

**AGREEMENT FOR CONSULTANT SERVICES BETWEEN
CITY OF TEMECULA AND DE NOVO PLANNING GROUP**

PREPARATION OF THE 2021-2029 HOUSING ELEMENT UPDATE

THIS AGREEMENT is made and effective as of **June 25, 2019** between the **City of Temecula**, a municipal corporation (hereinafter referred to as "City"), and **De Novo Planning Group**, a **Corporation** (hereinafter referred to as "Consultant"). In consideration of the mutual covenants and conditions set forth herein, the parties agree as follows:

1. TERM

This Agreement shall commence on **June 25, 2019**, and shall remain and continue in effect until tasks described herein are completed, but in no event later than **October 1, 2021**, unless sooner terminated pursuant to the provisions of this Agreement.

2. SERVICES

Consultant shall perform the services and tasks described and set forth in Exhibit A, attached hereto and incorporated herein as though set forth in full. Consultant shall complete the tasks according to the schedule of performance which is also set forth in Exhibit A.

3. PERFORMANCE

Consultant shall at all times faithfully, competently and to the best of his or her ability, experience, and talent, perform all tasks described herein. Consultant shall employ, at a minimum, generally accepted standards and practices utilized by persons engaged in providing similar services as are required of Consultant hereunder in meeting its obligations under this Agreement.

4. PAYMENT

a. The City agrees to pay Consultant monthly, in accordance with the payment rates and terms and the schedule of payment as set forth in Exhibit B, Payment Rates and Schedule, attached hereto and incorporated herein by this reference as though set forth in full, based upon actual time spent on the above tasks. Any terms in Exhibit B, other than the payment rates and schedule of payment, are null and void. This amount shall not exceed **seventy three thousand and seventy dollars and no cents (\$ 73,070.00), plus 10% Contingency of seven thousand three hundred and seven dollars and no cents (\$7,307.00) for a total Agreement amount of eighty thousand three hundred and seventy-seven dollars and no cents (\$ 80,377.00)** for the total term of this agreement unless additional payment is approved as provided in this Agreement.

b. Consultant shall not be compensated for any services rendered in connection with its performance of this Agreement which are in addition to those set forth herein, unless such additional services are authorized in advance and in writing by the City Manager . Consultant shall be compensated for any additional services in the amounts and in the manner as agreed to by City Manager and Consultant at the time City's written authorization is given to Consultant for the performance of said services.

The City Manager may approve additional work up to ten percent (10%) of the amount of the Agreement as approved by City Council. Any additional work in excess of this amount shall be approved by the City Council.

c. Consultant will submit invoices monthly for actual services performed. Invoices shall be submitted between the first and fifteenth business day of each month, for services provided in the previous month. Payment shall be made within thirty (30) days of receipt of each invoice as to all non-disputed fees. If the City disputes any of Consultant's fees, it shall give written notice to Consultant within thirty (30) days of receipt of an invoice of any disputed fees set forth on the invoice. For all reimbursements authorized by this Agreement, Consultant shall provide receipts on all reimbursable expenses in excess of Fifty Dollars (\$50) in such form as approved by the Director of Finance.

5. SUSPENSION OR TERMINATION OF AGREEMENT WITHOUT CAUSE

a. The City may at any time, for any reason, with or without cause, suspend or terminate this Agreement, or any portion hereof, by serving upon the Consultant at least ten (10) days prior written notice. Upon receipt of said notice, the Consultant shall immediately cease all work under this Agreement, unless the notice provides otherwise. If the City suspends or terminates a portion of this Agreement such suspension or termination shall not make void or invalidate the remainder of this Agreement.

b. In the event this Agreement is terminated pursuant to this Section, the City shall pay to Consultant the actual value of the work performed up to the time of termination, provided that the work performed is of value to the City. Upon termination of the Agreement pursuant to this Section, the Consultant will submit an invoice to the City, pursuant to Section entitled "**PAYMENT**" herein.

6. DEFAULT OF CONSULTANT

a. The Consultant's failure to comply with the provisions of this Agreement shall constitute a default. In the event that Consultant is in default for cause under the terms of this Agreement, City shall have no obligation or duty to continue compensating Consultant for any work performed after the date of default and can terminate this Agreement immediately by written notice to the Consultant. If such failure by the Consultant to make progress in the performance of work hereunder arises out of causes beyond the Consultant's control, and without fault or negligence of the Consultant, it shall not be considered a default.

b. If the City Manager or his delegate determines that the Consultant is in default in the performance of any of the terms or conditions of this Agreement, it shall serve the Consultant with written notice of the default. The Consultant shall have ten (10) days after service upon it of said notice in which to cure the default by rendering a satisfactory performance. In the event that the Consultant fails to cure its default within such period of time, the City shall have the right, notwithstanding any other provision of this Agreement, to terminate this Agreement without further notice and without prejudice to any other remedy to which it may be entitled at law, in equity or under this Agreement.

7. OWNERSHIP OF DOCUMENTS

a. Consultant shall maintain complete and accurate records with respect to sales, costs, expenses, receipts and other such information required by City that relate to the performance of services under this Agreement. Consultant shall maintain adequate records of services provided in sufficient detail to permit an evaluation of services. All such records shall be

maintained in accordance with generally accepted accounting principles and shall be clearly identified and readily accessible. Consultant shall provide free access to the representatives of City or its designees at reasonable times to such books and records, shall give City the right to examine and audit said books and records, shall permit City to make transcripts there from as necessary, and shall allow inspection of all work, data, documents, proceedings and activities related to this Agreement. Such records, together with supporting documents, shall be maintained for a period of three (3) years after receipt of final payment.

b. Upon completion of, or in the event of termination or suspension of this Agreement, all original documents, designs, drawings, maps, models, computer files containing data generated for the work, surveys, notes, and other documents prepared in the course of providing the services to be performed pursuant to this Agreement shall become the sole property of the City and may be used, reused or otherwise disposed of by the City without the permission of the Consultant. With respect to computer files containing data generated for the work, Consultant shall make available to the City, upon reasonable written request by the City, the necessary computer software and hardware for purposes of accessing, compiling, transferring and printing computer files.

8. INDEMNIFICATION

The Consultant agrees to defend, indemnify, protect and hold harmless the City of Temecula, Temecula Community Services District, and/or the Successor Agency to the Temecula Redevelopment Agency, its officers, officials, employees and volunteers from and against any and all claims, demands, losses, defense costs or expenses, including attorney fees and expert witness fees, or liability of any kind or nature which the City of Temecula, Temecula Community Services District, and/or the Successor Agency to the Temecula Redevelopment Agency, its officers, agents, employees or volunteers may sustain or incur or which may be imposed upon them for injury to or death of persons, or damage to property arising out of Consultant's negligent or wrongful acts or omissions arising out of or in any way related to the performance or non-performance of this Agreement, excepting only liability arising out of the negligence of the City of Temecula, Temecula Community Services District, and/or the Successor Agency to the Temecula Redevelopment Agency.

9. INSURANCE REQUIREMENTS

Consultant shall procure and maintain for the duration of the contract insurance against claims for injuries to persons or damages to property, which may arise from or in connection with the performance of the work hereunder by the Consultant, its agents, representatives, or employees.

a. Minimum Scope of Insurance. Coverage shall be at least as broad as:

1) Insurance Services Office Commercial General Liability form No. CG 00 01 11 85 or 88.

2) Insurance Services Office Business Auto Coverage form CA 00 01 06 92 covering Automobile Liability, code 1 (any auto). If the Consultant owns no automobiles, a non-owned auto endorsement to the General Liability policy described above is acceptable.

3) Worker's Compensation insurance as required by the State of California and Employer's Liability Insurance. If the Consultant has no employees while

performing under this Agreement, worker's compensation insurance is not required, but Consultant shall execute a declaration that it has no employees.

4) Professional Liability Insurance shall be written on a policy form providing professional liability for the Consultant's profession.

b. Minimum Limits of Insurance. Consultant shall maintain limits no less than:

1) General Liability: One Million (\$1,000,000) per occurrence for bodily injury, personal injury and property damage. If Commercial General Liability Insurance or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to this project/location or the general aggregate limit shall be twice the required occurrence limit.

2) Automobile Liability: One Million (\$1,000,000) accident for bodily injury and property damage.

3) Worker's Compensation as required by the State of California; Employer's Liability: One Million Dollars (\$1,000,000) per accident for bodily injury or disease.

4) Professional Liability Coverage: One Million Dollars (\$1,000,000) per claim and in aggregate.

c. Deductibles and Self-Insured Retentions. Any deductibles or self-insured retentions shall not exceed Twenty Five Thousand Dollars and No Cents (\$25,000).

d. Other Insurance Provisions. The general liability and automobile liability policies are to contain, or be endorsed to contain, the following provisions:

1) The City of Temecula, the Temecula Community Services District, the Successor Agency to the Temecula Redevelopment Agency, their officers, officials, employees and volunteers are to be covered as insured's, as respects: liability arising out of activities performed by or on behalf of the Consultant; products and completed operations of the Consultant; premises owned, occupied or used by the Consultant; or automobiles owned, leased, hired or borrowed by the Consultant. The coverage shall contain no special limitations on the scope of protection afforded to the City of Temecula, the Temecula Community Services District, the Successor Agency to the Temecula Redevelopment Agency, their officers, officials, employees or volunteers.

2) For any claims related to this project, the Consultant's insurance coverage shall be primary insurance as respects the City of Temecula, the Temecula Community Services District, the Successor Agency to the Temecula Redevelopment Agency, their officers, officials, employees and volunteers. Any insurance or self-insured maintained by the City of Temecula, Temecula Community Services District, and/or the Successor Agency to the Temecula Redevelopment Agency, its officers, officials, employees or volunteers shall be excess of the Consultant's insurance and shall not contribute with it.

3) Any failure to comply with reporting or other provisions of the policies including breaches of warranties shall not affect coverage provided to the City of Temecula, the Temecula Community Services District, and the Successor Agency to the Successor Agency to the Temecula Redevelopment Agency, their officers, officials, employees or volunteers.

4) The Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.

5) Each insurance policy required by this agreement shall be endorsed to state in substantial conformance to the following: If the policy will be canceled before the expiration date the insurer will notify in writing to the City of such cancellation not less than thirty (30) days' prior to the cancellation effective date.

6) If insurance coverage is canceled or, reduced in coverage or in limits the Consultant shall within two (2) business days of notice from insurer phone, fax, and/or notify the City via certified mail, return receipt requested of the changes to or cancellation of the policy.

e. Acceptability of Insurers. Insurance is to be placed with insurers with a current A.M. Best rating of A-VII or better, unless otherwise acceptable to the City. Self insurance shall not be considered to comply with these insurance requirements.

f. Verification of Coverage. Consultant shall furnish the City with original endorsements effecting coverage required by this clause. The endorsements are to be signed by a person authorized by that insurer to bind coverage on its behalf. The endorsements are to be on forms provided by the City. All endorsements are to be received and approved by the City before work commences. As an alternative to the City's forms, the Consultant's insurer may provide complete, certified copies of all required insurance policies, including endorsements affecting the coverage required by these specifications.

10. INDEPENDENT CONTRACTOR

a. Consultant is and shall at all times remain as to the City a wholly independent contractor. The personnel performing the services under this Agreement on behalf of Consultant shall at all times be under Consultant's exclusive direction and control. Neither City nor any of its officers, employees, agents, or volunteers shall have control over the conduct of Consultant or any of Consultant's officers, employees, or agents except as set forth in this Agreement. Consultant shall not at any time or in any manner represent that it or any of its officers, employees or agents are in any manner officers, employees or agents of the City. Consultant shall not incur or have the power to incur any debt, obligation or liability whatever against City, or bind City in any manner.

b. No employee benefits shall be available to Consultant in connection with the performance of this Agreement. Except for the fees paid to Consultant as provided in the Agreement, City shall not pay salaries, wages, or other compensation to Consultant for performing services hereunder for City. City shall not be liable for compensation or indemnification to Consultant for injury or sickness arising out of performing services hereunder.

11. LEGAL RESPONSIBILITIES

The Consultant shall keep itself informed of all local, State and Federal ordinances, laws and regulations which in any manner affect those employed by it or in any way affect the performance of its service pursuant to this Agreement. The Consultant shall at all times observe and comply with all such ordinances, laws and regulations. The City, and its officers and employees, shall not be liable at law or in equity occasioned by failure of the Consultant to comply with this section.

12. RELEASE OF INFORMATION

a. All information gained by Consultant in performance of this Agreement shall be considered confidential and shall not be released by Consultant without City's prior written authorization. Consultant, its officers, employees, agents or subcontractors, shall not without written authorization from the City Manager or unless requested by the City Attorney, voluntarily provide declarations, letters of support, testimony at depositions, response to interrogatories or other information concerning the work performed under this Agreement or relating to any project or property located within the City. Response to a subpoena or court order shall not be considered "voluntary" provided Consultant gives City notice of such court order or subpoena.

b. Consultant shall promptly notify City should Consultant, its officers, employees, agents or subcontractors be served with any summons, complaint, subpoena, notice of deposition, request for documents, interrogatories, request for admissions or other discovery request, court order or subpoena from any party regarding this Agreement and the work performed there under or with respect to any project or property located within the City. City retains the right, but has no obligation, to represent Consultant and/or be present at any deposition, hearing or similar proceeding. Consultant agrees to cooperate fully with City and to provide City with the opportunity to review any response to discovery requests provided by Consultant. However, City's right to review any such response does not imply or mean the right by City to control, direct, or rewrite said response.

13. NOTICES

Any notices which either party may desire to give to the other party under this Agreement must be in writing and may be given either by (i) personal service, (ii) delivery by a reputable document delivery service, such as but not limited to, Federal Express, that provides a receipt showing date and time of delivery, or (iii) mailing in the United States Mail, certified mail, postage prepaid, return receipt requested, addressed to the address of the party as set forth below or at any other address as that party may later designate by Notice. Notice shall be effective upon delivery to the addresses specified below or on the third business day following deposit with the document delivery service or United States Mail as provided above.

Mailing Address: City of Temecula
Attn: City Manager
41000 Main Street
Temecula, CA 92590

To Consultant: **De Novo Planning Group**
Attn: Amanda Tropiano
180 East Main Street, Suite 108
Tustin, CA 92780

14. ASSIGNMENT

The Consultant shall not assign the performance of this Agreement, nor any part thereof, nor any monies due hereunder, without prior written consent of the City. Upon termination of this Agreement, Consultant's sole compensation shall be payment for actual services performed up to, and including, the date of termination or as may be otherwise agreed to in writing between the City Council and the Consultant.

15. LICENSES

At all times during the term of this Agreement, Consultant shall have in full force and effect, all licenses required of it by law for the performance of the services described in this Agreement.

16. GOVERNING LAW

The City and Consultant understand and agree that the laws of the State of California shall govern the rights, obligations, duties and liabilities of the parties to this Agreement and also govern the interpretation of this Agreement. Any litigation concerning this Agreement shall take place in the municipal, superior, or federal district court with geographic jurisdiction over the City of Temecula. In the event such litigation is filed by one party against the other to enforce its rights under this Agreement, the prevailing party, as determined by the Court's judgment, shall be entitled to reasonable attorney fees and litigation expenses for the relief granted.

17. PROHIBITED INTEREST

No officer, or employee of the City of Temecula that has participated in the development of this agreement or its approval shall have any financial interest, direct or indirect, in this Agreement, the proceeds thereof, the Consultant, or Consultant's sub-contractors for this project, during his/her tenure or for one year thereafter. The Consultant hereby warrants and represents to the City that no officer or employee of the City of Temecula that has participated in the development of this agreement or its approval has any interest, whether contractual, non-contractual, financial or otherwise, in this transaction, the proceeds thereof, or in the business of the Consultant or Consultant's sub-contractors on this project. Consultant further agrees to notify the City in the event any such interest is discovered whether or not such interest is prohibited by law or this Agreement.

18. ENTIRE AGREEMENT

This Agreement contains the entire understanding between the parties relating to the *obligations of the parties described in this Agreement*. All prior or contemporaneous agreements, understandings, representations and statements, oral or written, are merged into this Agreement and shall be of no further force or effect. Each party is entering into this Agreement based solely upon the representations set forth herein and upon each party's own independent investigation of any and all facts such party deems material.

19. AUTHORITY TO EXECUTE THIS AGREEMENT

The person or persons executing this Agreement on behalf of Consultant warrants and represents that he or she has the authority to execute this Agreement on behalf of the Consultant and has the authority to bind Consultant to the performance of its obligations hereunder. The City Manager is authorized to enter into an amendment on behalf of the City to make the following non-substantive modifications to the agreement: (a) name changes; (b) extension of time; (c) non-monetary changes in scope of work; (d) agreement termination.


IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed the day and year first above written.

CITY OF TEMECULA

DE NOVO PLANNING GROUP

(Two Signatures of corporate officers required unless corporate documents authorize only one person to sign the agreement on behalf of the corporation.)

By: _____
Michael S. Naggar, Mayor

By: _____
Ben Ritchie, President

ATTEST:

By: _____
Randi Johl, City Clerk

By: _____
Steve McMurtry, Chief Financial Officer

APPROVED AS TO FORM:

By: _____
Peter M. Thorson, City Attorney

CONSULTANT

De Novo Planning Group
Attn: Amanda Tropiano
180 East Main Street, Suite 108
Tustin, CA 92780
(714) 453-7711
atropiano@denovoplanning.com

PM Initials: 
Date: 6/16/19

EXHIBIT A

Tasks to be Performed

The specific elements (scope of work) of this service include:

All tasks to be performed are per the proposal provided by the Consultant attached hereto and incorporated herein as though set forth in full.

Scope of Work

The Housing Element Update will be developed to meet the City's needs and changes in state law. This Scope of Work includes all tasks necessary to prepare the Update and process it through HCD.

TASK 1 KICKOFF MEETING AND PROJECT SCHEDULE

Within one week of receipt of Notice to Proceed from the City, the De Novo team will have a kickoff meeting with City Staff to discuss the following:

- City preferences, method of communication, responsibilities, deliverables, etc.;
- Collection of background documents, including GIS data;
- Finalization of project schedule with project milestones (this schedule will be revisited periodically as additional information is available, including the City's RHNA allocation); and
- Direction from the State regarding changes to housing law since issuance of the RFP (if any).

Deliverables:

- Meeting agenda and summary notes
- Detailed project schedule including major milestones, meetings, and HCD and staff review times

TASK 2 STEERING COMMITTEE MEETINGS

De Novo will coordinate and facilitate a Steering Committee anticipated to be composed of key City of Temecula staff, including representatives from the City Manager's Office, Community Development, Economic Development, and Finance. This technical Steering Committee will meet four times and be responsible for reviewing and validating community feedback, providing direction regarding existing conditions, feedback on success of past programs, input on market potential and site selection (if needed), and review and comment of the Administrative Draft Housing Element.

Should the City wish to include outside representatives on the Steering Committee (non-Staff) we can easily accommodate a change in composition with no change to schedule or budget. However, given the technical nature of Housing Elements we find that a Staff-level Steering Committee results in the most productive conversation with the understanding that we will engage the community through other avenues as described in Task 3.

Deliverables:

- Coordination and facilitation of four Steering Committee Meetings

TASK 3 COMMUNITY ENGAGEMENT

Focused and meaningful community engagement is an important part of the Housing Element Update process. Government Code 65583(c)(7) requires: "The local government shall make a diligent effort to achieve public participation of all economic segments of the community in the development of the housing element, and the program shall describe this effort." Moreover, the topic of "housing" is one that impacts everyone

that lives or works in Temecula and the City must acknowledge the community's input and find creative ways to reflect the community's vision as it meets its housing obligations. To this end, we propose a strategic community engagement process that seeks to connect with the community early-on, maintain open lines of communication as draft documents are prepared, and reconnect during the public review process to the updated Housing Element. The key components of our community engagement program are described below.

Advertisements/Educational Materials

The City of Temecula has a strong existing online presence through a well-designed and intuitive City website and social media engagement program. We propose leveraging these existing platforms to get the word out about the Housing Element Update and engage the public.

We propose sharing project information on the City's existing Housing Element webpage (as opposed to a new stand-alone website separate from the City's own website). We also recommend posting Housing Element Update milestones on existing social media platforms, including the City's 54 NextDoor neighborhoods and Facebook pages for the City of Temecula and its Police Department. We will also advertise the project to key community stakeholders such as the Chamber of Commerce, Rotary Club, Temecula Unified School District, Assistance League, and local and regional fair housing providers (many of which were involved in the last Housing Element Update) to encourage their participation.

De Novo will prepare content for the City's website and the graphics and text for posting to existing City accounts and platforms. We assume that City Staff will post the material online and print and deliver hard copies as necessary (for example, if mailed letters on the City's letterhead need to be sent to select stakeholders). We will also prepare a project factsheet for posting online and to have available at future in-person activities.

Housing Workshop

To kick-off the Housing Element Update De Novo will plan and host a Housing Workshop for the public. All members of the community and key stakeholders will be invited. The Workshop is envisioned to include a brief presentation followed by a series of engaging activities designed to understand the community's key housing priorities. Activities could include mapping exercises, visual preference surveys, special needs issues, and the City's long-term vision for housing growth and development. We anticipate that the activities we work on with the community will be based on our review of existing conditions and site inventory; if the City's existing surplus sites are sufficient to meet the City's demand, we can shift our focus away from site selection/mapping to other locally important issues. For this reason, we would recommend that the Housing Workshop only occur once the City has reviewed and received its committed RHNA allocation.

Online Survey

We will create two online surveys over the course of the project to allow the community an opportunity to provide feedback on housing priorities. The first survey will be posted early-on in the process and be focused on priorities, values, and goals regarding housing in Temecula. The second survey will be posted later in the process once there are 1) site identified and 2) goals, policies, and programs to support the City's housing objectives.

Community Open House

Upon completion of the Public Draft Housing Element, we will host a Community Open House with stations for residents to visit to learn more about the Housing Element and the City's housing plans and programs. At this time the public can provide comments on the Public Draft which will be summarized and shared with the Planning Commission and Council during their deliberations.

Deliverables:

- Content for website and online engagement; Project factsheet; preparation and facilitation for one Housing Workshop and one Community Open House; two online surveys; public engagement summary report for Planning Commission and City Council consideration

TASK 4 TECHNICAL ASSISTANCE WITH- AND APPEAL OF THE CITY'S RHNA

The City anticipates the need to negotiate with WRCOG and SCAG regarding the City's RHNA allocation and it expects to likely appeal its allocation. We are prepared and able to assist with this effort as necessary. In order to prepare for this discussion, we will work to understand

existing conditions and capacity through an early update of the City's inventory of potential sites. Through this analysis, we will identify barriers to accommodate the City's allocation and begin to prepare a response to the City's forthcoming allocation. We will also review the allocation methodology for flaws that have under-allocated to other regional jurisdictions (social equity, high quality transit areas, etc.).

Deliverables:

- Assistance with and appeal of the City's RHNA, including letters of appeal for delivery to WRCOG and/or SCAG

TASK 5 ADMINISTRATIVE DRAFT HOUSING ELEMENT

De Novo is committed to providing the City with a useful and understandable Housing Element Update that embodies the goals and priorities of the City and is consistent with state requirements (GC Section 65583[a]). Preparation of the Housing Element will include but not be limited to the following sections.

Introduction

The Housing Element will include an introductory chapter that provides an overview of the Housing Element update process, housing issues facing Temecula, the City's housing needs, available sites and resources, and the goals of the Housing Element.

Existing Conditions and Needs Analysis

De Novo will review and evaluate the current Housing Element, General Plan, and other supporting materials and provide additional information, including suggested modifications to policies as necessary. Based on the effectiveness of the existing document, input received during the steering committee meetings, and communication with City staff, we will identify policies and programs that should be retained as well as those that should be revised or replaced. This section will include a narrative that discusses the: (1) actual results of the current Element compared to its goals, policies, and implementation measures; and (2) significant differences between objectives and actual achievements.

We will also complete a review of the City's Local Hazard Mitigation Plan and Safety Element for consistency with SB 379. Based on an initial review we expect that the LHMP addresses the requirements of SB 379 and that the Safety Element will need to be updated to reference the LHMP and its key findings, objectives, and policy direction. As a result, as part of this Task, we will identify the specific sections of the Safety Element which must be updated to reflect the LHMP and comply with SB 379. We do not anticipate that new technical analysis of climate change or resiliency planning will be necessary.

Regional Housing Needs Assessment (RHNA)

The Housing Element will identify available resources, including land, funding, and housing programs, available to meet the City's housing needs. Constraints to meeting housing needs, including governmental constraints (land use controls, parking standards, etc.) and non-governmental constraints (environmental, availability of financing, etc.), will be described. De Novo will develop a program to reduce constraints, where appropriate and feasible. We understand that the City has a detailed parcel-level database of existing conditions in GIS and will share this inventory with the selected consultant to facilitate an evaluation of current conditions.

As part of the City's past Housing Element Update effort in 2013/2014, the City undertook a robust analysis of existing conditions and prepared a comprehensive inventory of vacant residential development potential to accommodate the shortfall from Cycle 4, the RHNA from Cycle 5, and prepare the City for Cycle 6 by identifying a surplus of sites (translating to approximately 5,800 units). Given that the City's past two RHNA allocations were between 1,300 and 1,500 units, we might expect that even if the City receives a larger allocation than normal, it may easily be accommodated within the surplus sites identified in Cycle 5. However, the vast majority (over 95%) of these surplus units were identified for moderate or above moderate incomes. So while it may be possible that on the surface the City could expect to accommodate their RHNA within the surplus sites, the income levels may need to be revisited to ensure that the specifications of the City's RHNA allocation are adequately addressed at the appropriate income levels.

This section will meet the requirements of Government Code Section 65583(a)(3,4,5,6,8,9) and will include the following required topics:

- Inventory of sites suitable for residential development
- Financial and other resources
- Residential energy conservation
- Fair housing assessment
- Governmental constraints
- Non-governmental constraints

Assessment of Housing Needs

To prepare a meaningful Housing Element, existing conditions must be understood and documented. De Novo will assess the housing needs of the City's population based on the characteristics of the City's population and its existing housing inventory. The needs assessment will meet the requirements of Government Code Section 65583(a)(1,2,7) and will be based on available data, including the US Census, Department of Finance estimates, Employment Development Department data, Department of Developmental Services data, and Point in Time reports. This work effort will include the following:

- Existing housing conditions
- At-risk housing
- Population, household, housing, and employment characteristics
- Special needs groups
- Regional housing needs

Goals, Objectives, and Implementation Plan

De Novo will present goals, objectives, policies, and implementation measures to address identified housing needs and constraints, consistent with the requirements of Government Code Section 65583(b,c). The approach to meeting housing needs will be developed to address the City's housing needs while considering: 1) remaining relevant to a mostly built-out community, 2) protecting important resources, including historic resources, habitat and water supply, and 3) promoting sustainability and walkability. The implementation plan will identify sustainable housing policies and programs, based on City staff, public and stakeholder input, City guidance, and the needs identified in the needs and constraints analysis. De Novo will hold a workshop with City staff to discuss the proposed revisions to the City's existing goals, policies, and programs, and De Novo will also present for discussion additional policies and strategies that fit the unique needs and character of Temecula.

Implementation measures will address both short-term and long-range strategies and may include development controls, regulatory incentives, constraint-removal programs, fair housing programs, and sources of affordable housing funding. The implementation measures will identify parties responsible for implementation, a timeframe for implementation, and funding sources. Where appropriate, phasing and financing options will be identified. Implementation measures will reflect recent legislation, and will address the following issues at a minimum:

- Conserve and Improve Existing Housing Stock
- Promote Housing Opportunities for All Persons in the City, including provision of adequate sites to accommodate the Regional Housing Needs Allocation, development of housing to meet the needs of lower- and moderate-income households, and affirmatively furthering fair housing
- Address Housing Needs of Special Needs Populations
- Preserve Assisted Housing
- Regional Housing Needs Determination and Five-Year Quantified Objectives
- General Plan and Zoning Consistency

- Sustainability and Efficiency, including energy efficiency, green building practices, progressive energy and water conservation approaches, and requirements of AB 32
- Removal of Constraints (where appropriate and feasible)

We will review proposed policies and implementation measures for internal consistency with all elements of the City's General Plan and identify any necessary amendments to other General Plan elements in order to create consistency with the updated Housing Element. The budget for this task also assumes minor edits to the Safety Element to incorporate the City's LHMP (no new technical analysis). De Novo is prepared to amend additional elements of the City's General Plan (if necessary) as part of the proposed project contingency budget.

Deliverables:

- One (1) reproducible copy and one (1) electronic copy in Word and PDF of the Administrative Draft Housing Element and Safety Element (and Land Use Element or other General Plan Elements, as applicable and authorized by Staff through the contingency budget)

TASK 6 PUBLIC DRAFT HOUSING ELEMENT

We will incorporate the City's comments on the Administrative Draft Housing Element and create a Public Draft Housing Element for public review and the statutory 60-day HCD review period.

Per the RFP, we understand that City Staff will facilitate distribution to HCD, the City Council, and the Planning Commission for review and comment. We expect that De Novo and City Staff will work collaboratively to facilitate review by the public, as described in Task 3.

Deliverables:

- Thirty (30) bound copies and one (1) electronic copy in Word and PDF of the Public Draft Housing Element (and Land Use Element or other General Plan Elements, as applicable and authorized by Staff through the contingency budget)

TASK 7 HCD COORDINATION

De Novo will coordinate closely with HCD in order to receive a letter indicating that the updated Housing Element complies with State law. Our approach to working with HCD is to be very responsive to HCD's preliminary comments and requests. HCD typically schedules a conference call with the consultant and City staff to identify concerns with the Housing Element prior to issuing its formal comment letter. We have found that by attending these meetings in person at HCD's offices (attended by staff in our Sacramento area office) and discussing potential revisions during the meeting, multiple issues can be resolved and better direction is received from HCD. Following these meetings, De Novo will immediately prepare revised text for City and HCD staff to review and consider before the formal letter goes out. In this manner, we work to resolve issues during the review period in order to reduce the number of formal comments received from HCD.

Upon receipt of HCD's formal comments, we will prepare proposed revisions and provide them to City staff for review. Throughout this task, De Novo will be available for in-person meetings with HCD staff at HCD's offices in Sacramento. Once HCD indicates that their concerns are addressed, we will prepare a Revised Draft Housing Element for formal submission to HCD and, with their approval, the Housing Element will be ready for adoption.

Deliverables:

- Ongoing coordination with HCD to receive Housing Element certification

TASK 8 ENVIRONMENTAL DOCUMENTS

At this time, without knowing the City's RHNA allocation and the City's ability to accommodate its RHNA within the surplus sites previously analyzed in the current Housing Element/other planning documents (General Plan, Specific Plans, etc.), we must make assumptions regarding the expected environmental documents that will need to be prepared for this project. After reviewing the City's past RHNA assignments, the City's prior analysis of surplus sites, and the Negative Declaration process used for the 2013 Housing Element, we believe that (either initially or

through appeal/negotiation) the City will be able to accommodate its RHNA within sites already designed and planned for residential development and, accordingly, sites which have already been analyzed for such use.

Based on this assumption, De Novo will prepare the necessary CEQA documentation (expected to be either a Negative Declaration or a Finding that the Housing Element falls within the parameters of the previously adopted program-level CEQA documents). This does not include technical studies specific to the Housing Element to support the environmental document, which would not be necessary unless the City identified new locations for housing development not previously considered and analyzed.

We anticipate that a memo will be prepared for the Housing Element Update that describes the characteristics of the project and the consistency of the project with the General Plan Program EIR. We will prepare a memo documenting the project's coverage under the Program EIR as allowed for by CEQA Guidelines Section 15168(c), which identifies the standards for use of a Program EIR with later activities.

De Novo Planning Group is a full-service planning firm with in-house CEQA experience and capabilities. Should additional analysis or CEQA documents be required, such as an Initial Study/Mitigated Negative Declaration and technical studies, De Novo would be happy to work with the City to amend the scope of services to include this work at a very competitive rate and expedited timeline. As previously described, we have tried to anticipate the City's needs to the best of our ability based on available information but should we need to proceed on a different course we are ready and able to assist with that effort.

Deliverables:

- Negative Declaration or Memorandum demonstrating coverage per CEQA Guidelines Section 15168(c); coordination with Tribes per the requirements of SB 18 and AB 52 as needed

TASK 9 STUDY SESSION AND PUBLIC HEARINGS

De Novo's Principal and/or Principal Planner will facilitate a study session with the City Council as we prepare the Administrative Draft Housing Element. We will facilitate four public hearings related to the Housing Element Update (two with Planning Commission and two with City Council).

Deliverables:

- One Study Session with Council, Two Hearings with Planning Commission, and Two Hearings with City Council, including all meeting materials, large-format exhibits, presentation materials, and summary reports; attendance by both Co-Project Managers

TASK 10 FINAL HOUSING ELEMENT

De Novo will incorporate City and HCD comments into a Final Housing Element. The Final Housing Element will be considered by Planning Commission and City Council. During this process, De Novo will prepare revisions to the Final Housing Element as necessary to address comments from decision-makers. As part of this task, De Novo will also prepare the Final copy of any other Elements which were updated as part of this project, as necessary and completed through the contingency budget. Following City Council adoption, the Housing Element will be submitted to HCD for certification.

Deliverables:

- Ten (10) bound copies and one (1) electronic copy in Word and PDF of the Final Housing Element (and Land Use Element or other General Plan Elements, as applicable and authorized by Staff through the contingency budget)

EXHIBIT B

Payment Rates and Schedule

Cost for services shall be as per Consultant's proposal attached hereto and incorporated herein as though set forth in full but in no event shall the total cost of services exceed \$80,377.00 for the total term of the Agreement unless additional payment is approved as provided in the Payment section of this Agreement.

TASK DESCRIPTION	PLAN START	PLAN END
Project Schedule	6/1/2019	9/25/2021
Contract Award	5/14/2019	5/14/2019
Task 1: Kickoff Meeting and Project Schedule	6/1/2019	6/30/2019
Task 2: Steering Committee	10/1/2019	4/30/2021
Meeting #1: Priorities/Review of RHNA	10/1/2019	10/31/2019
Meeting #2: Program Evaluation	1/1/2020	1/31/2020
Meeting #3: Administrative Draft Review	11/18/2020	11/30/2020
Meeting #4: HCD Comments	4/18/2021	4/30/2021
Task 3: Community Engagement	6/30/2019	8/25/2021
Advertisements/Education	6/30/2019	8/25/2021
Housing Workshop	3/1/2020	3/28/2020
Online Survey #1	9/1/2019	10/31/2019
Online Survey #2	2/1/2021	2/28/2021
Community Open House	2/1/2021	2/28/2021
Task 4: Technical Assistance with- and Appeal of the City's RHNA	2/1/2020	7/1/2020
Task 5: Administrative Draft Housing Element	6/30/2019	11/30/2020
Screencheck Admin Draft - Consultant	7/1/2019	9/30/2020
Screencheck Admin Draft - Planning Staff Review	10/1/2020	10/31/2020
Second Screencheck Admin Draft - Consultant	11/1/2020	11/15/2020
Second Screencheck Admin Draft - Steering Committee Review	11/18/2020	11/30/2020
Task 6: Public Draft Review	11/30/2020	3/15/2021
Public Draft - Consultant	11/30/2020	12/14/2020
Public Draft - Planning Staff Review	12/15/2020	12/29/2020
Final Public Draft - Consultant	12/30/2020	1/13/2021
Public Review	1/14/2021	3/15/2021
Task 7: HCD Review	1/15/2021	9/25/2021
Review of Public Draft	1/15/2021	3/15/2021
HCD Certification	8/26/2021	9/25/2021
Task 8: Environmental Documents	12/31/2020	1/13/2021
Task 9: Study Session and Public Hearings	3/1/2020	5/10/2021
City Council Study Session	3/1/2020	3/28/2020
Planning Commission #1	5/19/2021	5/19/2021
Planning Commission #2	6/2/2021	6/2/2021
City Council #1	7/13/2021	7/13/2021
City Council #2	8/10/2021	8/10/2021
Task 10: Final Housing Element	3/18/2021	8/25/2021
Screencheck Final Housing Element - Consultant	3/18/2021	4/15/2021
Screencheck Final Housing Element - Staff Review	4/18/2021	4/30/2021
Final Housing Element Production	8/11/2021	8/25/2021

TASK/ACTIVITY	Principal/ Principal Planner		Senior Planner/Designer		Associate/ Assistant Planner		TOTALS		Direct Costs	ACTIVITY
	hours	\$135	hours	\$105	hours	\$85	hours	Fee	Printing and Mailing	TOTALS Fee
Task 1 Kick-off Meeting and Project Schedule	8	\$1,080	0	\$0	0	\$0	8	\$1,080	\$0	\$1,080
Task 2 Steering Committee Meetings	24	\$3,240	16	\$1,680	0	\$0	40	\$4,920	\$200	\$5,120
Task 3 Community Engagement	22	\$2,970	32	\$3,360	44	\$3,740	98	\$10,070	\$500	\$10,570
Task 4 Technical Assistance/Appeal of RHNA	40	\$5,400	24	\$2,520	12	\$1,020	76	\$8,940	\$0	\$8,940
Task 5 Administrative Draft Housing Element	60	\$8,100	28	\$2,940	116	\$9,860	204	\$20,900	\$100	\$21,000
Task 6 Public Draft Housing Element	24	\$3,240	16	\$1,680	28	\$2,380	68	\$7,300	\$2,800	\$10,100
Task 7 HCD Coordination	28	\$3,780	0	\$0	0	\$0	28	\$3,780	\$0	\$3,780
Task 8 Environmental Documents	4	\$540	0	\$0	0	\$0	4	\$540	\$0	\$540
Task 9 Study Session and Public Hearings	40	\$5,400	6	\$630	0	\$0	46	\$6,030	\$250	\$6,280
Task 10: Final Housing Element	24	\$3,240	8	\$840	8	\$680	40	\$4,760	\$900	\$5,660
Subtotals	274	\$36,990	130	\$13,650	208	\$17,680	612	\$68,320	\$4,750	\$73,070
TOTAL FEE										\$73,070
Contingency (10%)										\$7,307
TOTAL FEE WITH CONTINGENCY										\$80,377

As specified in our proposal, the contingency budget could for unanticipated updates to other elements of the General Plan (i.e., Land Use or Mobility) or other related tasks as directed by City Staff and deemed necessary in order to receive HCD certification of the City's Housing Element.