

PROFESSIONAL CONSULTANT SERVICES AGREEMENT

ECONOMIC AND PLANNING SYSTEMS INC.

Development of an Inclusionary Housing Program (RFP No. 2054)

THIS PROFESSIONAL CONSULTANT SERVICES AGREEMENT ("Agreement") is made and entered into this _____ day of _____, 2021 ("Effective Date"), by and between the HOUSING AUTHORITY OF THE CITY OF RIVERSIDE, a public body, corporate and politic ("Authority"), and ECONOMIC AND PLANNING SYSTEMS INC., a California corporation ("Consultant").

1. **Scope of Services.** Authority agrees to retain and does hereby retain Consultant and Consultant agrees to provide the services more particularly described in Exhibit "A," "Scope of Services" ("Services"), attached hereto and incorporated herein by reference, in conjunction with Development of an Inclusionary Housing Program (RFP No. 2054) ("Project").

2. **Term.** This Agreement shall be effective on the date first written above and shall remain in effect for one (1) year from the Effective Date, unless otherwise terminated pursuant to the provisions herein. The term may be extended for one (1) additional one (1) year period thereafter by a written amendment to this Agreement signed by the authorized representatives of both parties.

3. **Compensation/Payment.** Consultant shall perform the Services under this Agreement for the total sum not to exceed Eighty Thousand Three Hundred Dollars (\$80,300.00), payable in accordance with the terms set forth in Exhibit "B." Said payment shall be made in accordance with Authority's usual accounting procedures upon receipt and approval of an itemized invoice setting forth the services performed. The invoices shall be delivered to Authority at the address set forth in Section 4 hereof.

4. **Notices.** Any notices required to be given, hereunder shall be in writing and shall be personally served or given by mail. Any notice given by mail shall be deemed given when deposited in the United States Mail, certified and postage prepaid, addressed to the party to be served as follows:

To Housing Authority

Housing Authority of the City of Riverside
Attn: Jeff McLaughlin
3900 Main Street
Riverside, CA 92522

To Consultant

Economic and Planning Systems Inc.
Attn: Julie Cooper
949 South Hope Street, Suite 103
Los Angeles, CA 90015-1454

5. **Prevailing Wage.** If applicable, Consultant and all subcontractors are required to pay the general prevailing wage rates of per diem wages and overtime and holiday wages determined by the Director of the Department of Industrial Relations under Section 1720 et seq. of the California Labor Code and implemented by Resolution No. 13346 of the City Council of the City of Riverside. The Director's determination is available on-line at www.dir.ca.gov/dlstr/DPreWageDetermination.htm and is referred to and made a part hereof; the wage rates therein ascertained, determined, and specified are referred to and made a part hereof as though fully set forth herein.

6. **Contract Administration.** A designee of the Authority will be appointed in writing by the Executive Director or Department Director to administer this Agreement on behalf of Authority and shall be referred to herein as Contract Administrator.

7. **Standard of Performance.** While performing the Services, Consultant shall exercise the reasonable professional care and skill customarily exercised by reputable members of Consultant's profession practicing in the Metropolitan Southern California Area, and shall use reasonable diligence and best judgment while exercising its professional skill and expertise.

8. **Personnel.** Consultant shall furnish all personnel necessary to perform the Services and shall be responsible for their performance and compensation. Consultant recognizes that the qualifications and experience of the personnel to be used are vital to professional and timely completion of the Services. The key personnel listed in Exhibit "C" attached hereto and incorporated herein by this reference and assigned to perform portions of the Services shall remain assigned through completion of the Services, unless otherwise mutually agreed by the parties in writing, or caused by hardship or resignation in which case substitutes shall be subject to Authority approval.

9. **Assignment and Subcontracting.** Neither party shall assign any right, interest, or obligation in or under this Agreement to any other entity without prior written consent of the other party. In any event, no assignment shall be made unless the assignee expressly assumes the obligations of assignor under this Agreement, in a writing satisfactory to the parties. Consultant acknowledges that any assignment may, at the Authority's sole discretion, require Executive Director and/or Housing Authority Board approval. Consultant shall not subcontract any portion of the work required by this Agreement without prior written approval by the responsible Authority Contract Administrator. Subcontracts, if any, shall contain a provision making them subject to all provisions stipulated in this Agreement, including without limitation, the insurance obligations set forth in Section 12. The Consultant acknowledges and agrees that the Authority is an intended beneficiary of any work performed by any subcontractor for purposes of establishing a duty of care between any subcontractor and the Authority.

10. **Independent Contractor.** In the performance of this Agreement, Consultant, and Consultant's employees, subcontractors and agents, shall act in an independent capacity as independent contractors, and not as officers or employees of the City of Riverside or the Housing Authority of the City of Riverside. Consultant acknowledges and agrees that neither the City nor the Authority has no obligation to pay or withhold state or federal taxes or to provide workers' compensation or unemployment insurance to Consultant, or to Consultant's employees,

subcontractors and agents. Consultant, as an independent contractor, shall be responsible for any and all taxes that apply to Consultant as an employer.

11. Indemnification.

11.1 **Design Professional Defined.** For purposes of this Agreement, "Design Professional" includes the following:

- A. An individual licensed as an architect pursuant to Chapter 3 (commencing with Section 5500) of Division 3 of the Business and Professions Code, and a business entity offering architectural services in accordance with that chapter.
- B. An individual licensed as a landscape architect pursuant to Chapter 3.5 (commencing with Section 5615) of Division 3 of the Business and Professions Code, and a business entity offering landscape architectural services in accordance with that chapter.
- C. An individual registered as a professional engineer pursuant to Chapter 7 (commencing with Section 6700) of Division 3 of the Business and Professions Code, and a business entity offering professional engineering services in accordance with that chapter.
- D. An individual licensed as a professional land surveyor pursuant to Chapter 15 (commencing with Section 8700) of Division 3 of the Business and Professions Code, and a business entity offering professional land surveying services in accordance with that chapter.

11.2 **Defense Obligation For Design Professional Liability.** Consultant agrees, at its cost and expense, to promptly defend the City and the Authority, and their employees, officers, managers, agents and council members (collectively the "Parties to be Defended") from and against any and all claims, allegations, lawsuits, arbitration proceedings, administrative proceedings, regulatory proceedings, or other legal proceedings to the extent the same arise out of, pertain to, or relate to the negligence, recklessness or willful misconduct of Consultant, or anyone employed by or working under the Consultant or for services rendered to the Consultant in the performance of the Agreement, notwithstanding that the City or the Authority may have benefited from its work or services and whether or not caused in part by the negligence of an Indemnified Party. Consultant agrees to provide this defense immediately upon written notice from the Authority, and with well qualified, adequately insured and experienced legal counsel acceptable to Authority. Consultant will reimburse the City and the Authority for reasonable defense costs for claims arising out of Consultant's professional negligence based on the percentage of Consultant's liability. This obligation to defend as set forth herein is binding on the successors, assigns and heirs of Consultant and shall survive the termination of Consultant's Services under this Agreement.

11.3 **Indemnity For Design Professional Liability.** When the law establishes a professional standard of care for Consultant's services, to the fullest extent permitted by law, Consultant shall indemnify, protect and hold harmless the Authority and the Authority's

employees, officers, managers, agents, and Housing Authority Board Members, and the City and the City's employees, officers, managers, agents, and Council Members ("Indemnified Parties") from and against any and all claim for damage, charge, lawsuit, action, judicial, administrative, regulatory or arbitration proceeding, damage, cost, expense (including counsel and expert fees), judgment, civil fines and penalties, liabilities or losses of any kind or nature whatsoever to the extent the same arise out of, pertain to, or relate to the negligence, recklessness or willful misconduct of Consultant, or anyone employed by or working under the Consultant or for services rendered to the Consultant in the performance of the Agreement, notwithstanding that the Authority or the City may have benefited from its work or services and whether or not caused in part by the negligence of an Indemnified Party.

11.4 Defense Obligation For Other Than Design Professional Liability.

Consultant agrees, at its cost and expense, to promptly defend the Authority and the City, and their employees, officers, managers, agents and council members/board members (collectively the "Parties to be Defended") from and against any and all claims, allegations, lawsuits, arbitration proceedings, administrative proceedings, regulatory proceedings, or other legal proceedings which arise out of, or relate to, or are in any way connected with: 1) the Services, work, activities, operations, or duties of the Consultant, or of anyone employed by or working under the Consultant, or 2) any breach of the Agreement by the Consultant. This duty to defend shall apply whether or not such claims, allegations, lawsuits or proceedings have merit or are meritless, or which involve claims or allegations that any or all of the Parties to be Defended were actively, passively, or concurrently negligent, or which otherwise assert that the Parties to be Defended are responsible, in whole or in part, for any loss, damage or injury. Consultant agrees to provide this defense immediately upon written notice from the Authority, and with well qualified, adequately insured and experienced legal counsel acceptable to Authority. This obligation to defend as set forth herein is binding on the successors, assigns and heirs of Consultant and shall survive the termination of Consultant's Services under this Agreement.

11.5 Indemnity For Other Than Design Professional Liability.

Except as to the sole negligence or willful misconduct of the Authority, Consultant agrees to indemnify, protect and hold harmless the Indemnified Parties from and against any claim for damage, charge, lawsuit, action, judicial, administrative, regulatory or arbitration proceeding, damage, cost, expense (including counsel and expert fees), judgment, civil fine and penalties, liabilities or losses of any kind or nature whatsoever whether actual, threatened or alleged, which arise out of, pertain to, or relate to, or are a consequence of, or are attributable to, or are in any manner connected with the performance of the Services, work, activities, operations or duties of the Consultant, or anyone employed by or working under the Consultant or for services rendered to Consultant in the performance of this Agreement, notwithstanding that the Authority or the City may have benefited from its work or services. This indemnification provision shall apply to any acts, omissions, negligence, recklessness, or willful misconduct, whether active or passive, on the part of the Consultant or anyone employed or working under the Consultant.

12. Insurance.

12.1 General Provisions.

Prior to the Authority's execution of this Agreement, Consultant shall provide satisfactory evidence of, and shall thereafter maintain during the term of this Agreement, such insurance policies and coverages in the types, limits, forms and ratings

required herein. The rating and required insurance policies and coverages may be modified in writing by the City's Risk Manager or City Attorney, or a designee, unless such modification is prohibited by law.

12.1.1 **Limitations.** These minimum amounts of coverage shall not constitute any limitation or cap on Consultant's indemnification obligations under Section 11 hereof.

12.1.2 **Ratings.** Any insurance policy or coverage provided by Consultant or subcontractors as required by this Agreement shall be deemed inadequate and a material breach of this Agreement, unless such policy or coverage is issued by insurance companies authorized to transact insurance business in the State of California with a policy holder's rating of A or higher and a Financial Class of VII or higher.

12.1.3 **Cancellation.** The policies shall not be canceled unless thirty (30) days' prior written notification of intended cancellation has been given to Authority by certified or registered mail, postage prepaid.

12.1.4 **Adequacy.** The Authority, its officers, employees and agents make no representation that the types or limits of insurance specified to be carried by Consultant pursuant to this Agreement are adequate to protect Consultant. If Consultant believes that any required insurance coverage is inadequate, Consultant will obtain such additional insurance coverage as Consultant deems adequate, at Consultant's sole expense.

12.2 **Workers' Compensation Insurance.** By executing this Agreement, Consultant certifies that Consultant is aware of and will comply with Section 3700 of the Labor Code of the State of California requiring every employer to be insured against liability for workers' compensation, or to undertake self-insurance before commencing any of the work. Consultant shall carry the insurance or provide for self-insurance required by California law to protect said Consultant from claims under the Workers' Compensation Act. Prior to Authority's execution of this Agreement, Consultant shall file with Authority either 1) a certificate of insurance showing that such insurance is in effect, or that Consultant is self-insured for such coverage, or 2) a certified statement that Consultant has no employees, and acknowledging that if Consultant does employ any person, the necessary certificate of insurance will immediately be filed with Authority. Any certificate filed with Authority shall provide that Authority will be given ten (10) days' prior written notice before modification or cancellation thereof.

12.3 **Commercial General Liability and Automobile Insurance.** Prior to Authority's execution of this Agreement, Consultant shall obtain, and shall thereafter maintain during the term of this Agreement, commercial general liability insurance and automobile liability insurance as required to insure Consultant against damages for personal injury, including accidental death, as well as from claims for property damage, which may arise from or which may concern operations by anyone directly or indirectly employed by, connected with, or acting for or on behalf of Consultant. The Authority, and its officers, employees and agents, shall be named as additional insureds under the Consultant's insurance policies.

12.3.1 Consultant's commercial general liability insurance policy shall cover both bodily injury (including death) and property damage (including, but not limited to, premises operations liability, products-completed operations liability, independent contractor's liability, personal injury liability, and contractual liability) in an amount not less than \$1,000,000 per occurrence and a general aggregate limit in the amount of not less than \$2,000,000.

12.3.2 Consultant's automobile liability policy shall cover both bodily injury and property damage in an amount not less than \$1,000,000 per occurrence and an aggregate limit of not less than \$1,000,000. All of Consultant's automobile and/or commercial general liability insurance policies shall cover all vehicles used in connection with Consultant's performance of this Agreement, which vehicles shall include, but are not limited to, Consultant owned vehicles, Consultant leased vehicles, Consultant's employee vehicles, non-Consultant owned vehicles and hired vehicles.

12.3.3 Prior to Authority's execution of this Agreement, copies of insurance policies or original certificates along with additional insured endorsements acceptable to the Authority evidencing the coverage required by this Agreement, for both commercial general and automobile liability insurance, shall be filed with Authority and shall include the Authority and the City, and their officers, employees and agents, as additional insureds. Said policies shall be in the usual form of commercial general and automobile liability insurance policies, but shall include the following provisions:

It is agreed that the City of Riverside and the Housing Authority of the City of Riverside, and their officers, employees and agents, are added as additional insureds under this policy, solely for work done by and on behalf of the named insured for the Housing Authority of the City of Riverside.

12.3.4 The insurance policy or policies shall also comply with the following provisions:

- a. The policy shall be endorsed to waive any right of subrogation against the Authority and its sub-consultants, employees, officers and agents for services performed under this Agreement.
- b. If the policy is written on a claims made basis, the certificate should so specify and the policy must continue in force for one year after completion of the services. The retroactive date of coverage must also be listed.
- c. The policy shall specify that the insurance provided by Consultant will be considered primary and not contributory to any other insurance available to the Authority or the City and Endorsement No. CG 20010413 shall be provided to the Authority.

12.4 **Errors and Omissions Insurance.** Prior to Authority's execution of this Agreement, Consultant shall obtain, and shall thereafter maintain during the term of this Agreement, errors and omissions professional liability insurance in the minimum amount of \$1,000,000 to protect the Authority from claims resulting from the Consultant's activities.

12.5 **Subcontractors' Insurance.** Consultant shall require all of its subcontractors to carry insurance, in an amount sufficient to cover the risk of injury, damage or loss that may be caused by the subcontractors' scope of work and activities provided in furtherance of this Agreement, including, but without limitation, the following coverages: Workers Compensation, Commercial General Liability, Errors and Omissions, and Automobile liability. Upon Authority's request, Consultant shall provide Authority with satisfactory evidence that Subcontractors have obtained insurance policies and coverages required by this section.

13. **Business Tax.** Consultant understands that the Services performed under this Agreement constitutes doing business in the City of Riverside, and Consultant agrees that Consultant will register for and pay a business tax pursuant to Chapter 5.04 of the Riverside Municipal Code and keep such tax certificate current during the term of this Agreement.

14. **Time of Essence.** Time is of the essence for each and every provision of this Agreement.

15. **Authority's Right to Employ Other Consultants.** Authority reserves the right to employ other Consultants in connection with the Project. If the Authority or the City is required to employ another consultant to complete Consultant's work, due to the failure of the Consultant to perform, or due to the breach of any of the provisions of this Agreement, the Authority reserves the right to seek reimbursement from Consultant.

16. **Accounting Records.** Consultant shall maintain complete and accurate records with respect to costs incurred under this Agreement. All such records shall be clearly identifiable. Consultant shall allow a representative of Authority during normal business hours to examine, audit, and make transcripts or copies of such records and any other documents created pursuant to this Agreement. Consultant shall allow inspection of all work, data, documents, proceedings, and activities related to the Agreement for a period of three (3) years from the date of final payment under this Agreement.

17. **Confidentiality.** All ideas, memoranda, specifications, plans, procedures, drawings, descriptions, computer program data, input record data, written information, and other materials either created by or provided to Consultant in connection with the performance of this Agreement shall be held confidential by Consultant, except as otherwise directed by Authority's Contract Administrator. Nothing furnished to Consultant which is otherwise known to the Consultant or is generally known, or has become known, to the related industry shall be deemed confidential. Consultant shall not use Authority's name or insignia, photographs of the Project, or any publicity pertaining to the Services or the Project in any magazine, trade paper, newspaper, television or radio production, website, or other similar medium without the prior written consent of the Authority.

18. **Ownership of Documents.** All reports, maps, drawings and other contract deliverables prepared under this Agreement by Consultant shall be and remain the property of Authority. Consultant shall not release to others information furnished by Authority without prior express written approval of Authority.

19. **Copyrights.** Consultant agrees that any work prepared for Authority which is eligible for copyright protection in the United States or elsewhere shall be a work made for hire. If any such work is deemed for any reason not to be a work made for hire, Consultant assigns all right, title and interest in the copyright in such work, and all extensions and renewals thereof, to Authority, and agrees to provide all assistance reasonably requested by Authority in the establishment, preservation and enforcement of its copyright in such work, such assistance to be provided at Authority's expense but without any additional compensation to Consultant. Consultant agrees to waive all moral rights relating to the work developed or produced, including without limitation any and all rights of identification of authorship and any and all rights of approval, restriction or limitation on use or subsequent modifications.

20. **Conflict of Interest.** Consultant, for itself and on behalf of the individuals listed in Exhibit "C," represents and warrants that by the execution of this Agreement, they have no interest, present or contemplated, in the Project affected by the above-described Services. Consultant further warrants that neither Consultant, nor the individuals listed in Exhibit "C" have any real property, business interests or income interests that will be affected by this project or, alternatively, that Consultant will file with the Authority an affidavit disclosing any such interest.

21. **Solicitation.** Consultant warrants that Consultant has not employed or retained any person or agency to solicit or secure this Agreement, nor has it entered into any agreement or understanding for a commission, percentage, brokerage, or contingent fee to be paid to secure this Agreement. For breach of this warranty, Authority shall have the right to terminate this Agreement without liability and pay Consultant only for the value of work Consultant has actually performed, or, in its sole discretion, to deduct from the Agreement price or otherwise recover from Consultant the full amount of such commission, percentage, brokerage or commission fee. The remedies specified in this section shall be in addition to and not in lieu of those remedies otherwise specified in this Agreement.

22. **General Compliance With Laws.** Consultant shall keep fully informed of federal, state and local laws and ordinances and regulations which in any manner affect those employed by Consultant, or in any way affect the performance of services by Consultant pursuant to this Agreement. Consultant shall at all times observe and comply with all such laws, ordinances and regulations, and shall be solely responsible for any failure to comply with all applicable laws, ordinances and regulations. Consultant represents and warrants that Consultant has obtained all necessary licenses to perform the Scope of Services and that such licenses are in good standing. Consultant further represents and warrants that the services provided herein shall conform to all ordinances, policies and practices of the City of Riverside.

23. **Waiver.** No action or failure to act by the Authority shall constitute a waiver of any right or duty afforded Authority under this Agreement, nor shall any such action or failure to act constitute approval of or acquiescence in any breach thereunder, except as may be specifically, provided in this Agreement or as may be otherwise agreed in writing.

24. **Amendments.** This Agreement may be modified or amended only by a written agreement and/or change order executed by the Consultant and Authority.

25. **Termination.** Authority, by notifying Consultant in writing, shall have the right to terminate any or all of Consultant's services and work covered by this Agreement at any time. In the event of such termination, Consultant may submit Consultant's final written statement of the amount of Consultant's services as of the date of such termination based upon the ratio that the work completed bears to the total work required to make the report complete, subject to the Authority's rights under Sections 15 and 26 hereof. In ascertaining the work actually rendered through the termination date, Authority shall consider completed work, work in progress and complete and incomplete reports and other documents only after delivered to Authority.

25.1 Other than as stated below, Authority shall give Consultant thirty (30) days' prior written notice prior to termination.

25.2 Authority may terminate this Agreement upon fifteen (15) days' written notice to Consultant, in the event:

25.2.1 Consultant substantially fails to perform or materially breaches the Agreement; or

25.2.2 Authority decides to abandon or postpone the Project.

26. **Offsets.** Consultant acknowledges and agrees that with respect to any business tax or penalties thereon, utility charges, invoiced fee or other debt which Consultant owes or may owe to the Authority or the City, Authority reserves the right to withhold and offset said amounts from payments or refunds or reimbursements owed by Authority to Consultant. Notice of such withholding and offset, shall promptly be given to Consultant by Authority in writing. In the event of a dispute as to the amount owed or whether such amount is owed to the Authority or the City, Authority will hold such disputed amount until either the appropriate appeal process has been completed or until the dispute has been resolved.

27. **Successors and Assigns.** This Agreement shall be binding upon Authority and its successors and assigns, and upon Consultant and its permitted successors and assigns, and shall not be assigned by Consultant, either in whole or in part, except as otherwise provided in paragraph 9 of this Agreement.

28. **Venue.** Any action at law or in equity brought by either of the parties hereto for the purpose of enforcing a right or rights provided for by this Agreement shall be tried in the Superior Court, County of Riverside, State of California, and the parties hereby waive all provisions of law providing for a change of venue in such proceedings to any other county. In the event either party hereto shall bring suit to enforce any term of this Agreement or to recover any damages for and on account of the breach of any term or condition of this Agreement, it is mutually agreed that each party will bear their own attorney's fees and costs.

29. **Nondiscrimination.** During Consultant's performance of this Agreement, Consultant shall not discriminate on the grounds of race, religious creed, color, national origin,

ancestry, age, physical disability, mental disability, medical condition, including the medical condition of Acquired Immune Deficiency Syndrome (AIDS) or any condition related thereto, marital status, sex, genetic information, gender, gender identity, gender expression, or sexual orientation, military and veteran status, in the selection and retention of employees and subcontractors and the procurement of materials and equipment, except as provided in Section 12940 of the California Government Code. Further, Consultant agrees to conform to the requirements of the Americans with Disabilities Act in the performance of this Agreement.

30. **Severability.** Each provision, term, condition, covenant and/or restriction, in whole and in part, of this Agreement shall be considered severable. In the event any provision, term, condition, covenant and/or restriction, in whole and/or in part, of this Agreement is declared invalid, unconstitutional, or void for any reason, such provision or part thereof shall be severed from this Agreement and shall not affect any other provision, term, condition, covenant and/or restriction of this Agreement, and the remainder of the Agreement shall continue in full force and effect.

31. **Authority.** The individuals executing this Agreement and the instruments referenced herein on behalf of Consultant each represent and warrant that they have the legal power, right and actual authority to bind Consultant to the terms and conditions hereof and thereof.

32. **Entire Agreement.** This Agreement constitutes the final, complete, and exclusive statement of the terms of the agreement between the parties pertaining to the subject matter of this Agreement, and supersedes all prior and contemporaneous understandings or agreements of the parties. Neither party has been induced to enter into this Agreement by and neither party is relying on, any representation or warranty outside those expressly set forth in this Agreement.

33. **Interpretation.** Authority and Consultant acknowledge and agree that this Agreement is the product of mutual arms-length negotiations and accordingly, the rule of construction, which provides that the ambiguities in a document shall be construed against the drafter of that document, shall have no application to the interpretation and enforcement of this Agreement.

33.1 Titles and captions are for convenience of reference only and do not define, describe or limit the scope or the intent of the Agreement or any of its terms. Reference to section numbers, are to sections in the Agreement unless expressly stated otherwise.

33.2 This Agreement shall be governed by and construed in accordance with the laws of the State of California in effect at the time of the execution of this Agreement.

33.3 In the event of a conflict between the body of this Agreement and Exhibit "A" - Scope of Services hereto, the terms contained in Exhibit "A" shall be controlling.

34. **Exhibits.** The following exhibits attached hereto are incorporated herein to this Agreement by this reference:

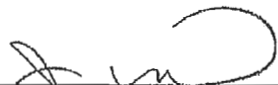
- Exhibit "A" - Scope of Services
- Exhibit "B" - Compensation
- Exhibit "C" - Key Personnel

IN WITNESS WHEREOF, Authority and Consultant have caused this Agreement to be duly executed the day and year first above written.

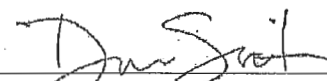
HOUSING AUTHORITY OF THE CITY OF RIVERSIDE, a public body, corporate and politic

ECONOMIC AND PLANNING SYSTEMS, INC., a California corporation

By: _____
Executive Director

By: 
Its: Jason Moody, President

ATTESTED TO:

By: 
Its: Darin Smith, Secretary

By: _____
Authority Secretary

APPROVED AS TO FORM:

By: 
Authority General Counsel

CERTIFIED AS TO FUNDS AVAILABILITY:

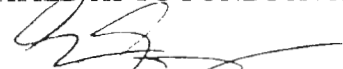
BY: 
CHEIF FINANCIAL OFFICER/TREASURER

EXHIBIT "A"

SCOPE OF SERVICES

Consultant shall perform the Services set forth in Attachment No. 1 accordance with deliverables schedule set forth in Attachment No. 2.

Attachments:

- RFP No. 2054 – Scope of Services (Attachment No. 1)
- Deliverable Description (Attachment No. 2)

Scope of Services

Task 1: Background Research and Feasibility Analysis

Conduct a thorough and transparent analysis of the economic feasibility of potential inclusionary housing requirements including:

- A. Review relevant state laws and regulations.
- B. Research recent development activity in the area and identify 4 (four) to 6 (six) common development prototypes should include representative ownership and rental projects.
- C. Collect data related to revenues and costs for projects similar to identified prototypes.
- D. Collect data from developers and investors to document the profitability of residential real estate under current conditions.
- E. In consultation with City staff and local real estate industry stakeholders, identify the typical level of profitability of recent residential projects (based on the yield on cost, return on cost or other comparable measure).
- F. In close coordination with City staff, identify specific policy design alternatives that will be evaluated. Each alternative should include a specific set of affordable housing requirements and potential incentives or offsets to the cost of compliance.
- G. Develop project pro formas that illustrate the economics of development of each prototype (in each submarket area if applicable) under current conditions and requirements and under each of the defined policy alternatives.
- H. Compare the profitability of development for each prototype under each policy scenario with the threshold for minimum profitability established for the current market in order to evaluate the feasibility of each alternative
- I. Conduct a sensitivity analysis to identify the extent to which variations in key inputs such as market rents or construction costs would lead to different findings regarding feasibility.

Task 2: Additional Activities if Inclusionary Housing Policies are Found to be Feasible

- A. Prepare a Nexus Study pursuant to California Government Code Section 66000 *et. seq.* (Mitigation Fee Act).
- B. Using the results of the feasibility study, policy development and nexus study, draft an Inclusionary Housing Program to implement a Program that maximizes inclusionary housing units, and that will allow the City to operate the program efficiently and

effectively while integrating Inclusionary Housing requirements within its affordable housing platforms.

- C. Prepare a recommended Inclusionary Housing Ordinance, based on the policies, that will be included in Title 19 of the Riverside Municipal Code. The Ordinance should include finding an appropriate set aside percentage that economically works in the Riverside housing market, provide developers with an alternative means of compliance (e.g., in-lieu fees, dedication of land, Construction of affordable units off-site, or acquisition and rehabilitation of existing units, etc.), recommend reduced or modified site development standards to make inclusionary units economically feasible (e.g, reduced minimum lot sizes and/or dimensions, reduced minimum lot setbacks, reduced minimum outdoor and/or private outdoor living area, increased maximum lot coverage, increased maximum building height and/or stories, reduced on-site parking standards, etc.), and set affordability and reporting compliance periods and methods.
- D. Provide an analysis on the establishment of an Affordable Housing Trust Fund and provide recommendations on how funds can be used to increase both rental and homeownership Inclusionary Housing units.

Task 3: Technical Advisory Committee

Plan and facilitate up to a minimum of three (3) meetings of a technical advisory committee of local industry and policy stakeholders including:

- A. Advise the City on the selection and composition of the committee. The committee will include no more than 10 people selected for their direct and specialized knowledge of local market conditions and housing needs and will include representatives of the real estate development industry as well as advocates for affordable housing. City staff will assist the consultant with coordinating outreach, recruitment, scheduling and meeting logistics.
 - i. The purpose of the outreach is two-fold: (1) to gain buy-in and legitimacy from the real-estate and development community, and (2) to refine assumptions about development costs and revenues beyond what is available through publicly accessible data sources.
- B. Produce intermediate work product to share with committee members in advance of meetings in order to guide discussion of key details related to defining project prototypes used in the study and identifying appropriate costs, revenues and minimum profitability requirements.
- C. Produce preliminary draft feasibility results and sensitivity analysis and share with committee members. Revise analysis, as appropriate, based on feedback from committee.
- D. Develop meeting agendas and facilitate discussion at each meeting.

- E. Produce meeting notes which capture points of agreement as well as the range areas of disagreement (without attributing specific statements or positions to individuals).

Task 4: Final Report

Produce a final written report including:

- A. A summary of the research process, including public feedback and the range of input from the Technical Advisory Committee.
- B. An accessible and jargon-free overview of the feasibility study methodology and its most significant findings.
- C. A more technical yet concise description of the specific methodology employed, the general attributes of the studied prototypes, the policy design options (requirements and incentives) evaluated and the findings regarding economic feasibility of each prototype under each policy alternative.
- D. Recommendations for the design of an inclusionary housing policy based on the results of the analysis, including:
 - i. The share of affordable housing units that could be required in new residential housing projects without significant negative impacts on the rate of residential building (or a range of potential supportable requirements).
 - ii. The income targets for required affordable rental and ownership units.
 - iii. The mix of incentives, if any, which would be needed to make the recommended level of affordable housing requirements financially feasible.
 - iv. The level (or range) of in lieu fees which would result in the fee option being roughly financially equivalent to the cost of onsite compliance for typical projects.
- E. Recommendations of additional housing policy alternatives for consideration by the jurisdiction which might complement the proposed inclusionary housing policy or better address market conditions and needs identified in the course of the study.
- F. Recommendations regarding best practices for ongoing monitoring and public disclosure of the effectiveness of the inclusionary housing policy (i.e. number of units produced, share of projects selecting the in lieu fee option, etc.) as well as a proposed timeline and process for updating the policy regularly over time or in the event of significant changes in market conditions.
- G. Technical appendices which provide detailed disclosure of the specific inputs and other

assumptions at the level of detail that would enable another qualified professional to reproduce the results presented in the study.

- H. Technical appendices presenting the results of sensitivity analysis documenting the extent to which the study results would be different under differing assumptions for key inputs including rents, home prices, construction costs and land costs.

Task 5: Presentations

Lead the following required meetings to review the study results including:

- A. Produce a single presentation deck describing the methodology, findings and recommendations.
- B. Lead a presentation of findings as part of a study session with the Planning Commission, Housing and Homelessness Committee and City Council and Housing Authority Board.
- C. Lead a presentation of findings as part of a study session of the City Council.
- D. Lead a presentation on other subcommittees or working groups, to be determined.
- E. Respond to follow-up questions from council members, as needed.
- F. Conduct one or more public education sessions on inclusionary financial feasibility for communities that will be directly affected by the policy, particularly any communities that are underrepresented in the technical advisory committee.

For each public agency meeting, one (1) unbound reproducible original, one (1) electronic copy and four (4) print copies of the document shall be delivered to the City. Provide one (1) electronic copy and (8) print copies to City for the City Council/Housing Authority Board meeting.

Attachment No. 2 to Exhibit "A"

Deliverable Description

#	Draft or Final Acceptance	Brief Deliverable Description
1	Draft Acceptance	<ul style="list-style-type: none"> - EPS will participate in a virtual project initiation kick-off meeting with City staff to discuss the overall context of the Project, the City's specific objectives, and key opportunities and challenges for affordable housing development in Riverside. - EPS will develop a set of up to six (6) ownership and rental housing prototypes for feasibility analysis that will be vetted with City staff. EPS will suggest a set of up to four (4) inclusionary requirement alternatives for feasibility testing, to be vetted by City staff.
	Final Acceptance	<ul style="list-style-type: none"> - EPS will assemble a set of "static" pro forma financial models representing the identified housing prototypes, and use these models to assess the development feasibility of these prototypes under the identified inclusionary policy alternatives. - EPS will summarize the feasibility findings in a PowerPoint presentation to share and discuss with City staff, the Technical Advisory Committee, and other stakeholder groups.
2	Draft Acceptance	<ul style="list-style-type: none"> - EPS will conduct a nexus analysis to document the relationship between housing production and affordable housing demands, and a maximum allowable nexus-based affordable housing impact fee. - EPS will discuss options for fee levels with City staff and the Technical Advisory Committee, in order to come to a consensus on the preferred fee level to be included in the Program. - EPS will conduct a survey of other jurisdictions in the region that impose affordable housing requirements and/or fees on residential development.
	Final Acceptance	<ul style="list-style-type: none"> - EPS will develop recommendations for inclusionary housing requirements for the City to adopt, as well as recommended implementation measures for an inclusionary housing program. - EPS will work with City staff, including City lawyers, to draft an Inclusionary Housing Ordinance based on the recommended policies. - EPS will advise the City on the development and operation of an Affordable Housing Trust Fund to be funded through the Inclusionary Housing Program.
3	Draft Acceptance	<ul style="list-style-type: none"> - EPS and City staff will identify a group of up to ten (10) key stakeholders to comprise a Technical Advisory Committee.
	Final Acceptance	<ul style="list-style-type: none"> - EPS will engage with the Technical Advisory Committee to obtain feedback at key project milestones in up to four (4) virtual meetings. - For each meeting, EPS will prepare a meeting agenda and PowerPoint slide presentation to be shared ahead of time with members of the Technical Advisory Committee; present findings and facilitate discussion the Committee; and produce meeting notes summarizing key discussion points.
4	Draft Acceptance	<ul style="list-style-type: none"> - EPS will produce a project report detailing all of the analysis, stakeholder engagement, and policy recommendations developed in Tasks 1-3, as requested in the RFP. The report will include both an executive summary describing key findings in a clear and concise manner, as well as detailed descriptions of the technical methodologies utilized and program and policy recommendations. The nexus analysis will be detailed in a study drafted in a manner compliant with applicable state law and be included as a technical appendix. - EPS will produce an administrative draft report for City staff review and comment. One round of comments on the administrative draft will be incorporated into a draft report to be shared with appropriate stakeholders, such as City Council and the Technical Advisory Committee.

	Final Acceptance	- One round of comments on draft report will be incorporated into a final report to be delivered to the City.
5	Draft Acceptance	- EPS and City staff will confirm a group of key stakeholder groups to which EPS will present study findings, likely including Planning Commission, Housing and Homelessness Committee, City Council, Housing Authority Board, other subcommittees and/or working groups, and community groups.
	Final Acceptance	- EPS will prepare a presentation of study findings and present them at up to four (4) stakeholder meetings.

EXHIBIT "B"
COMPENSATION

Consultant shall perform the Services for an amount not to exceed Eighty Thousand Three Hundred Dollars (\$80,300.00), in accordance with the following schedule:

Item#	QTY	Unit Price	Line Total
Task/Deliverable 1	Lump Sum \$14,810.00	1 \$14,810.00	\$14,810.00
Task/Deliverable 2	Lump Sum \$24,900.00	1 \$24,900.00	\$24,900.00
Task/Deliverable 3	Lump Sum \$7,855.00	1 \$7,855.00	\$7,855.00
Task/Deliverable 4	Lump Sum \$9,395.00	1 \$9,395.00	\$9,395.00
Task/Deliverable 5	Lump Sum \$8,040.00	1 \$8,040.00	\$8,040.00
Additional Presentations	1	\$2,000.00	\$8,000.00
<i>Presentation of findings as part of a study session with the Planning Commission, Housing and Homelessness Committee and City Council and Housing Authority Board. Additional community presentations. All meetings/presentations to be held virtually.</i>			
SUBTOTAL			\$73,000.00
Contingency @10%	1	\$7,300.00	
GRAND TOTAL			\$80,300.00

EXHIBIT "C"

KEY PERSONNEL

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Final Audit Report

2021-04-12

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By:	Andrea Robles (ARobles@riversideca.gov)
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