$ 85,263.00</b>	<b>\$ 39,737.00</b>

ATTACHMENTS:

- Resolution
- Professional Services Agreement