



# CITY OF SAN MATEO

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## Agenda Report

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Agenda Number: 16

Section Name: {{section.name}}

File ID: {{item.tracking\_number}}

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**TO:** City Council  
**FROM:** Drew Corbett, City Manager  
**PREPARED BY:** Community Development Department  
**MEETING DATE:** August 17, 2020

**SUBJECT:**

General Plan Update and Housing Element Update Projects – Amendment and Appropriation

**RECOMMENDATION:**

Approve Amendment No. 2 to the agreement with PlaceWorks Inc. to modify the scope of work and increase the contract amount by \$197,140 for a new agreement total of \$2,191,461; authorize the Community Development Director, or designee, to execute the amendment in substantially the form as presented and issue change orders within the contingency amount; and adopt a Resolution to authorize the appropriation of \$272,140 from available fund balance in the General Plan Maintenance Fund.

**BACKGROUND:**

The General Plan Update (GPU) effort was kicked off in Fall 2018. Following a series of visioning workshops and community meetings, the City Council approved Amendment No. 1 in April 2019 to modify the scope of work to provide more opportunities for community outreach and include additional tools for engagement. Amendment No. 1 increased the contract amount from \$1,254,733 to \$1,994,321 and extended the project timeline from May 2020 to December 2023.

From April 2019 through March 2020, significant progress was made on the GPU project. Then, in early March 2020, the San Mateo County Health Officer began issuing Shelter in Place (SIP) orders due to the COVID-19 pandemic, and City staff canceled all remaining in-person community outreach events scheduled in March and beyond. On June 15<sup>th</sup>, the City Council directed staff to postpone outreach activities until after the November election due to the SIP and a variety of external factors that may create public confusion or require duplication of work.

While outreach activities have been postponed, the GPU team has flipped the order of tasks to prioritize non-outreach related tasks that can be completed by the GPU team now instead of later in 2020 and early 2021 (as shown in the original project schedule). The GPU has identified the following scope changes as necessary in order to stay on track by enabling the new transportation consultant to begin their work, adding PCRC to assist with outreach including those communities that are hard to reach, and enabling the GPU consultant team to collaborate with the new Housing Element project team (refer to other agenda item for Housing Element consultant services). The GPU team is seeking City Council approval to amend the scope of work to include the following (refer to Attachment 2, Exhibit A for final version or Attachment 3 for track changes version of the scope):

- Switch from Hexagon to Kittelson as the transportation subconsultant;
- Add Peninsula Conflict Resolution Center (PCRC) as a subconsultant;
- Revise outreach plan to provide virtual components (new Task A.3);
- Add Housing Element EIR (new Task H); and
- Update the project schedule to add the Housing Element EIR.

The above changes would enable the GPU team to continue working on non-outreach related tasks and enable the GPU

team to collaborate with the Housing Element team on the update of the Housing Element.

This scope change requires additional funding as shown in the project Cost Estimate (refer to Attachment 2, Exhibit B for final version or Attachment 4 for track changes version of the Cost Estimate). The Cost Estimate also includes a contingency amount of \$130,470, which is intended to cover expenditures for additional community outreach and other supportive tasks. City Council authorization is necessary for the Community Development Director, or designee, to issue change orders within the contingency amount.

#### Housing Element and GPU Coordination

California law requires all elements of a General Plan (GP) to be internally consistent. One required GP element, the Housing Element, must be prepared on a separate timeline in order to meet deadlines set by the State and is due for State approval by January 2023. This necessitates the Housing Element team and GPU team to coordinate closely to ensure internal consistency while keeping the Housing Element timeline on track.

#### Housing Element EIR and General Plan EIR

The update of the GP is considered a project under CEQA and the preparation of an Environmental Impact Report is included in the scope of work (see Attachment 2, Exhibit A). Originally, the GPU team had planned to cover the Housing Element as part of the General Plan Environmental Impact Report (EIR). However, given delays in the GPU process due to a variety of factors, including the SIP, the General Plan EIR will not be ready before the State-imposed deadline for Housing Element adoption. Therefore, staff is recommending a separate programmatic EIR on the Housing Element, which will precede and partially inform the General Plan EIR. The Housing Element EIR will be completed by the GPU consultant team to ensure that the data, assumptions, and methodology are consistent between the two EIRs and that the team maximizes efficiency in preparing the two documents.

#### **BUDGET IMPACT:**

The proposed contract amendment and accompanying supplemental budget appropriation has no impact to the City's General Fund. The additional funding requested for this project is expected to cover consultant services (\$197,140), as well as other associated expenditures (\$75,000 for printing, postage, legal notices, advertising, outreach materials, facility rentals, speaker fees, refreshments, videography, surveys, facilitators, planning interns/part-time workers, online services, translation and interpretation services, interpretation device rentals, etc.) that are not part of the contract amount.

Council approval is requested to appropriate \$272,140 from available fund balance in the General Plan Maintenance Fund (Fund 25) to the General Plan Update project (#310008). This appropriation is intended to cover costs anticipated to be incurred in fiscal years 2020-21 and 2021-22 and was not included in the 2020-21 budget. Additionally, an appropriation of funds will be submitted for consideration in the 2022-2024 business plan to cover the remaining costs attributed to this project.

Staff anticipates use of LEAP grant funds to reimburse Fund 25 for the Housing Element Update and the Housing Element EIR. The non-competitive grant application was submitted in July 2020, and staff anticipates result in September or October 2020.

#### **ENVIRONMENTAL DETERMINATION:**

This amendment to an existing agreement for consultant services is not a project subject to California Environmental Quality Act (CEQA), because it is an organizational or administrative activity that will not result in direct or indirect physical changes in the environment. (CEQA Guidelines Section 15378(b)(5).)

#### **NOTICE PROVIDED**

All meeting noticing requirements were met.

#### **ATTACHMENTS**

Att 1 - Proposed Resolution

Att 2 - Amendment No. 2

Exhibit A – Scope of Services

Exhibit B – Cost Estimate

Att 3 - Scope of Services (track changes version)

Att 4 - Cost Estimate (track changes version)

**STAFF CONTACT**

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