



Good Neighbors

San Diego  
Housing Commission

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# REPORT

**DATE:** For the Agenda of October 12, 2001 **Item 101**

**REPORT NO.:** HCR01-116

**SUBJECT:** Second Amendment to the Contract with Keyser Marston Associates for Services Related to the Development of an Inclusionary Housing Program (Citywide)

## SUMMARY

**Issue:** Should the Housing Commission approve a second amendment to a contract with Keyser Marston Associates (KMA) to continue providing services related to the development of a citywide Inclusionary Housing Program and a Parking Study consistent with the method and analysis employed for the Inclusionary Housing Program?

**Recommendation:** That the Housing Commission approve an increase in the maximum compensation due under the contract with KMA by \$10,000 from the current level of \$48,675 to a not-to-exceed amount of \$58,675, and extend the contract period through January 31, 2002.

**Fiscal Impact:** Expenditure of up to \$10,000 more than the current contract limit. Funds are available in the FY02 budget.

### Certificate of Funding Availability:

Certificate No: 02-073  
Amount: \$17,500 (\$7,500 Amendment 1; \$10,000 Amendment 2)  
Revenue Source: Various Sources  
Division: Board & Executive Functions  
Line Item: Contract Consultant



## **BACKGROUND**

In Spring 2001 the Land Use & Housing (LU&H) Committee of the City directed the Chief Executive Officer of the Housing Commission to develop an Inclusionary Housing Program to increase the supply of affordable housing in the City of San Diego.

Following SDHC Procurement Policy PO203.100, the CEO solicited proposals for and entered into a contract with KMA to provide research analysis and related services for the development of an Inclusionary Housing Program. A secondary purpose of the contract was to provide information on opportunities to match parking requirements with actual usage rates for affordable housing projects and areas served by public transit. The compensation under the original contract was \$41,175 with a termination date of October 30, 2001.

In September 2001, the contract was amended to provide additional compensation of \$7,500 (for a maximum contract amount of \$48,675) and to extend the term of the contract through December 14, 2001. The CEO is authorized to enter into contracts for consulting services of up to \$50,000. The additional compensation was to cover services to be performed that were outside the scope of the original contract including KMA attendance at Inclusionary Housing Working Group meetings (3 meetings); additional staff meetings (3 meetings) and additional research and analysis required in the development of the program.

## **DISCUSSION**

The development of an Inclusionary Housing Program has been a complex task involving many group and individual meetings beyond the number originally anticipated. The ability of KMA to attend these meetings and provide research and analysis capability has been key in the progress made to date. The proposed Inclusionary Housing Program for the City of San Diego is being presented to the Housing Commission Board today (Item 109). Future public meetings will include presentation to the Planning Commission, LU&H and the City Council.

The original contract plus the first amendment brought the compensation to a maximum of \$48,675. Approval of the second contract amendment will provide a maximum compensation level of \$58,675 and will ensure the availability of necessary services through January 2002 to complete development of this important program.

## **ALTERNATIVE**

1. Instruct staff to proceed with development of the Inclusionary Housing Program without the assistance provided by KMA

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This alternative is not recommended since it is unlikely that the staff will be able to accomplish the task assigned on the agreed upon schedule.

Submitted by

Carrol M. Vaughan  
Chief of Staff

**Signature on File  
With Original Document**

Approved by

Elizabeth C. Morris  
Chief Executive Officer

Attachment 1: Proposed Second Amendment to KMA Contract

Attachment 2: First Amendment to KMA contract

Attachment 3: Original Contract with KMA