

# Agenda Report

**TO:** CITY COUNCIL **DATE:** MARCH 25, 2002  
**FROM:** CYNTHIA J. KURTZ, CITY MANAGER  
**SUBJECT:** AUTHORIZATION TO NEGOTIATE CONTRACT FOR CONSULTANT SERVICES FOR HOUSING AFFORDABILITY FORUM AND AFFORDABLE HOUSING IMPLEMENTATION TASK FORCE

## **RECOMMENDATION**

It is recommended that the City Council:

1. Authorize the City Manager to negotiate a contract with The Enterprise Foundation in an amount not to exceed \$90,000, to provide consultant services for a forum on housing affordability and to provide support to an Affordable Housing Implementation Task Force. Competitive bidding is not required pursuant to City Charter Section 1002[F], contracts for professional or unique services;
2. Grant the proposed contract an exemption from the competitive selection process of the Affirmative Action in Contracting Ordinance pursuant to P.M.C. Section 4.09.060, contracts for which the contractor is the sole source;
3. Approve appropriation of \$90,000 from the unreserved Housing Trust Fund, to Account Number 8115-810-684120-51011, Consultant Services;
4. Designate a list of stakeholder organizations to be represented in the Affordable Housing Implementation Task Force.

## **BACKGROUND**

On January 14, 2002, after a discussion of housing affordability, the Council directed staff to return with a recommendation for (1) a forum to present issues affecting the affordability of housing and (2) a task force to consider strategies to improve the availability of affordable housing. The Enterprise Foundation is uniquely qualified to provide consultant services to assist with both the forum and the task force.

### ***Housing 2000 and Recent Conditions:***

The Housing 2000 working group met during 1999-2000 to consider the current housing situation in Pasadena, develop a vision for housing Pasadenans, and outline strategies. The group included a wide variety of stakeholders, including commissioners and representatives of councilmembers, for-profit developers, affordable housing advocates, real estate brokers, nonprofit developers, residents, lenders, and apartment owners, among others. Staff worked closely with the Housing 2000 stakeholders to provide information and develop recommendations.

Housing 2000 provided direction for the city's housing policy documents, including the Draft Housing Element of the General Plan. The Draft Housing Element incorporates the vision and policies of Housing 2000, with additional information required by the California Department of Housing and Community Development (HCD). Staff and consultants are completing responses to directives from HCD for additional information, prior to another iteration of HCD review, environmental review, and public hearings on the revised Draft Housing Element.

During the latter half of the 1990s, housing affordability became a far more serious problem both in Pasadena and in California generally. A regional (and state) shortfall in new housing, combined with the attractiveness of Pasadena as a place to live, resulted in regional pressure on housing affordability here.

In July 2001, the Council adopted an inclusionary housing ordinance, and the program became effective in September. The program uses the demand for new market-rate housing, and the accompanying increases in land value, to support the development of affordable units.

Nevertheless, housing Pasadenans at affordable prices is a larger problem than any single program. The vision of Housing 2000 and of the city's Draft Housing Element says:

*All Pasadena residents have an equal right to live in decent, safe, and affordable housing in a suitable living environment for the long-term well-being and stability of themselves, their families, their neighborhoods, and their community. The housing vision for Pasadena is to maintain a socially and economically diverse community of homeowners and renters who are afforded this right.*

The demand for housing in Pasadena now makes this inclusive vision even more challenging.

### ***Housing Issues Forum:***

A forum on housing affordability issues will provide a meeting place for those who are concerned about the future of housing in Pasadena and an opportunity to survey the issues that must be confronted. The forum should be held on a Saturday before the end of April 2002 and should welcome everyone with an interest in housing the city's residents—advocates, developers, lenders, real estate brokers, and others.

The vision statement of Housing 2000 provides the starting point. A facilitator will prepare the agenda, do preliminary interviews on housing issues, and manage the forum. Staff will assist by introducing issues that have been discussed in recent weeks, with an opportunity for conversation to refine everyone's understanding of the issues and to introduce others. In the facilitated discussion, participants will identify the problems and issues that appear to have the greatest importance.

The city of Pasadena already implements an extensive menu of programs to make housing affordable. Various housing policy documents, all based on the work of Housing 2000, provide a framework for developing or refining specific programs. Staff will provide an overview of both the policy framework and the specific programs, so participants can evaluate current problems in the context of the city's priorities and efforts.

Staff has held initial discussion with The Enterprise Foundation to facilitate this effort. The Enterprise Foundation's mission is "to see that all low-income people in the United States have the opportunity for fit and affordable housing and to move up and out of poverty into the mainstream of American life." As an example, since 1992 The Enterprise Foundation has participated in the Santa Fe Affordable Housing Roundtable, which provides a platform for local officials to work alongside housing providers to develop and implement housing affordability strategies in Santa Fe, New Mexico. Many cities in the greater Los Angeles area have worked with The Enterprise Foundation with great success. Nationwide, the Enterprise Foundation works with a network of local partners on affordable housing and other community development issues. The style of The Enterprise Foundation will facilitate discussion and work with all participants, to understand the issues, to assess and compare programs, to identify housing opportunities and funding, and to build capacity for affordable housing production in the city.

The Enterprise Foundation is uniquely qualified to provide the consultant services necessary for the forum and task force. The Foundation is a nonprofit organization that combines experience and skill in facilitating housing policy meetings with access to an extensive network of housing-related organizations. Some have participated as housing program partners.

The forum will provide: overview of city policies and programs; discussion of issues and identification of the most significant ones; a list of stakeholders and issues to be considered by a Mayor/City Council-appointed Affordable Housing Implementation Task Force.

***Affordable Housing Implementation Task Force:***

A task force on housing Pasadenans would look at various strategies, both public and private, for implementing the city's housing policy framework more effectively. The task force would consider how the balance among existing programs and the addition of new programs might improve overall success in making the cost of housing affordable to Pasadena's residents. The task force would hold public meetings that focus on particular issues and would invite presentations and public participation to clarify them.

Specific issues and format can best be determined after reviewing the initial forum. As with the forum, a facilitator would assist with developing and managing the agenda and

presentations of the task force. A report from the task force would summarize issues and make recommendations to the Council for the implementation of housing policy. The report would also provide a foundation for the next cycle of housing policy planning in the city.

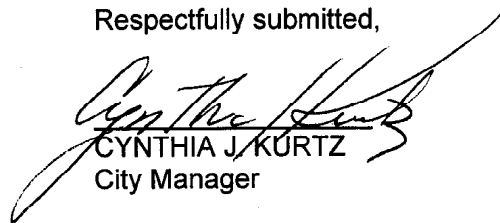
The term of the task force's work should be nine months, so recommendations can be proposed and implemented promptly. The task force should meet within 45 days after the forum.

The Community Development Committee should oversee the work program of the task force. Task Force membership (11-17 members) should be designated by the Mayor and the Council, with representation from throughout the field of stakeholders. At the Council's direction, staff will invite the organizations shown on Attachment A to participate in the task force.

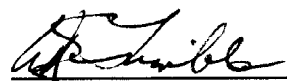
### **FISCAL IMPACT**

Funds are available to be appropriated from the unreserved Housing Trust Fund to Account Number 810-684120-51011, Consultant Services.

Respectfully submitted,

  
CYNTHIA J. KURTZ  
City Manager

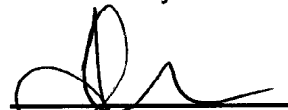
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