



City of Palo Alto

City Council Staff Report

(ID # 11928)

Report Type: Consent Calendar

Meeting Date: 4/12/2021

Summary Title: Award Housing Element Consultant Contract

Title: Approval of a Professional Services Contract With Rincon Consulting in the Amount of \$627,994 for the Preparation of the City's 2023-31 Housing Element Update.

From: City Manager

Lead Department: Planning and Development Services

Recommendation:

Staff recommends City Council approve and authorize the City Manager or his designee to execute the attached Contract C21181034 with Rincon Consultants, Inc. (Attachment A) in an amount not to exceed \$627,994 for professional services related to the preparation of the 2023-31 Housing Element (Housing Element).

Executive Summary:

In order to meet existing and future housing needs for all in the community, the State of California requires that all local jurisdictions adopt a Housing Element as part of their Comprehensive Plan. A Housing Element is a strategic housing plan outlining how the City will meet its housing needs, including identifying sites to accommodate new housing and programs to facilitate housing production.

State law requires that jurisdictions update their Housing Element and have it certified by the State Housing and Community Development Department (HCD) every eight years. The City must prepare and have its Housing Element certified by January 2023 for the 2023-31 period. Due to the extensive work needed to prepare the Housing Element, the City will require the assistance of a consultant. After issuance of a Request for Proposals, staff recommends that the City award a contract to Rincon Consultants, Inc.

The attached contract identifies specific tasks, deliverables and timelines to complete the project.

Background:

Since 1969, the State has required all local jurisdictions to adequately plan to meet the housing needs of everyone in the community. Local jurisdictions meet this requirement by adopting housing elements as part of their Comprehensive Plan, which serves as the City's "blueprint" for how the City will grow and develop. State law mandates inclusion of eight elements in comprehensive plans: land use, transportation, conservation, noise, open space, safety, housing, and most recently, environmental justice. Jurisdictions may elect to include additional elements.

The Housing Element is one of the eight mandated elements in the Comprehensive Plan and the only element that requires certification by the state. The Housing Element covers a period of eight years.¹ California's housing element law acknowledges that, in order for the private market to adequately address the housing needs of Californians, local governments must adopt plans and regulatory systems that provide opportunities for housing development. As a result, housing policy in California rests largely on the effective implementation of local comprehensive plans and in particular, local housing elements.

Discussion:

The scope of the Rincon Consultants, Inc. contract is for the preparation of the 2023-31 Housing Element update and the associated environmental clearance. The update must be certified by the state no later than January 2023.

Project Coordination

The City's Planning and Development Services Department (PDS) has coordinated the bid process with the Purchasing Division of Administrative Services. PDS will work closely with the consultant in the preparation of the Housing Element. This coordination will include bi-weekly meetings to track the update progress as well as working closely with the Working Group for housing programs and policies and site selection. City staff will oversee the consultant's work for the environmental clearance.

Proposal Process

On November 30, 2020, a request for formal proposals (RFP) was posted on the Planet Bids Vendor Portal. The solicitation period was held for 24 days, with proposals due on December 23, 2020. The City received two proposals: 1) Rincon Consultants, Inc. and 2) M-Group.

The proposals were evaluated by PDS and the City Attorney's Office. Staff carefully reviewed each proposal in response to criteria identified in the RFP. Specific focus was placed on each

¹ Current 2015-23 Housing Element: <https://www.cityofpaloalto.org/civicax/filebank/documents/37935>

firm's understanding of the housing element process, environmental review and understanding of Palo Alto concerns; one round of oral interviews was conducted. Subsequent to the selection of the preferred consultant, staff negotiated with the consultant to accommodate additional services that may be required, such as additional meetings. Accordingly, the contract includes an additional 20% contingency for potential additional services (\$104,665) beyond the basic services (\$523,329), resulting in a total of \$627,994 as determined necessary by the City.

Staff has worked with both consultants in the past and have been satisfied with their performance. While there were merits in the M-Group proposal, it was not selected because its proposal was substantially higher than the Rincon bid.

Rincon Consultants, Inc.

Staff selected Rincon Consultants, Inc. as the preferred consultant following the review of the written proposals and the oral interviews. Rincon Consultants, Inc. is an award-winning environmental firm with environmental scientists, planners and engineers. The firm has over 12 offices statewide, including Oakland, and employs more than 300 professionals. The proposal includes key subconsultants: Veronica Tam and Associates (Housing Element preparation) and Hexagon Transportation Consultants, Inc. (Traffic). Additional information on Rincon Consultants, Inc. can be found on their website.²

There were multiple factors that guided staff in the consultant selection process. The factors included quality of the proposal, understanding of Palo Alto, experience in preparation of Housing Elements, and depth of knowledge. Both firms came with a variety of experience, including with Palo Alto, and had strong proposals. Rincon Consultants, Inc. presented a strong team with experienced subconsultants in Housing Element work and the most recent State requirements and traffic analysis. Because this plan is intended to provide policy, as well as development regulations, it is critical to have a team that can effectively work with the public, including the Housing Element Working Group, and develop regulations that are both aspirational and economically feasible.

Resource Impact:

Staff has explored available and anticipated future funding resources to cover the proposal cost of \$627,994. Funds have been successfully identified to cover the project cost without having to request additional money from the General Fund at this time. Please note that identified funding includes the Comprehensive Plan Maintenance Fee, which City Council allocates from the General Fund to PDS every year. Should Council break from past budgets and decrease or eliminate this allocation, additional funding sources will be required. Planned funding for the Housing Element update is detailed below and includes several state grants to help fund the work.

² Rincon Consultants, Inc: <https://www.rinconconsultants.com>

Funding Source	Amount
SB2 Planning Grant	\$170,000
Local Early Action Planning (LEAP) Grant	\$151,000
Regional Early Action Planning (REAP) Grant	\$62,602
Comprehensive Plan Maintenance FY20/21	\$93,000
Comprehensive Plan Maintenance FY21/22 (planned funding)	\$97,000
Comprehensive Plan Maintenance FY22/23 (planned funding)	\$54,392
TOTAL	\$627,994

In addition to these funds, staff has applied for \$100,000 in further, competitive Regional Early Action Planning (REAP) funds to help with the site selection process. MTC/ABAG will announce the competitive REAP awards in May 2021. If the City is awarded the competitive REAP funding, staff would recommend re-allocation of some of the grant funds named above to support long-range planning projects, such as the North Ventura Coordinated Area Plan (NVCAP).

The proposed consultant contract reflects the majority expense for the Housing Element update. Other expenses such as City staff time are not included in the contract.

Timeline:

The table below highlights the major milestones for the Housing Element (HE) update process:

Milestones	
Action	Projected Date
Consultant Selected	April 2021
HE Update Process Starts	May 2021
Public Review HE Draft Released	April 2022
CEQA Completed	August 2022
Rezone Completed	October 2022
City Council HE Adoption	November 2022
HCD Certification	January 2023

Environmental Review:

The current action requested does not represent a project under the California Environmental Quality Act (CEQA). The City anticipates that a Supplemental Environmental Impact Report to the Comprehensive Plan Final Environmental Impact Report (2017) will be the appropriate level of environmental review for the Housing Element update and associated tasks.

Attachments:

Attachment A: Rincon Contract (PDF)

CITY OF PALO ALTO CONTRACT NO. C21181034

AGREEMENT FOR PROFESSIONAL SERVICES

BETWEEN THE CITY OF PALO ALTO AND RINCON CONSULTANTS, INC.

This Agreement for Professional Services (this “Agreement”) is entered into as of the 5th day of April, 2021 (the “Effective Date”), by and between the CITY OF PALO ALTO, a California chartered municipal corporation (“CITY”), and RINCON CONSULTANTS, INC., a California corporation, located at 180 N. Ashwood Avenue, Ventura, CA 93003 (“CONSULTANT”).

The following recitals are a substantive portion of this Agreement and are fully incorporated herein by this reference:

RECITALS

A. CITY intends to complete the 2023-2031 Housing Element Update (the “Project”) and desires to engage a consultant to perform Housing Element Update, associated rezoning actions, and required California Environment Quality Act (CEQA) review in connection with the Project (the “Services”, as detailed more fully in Exhibit A).

B. CONSULTANT represents that it, its employees and subconsultants, if any, possess the necessary professional expertise, qualifications, and capability, and all required licenses and/or certifications to provide the Services.

C. CITY, in reliance on these representations, desires to engage CONSULTANT to provide the Services as more fully described in Exhibit A, entitled “SCOPE OF SERVICES”.

NOW, THEREFORE, in consideration of the recitals, covenants, terms, and conditions, in this Agreement, the parties agree as follows:

SECTION 1. SCOPE OF SERVICES. CONSULTANT shall perform the Services described in Exhibit A in accordance with the terms and conditions contained in this Agreement. The performance of all Services shall be to the reasonable satisfaction of CITY.

SECTION 2. TERM.

The term of this Agreement shall be from the date of its full execution through January 31, 2026 unless terminated earlier pursuant to Section 19 (Termination) of this Agreement.

SECTION 3. SCHEDULE OF PERFORMANCE. Time is of the essence in the performance of Services under this Agreement. CONSULTANT shall complete the Services within the term of this Agreement and in accordance with the schedule set forth in Exhibit B, entitled “SCHEDULE OF PERFORMANCE”. Any Services for which times for performance are not specified in this Agreement shall be commenced and completed by CONSULTANT in a reasonably prompt and

timely manner based upon the circumstances and direction communicated to the CONSULTANT. CITY's agreement to extend the term or the schedule for performance shall not preclude recovery of damages for delay if the extension is required due to the fault of CONSULTANT.

SECTION 4. NOT TO EXCEED COMPENSATION. The compensation to be paid to CONSULTANT for performance of the Services shall be based on the compensation structure detailed in Exhibit C, entitled "COMPENSATION," including any reimbursable expenses specified therein, and the maximum total compensation shall not exceed **Five Hundred Twenty Three Thousand Three Hundred Twenty Seven Dollars (\$523,327.00)**. The hourly schedule of rates, if applicable, is set out in Exhibit C-1, entitled "SCHEDULE OF RATES." Any work performed or expenses incurred for which payment would result in a total exceeding the maximum compensation set forth in this Section 4 shall be at no cost to the CITY.

Optional Additional Services Provision (This provision applies only if checked and a not-to-exceed compensation amount for Additional Services is allocated below under this Section 4.)

In addition to the not-to-exceed compensation specified above, CITY has set aside the not-to-exceed compensation amount of **One Hundred Four Thousand Six Hundred Sixty Five Dollars (\$104,665.00)** as a Twenty Percent (20%) of total cost contingency for the performance of Additional Services (as defined below). The total compensation for performance of the Services, Additional Services and any reimbursable expenses specified in Exhibit C, shall not exceed **Six Hundred Twenty Seven Thousand Nine Hundred Ninety Three Dollars (\$627,993.00)**, as detailed in Exhibit C.

"Additional Services" means any work that is determined by CITY to be necessary for the proper completion of the Project, but which is not included within the Scope of Services described at Exhibit A. CITY may elect to, but is not required to, authorize Additional Services up to the maximum amount of compensation set forth for Additional Services in this Section 4. CONSULTANT shall provide Additional Services only by advanced, written authorization from CITY as detailed in this Section. Additional Services, if any, shall be authorized by CITY with a Task Order assigned and authorized by CITY's Project Manager, as identified in Section 13 (Project Management). Each Task Order shall be in substantially the same form as Exhibit A-1, entitled "PROFESSIONAL SERVICES TASK ORDER". Each Task Order shall contain a specific scope of services, schedule of performance and maximum compensation amount, in accordance with the provisions of this Agreement. Compensation for Additional Services shall be specified by CITY in the Task Order, based on whichever is lowest: the compensation structure set forth in Exhibit C, the hourly rates set forth in Exhibit C-1, or a negotiated lump sum.

To accept a Task Order, CONSULTANT shall sign the Task Order and return it to CITY's Project Manager within the time specified by the Project Manager, and upon authorization by CITY (defined as counter-signature by the CITY Project Manager), the fully executed Task Order shall become part of this Agreement. The cumulative total compensation to CONSULTANT for all Task Orders authorized under this Agreement shall not exceed the amount of compensation set forth for Additional Services in this Section 4. CONSULTANT shall only be compensated for Additional Services performed under an

authorized Task Order and only up to the maximum amount of compensation set forth for Additional Services in this Section 4. Performance of and payment for any Additional Services are subject to all requirements and restrictions in this Agreement.

SECTION 5. INVOICES. In order to request payment, CONSULTANT shall submit monthly invoices to the CITY describing the Services performed and the applicable charges (including, if applicable, an identification of personnel who performed the Services, hours worked, hourly rates, and reimbursable expenses), based upon Exhibit C or, as applicable, CONSULTANT's schedule of rates set forth in Exhibit C-1. If applicable, the invoice shall also describe the percentage of completion of each task. The information in CONSULTANT's invoices shall be subject to verification by CITY. CONSULTANT shall send all invoices to CITY's Project Manager at the address specified in Section 13 (Project Management) below. CITY will generally process and pay invoices within thirty (30) days of receipt of an acceptable invoice.

SECTION 6. QUALIFICATIONS/STANDARD OF CARE. All Services shall be performed by CONSULTANT or under CONSULTANT's supervision. CONSULTANT represents that it, its employees and subcontractors, if any, possess the professional and technical personnel necessary to perform the Services required by this Agreement and that the personnel have sufficient skill and experience to perform the Services assigned to them. CONSULTANT represents that it, its employees and subcontractors, if any, have and shall maintain during the term of this Agreement all licenses, permits, qualifications, insurance and approvals of whatever nature that are legally required to perform the Services. All Services to be furnished by CONSULTANT under this Agreement shall meet the professional standard and quality that prevail among professionals in the same discipline and of similar knowledge and skill engaged in related work throughout California under the same or similar circumstances.

SECTION 7. COMPLIANCE WITH LAWS. CONSULTANT shall keep itself informed of and in compliance with all federal, state and local laws, ordinances, regulations, and orders that may affect in any manner the Project or the performance of the Services or those engaged to perform Services under this Agreement, as amended from time to time. CONSULTANT shall procure all permits and licenses, pay all charges and fees, and give all notices required by law in the performance of the Services.

SECTION 8. ERRORS/OMISSIONS. CONSULTANT is solely responsible for costs, including, but not limited to, increases in the cost of Services, arising from or caused by CONSULTANT's errors and omissions, including, but not limited to, the costs of corrections such errors and omissions, any change order markup costs, or costs arising from delay caused by the errors and omissions or unreasonable delay in correcting the errors and omissions.

SECTION 9. COST ESTIMATES. If this Agreement pertains to the design of a public works project, CONSULTANT shall submit estimates of probable construction costs at each phase of design submittal. If the total estimated construction cost at any submittal exceeds the CITY's stated construction budget by ten percent (10%) or more, CONSULTANT shall make recommendations to CITY for aligning the Project design with the budget, incorporate CITY approved recommendations, and revise the design to meet the Project budget, at no additional cost to CITY.

SECTION 10. INDEPENDENT CONTRACTOR. CONSULTANT acknowledges and agrees that CONSULTANT and any agent or employee of CONSULTANT will act as and shall be deemed at all times to be an independent contractor and shall be wholly responsible for the manner in which CONSULTANT performs the Services requested by CITY under this Agreement. CONSULTANT and any agent or employee of CONSULTANT will not have employee status with CITY, nor be entitled to participate in any plans, arrangements, or distributions by CITY pertaining to or in connection with any retirement, health or other benefits that CITY may offer its employees. CONSULTANT will be responsible for all obligations and payments, whether imposed by federal, state or local law, including, but not limited to, FICA, income tax withholdings, workers' compensation, unemployment compensation, insurance, and other similar responsibilities related to CONSULTANT's performance of the Services, or any agent or employee of CONSULTANT providing same. Nothing in this Agreement shall be construed as creating an employment or agency relationship between CITY and CONSULTANT or any agent or employee of CONSULTANT. Any terms in this Agreement referring to direction from CITY shall be construed as providing for direction as to policy and the result of CONSULTANT's provision of the Services only, and not as to the means by which such a result is obtained.

SECTION 11. ASSIGNMENT. The parties agree that the expertise and experience of CONSULTANT are material considerations for this Agreement. CONSULTANT shall not assign or transfer any interest in this Agreement nor the performance of any of CONSULTANT's obligations hereunder without the prior written approval of the City Manager. Any purported assignment made without the prior written approval of the City Manager will be void and without effect. Subject to the foregoing, the covenants, terms, conditions and provisions of this Agreement will apply to, and will bind, the heirs, successors, executors, administrators and assignees of the parties.

SECTION 12. SUBCONTRACTING.

Subcontracts Authorized: Notwithstanding Section 11 (Assignment) above, CITY agrees that subcontractors may be used to complete the Services. The subcontractors authorized by CITY to perform work on this Project are:

Veronica Tam and Associates, Inc.
107 S. Fair Oaks Avenue, Suite 212
Pasadena, CA 91105
(626) 304-0440
Technical Advisor: Veronica Tam

Hexagon Transportation Consultants, Inc.
4 North Second Street, Suite 400
San Jose, CA 95113
(408) 971-6100
Technical Advisors: Gary Black and At van den Hout

CONSULTANT shall be responsible for directing the work of any subcontractors and for any compensation due to subcontractors. CITY assumes no responsibility whatsoever concerning compensation of subcontractors. CONSULTANT shall be fully responsible to CITY for all acts and omissions of subcontractors. CONSULTANT shall change or add subcontractors only with the prior written approval of the City Manager or designee.

SECTION 13. PROJECT MANAGEMENT. CONSULTANT will assign Della Acosta as the CONSULTANT's Project Manager to have supervisory responsibility for the performance, progress, and execution of the Services and represent CONSULTANT during the day-to-day performance of the Services. If circumstances cause the substitution of the CONSULTANT's Project Manager or any other of CONSULTANT's key personnel for any reason, the appointment of a substitute Project Manager and the assignment of any key new or replacement personnel will be subject to the prior written approval of the CITY's Project Manager. CONSULTANT, at CITY's request, shall promptly remove CONSULTANT personnel who CITY finds do not perform the Services in an acceptable manner, are uncooperative, or present a threat to the adequate or timely completion of the Services or a threat to the safety of persons or property.

CITY's Project Manager is Tim Wong, Planning and Development Services Department, 250 Hamilton Avenue, Palo Alto, CA, 94301, Telephone: (650) 329-2561. CITY's Project Manager will be CONSULTANT's point of contact with respect to performance, progress and execution of the Services. CITY may designate an alternate Project Manager from time to time.

SECTION 14. OWNERSHIP OF MATERIALS. All work product, including without limitation, all writings, drawings, studies, sketches, photographs, plans, reports, specifications, computations, models, recordings, data, documents, and other materials and copyright interests developed under this Agreement, in any form or media, shall be and remain the exclusive property of CITY without restriction or limitation upon their use. CONSULTANT agrees that all copyrights which arise from creation of the work product pursuant to this Agreement are vested in CITY, and CONSULTANT hereby waives and relinquishes all claims to copyright or other intellectual property rights in favor of CITY. Neither CONSULTANT nor its subcontractors, if any, shall make any of such work product available to any individual or organization without the prior written approval of the City Manager or designee. CONSULTANT makes no representation of the suitability of the work product for use in or application to circumstances not contemplated by the Scope of Services.

SECTION 15. AUDITS. CONSULTANT agrees to permit CITY and its authorized representatives to audit, at any reasonable time during the term of this Agreement and for four (4) years from the date of final payment, CONSULTANT's records pertaining to matters covered by this Agreement, including without limitation records demonstrating compliance with the requirements of Section 10 (Independent Contractor). CONSULTANT further agrees to maintain and retain accurate books and records in accordance with generally accepted accounting principles for at least four (4) years after the expiration or earlier termination of this Agreement or the completion of any audit hereunder, whichever is later.

SECTION 16. INDEMNITY.

16.1. To the fullest extent permitted by law, CONSULTANT shall indemnify, defend and hold harmless CITY, its Council members, officers, employees and agents (each an "Indemnified Party") from and against any and all third party demands, claims, or liability of any nature, including death or injury to any person, property damage or any other loss, including all costs and expenses of whatever nature including attorney's fees, experts fees, court costs and disbursements ("Claims") to the extent that such Claims arise out of, pertain to, or relate to the

negligence, recklessness, or willful misconduct of CONSULTANT, its officers, employees, agents or contractors under this Agreement, regardless of whether or not it is caused in part by an Indemnified Party. CITY will reimburse CONSULTANT for the proportionate percentage of defense costs exceeding CONSULTANT's proportionate percentage of fault as determined by the final judgment of a court of competent jurisdiction.

16.2. Notwithstanding the above, nothing in this Section 16 shall be construed to require CONSULTANT to indemnify an Indemnified Party from a Claim arising from the active negligence or willful misconduct of an Indemnified Party that is not contributed to by any act of, or by any omission to perform a duty imposed by law or agreement by, CONSULTANT, its officers, employees, agents or contractors under this Agreement.

16.3. The acceptance of CONSULTANT's Services and duties by CITY shall not operate as a waiver of the right of indemnification. The provisions of this Section 16 shall survive the expiration or early termination of this Agreement.

SECTION 17. WAIVERS. No waiver of a condition or nonperformance of an obligation under this Agreement is effective unless it is in writing in accordance with Section 29.4 of this Agreement. No delay or failure to require performance of any provision of this Agreement shall constitute a waiver of that provision as to that or any other instance. Any waiver granted shall apply solely to the specific instance expressly stated. No single or partial exercise of any right or remedy will preclude any other or further exercise of any right or remedy.

SECTION 18. INSURANCE.

18.1. CONSULTANT, at its sole cost and expense, shall obtain and maintain, in full force and effect during the term of this Agreement, the insurance coverage described in Exhibit D, entitled "INSURANCE REQUIREMENTS". CONSULTANT and its contractors, if any, shall obtain a policy endorsement naming CITY as an additional insured under any general liability or automobile policy or policies.

18.2. All insurance coverage required hereunder shall be provided through carriers with AM Best's Key Rating Guide ratings of A:-VII or higher which are licensed or authorized to transact insurance business in the State of California. Any and all contractors of CONSULTANT retained to perform Services under this Agreement will obtain and maintain, in full force and effect during the term of this Agreement, identical insurance coverage, naming CITY as an additional insured under such policies as required above.

18.3. Certificates evidencing such insurance shall be filed with CITY concurrently with the execution of this Agreement. The certificates will be subject to the approval of CITY's Risk Manager and will contain an endorsement stating that the insurance is primary coverage and will not be canceled, or materially reduced in coverage or limits, by the insurer except after filing with the Purchasing Manager thirty (30) days' prior written notice of the cancellation or modification. If the insurer cancels or modifies the insurance and provides less than thirty (30) days' notice to CONSULTANT, CONSULTANT shall provide the Purchasing Manager written notice of the cancellation or modification within two (2) business days of the CONSULTANT's receipt of such notice. CONSULTANT shall be responsible for ensuring that current certificates

evidencing the insurance are provided to CITY's Chief Procurement Officer during the entire term of this Agreement.

18.4. The procuring of such required policy or policies of insurance will not be construed to limit CONSULTANT's liability hereunder nor to fulfill the indemnification provisions of this Agreement. Notwithstanding the policy or policies of insurance, CONSULTANT will be obligated for the full and total amount of any damage, injury, or loss caused by or directly arising as a result of the Services performed under this Agreement, including such damage, injury, or loss arising after the Agreement is terminated or the term has expired.

SECTION 19. TERMINATION OR SUSPENSION OF AGREEMENT OR SERVICES.

19.1. The City Manager may suspend the performance of the Services, in whole or in part, or terminate this Agreement, with or without cause, by giving ten (10) days prior written notice thereof to CONSULTANT. If CONSULTANT fails to perform any of its material obligations under this Agreement, in addition to all other remedies provided under this Agreement or at law, the City Manager may terminate this Agreement sooner upon written notice of termination. Upon receipt of any notice of suspension or termination, CONSULTANT will discontinue its performance of the Services on the effective date in the notice of suspension or termination.

19.2. In event of suspension or termination, CONSULTANT will deliver to the City Manager on or before the effective date in the notice of suspension or termination, any and all work product, as detailed in Section 14 (Ownership of Materials), whether or not completed, prepared by CONSULTANT or its contractors, if any, in the performance of this Agreement. Such work product is the property of CITY, as detailed in Section 14 (Ownership of Materials).

19.3. In event of suspension or termination, CONSULTANT will be paid for the Services rendered and work products delivered to CITY in accordance with the Scope of Services up to the effective date in the notice of suspension or termination; provided, however, if this Agreement is suspended or terminated on account of a default by CONSULTANT, CITY will be obligated to compensate CONSULTANT only for that portion of CONSULTANT's Services provided in material conformity with this Agreement as such determination is made by the City Manager acting in the reasonable exercise of his/her discretion. The following Sections will survive any expiration or termination of this Agreement: 14, 15, 16, 17, 19.2, 19.3, 19.4, 20, 25, 27, 28, 29 and 30.

19.4. No payment, partial payment, acceptance, or partial acceptance by CITY will operate as a waiver on the part of CITY of any of its rights under this Agreement, unless made in accordance with Section 17 (Waivers).

SECTION 20. NOTICES.

All notices hereunder will be given in writing and mailed, postage prepaid, by certified mail, addressed as follows:

To CITY: Office of the City Clerk
City of Palo Alto
Post Office Box 10250
Palo Alto, CA 94303

With a copy to the Purchasing Manager

To CONSULTANT: Attention of the Project Manager at the address of
CONSULTANT recited on the first page of this Agreement.

CONSULTANT shall provide written notice to CITY of any change of address.

SECTION 21. CONFLICT OF INTEREST.

21.1. In executing this Agreement, CONSULTANT covenants that it presently has no interest, and will not acquire any interest, direct or indirect, financial or otherwise, which would conflict in any manner or degree with the performance of the Services.

21.2. CONSULTANT further covenants that, in the performance of this Agreement, it will not employ subcontractors or other persons or parties having such an interest. CONSULTANT certifies that no person who has or will have any financial interest under this Agreement is an officer or employee of CITY; this provision will be interpreted in accordance with the applicable provisions of the Palo Alto Municipal Code and the Government Code of the State of California, as amended from time to time. CONSULTANT agrees to notify CITY if any conflict arises.

21.3. If the CONSULTANT meets the definition of a “Consultant” as defined by the Regulations of the Fair Political Practices Commission, CONSULTANT will file the appropriate financial disclosure documents required by the Palo Alto Municipal Code and the Political Reform Act of 1974, as amended from time to time.

SECTION 22. NONDISCRIMINATION; COMPLIANCE WITH ADA.

22.1. As set forth in Palo Alto Municipal Code Section 2.30.510, as amended from time to time, CONSULTANT certifies that in the performance of this Agreement, it shall not discriminate in the employment of any person due to that person’s race, skin color, gender, gender identity, age, religion, disability, national origin, ancestry, sexual orientation, pregnancy, genetic information or condition, housing status, marital status, familial status, weight or height of such person. CONSULTANT acknowledges that it has read and understands the provisions of Section 2.30.510 of the Palo Alto Municipal Code relating to Nondiscrimination Requirements and the penalties for violation thereof, and agrees to meet all requirements of Section 2.30.510 pertaining to nondiscrimination in employment.

22.2. CONSULTANT understands and agrees that pursuant to the Americans Disabilities Act (“ADA”), programs, services and other activities provided by a public entity to the public, whether directly or through a contractor or subcontractor, are required to be accessible to the disabled public. CONSULTANT will provide the Services specified in this Agreement in a

manner that complies with the ADA and any other applicable federal, state and local disability rights laws and regulations, as amended from time to time. CONSULTANT will not discriminate against persons with disabilities in the provision of services, benefits or activities provided under this Agreement.

SECTION 23. ENVIRONMENTALLY PREFERRED PURCHASING AND ZERO WASTE REQUIREMENTS. CONSULTANT shall comply with the CITY's Environmentally Preferred Purchasing policies which are available at CITY's Purchasing Department, hereby incorporated by reference and as amended from time to time. CONSULTANT shall comply with waste reduction, reuse, recycling and disposal requirements of CITY's Zero Waste Program. Zero Waste best practices include, first, minimizing and reducing waste; second, reusing waste; and, third, recycling or composting waste. In particular, CONSULTANT shall comply with the following Zero Waste requirements:

(a) All printed materials provided by CONSULTANT to CITY generated from a personal computer and printer including but not limited to, proposals, quotes, invoices, reports, and public education materials, shall be double-sided and printed on a minimum of 30% or greater post-consumer content paper, unless otherwise approved by CITY's Project Manager. Any submitted materials printed by a professional printing company shall be a minimum of 30% or greater post-consumer material and printed with vegetable-based inks.

(b) Goods purchased by CONSULTANT on behalf of CITY shall be purchased in accordance with CITY's Environmental Purchasing Policy including but not limited to Extended Producer Responsibility requirements for products and packaging. A copy of this policy is on file at the Purchasing Department's office.

(c) Reusable/returnable pallets shall be taken back by CONSULTANT, at no additional cost to CITY, for reuse or recycling. CONSULTANT shall provide documentation from the facility accepting the pallets to verify that pallets are not being disposed.

SECTION 24. COMPLIANCE WITH PALO ALTO MINIMUM WAGE ORDINANCE. CONSULTANT shall comply with all requirements of the Palo Alto Municipal Code Chapter 4.62 (Citywide Minimum Wage), as amended from time to time. In particular, for any employee otherwise entitled to the State minimum wage, who performs at least two (2) hours of work in a calendar week within the geographic boundaries of the City, CONSULTANT shall pay such employees no less than the minimum wage set forth in Palo Alto Municipal Code Section 4.62.030 for each hour worked within the geographic boundaries of the City of Palo Alto. In addition, CONSULTANT shall post notices regarding the Palo Alto Minimum Wage Ordinance in accordance with Palo Alto Municipal Code Section 4.62.060.

SECTION 25. NON-APPROPRIATION. This Agreement is subject to the fiscal provisions of the Charter of the City of Palo Alto and the Palo Alto Municipal Code, as amended from time to time. This Agreement will terminate without any penalty (a) at the end of any fiscal year in the event that funds are not appropriated for the following fiscal year, or (b) at any time within a fiscal year in the event that funds are only appropriated for a portion of the fiscal year and funds for this Agreement are no longer available. This Section shall take precedence in the event of a conflict with any other covenant, term, condition, or provision of this Agreement.

SECTION 26. PREVAILING WAGES AND DIR REGISTRATION FOR PUBLIC WORKS CONTRACTS.

This Project is not subject to prevailing wages and related requirements. CONSULTANT is not required to pay prevailing wages and meet related requirements under the California Labor Code and California Code of Regulations in the performance and implementation of the Project if the contract:

- (1) is not a public works contract;
- (2) is for a public works construction project of \$25,000 or less, per California Labor Code Sections 1782(d)(1), 1725.5(f) and 1773.3(j); or
- (3) is for a public works alteration, demolition, repair, or maintenance project of \$15,000 or less, per California Labor Code Sections 1782(d)(1), 1725.5(f) and 1773.3(j).

SECTION 27. CLAIMS PROCEDURE FOR “9204 PUBLIC WORKS PROJECTS”. For purposes of this Section 27, a “9204 Public Works Project” means the erection, construction, alteration, repair, or improvement of any public structure, building, road, or other public improvement of any kind. (Cal. Pub. Cont. Code § 9204.) Per California Public Contract Code Section 9204, for Public Works Projects, certain claims procedures shall apply, as set forth in Exhibit F, entitled “Claims for Public Contract Code Section 9204 Public Works Projects”.

This Project is not a 9204 Public Works Project.

SECTION 28. CONFIDENTIAL INFORMATION.

28.1. In the performance of this Agreement, CONSULTANT may have access to CITY’s Confidential Information (defined below). CONSULTANT will hold Confidential Information in strict confidence, not disclose it to any third party, and will use it only for the performance of its obligations to CITY under this Agreement and for no other purpose. CONSULTANT will maintain reasonable and appropriate administrative, technical and physical safeguards to ensure the security, confidentiality and integrity of the Confidential Information. Notwithstanding the foregoing, CONSULTANT may disclose Confidential Information to its employees, agents and subcontractors, if any, to the extent they have a need to know in order to perform CONSULTANT’s obligations to CITY under this Agreement and for no other purpose, provided that the CONSULTANT informs them of, and requires them to follow, the confidentiality and security obligations of this Agreement.

28.2. “Confidential Information” means all data, information (including without limitation “Personal Information” about a California resident as defined in Civil Code Section 1798 et seq., as amended from time to time) and materials, in any form or media, tangible or intangible, provided or otherwise made available to CONSULTANT by CITY, directly or indirectly, pursuant to this Agreement. Confidential Information excludes information that CONSULTANT can show by appropriate documentation: (i) was publicly known at the time it was provided or has subsequently become publicly known other than by a breach of this Agreement; (ii) was rightfully in CONSULTANT’s possession free of any obligation of confidence prior to receipt of Confidential Information; (iii) is rightfully obtained by CONSULTANT from a third party without breach of any confidentiality obligation; (iv) is

independently developed by employees of CONSULTANT without any use of or access to the Confidential Information; or (v) CONSULTANT has written consent to disclose signed by an authorized representative of CITY.

28.3. Notwithstanding the foregoing, CONSULTANT may disclose Confidential Information to the extent required by order of a court of competent jurisdiction or governmental body, provided that CONSULTANT will notify CITY in writing of such order immediately upon receipt and prior to any such disclosure (unless CONSULTANT is prohibited by law from doing so), to give CITY an opportunity to oppose or otherwise respond to such order.

28.4. CONSULTANT will notify City promptly upon learning of any breach in the security of its systems or unauthorized disclosure of, or access to, Confidential Information in its possession or control, and if such Confidential Information consists of Personal Information, CONSULTANT will provide information to CITY sufficient to meet the notice requirements of Civil Code Section 1798 et seq., as applicable, as amended from time to time.

28.5. Prior to or upon termination or expiration of this Agreement, CONSULTANT will honor any request from the CITY to return or securely destroy all copies of Confidential Information. All Confidential Information is and will remain the property of the CITY and nothing contained in this Agreement grants or confers any rights to such Confidential Information on CONSULTANT.

28.6. If selected in Section 30 (Exhibits), this Agreement is also subject to the terms and conditions of the Information Privacy Policy and Cybersecurity Terms and Conditions.

SECTION 29. MISCELLANEOUS PROVISIONS.

29.1. This Agreement will be governed by California law, without regard to its conflict of law provisions.

29.2. In the event that an action is brought, the parties agree that trial of such action will be vested exclusively in the state courts of California in the County of Santa Clara, State of California.

29.3. The prevailing party in any action brought to enforce the provisions of this Agreement may recover its reasonable costs and attorneys' fees expended in connection with that action. The prevailing party shall be entitled to recover an amount equal to the fair market value of legal services provided by attorneys employed by it as well as any attorneys' fees paid to third parties.

29.4. This Agreement, including all exhibits, constitutes the entire and integrated agreement between the parties with respect to the subject matter of this Agreement, and supersedes all prior agreements, negotiations, representations, statements and undertakings, either oral or written. This Agreement may be amended only by a written instrument, which is signed by the authorized representatives of the parties and approved as required under Palo Alto Municipal Code, as amended from time to time.

29.5. If a court of competent jurisdiction finds or rules that any provision of this Agreement is void or unenforceable, the unaffected provisions of this Agreement will remain in full force and effect.

29.6. In the event of a conflict between the terms of this Agreement and the exhibits hereto (per Section 30) or CONSULTANT’s proposal (if any), the Agreement shall control. In the event of a conflict between the exhibits hereto and CONSULTANT’s proposal (if any), the exhibits shall control.

29.7. The provisions of all checked boxes in this Agreement shall apply to this Agreement; the provisions of any unchecked boxes shall not apply to this Agreement.

29.8. All section headings contained in this Agreement are for convenience and reference only and are not intended to define or limit the scope of any provision of this Agreement.

29.9. This Agreement may be signed in multiple counterparts, which, when executed by the authorized representatives of the parties, shall together constitute a single binding agreement.

SECTION 30. EXHIBITS. Each of the following exhibits, if the check box for such exhibit is selected below, is hereby attached and incorporated into this Agreement by reference as though fully set forth herein:

- EXHIBIT A: SCOPE OF SERVICES
- EXHIBIT A-1 PROFESSIONAL SERVICES TASK ORDER
- EXHIBIT B: SCHEDULE OF PERFORMANCE
- EXHIBIT C: COMPENSATION
- EXHIBIT C-1: SCHEDULE OF RATES
- EXHIBIT D: INSURANCE REQUIREMENTS

THIS AGREEMENT IS NOT COMPLETE UNLESS ALL SELECTED EXHIBITS ARE ATTACHED.

CONTRACT No. C21181034 SIGNATURE PAGE

IN WITNESS WHEREOF, the parties hereto have by their duly authorized representatives executed this Agreement as of the date first above written.

CITY OF PALO ALTO

**CONSULTANT
RINCON CONSULTANTS, INC.**

City Manager

Officer DocuSigned by:
By: *Abe Leider*
Name: Abe Leider
Title: Principal

APPROVED AS TO FORM:

City Attorney or designee

Officer DocuSigned by:
By: *Richard Daulton*
Name: RICHARD DAULTON
Title: Principal/Secretary (p. or LLC)

EXHIBIT A SCOPE OF SERVICES

CONSULTANT shall provide the Services detailed in this Exhibit A, entitled “SCOPE OF SERVICES”.

A. Community Engagement Plan

Task A.1 Kickoff Meeting and Community Engagement Plan Kick Off Meeting

Upon authorization to proceed, Rincon will facilitate a kickoff meeting and city tour, if desired, with City of Palo Alto staff. The purpose of the kickoff meeting is to discuss data needs and initial community issues and opportunities, set project expectations, and explain our proposed approach to the various components of the work program. The kickoff meeting is envisioned as a two-hour event followed by a citywide tour, if desired.

Following the kickoff meeting, and conducted in a way deemed safe per COVID-19 conditions at the time of project initiation, the Rincon/VTA team and City Staff will tour the city in individual vehicles to explore key underutilized, vacant, and opportunity areas of focus as part of the Housing Element Update. The citywide tour is envisioned as a half-day (four hours) event, with COVID-compliant procedures if the team leaves the vehicles at any time during the tour.

COVID-19 and Community Engagement

Due to the ongoing COVID-19 pandemic, we realize that the form of community engagement and participation such as public meetings, workshops, and community events is currently limited. Our team has become experienced at creating innovative, COVID-compliant outreach strategies that meet the needs of each specific community. We are currently working on several projects that have transitioned to Zoom or Microsoft Teams virtual platforms for public meetings and interviews with great success. We have also re-imagined how to solicit community feedback, transitioning several large outreach events to completely virtual platforms. These have included interactive online exercises, educational and informational videos, GIS participatory mapping techniques, live webinars with Q&A sessions, and visual preference surveys.

Once in-person meetings are allowed, we can abide by County Public Health Guidelines and facilitate small group meetings. These could take place over two days and adhere to social distancing requirements. We will work with City staff to finalize our approach to facilitating community outreach and are dedicated to ensuring an inclusive process for all.

Community Engagement Plan

Through our work in Palo Alto and updating Housing Elements for other cities, Rincon understands that public engagement will be at the forefront during the Housing Element Update. We strive to reach all community members using a variety of virtual and non-virtual methods through the languages they are most comfortable using, and work closely with local community groups, organizations, staff, and officials who know Palo Alto best. The Rincon/VTA team will kick off the community engagement effort by developing a Community Engagement Plan to

educate, inform, and gain meaningful input from a broad and diverse range of groups and populations in Palo Alto. Community engagement will focus on the community at-large, directly affected stakeholders including property owners, businesses, residents and interest groups, and civic decision-makers. This effort will be designed to effectively build collaborative interest and identify common values and goals in the project direction, given the diverse group of local stakeholders, and to bring new participants into the conversation.

Deliverable

Community Engagement Plan

Task A.2 Community Workshops and Working Group Meetings Community Workshops

The Rincon/VTA team will assist City staff in preparing for and conducting up to five community workshops to discuss the Housing Element Update at key points in the process. Two public workshops will be hosted near the beginning of the project initiation to introduce the community to the Housing Element update process and its goals and to inform the public how to be involved throughout the project. The remaining three public engagement workshops will be organized around themes. This approach targets notification efforts to specific stakeholder groups interested in the specific themes and helps alleviate any fatigue or schedule conflicts that stakeholders and community members may feel with in-person participation. In light of the ongoing COVID-19 health crisis, HCD has stated that it is acceptable for much of the public engagement to occur online, although multiple engagement opportunities are anticipated. The Rincon/VTA team has therefore budgeted for participation in virtual workshops. The Rincon/VTA team will prepare all materials for the workshops and will serve as workshop facilitators.

Deliverables

Materials and presentations for up to five Community Workshops, including PowerPoint presentations.

Working Group Meetings

The Rincon/VTA team will facilitate a citizen/stakeholder working group to help gather community input during the Housing Element update process. At least one Rincon team member will attend and contribute to up to 15 working group meetings beginning in mid-2021 and continuing through fall of 2022. We will work with the City and working group to create each meeting's agenda and we will maintain meeting minutes with roll call, discussion topics, and action items documented for each meeting. Meeting minutes will be provided to the City Project Team within two business days following each meeting. Additional responsibilities will include:

- Facilitating all HEAC meetings; Ms. Acosta will serve as the lead facilitator and primary point of contact for all working group communication and questions, with Brenna Weatherby and Veronica Tam attending as needed;
- Developing agendas with City Project Team and distributing agendas to members before each meeting;
- Preparing required memos and staff reports for each meeting;
- Preparing materials, e.g. PowerPoint presentations, handouts, etc., needed for each working group meeting;

- Delivering presentations to the working group;
- Maintaining the working group roster and contact information; and
- Coordinating with the City Project Team to invite community groups (e.g., HOAs, service organizations, developers, business organizations) to participate in relevant working group meetings, as applicable.

Deliverables

Materials (varied) for Working Group meetings

Task A.3 Public Meetings

The Rincon/VTA team has budgeted for participation in six public meetings on the project. The Rincon/VTA team anticipates two Planning and Transportation Commission and four City Council meetings. We anticipate these meetings will be a combination of study sessions and public hearings to inform decisionmakers about the housing element process, discuss site selection strategies and challenges, and to present the Draft and Final Housing Element and CEQA review findings and recommendations.

The RFP acknowledges the potential for additional City subcommittee meetings. Rincon/VTA team attendance at these meetings will be billed on a time and materials basis at current rates, as shown in our cost sheet and rates. The cost of our attendance at subcommittee meetings will vary depending on the level of consultant team involvement and the topic at hand. A per meeting cost is anticipated to range from \$1,200 to \$2,500.

Deliverables

- Materials/presentations for Public Hearings, including PowerPoint presentations and printed exhibits. We have assumed \$2,000 for printing costs associated with these materials, which will not be billed in the event of virtual public hearings.

Task A.4 Other Outreach

Webpage Development and Maintenance

As part of the Community Engagement Strategy, the Rincon/VTA team will collaborate with the City Project Team to provide content for an interactive, informational webpage for the Housing Element Update and online public input survey. The webpage will enable community members and stakeholders to participate in an online survey, offer suggestions, exchange ideas, and learn about city-wide housing issues.

Stakeholder Email List

The Rincon/VTA team will assist the City in maintaining a tracking matrix to be created and updated by City staff throughout the project to document interested parties, affected audiences, and areas of community interest. Rincon will collect points of contact, mailing addresses, and emails of groups and agencies likely to be interested or affected by the Housing Element Update at public events and online engagement platforms for the City to include in the matrix and in the mailing list.

Neighborhood and Pop-Up Outreach

Rincon will participate up to three neighborhood or “pop-up events”, COVID-19 considerations allowing. These events will “piggyback” on standing events or meetings, such Farmers Market events, back-to- school nights, sport league opening days, or cultural celebrations. Locations

will be focused on gaining discussion and participation from areas or members of the community who commonly have engagement or equity concerns such as LGBTQ+, underserved communities, and environmental justice communities.

Roadshow Material

Rincon can prepare one set of “roadshow” materials that can be used by City staff and partner organizations at neighborhood meetings or pop-up outreach. These will be in the form of two activity posters, one set of handouts, contact information flyers, and associated activity materials to encourage

community engagement and input. Rincon assumes the City will be responsible for all printing and distribution of materials.

Deliverables

- Webpage initial language and update language
- Digital and printed neighborhood and pop-up materials
- Digital roadshow materials

Information Flyer

Materials will be designed for posting at pre-determined locations to generate interest in the Housing Element Update. These could take the form of a flyer or postcard that the City will be responsible for posting. The Rincon/VTA team will provide data and information but has assumed that the City and Santa Clara County Planning Collaborative (SCCPC) will be responsible for development of informational materials and all printing costs.

Deliverables

Language for informational flyer in Word format

Task A.5 Online Engagement

Over the past decade, communication through online and social media has transformed how information is both disseminated and received by the public. These online media tools are powerful, cost-effective and increasingly becoming the expected norm for how information is communicated. For the Palo Alto Housing Element Update, a variety of tech tools can replicate and supplement the core outreach methods used in the traditional General Plan workshops. Components of online engagement are proposed to include:

- **Participatory Mapping Exercises and Tools.** Participatory mapping exercises are a type of survey that allows participants to view, comment, and prioritize specific topics. Participatory mapping exercises can allow community members to identify and rank current housing conditions, identify and rank potential opportunity sites, and rate potential methods for implementing affordable housing, design standards, and policy changes to reduce barriers to housing.
- **Story Maps: Vision, Issues, and Priorities.** Story maps are an educational tool to help guide the viewer through the history, purpose, and process and easily provide information in a spatial format. Story Maps are clearly organized, visually appealing, and easy to use and allow us to tell the story of Palo Alto and its community and residents. Each story map should focus on a specific topic and contain a variety of content necessary to help educate stakeholders about the Housing Element. The Rincon/VTA team will design an online story map that educates and informs residents and stakeholders about the housing history, conditions, and potential future in Palo Alto.

- **Online Survey.** Knowing that many residents lead busy lives and may not be able to set aside time or have the ability to attend a virtual workshop, the Rincon/VTA team will design and disseminate a survey that will allow people to participate on their own time and in their own way. The Rincon/VTA team will draft the survey and revise questions based on staff feedback. Staff will be responsible for advertising the survey's availability through the City's other communication channels. Following its closing, an accompanying summary report will be created with numerical breakdowns of responses, charts and graphs where applicable, and narrative descriptions of the qualitative results.
- **Social Media.** A strategy will be developed for sharing project information through social media outlets such as Facebook, NextDoor, and Twitter. Language and images will be provided at key points in the process to the City for managing content through existing City accounts (up to four social media pushes are anticipated).
- **Email Blasts.** In concert with social media efforts, content for email blasts will be prepared to keep the community engaged and informed at key point in the process. Rincon will prepare content for up to four email blasts, which the City will send through established email listservs or newsletters.

Deliverables

- Survey questions and online survey
- Social media language
- Email blast content

B. Housing Element Review and Assessment

Task B.1 Document Review

Rincon will review all readily available resources including various codes, standards, and policies maintained by the Planning Department, the Comprehensive Plan Elements and 2017 Final EIR, all Area Plans and studies, the 2020-2025 Draft Consolidated Plan (Community Development Block Grant program), Eichler Design Guidelines, Single Story Overlay regulations, and housing services documents. Additional information will be provided by the City upon award of contract, including the City's updated site inventory and development status information and city GIS data layers. We also anticipate the use of regional planning documents such as the Association of Bay Area Governments (ABAG) Comprehensive Economic Development Strategy for the San Francisco Bay Area, 2011 Bay Area Hazard Mitigation Plan, the Metropolitan Transportation Commission Plan Bay Area 2050 plans, the Santa Clara County 2020-2025 Consolidated Plan and Assessment of Fair Housing, and ABAG housing information, including the Regional Housing Needs Assessment (RHNA) for the Housing Element Cycle, when finalized. Any additional data or document needs will be assessed and discussed with the city to determine how the information is best accessed and/or shared.

Task B.2 Review and Evaluation of Current Housing Element

As an initial task to the Housing Element update, and following the kickoff meeting, we will review and evaluate the 2015-2023 Housing Element. Specifically, we will:

- Discuss the effectiveness and continued appropriateness of current housing programs and policies
- Evaluate the City's progress in meeting current goals

- Identify any barriers to achieving identified goals
- Review compliance with new State laws
- Identify potential revisions to existing programs

We will start by evaluating the City's latest Housing Element Annual Progress Report (APR). We will interview staff and compile additional information to provide an assessment of the continued appropriateness of existing programs and whether new programs should be added to address emerging trends and issues. Upon completion of this review, we will provide a memo summarizing our findings and a draft outline for the Housing Element Update.

Deliverable

- Assessment Memorandum to include details on our review of the 2015-2023 Housing Element

C. Housing Element

Task C.1 Housing Resources and Opportunities

The Rincon/VTA team will compile a list of housing resources and opportunities for inclusion in the Draft Housing Element. The Housing Resources and Opportunities section will include a description of the City's 2023-2031 RHNA from ABAG. This analysis will examine the resources and opportunities available for the development, rehabilitation, and preservation of housing, which we have assumed will be provided by City staff or SCCPC, and shall include the following:

- Units Approved, Built, or Under Construction
- Adequacy of Public Facilities and Services
- Inventory of Financial and Administrative Resources available to support housing resources
- Energy Conservation Opportunities

Deliverable

- *None – information to be wrapped into Housing Element*

Task C.2 Housing Constraints

The Rincon/VTA team will identify potential governmental and non-governmental constraints to housing production, including environmental and infrastructural constraints. This analysis will contain a review of factors that may potentially constrain the development, improvement, and preservation of housing in Palo Alto. Factors to be reviewed include market, governmental, environmental, and infrastructural constraints. New Housing Element laws also require the assessment of non-governmental constraints, including NIMBYism, lending practices, shortage of labor, and other economic factors.

Where constraints exist, the Rincon/VTA team will identify and develop housing programs that can assist in the removal of constraints, where feasible. For each program, the Rincon/VTA team will identify potential funding sources, the lead agency or City division responsible for implementation, objectives, and timeframes.

Deliverable

- Analysis of governmental constraints (to be wrapped into Housing Element)

- List of Housing Programs for inclusion in Housing Element Update

Task C.3 Housing Inventory of Sites Analysis

ABAG's Illustrative RHNA Allocation for the 6th cycle is 10,058 units. Based on this allocation, the Housing Element update will require efforts to identify sites with sufficient capacity for the RHNA, taking into consideration the following adequate site requirements under new Housing Element laws:

- No net loss of capacity when sites are developed
- Continued ability to meet the RHNA by income group
- Stringent standards for assessing feasibility when reusing vacant and underutilized sites that have previously been included in the 5th cycle Housing Element
- Demonstrated trends of development

Per Addendum No. 1, we understand that ABAG is developing a site selection tool to assist jurisdictions as they prepare their parcel-specific sites inventory. We assume this tool will be available to the for use in the development of the Palo Alto sites inventory. Using this tool, a parcel-specific sites inventory will be developed and opportunities for lot consolidation will be identified. We will prepare an "adequate sites analysis" showing the relationship between the City's RHNA and the dwelling unit capacity, availability of potential housing sites based on zoning, infrastructure, and General Plan policies, requirements, and limitations.

It is important to note that AB 1397 (Adequate Sites) and SB 166 (No Net Loss) impose stringent requirements on the sites inventory for RHNA. Given the City's development pattern, it is anticipated that most sites identified in the sites inventory will have an existing use and improvements and will be smaller than one-half acre. These sites may also have been used in a previous housing element cycle. In order to include these sites in the sites inventory, additional justification is required and may need to include:

- Lot consolidation potential
- Feasibility of development on smaller sites
- Impediments for residential development on non-vacant sites
- Recent development on similar sites
- Substantial evidence the existing use is likely to be discontinued within the planning period

Following the analysis of available sites, a sites inventory will be prepared using HCD's current inventory worksheet format and template. The Rincon/VTA team will work closely with staff and HCD to provide an expanded analysis of the sites inventory.

Deliverables

- Draft Sites Inventory and Review of Sites for Suitability/Adequacy for RHNA

Task C.4 Housing Needs Assessment

The Rincon/VTA team will prepare a complete housing assessment and needs analysis consistent with State Housing Element law and HCD's Completeness Review Checklist. The Needs Analysis will be comprehensively updated with the most recent American Community Survey (ACS) and housing market data. The Needs Analysis will contain the topics listed

below to satisfy Government Code Section 65583(a) requirements:

- **Demographics, Income, and Employment Trends.** This section includes information on the population growth trends, along with income distribution and employment trends.
- **Household Characteristics.** This section will also discuss household characteristics such as size, tenure, composition, and overcrowding conditions that may impact housing needs.
- **Housing Stock Characteristics.** This section will be an analysis of the condition of the existing housing stock as well as cost and affordability, including discussions on cost burden (overpayment).
- **Affirmatively Furthering Fair Housing.** This section will discuss new Housing Element law, which requires jurisdictions to examine barriers to fair housing and ensure housing programs are implemented in a manner to affirmatively further fair housing.
- **Residential Building Permit Activity.** This section will discuss residential building permit trends for single-family and multi-family products, building code regulations, fees, and permit and processing procedures. We will also analyze constraints on housing for persons with disabilities, as well as the city's current permitting procedures for emergency shelters, transitional and supportive housing, and single-room occupancy units.
- **Analysis of Special Housing Needs.** The Rincon team will update the analysis of housing needs for special needs populations, including senior households, persons with disabilities, large families, single female-headed households, low-and very-low-income households, and the homeless.
- **At-Risk Housing (Assisted Unit) Analysis.** This task will include an analysis of existing assisted housing developments that are eligible to change from low income housing to market rate over the next ten years (i.e., at-risk housing). This analysis will cover units that are deed-restricted as low income housing as a result of public assistance, density bonus requirements, and inclusionary housing program.

Deliverable

- Housing Needs Analysis

Task C.5 Goals, Policies, and Implementing Programs

Based upon the analyses and research conducted in the previous tasks, the Rincon/VTA team will develop programs and policies to guide implementation of the Housing Element over the next eight years. Housing goals, policies, and quantified objectives will focus on the production, conservation, maintenance, preservation, and improvement of housing. For each program included in the Housing Element, we will establish the timeframe for implementation, specific objectives, funding sources, and responsible agencies. All goals, policies and programs will be incorporated into the Housing Element.

Deliverables

- *None – information to be included in Housing Element*

D. Refine VTA Travel Demand Model

The City of Palo Alto Travel Demand Model (PATDM), which is a refinement of VTA's Countywide Model (VTATDM), was calibrated and validated in 2013 against 2010 travel data based on ABAG Projections 2013 (P'13). In the fall of 2019, ABAG and the VTA developed new sets of land use data based on ABAG's Projections 2017 (P'17). Review of the year 2015 local and regional land use assumptions show significant differences, not only future year (2040) projections but also for the 2015 base year. Existing 2015 land use assumptions from P'17 are more accurate than the P'13 since the P'13 was a land use forecast while the P'17 land uses are based on actual historical data.

In addition, the United States Census Bureau recently released the 2011-2015 journey to work data from the American Community Survey and MTC compiled transit ridership data from household and on-board surveys and developed a database of regional transit trips by submode and by mode of access for the Bay Area Region.

Based on these data, VTA updated the VTATDM. This update involved recalibrating the distribution and mode choice models and performing a "soft" model validation based on a very limited set of traffic counts and transit ridership data.

While the VTATDM was validated at the County level, the validation effort concentrated on the regional facilities such as freeways major arterials. Updating the PATDM involves using the VTATDM and focus on refining the model's capability of producing accurate travel patterns in the larger Palo Alto area. This model refinement includes the following tasks:

Task D.1 Land Use Data

With input from the jurisdiction in Santa Clara County, the VTA recently developed a year 2015 land use data set that is generally consistent with the ABAG P'17. For the purpose of this scope of work, it is assumed that VTA's 2015 land use assumption for the region, including the City of Palo Alto, will be the basis for the model update.

Task D.2 Review Trip Distribution and Mode Choice Models

In recent years, more current travel data has become available. The US Census Bureau released county to county journey to work data and workers per household by auto ownership data from the American Community Survey. These data were used to recalibrate the home-based work trip distribution model. For the non-work trip purposes, the 2013 California Household Travel Survey was used as the bases for calibration the distribution models. MTC's 2015 Regional Transit Survey and daily transit ridership for the major transit operators were used to calibrate the mode choice models. Hexagon will review the calibration results to ensure that the model accurately reflects observes travel patterns. If necessary, Hexagon will adjust the model. In order to maintain consistency with the travel patterns from the VTA model, Hexagon may need to recalibrate the distribution and mode choice models. Hexagon will request the calibration files from the VTA and recalibrate these models if necessary.

Task D.3 Highway Model Validation

model validation will use generally accepted validation criteria:

- The volumes on all roadway links for which counts are available should be within 10 percent of the counts.
- At least 75 percent of the roadway links for which counts are available should be within the maximum desirable deviation, which ranges from approximately 15 to 68 percent depending on total volume.
- The model-wide coefficient of determination (R²) should be greater than 0.77.
- The correlation coefficient between the actual ground counts and the estimated traffic volumes should be greater than 88 percent.
- The Root Mean Square Error (RMSE) should not exceed 40 percent.

Task D.4 Transit Model Validation

The PATDM model will be validated against observed transit ridership. The transit validation will focus on comparing systemwide estimated ridership by mode (Caltrain, VTA Express Bus and VTA Local Bus and Marguerite, if daily boarding counts are made available) and daily boardings at the Palo Alto Caltrain Station. The target for transit systemwide validation is to be within 10% of the counts. However, larger differences are expected at the route level.

Task D.5 Model Validation Documentation

A memorandum will be prepared to document the input assumptions and results of the model update. The results will be presented in tabular form with comparisons of 2015 model volumes and existing traffic counts.

Data to be provided by the City

Although we have 2013 and 2014 traffic counts in the Palo Alto, additional traffic counts are needed to validate the model. It is our understanding that the City does have traffic counts from traffic studies conducted in the past five years. When available, the City will provide daily roadway segment counts and peak hour intersection turning movements counts. Counts should have been taken on weekdays between 2015 and 2019.

E. Updates to Other Comprehensive Plan Elements**Task E.1** Comprehensive Plan Amendments

Based on the evaluation of the current Comprehensive Plan, issues and opportunities identified as part of the legislative analysis, and in conjunction with the Housing Element Update, we will prepare revisions to existing goals, policies, and actions, as appropriate and propose new goals, policies, and actions, as appropriate. This effort will focus on refinements and updates to address key policy topics and new state mandates and guidelines.

If determined necessary, Rincon will update the Circulation Element of the Comprehensive Plan with information provided by Hexagon. The Circulation Element will describe the existing transportation system and its physical and operational characteristics within the City of Palo

Alto. The plan will include a description of the various transportation systems serving the city, existing level of service conditions at intersections and numerous freeway segments, truck routes, travel patterns based on forecasts developed with the TFM, transit ridership on the rail and bus systems and bicycle travel. The circulation element will also include transportation related goals, policies and programs to address future transportation needs for residents, visitors and businesses. Any necessary amendments to the goals and policies for the Comprehensive Plan will be the responsibility of Rincon with input from Hexagon.

Rincon will utilize the City's existing format, layout, and style to create an amended Comprehensive Plan. Rincon will edit Comprehensive Plan Elements as Word files in track changes before converting the document to another format. If Word files are not available, Rincon will work with the City to establish the best method for these amendments.

Rincon anticipates up to two rounds of review of the Comprehensive Plan amendments. Each draft will be submitted electronically only and we will address one set of compiled, tracked changes from the City. The Comprehensive Plan table of contents (including figures, tables, and charts), glossary, and index will be updated as appropriate to reflect changes made throughout the document.

Deliverables

- Administrative Draft of updated Comprehensive Plan (electronic delivery)
- Draft Comprehensive Plan (electronic delivery)
- Final Comprehensive Plan (electronic delivery)

F. Zoning Code Amendments

Task F.1 Rezoning

Following preparation of the Administrative Draft Housing Element, the Rincon/VTA team will prepare a list of municipal code sections that will need to be amended to maintain consistency with updated Housing Element programs and identified Comprehensive Plan amendments. Changes to the municipal code will need to address the development of new residential zones or any re-zoning or upzoning that are required in order to accommodate the City's RHNA allocation. The list will prioritize changes to Title 18, *Zoning*, with those that would result in the most widespread housing development potential prioritized over changes that would not have as much impact.

Deliverable

- List of Impacted Code Sections

Task F.2 Draft Ordinance

The Rincon/VTA team will support staff in their preparation of draft ordinance language to reflect the required updates to the Palo Alto Municipal Code. Staff will be expected to provide any draft ordinance language, edits, and comments to Rincon staff in Microsoft Word format with a single set of consolidated comments. Rincon will then deliver suggested edits on the revised Draft Ordinance language in tracked changes to the City.

Deliverable

- Draft Ordinance Language Edits

G. Environmental Document

We understand that Palo Alto would like to prepare a supplement to the 2030 Comprehensive Plan Update EIR, certified in 2017, rather than a subsequent or new EIR. In accordance with Section 15164 of the CEQA Guidelines, a lead agency may prepare a supplement to a previously certified EIR if some changes or additions are necessary, but none of the conditions described in Section 15162 calling for preparation of a subsequent EIR have occurred.

Our approach in preparing the Supplemental EIR is to develop a user-friendly document that identifies potentially new CEQA impacts that need to be addressed, including Wildfire and Energy, and to address transportation impacts using Vehicle Miles Traveled (VMT) as a significance criterion replacing the traditional Level of Service (LOS) standard (requirement beginning in July of 2020). To the greatest extent feasible, Rincon will utilize the analysis contained within the previously certified 2030 Comprehensive Update EIR as the basis for the supplemental analysis, allowing for the assessment of issue areas where there has been minimal change or where existing mitigation still addresses the potential impacts, thereby reducing costs for the city.

Task G.1 Environmental Assessments

In conjunction with the Initial Adequate Sites Inventory (Task C.3) and in support of the project's CEQA compliance requirements, Rincon will conduct focused assessments of the following environmental topics of concern. The analyses described herein will be summarized in the corresponding IS and/or Supplemental EIR section and separate technical reports will not be prepared (except for the traffic impact analysis). All data used in the technical analyses will be included as appendices to the primary environmental document.

Air Quality

Rincon will conduct air quality analyses for proposed project to determine if the predicted emissions during construction or operation of development envisioned under the Housing Element, Comprehensive Plan, and Zoning Code updates would result in significant impacts beyond those assessed in the 2030 Comprehensive Plan Update EIR. Construction emissions estimates would be generated from generalized construction data developed in conjunction with the city. Mobile source emissions will be estimated based primarily on trip generation data from traffic reports prepared for the GPU. The California Emissions Estimator Model (CalEEMod) will be used to estimate emissions of criteria pollutants associated with the project. Rincon will use the California Department of Transportation's (Caltrans) Transportation Project-Level Carbon Monoxide Protocol methodology to determine if project traffic may result in local carbon monoxide hotspots. It is not anticipated a detailed hot spot analysis would be required. The analysis will address the project's conformance with the Bay Area Air Quality Management District Air Quality Strategy and/or the State Implementation Plan. The analysis will also determine if the project will expose any sensitive receptors to substantial pollutant concentrations or create objectionable odors.

Biological Resources

A Rincon biologist will review the city's RHNA allocation and city-supplied data, the initial "first-pass" of potentially adequate sites inventory for biological resource constraints, and biological resource data including but not limited to query of relevant databases such as California Natural Diversity Database and National Wetlands Inventory, for information pertaining to biological resources occurring in the city. Based on this review, Rincon will

prepare a map indicating areas with low, medium or high biological constraints.

The analysis will prioritize those biological constraints that could result in high mitigation costs or but will identify all potential biological resource constraints. Rincon will provide an overview of the type and extent of additional studies that may be needed to adequately examine future project effects; typical avoidance measures and compensatory mitigation that may be required to address impacts to biological resources; and responsible resource/regulatory agencies with jurisdictional authority for each specific resource identified.

Cultural Resources Evaluation

Rincon will prepare a programmatic cultural resources analysis to address potential impacts to archaeological and historic built environment resources. The cultural resources analysis will review historic resources and archaeological resources within the potential housing locations and the potential impacts to those resources as a result of the project. The study will include research on the prehistory and history of Palo Alto, as well as a review of historic maps, aerial photographs and data included in the California Historic Resources Inventory. Rincon assumes that no fieldwork or project level analyses will be required.

Rincon will discuss the existing geologic setting, determine the paleontological sensitivity of geologic units within the Plan area, identify potential impacts to paleontological resources from development within the Plan area, discuss significance thresholds, and propose mitigation to avoid or mitigate impacts to scientifically significant paleontological resources. No formal museum records search will be performed, and the analysis will consist of an online search of available fossil locality records, review of existing geologic maps, and a review of primary literature regarding fossiliferous geologic units within the Plan area and region.

Greenhouse Gases

Rincon will conduct GHG analyses for proposed plans to determine if the predicted emissions during construction or operation of development proposed under proposed Housing Element Update, and the Comprehensive Plan and Zoning Code updates would result in substantial increase in GHG emissions beyond those assessed in the 2015 FEIR. Projected construction emissions would be generated from construction data developed with the city as part of the air quality analysis scope. Mobile source emissions will be estimated based primarily on trip generation data from traffic reports for proposed plans. CalEEMod will be used to estimate GHG emissions associated with the proposed Housing Element, Comprehensive Plan, and Zoning Code updates. The GHG analysis will also address the project's conformance with the City of Palo Alto Climate Action Plan, including the City's Climate Action Plan Ordinances.

Noise and Vibration

Rincon will conduct an noise and vibration analysis to determine if the predicted noise levels during construction or operation of land uses under the proposed Housing Element, Comprehensive Plan, and Zoning Code updates would exceed applicable city noise standards or result in impacts not already assessed in the 2017 FEIR. As part of the analysis, Rincon will perform long- and short-term field measurements at various potential housing sites within a plan area and at locations with receptors that may be affected by noise resulting from future developments and to document the existing noise environment. Project construction noise impacts would be generated from construction data (e.g., assumed duration of construction, phasing, types of equipment to be used, number of construction workers, etc.) developed in conjunction with the city. Construction traffic noise levels affecting existing land uses will be

modeled to determine the potential traffic noise increases.

The analysis of long-term operational noise impacts associated with the future development will include noise increases generated by vehicle traffic on area roadways and noise from typical onsite noise sources, e.g. mechanical ventilation. Rincon will calculate traffic noise levels based existing, existing plus project, and cumulative plus project scenarios of forecasted traffic volumes as identified in traffic reports. Rincon will use this information to determine if increases to roadway noise levels would adversely affect existing or future land uses along affected roadways. On-site noise sources will be evaluated based on typical requirements for mechanical ventilation based on building size and other published noise reference data for activities.

Transportation/Traffic

Hexagon Transportation Consultants, Inc. will prepare a traffic impact analysis to assess the effects of the Housing Element Update compared to the current General Plan Housing Element conditions. The effects of increased traffic due to housing density increase or rezoning at selected locations will be assessed. The document will be a supplement to the General Plan and Climate Action Plan Final EIR, certified in 2015.

The evaluation of the Housing Element will be based upon the City's transportation policy. The City's CEQA transportation policies require an evaluation of potential impacts related to vehicle-miles traveled (VMT) criteria. In addition, the effects of the plan on travel mode split, the percentage of travelers using a particular type of mode of travel or number of trips, intersection levels of service and other performance measures evaluated in the existing Comprehensive Plan will also be evaluated for informational purposes to better understand the transportation-related outcomes associated with the plan. However, the determination of project impacts per CEQA requirements will be based solely VMT.

The transportation analysis will consist of an evaluation of the effects of the housing development plan for Palo Alto on the citywide transportation system through the year 2031. The existing Comprehensive Plan and its certified EIR included the planned development growth levels adopted in the Comprehensive Plan. Therefore, this traffic analysis will utilize the Comprehensive Plan land use data as the basis from which land use adjustments for the proposed Comprehensive Plan are made.

Furthermore, the Palo Alto travel forecasting model (TFM) used for the completion of the existing Comprehensive Plan will be used for this traffic analysis, and VMT calculations will include the latest (ABAG Projections 2017) land use assumptions. Forecasts and traffic analyses will be based on year 2031 conditions and include the following project scenarios:

- Existing Comprehensive Plan which includes the adopted land use plan and assumed transportation system.
- Evaluation of up to three alternative project land use plans that include the approximately 10,000 housing units per the Regional Housing Needs Allocation
- Evaluation of the preferred land use plan

Develop Forecasts for the Existing Comprehensive Plan. The City's Travel Demand Forecast model includes the roadway network in the project area that is representative of Year 2030. The 2030 roadway network will be reviewed and adjustments made to reflect the roadway network to ensure that improvements identified as part of the adopted Comprehensive Plan roadway

network are included. In addition, the review will identify adjustments that must be made to reflect any planned roadway adjustments and improvement projects that were not included in the Comprehensive Plan. Hexagon will run the travel forecasting model and develop year 2030 travel forecast for the existing Comprehensive Plan.

Develop Year 2030 Travel Forecast for the Proposed Plan. Land use input data for the proposed plan, which will include 10,000 or more housing units in Palo Alto will be provided by City staff or Rincon. The data need to be provided for each traffic analysis zone in Palo Alto. Hexagon will update the land use data base to reflect the housing allocation of the plan and run the model to develop forecast for the proposed Comprehensive Plan.

Performance Statistics. Consistent with SB 743, VMT will be used as the metric to evaluate significant transportation impacts. The assessment of VMT impacts will be based on the process and criteria documented in the *SB 743 Implementation Decisions for Palo Alto*, dated July 1, 2020. A Vehicle Miles Traveled (VMT) will be prepared and Hexagon will work with City staff to determine project adjustments necessary to mitigate any identified project impacts to VMT. Other performance statistics that were used in the current Comprehensive Plan will be summarized and analyzed.

Deliverables

- Technical Memorandums
- Transportation Analysis

Task G.2 Notice of Preparation (NOP) and Scoping Meeting

Pursuant to CEQA Guidelines Section 15163(c), a Supplemental EIR shall be given the same kind of notice and public review as is given to a draft EIR under CEQA Guidelines Section 15087. The NOP is intended to alert other public agencies about the undertaking, and to solicit their input on the scope of the Draft Supplemental EIR. Rincon will submit a final PDF copy of the NOP to city staff for posting on its website and for distribution to public agencies. It is assumed that the city will distribute the NOP using the city's distribution list. Rincon will be responsible for filing the NOP with the Santa Clara County Clerk and State Clearinghouse/OPR. As required by CEQA, the NOP will circulate to responsible and trustee agencies for 30 days.

During the 30-day NOP review process, Rincon will facilitate a public scoping meeting to inform the public on the environmental issues they should expect to see addressed in the EIR as well as gather public input. Rincon will make a brief presentation on the Housing Element, Comprehensive Plan, and Zoning Code updates, and environmental review process, then record relevant public comments received.

These comments will be summarized in the Supplemental EIR.

Rincon assumes that the city will be responsible for notifying and consulting with local tribes pursuant to SB 18 and AB 52 requirements. Rincon can assist with that process by preparing materials and instructions for tribal noticing.

Deliverables

- NOP for posting on website
- SB 18 and AB 52 Noticing Materials

Task G.3 Preparation of a 15162 Initial Study

The Initial Study will evaluate each of the CEQA environmental issue areas using a modified CEQA Appendix G environmental checklist in accordance with CEQA Guidelines Section 15162. The IS analysis will also include a comprehensive review of the certified EIR mitigation measures. The purpose of the IS will be to determine the extent to which the environmental impacts associated with the proposed Housing Element, Comprehensive Plan, and Zoning Code updates were adequately addressed in the original EIR. This process will determine whether a Supplemental EIR is the appropriate document as assumed, and which CEQA environmental topics may need to be focused on for supplemental analysis.

Rincon will incorporate information from any relevant and available technical studies to assist in addressing checklist issues. Where appropriate, impacts will be quantified in relation to established thresholds of significance. A determination of significance will be made for each issue area and mitigation measures will be provided as necessary for identified significant effects. Although each topic will be discussed in appropriate detail in the IS, we anticipate that key issue areas for the project will include topics found to be potential significant in the 2017 EIR. These topics include air quality and transportation. We will also assess potential impacts related to new CEQA topics including Energy and Wildfire.

Deliverable

- Initial Study (electronic delivery)

Task G.4 Administrative Draft Supplemental EIR

The supplement to a certified EIR only needs to contain the information necessary to make the previous EIR adequate for the project as revised. Therefore, the format of the Administrative Draft Supplemental EIR will follow that of a focused EIR, concentrating on only those topics found to require minor additions or changes as a result of the proposed Housing Element, Comprehensive Plan, and Zoning Code updates. Our general report structure will include all the required sections of an EIR: Introduction; Executive Summary; Project Description and Environmental Setting; Analysis, Impacts, and Mitigation Measures; Alternatives Analysis; Cumulative Impacts; and Other CEQA Sections.

The number of impacts to be analyzed and the depth of analysis will be a function of the IS conclusions, responses to the NOP, and staff direction based on current needs, and those still adequately addressed by the current EIR. New potential impacts will be identified, and mitigation measures will be prepared or modified to reduce significant impacts to a less-than-significant level, when feasible. For each potentially significant impact identified, the team will develop, in coordination with city staff and the broader consultant team, General Plan goals and/or policies to avoid or reduce identified impacts as self-mitigating policies. New or modified mitigation measures will be developed only if self-mitigating policies are determined not feasible or reasonable. The alternatives analysis will focus on reexamining the 2017 EIR alternatives and revise the alternatives and associated analysis only as necessary based on the changes from the Housing Element, Comprehensive Plan, and Zoning Code updates.

Hexagon will be responsible for preparing the transportation analysis for use in the SEIR for the Housing Element and subsequent Comprehensive Plan Amendments. In addition to existing conditions, the transportation section will analyze traffic conditions of the existing and the proposed Comprehensive Plan. Traffic analysis will include analysis of freeway segments, interchanges, study intersections, transit ridership, and bicycle and pedestrian usage. Consistent

with SB 743, VMT will be used as the metric to evaluate significant transportation impacts. The assessment of VMT impacts will be based on the process and criteria documented in *SB 743 Implementation Decisions for Palo Alto*, dated July 1, 2020.

Following internal city staff comments on the Administrative Draft Supplemental EIR (up to two rounds of review), the team will incorporate appropriate revisions to the Administrative Draft Supplemental EIR and prepare a Screencheck Draft Supplemental EIR for final internal review. All submissions of the Administrative Draft Supplement EIR will be provided in an editable, electronic Word format only. We assume all comments and revision requests will be submitted in a compiled and tracked changes Word format.

Deliverables

- Administrative Draft Supplemental EIR (electronic delivery)
- Screencheck Draft Supplemental EIR (electronic delivery)

Task G.5 Draft Supplemental EIR

Upon authorization from city staff, the team will prepare the Public Review Draft Supplemental EIR for public circulation and distribute the Draft Supplemental EIR to the State Clearinghouse, responsible agencies, and interested agencies, organizations, and persons as part of the 45-day public circulation and review period per CEQA regulations. Rincon will provide digital versions (PDF and Word) of the Supplemental EIR (including appendices) for city use.

Task G.6 Final Supplemental EIR

Following public review, the team will prepare draft Responses to Comments. As part of preparing the responses, we will use the bi-weekly conference calls to discuss comment responses. Following internal comments on the draft responses, the team will prepare the final Responses to Comments. Concurrent with the preparation of Responses to Comments, Rincon will prepare a Mitigation Monitoring and Reporting Plan (MMRP) to be included in the Final Supplemental EIR.

The team will prepare the Final Supplemental EIR after receipt of all written comments received during the review period. The Final Supplemental EIR will consist of the comments, responses, and corrections to the Draft Supplemental EIR, if any are warranted and be subject to up two rounds of review. Rincon will prepare a Screencheck Final Supplemental EIR for one round of internal city staff review and confirmation. The city will be responsible for submitting the Notice of Determination (NOD) to the County Clerk per CEQA regulations. Rincon assumes that no more than 72 hours of professional time will be required to respond to public comments on the Draft EIR. Rincon will provide digital versions (PDF and Word) and 15 printed copies of the Supplemental EIR (including appendices) for city use.

Pursuant to CEQA Guidelines Section 15163(e), when the City Council ultimately decides whether to approve the project, they will need to consider the 2017 EIR as revised by the Supplemental EIR. Findings under Section 15091 will need to be made for each significant effect shown in the 2017 EIR as revised. Our Scope of Work does not include assistance with the preparation of Findings of Fact. This task can be added with written authorization of a change in scope and in accordance with our standard fee schedule.

Deliverables

- Responses to Comments (electronic delivery)
- MMRP (electronic delivery)
- Final Supplemental EIR (electronic delivery)

H. Prepare and Finalize Housing Element

Task H.1 Administrative Draft Housing Element

We will prepare the Administrative Draft Housing Element based on analysis, research, and comments/discussions from the previous tasks. Our timeline and budget assume one round of review by City staff. The document will be provided in Word and PDF versions.

Deliverable

- Administrative Draft of the Housing Element Update (electronic delivery)

Task H.2 Public Review Draft Housing Element

We will incorporate staff comments to formulate the Public Review Draft to be reviewed by City decision makers prior to submitting to HCD for review. We will work with City staff to compile a list of stakeholders and agencies/organizations to receive notification of the availability of the Draft Housing Element.

Deliverable

- Public Review Draft of the Housing Element Update (electronic delivery)

Task H.3 Final Draft Housing Element

Following HCD review, the Rincon/VTA team will incorporate any comments to formulate the Final Housing Element prior to City Council adoption.

Deliverables

- Final Adopted Housing Element Update (electronic delivery)
- All background and base data, including any GIS maps and digital data files

Task H.4 HCD Certification

HCD review of the Draft Housing Element is mandatory. During the review, we will work to address all HCD comments and will communicate with HCD and facilitate review of the revisions via revised pages. All revisions made to the Draft Housing Element will be shown as tracked changes. The goal is to secure a Finding of Substantial Compliance on the Draft Element before proceeding to adoption. This way, final certification will be contingent upon adopting the Housing Element as revised and reviewed by HCD and the City would avoid adopting a Housing Element that does not completely meet HCD requirements and needing to repeat the review and adoption process again. Throughout the HCD review process, the Rincon/VTA team will maintain contact with HCD staff via email and phone calls regarding the City's progress, key issues to be addressed, and alternative approaches to compliance. After adoption, the Housing Element must be submitted to HCD for its final review within 90 days.

Deliverables

- Cover letter summarizing changes
- Final Housing Element for certification

I. Project Management

Project Management

Ms. Acosta will serve as the main point of contact with the City and track the project schedule and budget to ensure that we stay within their respective parameters. As Project Manager, she will regularly communicate with the City via telephone and email and will proactively identify any potential issues that arise. If issues arise that may affect the project schedule or budget, Rincon will immediately communicate this to the City and determine a mutually agreeable course of action for resolution. The Project Manager and the Principal in Charge will help ensure quality control by reviewing all work products before they are sent to the City. As part of this assignment, Ms. Acosta and/or our Housing Team lead, Ms. Weatherby, will participate in and/or conduct bi-weekly check-in conference calls with City staff, and pertinent consultant team members as needed, to review project statuses, milestones, and project needs and concerns. We have found such meetings to be essential in ensuring timely project execution. Through these regular check-in calls, we will proactively identify project issues, immediately bring those issues to the attention of city staff, identify potential solutions, and coordinate with city staff as to the best course of action. Topics at these meetings may include any aspect of the project, e.g. public outreach, housing inventory assessment, document preparation, and CEQA.

**EXHIBIT A-1
PROFESSIONAL SERVICES TASK ORDER**

CONSULTANT shall perform the Services detailed below in accordance with all the terms and conditions of the Agreement referenced in Item 1A below. All exhibits referenced in Item 8 are incorporated into this Task Order by this reference. CONSULTANT shall furnish the necessary facilities, professional, technical and supporting personnel required by this Task Order as described below.

CONTRACT NO.
OR PURCHASE ORDER REQUISITION NO. (AS APPLICABLE)

- 1A. MASTER AGREEMENT NO. (MAY BE SAME AS CONTRACT / P.O. NO. ABOVE):
 - 1B. TASK ORDER NO.:
 - 2. CONSULTANT NAME:
 - 3. PERIOD OF PERFORMANCE: START: _____ COMPLETION: _____
 - 4. TOTAL TASK ORDER PRICE: \$ _____
BALANCE REMAINING IN MASTER AGREEMENT/CONTRACT \$ _____
 - 5. BUDGET CODE _____
COST CENTER _____
COST ELEMENT _____
WBS/CIP _____
PHASE _____
 - 6. CITY PROJECT MANAGER'S NAME & DEPARTMENT: _____
 - 7. DESCRIPTION OF SCOPE OF SERVICES (Attachment A)
MUST INCLUDE:
 - SERVICES AND DELIVERABLES TO BE PROVIDED
 - SCHEDULE OF PERFORMANCE
 - MAXIMUM COMPENSATION AMOUNT AND RATE SCHEDULE (as applicable)
 - REIMBURSABLE EXPENSES, if any (with "not to exceed" amount)
 - 8. ATTACHMENTS: A: Task Order Scope of Services B (if any): _____
-

I hereby authorize the performance of the work described in this Task Order.

I hereby acknowledge receipt and acceptance of this Task Order and warrant that I have authority to sign on behalf of Consultant.

APPROVED:
CITY OF PALO ALTO

APPROVED:
COMPANY NAME: _____

BY: _____

BY: _____

Name _____

Name _____

Title _____

Title _____

Date _____

Date _____

EXHIBIT B
SCHEDULE OF PERFORMANCE

CONSULTANT shall perform the Services so as to complete each milestone within the number of days/weeks specified below. The time to complete each milestone may be increased or decreased by mutual written agreement of the Project Managers for CONSULTANT and CITY so long as all work is completed within the term of the Agreement. CONSULTANT shall provide a detailed schedule of work consistent with the schedule below within 2 weeks of receipt of the notice to proceed (“NTP”) from the CITY.

Milestones	Completion Number of Days/Weeks (as specified below) from NTP
1. TASK A: COMMUNITY ENGAGEMENT PROGRAM DEVELOPMENT	
Task A.1 Kick off Mtg and Community Engagement Plan Task A.2 Community Workshops and Working Group Meetings Task A.3 Public Meetings Task A.4 Other Outreach Task A.5 Online Engagement	April 2021 As needed As needed As needed As needed
2. TASK B: HOUSING ELEMENT REVIEW AND ASSESSMENT	
Task B.1 Document Review Task B.2 Review and Evaluation of Current Housing Element	May 2021 June 2021
3. TASK C: HOUSING ELEMENT COMPONENTS	
Task C.1 Housing Resources and Opportunities Task C.2 Housing Constraints Task C.3 Housing Inventory of Sites Analysis Task C.4 Housing Needs Assessment Task C.5 Goals, Policies and Implementing Programs	June 2021 June 2021 Dec 2021 August 2021 Nov 2021
4. TASK D: REFINE VTA TRAFFIC DEMAND MODEL	July 2021
5. TASK E: UPDATES TO OTHER COMPREHENSIVE PLAN ELEMENTS	
Task E.1 Recommendations Memo Task E.2 Comprehensive Plan Amendments	August 2022 Oct 2022
6. TASK F: ZONING CODE AMENDMENTS	
Task F.1 Rezoning Task F.2 Draft Ordinance	August 2022 Oct 2022
7. TASK G: ENVIRONMENTAL REVIEW	
Task G.1 Environmental Assessments Task G.2 Notice of Preparation and Scoping Meeting Task G.3 Preparation of a 15162 Initial Study Task G.4 Administrative Draft Supplemental EIR Task G.5 Draft Supplemental EIR Task G.6 Final Supplemental EIR Preparation (contingent on comments received)	Oct 2021 Nov 2021 Oct 2021 March 2022 June 2022 August 2022

8. TASK H: PREPARE UPDATES FOR HCD REVIEW AND CERTIFICATION	
Task H.1 Administrative Draft Housing Element Task H.2 Public Review Draft Housing Element Task H.3 Final Draft Housing Element Task H.4 HCD Certification	Dec 2021 June 2022 Sept 2022 Nov 2022
9. TASK I: PROJECT MANAGEMENT	As needed
NOTE: Housing Element needs to be certified by the State by January 2023. However, in the Housing Element, there may be some programs/rezones that need to be implemented by an undetermined years after certification. Additional Services as stated below will be requested as needed through January 2026.	

Optional Schedule of Performance Provision for On-Call or Additional Services Agreements.
 (This provision only applies if checked and only applies to on-call agreements per Section 1 or agreements with Additional Services per Section 4.)

The schedule of performance shall be as provided in the approved Task Order, as detailed in Section 1 (Scope of Services) in the case of on-call Services, or as detailed in Section 4 in the case of Additional Services, provided in all cases that the schedule of performance shall fall within the term as provided in Section 2 (Term) of this Agreement.

EXHIBIT C COMPENSATION

CITY agrees to compensate CONSULTANT for Services performed in accordance with the terms and conditions of this Agreement, and as set forth in the budget schedule below. Compensation shall be calculated based on the rate schedule attached as Exhibit C-1 up to the not to exceed budget amount for each task set forth below.

CITY's Project Manager may approve in writing the transfer of budget amounts between any of the tasks or categories listed below, provided that the total compensation for the Services, including any specified reimbursable expenses, and the total compensation for Additional Services (if any, per Section 4 of the Agreement) do not exceed the amounts set forth in Section 4 of this Agreement.

CONSULTANT agrees to complete all Services, any specified reimbursable expenses, and Additional Services (if any, per Section 4), within this/these amount(s). Any work performed or expenses incurred for which payment would result in a total exceeding the maximum amount of compensation set forth in this Agreement shall be at no cost to the CITY.

BUDGET SCHEDULE

TASKS	NOT TO EXCEED AMT
Task A: Community Engagement Program	\$85,868
Task B: Housing Element Review and Assessment	\$10,993
Task C: Housing Element	\$101,208
Task D: Refine VTA Traffic Demand Model	\$23,670
Task E: Updates to Other Comprehensive Plan Elements	\$21,038
Task F: Zoning Code Amendments	\$19,044
Task G: Environmental Documents	\$186,845
Task H: Prepare and Finalize Housing Element	\$43,747
Task I: Project Management	\$30,914
Sub-total of Services (Tasks A-I):	\$523,327
Sub-total for Reimbursable Expenses:	\$0
Total for Services and Reimbursable Expenses*	\$523,327
Additional Services (if any, per Section 4)	\$104,665
Maximum Total Compensation	\$627,993

***DIRECT COST SCHEDULE** (included in Total for Services and Reimbursable Expenses)

DETAILED COST	NOT TO EXCEED AMT
Colored Copies Single Sided	\$63
Photocopies Double Sided BW	\$720
Administrative Costs (VTA)	\$7,680
Neighborhood Outreach	\$1,000
Hexagon Transportation Consultants	\$131,971

**EXHIBIT C-1
SCHEDULE OF RATES**

CONSULTANT's schedule of rates is as follows:

Position Title	Hourly Rate
Principal I	\$202.40
Supervisor I	\$179.40
Senior Professional I	\$147.20
Professional III	\$119.60
Professional I	\$96.60
GIS/CADD Specialist II	\$115.00
Production Specialist	\$88.00
Clerical	\$69.00
Veronica Tam	\$160.00

EXHIBIT D INSURANCE REQUIREMENTS

CONSULTANTS TO THE CITY OF PALO ALTO (CITY), AT THEIR SOLE EXPENSE, SHALL FOR THE TERM OF THE CONTRACT OBTAIN AND MAINTAIN INSURANCE IN THE AMOUNTS FOR THE COVERAGE SPECIFIED BELOW, **AFFORDED BY COMPANIES WITH AM BEST'S KEY RATING OF A:-VII, OR HIGHER, LICENSED OR AUTHORIZED TO TRANSACT INSURANCE BUSINESS IN THE STATE OF CALIFORNIA.**

AWARD IS CONTINGENT ON COMPLIANCE WITH CITY'S INSURANCE REQUIREMENTS AS SPECIFIED HEREIN.

REQUIRED	TYPE OF COVERAGE	REQUIREMENT	MINIMUM LIMITS	
			EACH OCCURRENCE	AGGREGATE
YES YES	WORKER'S COMPENSATION EMPLOYER'S LIABILITY	STATUTORY STATUTORY	STATUTORY	STATUTORY
YES	GENERAL LIABILITY, INCLUDING PERSONAL INJURY, BROAD FORM PROPERTY DAMAGE BLANKET CONTRACTUAL, AND FIRE LEGAL LIABILITY	BODILY INJURY	\$1,000,000	\$1,000,000
		PROPERTY DAMAGE	\$1,000,000	\$1,000,000
		BODILY INJURY & PROPERTY DAMAGE COMBINED.	\$1,000,000	\$1,000,000
YES	AUTOMOBILE LIABILITY, INCLUDING ALL OWNED, HIRED, NON-OWNED	BODILY INJURY	\$1,000,000	\$1,000,000
		- EACH PERSON	\$1,000,000	\$1,000,000
		- EACH OCCURRENCE	\$1,000,000	\$1,000,000
		PROPERTY DAMAGE	\$1,000,000	\$1,000,000
		BODILY INJURY AND PROPERTY DAMAGE, COMBINED	\$1,000,000	\$1,000,000
YES	PROFESSIONAL LIABILITY, INCLUDING, ERRORS AND OMISSIONS, MALPRACTICE (WHEN APPLICABLE), AND NEGLIGENT PERFORMANCE	ALL DAMAGES	\$1,000,000	
YES	THE CITY OF PALO ALTO IS TO BE NAMED AS AN ADDITIONAL INSURED: CONSULTANT, AT ITS SOLE COST AND EXPENSE, SHALL OBTAIN AND MAINTAIN, IN FULL FORCE AND EFFECT THROUGHOUT THE ENTIRE TERM OF ANY RESULTANT AGREEMENT, THE INSURANCE COVERAGE HEREIN DESCRIBED, INSURING NOT ONLY CONSULTANT AND ITS SUBCONSULTANTS, IF ANY, BUT ALSO, WITH THE EXCEPTION OF WORKERS' COMPENSATION, EMPLOYER'S LIABILITY AND PROFESSIONAL INSURANCE, NAMING AS ADDITIONAL INSUREDS CITY, ITS COUNCIL MEMBERS, OFFICERS, AGENTS, AND EMPLOYEES.			

I. INSURANCE COVERAGE MUST INCLUDE:

A. A CONTRACTUAL LIABILITY ENDORSEMENT PROVIDING INSURANCE COVERAGE FOR CONSULTANT'S AGREEMENT TO INDEMNIFY CITY.

II. THE CONSULTANT MUST SUBMIT CERTIFICATES(S) OF INSURANCE EVIDENCING REQUIRED COVERAGE AT THE FOLLOWING URL: <HTTPS://WWW.PLANETBIDS.COM/PORTAL/PORTAL.CFM?COMPANYID=25569>

III. ENDORSEMENT PROVISIONS WITH RESPECT TO THE INSURANCE AFFORDED TO ADDITIONAL INSUREDS:

A. PRIMARY COVERAGE

WITH RESPECT TO CLAIMS ARISING OUT OF THE OPERATIONS OF THE NAMED INSURED, INSURANCE AS AFFORDED BY THIS POLICY IS PRIMARY AND IS NOT ADDITIONAL TO OR CONTRIBUTING WITH ANY OTHER INSURANCE CARRIED BY OR FOR THE BENEFIT OF THE ADDITIONAL INSUREDS.

B. CROSS LIABILITY

THE NAMING OF MORE THAN ONE PERSON, FIRM, OR CORPORATION AS INSUREDS UNDER THE POLICY SHALL NOT, FOR THAT REASON ALONE, EXTINGUISH ANY RIGHTS OF THE INSURED AGAINST ANOTHER, BUT THIS ENDORSEMENT, AND THE NAMING OF MULTIPLE INSUREDS, SHALL NOT INCREASE THE TOTAL LIABILITY OF THE COMPANY UNDER THIS POLICY.

C. NOTICE OF CANCELLATION

1. IF THE POLICY IS CANCELED BEFORE ITS EXPIRATION DATE FOR ANY REASON OTHER THAN THE NON-PAYMENT OF PREMIUM, THE CONSULTANT SHALL PROVIDE CITY AT LEAST A THIRTY (30) DAY WRITTEN NOTICE BEFORE THE EFFECTIVE DATE OF CANCELLATION.
2. IF THE POLICY IS CANCELED BEFORE ITS EXPIRATION DATE FOR THE NON-PAYMENT OF PREMIUM, THE CONSULTANT SHALL PROVIDE CITY AT LEAST A TEN (10) DAY WRITTEN NOTICE BEFORE THE EFFECTIVE DATE OF CANCELLATION.

EVIDENCE OF INSURANCE AND OTHER RELATED NOTICES ARE REQUIRED TO BE FILED WITH THE CITY OF PALO ALTO AT THE FOLLOWING URL:

<HTTPS://WWW.PLANETBIDS.COM/PORTAL/PORTAL.CFM?COMPANYID=25569>

OR

HTTP://WWW.CITYOFPALOALTO.ORG/GOV/DEPTS/ASD/PLANET_BIDS_HOW_TO.ASP