

## CITY OF MENIFEE

### PROFESSIONAL SERVICES AGREEMENT

#### CITY OF MENIFEE: INCLUSIONARY HOUSING FEASIBILITY STUDY AND HOUSING MARKET STUDY

THIS PROFESSIONAL SERVICES AGREEMENT (“Agreement”) is made and effective this \_\_\_\_\_ day of \_\_\_\_\_, 2023 (“Effective Date”) by and between the CITY OF MENIFEE, a California municipal corporation, (“City”) and **PLACEWORKS INC.**, a California Corporation (“Consultant”). City and Consultant may sometimes herein be referred to individually as a “Party” and collectively as the “Parties.”

#### SECTION 1. SERVICES.

Subject to the terms and conditions set forth in this Agreement, Consultant shall provide to City the services described in the Scope of Services, attached hereto as Exhibit A and incorporated herein by this reference (the “Services”). Consultant will perform subsequent task orders as requested by the Contract Administrator (as defined below), in accordance with the Scope of Services. In the event of a conflict in or inconsistency between the terms of this Agreement and Exhibit A, this Agreement shall prevail.

1.1 Term of Services. The term of this Agreement shall begin on **February 15, 2023** and shall end on **December 31, 2023** unless the term of this Agreement is otherwise terminated or extended as provided for in Section 8. The time provided to Consultant to complete the Services required by this Agreement shall not affect City’s right to terminate this Agreement, as provided for in Section 8.

1.2 Standard of Performance. Consultant represents and warrants that Consultant is a provider of first class work and services and Consultant is experienced in performing the Services contemplated herein and, in light of such status and experience, Consultant shall perform the Services required pursuant to this Agreement in the manner and according to the standards observed by a competent practitioner of the profession in which Consultant is engaged in the geographical area in which Consultant practices its profession and to the sole satisfaction of the Contract Administrator.

1.3 Assignment of Personnel. Consultant shall assign only competent personnel to perform the Services pursuant to Agreement. In the event that City, in its sole discretion, at any time during the term of this Agreement, desires the reassignment of any such persons, Consultant shall, immediately upon receiving notice from City of such desire of City, reassign such person or persons.

1.4 Time. Consultant shall devote such time to the performance of the Services pursuant to this Agreement as may be reasonably necessary to satisfy Consultant’s obligations hereunder.

1.5 Authorization to Perform Services. Consultant is not authorized to perform any of the Services or incur any costs whatsoever under the terms of this Agreement until receipt of authorization from the Contract Administrator.

1.6 Covid-19 Safety. If Consultant enters City property or meets in person with City employees during the performance of the Services, Consultant shall comply with all State, County, and local emergency orders, directives, protocols, and best practices related to the COVID-19 pandemic, including, but not limited to: (A) wearing facial coverings, (B) maintaining adequate physical distancing when possible, (C) regular hand washing, and (D) regular hand sanitizing.

## **SECTION 2. COMPENSATION.**

City hereby agrees to pay Consultant a sum not to exceed **EIGHTY FOUR THOUSAND NINE HUNDRED EIGHTY EIGHT DOLLARS AND ZERO CENTS (\$84,988.00)** notwithstanding any contrary indications that may be contained in Consultant's proposal, for the Services to be performed and reimbursable costs incurred under this Agreement. In the event of a conflict between this Agreement and Exhibit A, regarding the amount of compensation, this Agreement shall prevail. City shall pay Consultant for the Services rendered pursuant to this Agreement at the time and in the manner set forth herein. The payments specified below shall be the only payments from City to Consultant for the Services rendered pursuant to this Agreement. Consultant shall submit all invoices to City in the manner specified herein. Except as specifically authorized in advance by City, Consultant shall not bill City for duplicate services performed by more than one person.

2.1 Invoices. Consultant shall submit invoices monthly during the term of this Agreement, based on the cost for the Services performed and reimbursable costs incurred prior to the invoice date. Invoices shall contain the following information:

- a. Serial identifications of progress bills; i.e., Progress Bill No. 1 for the first invoice, etc.;
- b. The beginning and ending dates of the billing period;
- c. A "Task Summary" containing the original contract amount, the amount of prior billings, the total due this period, the balance available under this Agreement, and the percentage of completion;
- d. At City's option, for each item in each task, a copy of the applicable time entries or time sheets shall be submitted showing the name of the person performing the Services, the hours spent by each person, a brief description of the Services, and each reimbursable expense;
- e. The total number of hours of work performed under this Agreement by Consultant and each employee, agent, and subcontractor of Consultant performing the Services hereunder necessary to complete the Services described in Exhibit A;
- f. Receipts for expenses to be reimbursed;

g. The Consultant Representative's signature.

Invoices shall be submitted to:

City of Menifee  
Attn: Accounts Payable  
29844 Haun Road  
Menifee, CA 92586

2.2 Monthly Payment. City shall make monthly payments, based on invoices received, for the Services satisfactorily performed, and for authorized reimbursable costs incurred. City shall have thirty (30) days from the receipt of an invoice that complies with all of the requirements above to pay Consultant.

2.3 Final Payment. City shall pay the last five percent (5%) of the total amount due pursuant to this Agreement within sixty (60) days after completion of the Services and submittal to City of a final invoice, if all of the Services required have been satisfactorily performed.

2.4 Total Payment. City shall not pay any additional sum for any expense or cost whatsoever incurred by Consultant in rendering the Services pursuant to this Agreement. City shall make no payment for any extra, further, or additional service pursuant to this Agreement.

In no event shall Consultant submit any invoice for an amount in excess of the maximum amount of compensation provided above either for a task or for the entirety of the Services performed pursuant to this Agreement, unless this Agreement is modified in writing prior to the submission of such an invoice.

2.5 Hourly Fees. Fees for the Services performed by Consultant on an hourly basis shall not exceed the amounts shown on the fee schedule included with Exhibit A.

2.6 Reimbursable Expenses. Reimbursable expenses are included within the maximum amount of this Agreement.

2.7 Payment of Taxes. Consultant is solely responsible for the payment of employment taxes incurred under this Agreement and any federal or state taxes.

2.8 Payment upon Termination. In the event that City or Consultant terminates this Agreement pursuant to Section 8, City shall compensate Consultant for all outstanding costs and reimbursable expenses incurred for Services satisfactorily completed and for reimbursable expenses as of the date of written notice of termination. Consultant shall maintain adequate logs and timesheets in order to verify costs and reimbursable expenses incurred to that date.

### **SECTION 3. FACILITIES AND EQUIPMENT.**

Except as otherwise provided, Consultant shall, at its sole cost and expense, provide all facilities and equipment necessary to perform the services required by this Agreement. City shall make available to Consultant only physical facilities such as desks, filing cabinets, and conference space, as may be reasonably necessary for Consultant's use while consulting with City employees

and reviewing records and the information in possession of City. The location, quantity, and time of furnishing those facilities shall be in the sole discretion of City. In no event shall City be required to furnish any facility that may involve incurring any direct expense, including but not limited to computer, long-distance telephone or other communication charges, vehicles, and reproduction facilities.

#### **SECTION 4. INSURANCE REQUIREMENTS.**

Before beginning any work under this Agreement, Consultant, at its own cost and expense, shall procure the types and amounts of insurance checked below and provide Certificates of Insurance, indicating that Consultant has obtained or currently maintains insurance that meets the requirements of this section and which is satisfactory, in all respects, to City. Consultant shall maintain the insurance policies required by this section throughout the term of this Agreement. The cost of such insurance shall be included in Consultant's compensation. Consultant shall not allow any subcontractor, consultant or other agent to commence work on any subcontract until Consultant has obtained all insurance required herein for the subcontractor(s) and provided evidence thereof to City. Verification of the required insurance shall be submitted and made part of this Agreement prior to execution. Consultant acknowledges the insurance policy must cover inter-insured suits between City and other Insureds.

4.1 Workers' Compensation. Consultant shall, at its sole cost and expense, maintain Statutory Workers' Compensation Insurance and Employer's Liability Insurance for any and all persons employed directly or indirectly by Consultant pursuant to the provisions of the California Labor Code. Statutory Workers' Compensation Insurance and Employer's Liability Insurance shall be provided with limits of not less than ONE MILLION DOLLARS (\$1,000,000.00) per accident, ONE MILLION DOLLARS (\$1,000,000.00) disease per employee, and ONE MILLION DOLLARS (\$1,000,000.00) disease per policy. In the alternative, Consultant may rely on a self-insurance program to meet those requirements, but only if the program of self-insurance complies fully with the provisions of the California Labor Code. Determination of whether a self-insurance program meets the standards of the California Labor Code shall be solely in the discretion of the Contract Administrator. The insurer, if insurance is provided, or Consultant, if a program of self-insurance is provided, shall waive all rights of subrogation against City and its officers, officials, employees, and authorized volunteers for loss arising from the Services performed under this Agreement.

4.2 Commercial General and Automobile Liability Insurance.

a. General requirements. Consultant, at its own cost and expense, shall maintain commercial general and automobile liability insurance for the term of this Agreement in an amount not less than ONE MILLION DOLLARS (\$1,000,000.00) per occurrence, combined single limit coverage, for risks associated with the Services contemplated by this Agreement, TWO MILLION DOLLARS (\$2,000,000.00) general aggregate, and TWO MILLION DOLLARS (\$2,000,000.00) products/completed operations aggregate. If a Commercial General Liability Insurance or an Automobile Liability Insurance form or other form with a general aggregate limit is used, either the general aggregate limit shall apply separately to the Services to be performed under this Agreement or the general aggregate limit shall be at least twice the required occurrence limit. Such coverage shall include but shall not be limited to, protection

against claims arising from bodily and personal injury, including death resulting therefrom, and damage to property resulting from the Services contemplated under this Agreement, including the use of hired, owned, and non-owned automobiles.

b. Minimum scope of coverage. Commercial general coverage shall be at least as broad as Insurance Services Office Commercial General Liability occurrence form CG 0001. Automobile coverage shall be at least as broad as Insurance Services Office Automobile Liability form CA 0001 Code 2, 8, and 9. No endorsement shall be attached limiting the coverage.

c. Additional requirements. Each of the following shall be included in the insurance coverage or added as a certified endorsement to the policy:

a. The insurance shall cover on an occurrence or an accident basis, and not on a claims-made basis.

b. Any failure of Consultant to comply with reporting provisions of the policy shall not affect coverage provided to City and its officers, employees, agents, and volunteers.

#### 4.3 Professional Liability Insurance.

a. General requirements. Consultant, at its own cost and expense, shall maintain for the period covered by this Agreement professional liability insurance for licensed professionals performing the Services pursuant to this Agreement in an amount not less than ONE MILLION DOLLARS (\$1,000,000) covering the licensed professionals' errors and omissions. Any deductible or self-insured retention shall be shown on the Certificate. If the deductible or self-insured retention exceeds TWENTY-FIVE THOUSAND DOLLARS (\$25,000), it must be approved by City.

b. Claims-made limitations. The following provisions shall apply if the professional liability coverage is written on a claims-made form:

a. The retroactive date of the policy must be shown and must be no later than the commencement of the Services.

b. Insurance must be maintained and evidence of insurance must be provided for at least five (5) years after the expiration or termination of this Agreement or completion of the Services, so long as commercially available at reasonable rates.

c. If coverage is canceled or not renewed and it is not replaced with another claims-made policy form with a retroactive date that precedes the Effective Date of this Agreement, Consultant must provide extended reporting coverage for a minimum of five (5) years after the expiration or termination of this Agreement or the completion of the Services. Such continuation coverage may be provided by one of the following: (1) renewal of the existing policy; (2) an extended reporting period endorsement; or (3) replacement insurance with a retroactive date no later than the commencement of the Services under this Agreement. City shall have the

right to exercise, at Consultant's sole cost and expense, any extended reporting provisions of the policy, if Consultant cancels or does not renew the coverage.

d. A copy of the claim reporting requirements must be submitted to City prior to the commencement of the Services under this Agreement.

#### 4.4 All Policies Requirements.

a. Acceptability of insurers. All insurance required by this Section is to be placed with insurers with a Bests' rating of no less than A:VII and admitted in California.

b. Verification of coverage. Prior to beginning the Services under this Agreement, Consultant shall furnish City with Certificates of Insurance, additional insured endorsement or policy language granting additional insured status complete certified copies of all policies, including complete certified copies of all endorsements. All copies of policies and certified endorsements shall show the signature of a person authorized by that insurer to bind coverage on its behalf. The Certificate of Insurance must include the following reference: **CITY OF MENIFEE: INCLUSIONARY HOUSING FEASIBILITY STUDY AND HOUSING MARKET STUDY.** The name and address for Additional Insured endorsements, Certificates of Insurance and Notice of Cancellation is: City of Menifee, 29844 Haun Road, Menifee, CA 92586. City must be endorsed as an additional insured for liability arising out of ongoing and completed operations by or on behalf of Consultant.

c. Notice of Reduction in or Cancellation of Coverage. Consultant shall provide written notice to City within ten (10) working days if: (1) any of the required insurance policies is terminated; (2) the limits of any of the required policies are reduced; or (3) the deductible or self insured retention is increased.

d. Additional insured; primary insurance. City and its officers, employees, agents, and authorized volunteers shall be covered as additional insureds with respect to each of the following: liability arising out of the Services performed by or on behalf of Consultant, including the insured's general supervision of Consultant; products and completed operations of Consultant, as applicable; premises owned, occupied, or used by Consultant; and automobiles owned, leased, or used by Consultant in the course of providing the Services pursuant to this Agreement. The coverage shall contain no special limitations on the scope of protection afforded to City or its officers, employees, agents, or authorized volunteers. The insurance provided to City as an additional insured must apply on a primary and non-contributory basis with respect to any insurance or self-insurance program maintained by City. Additional insured status shall continue for one (1) year after the expiration or termination of this Agreement or completion of the Services.

A certified endorsement must be attached to all policies stating that coverage is primary insurance with respect to City and its officers, officials, employees, and volunteers, and that no insurance or self-insurance maintained by City shall be called upon to contribute to a loss under the coverage.

e. Deductibles and Self-insured Retentions. Consultant shall obtain the written approval of City for the self-insured retentions and deductibles before beginning any of the Services.

During the term of this Agreement, only upon the prior express written authorization of the Contract Administrator, Consultant may increase such deductibles or self-insured retentions with respect to City, its officers, employees, agents, and volunteers. The Contract Administrator may condition approval of an increase in deductible or self-insured retention levels with a requirement that Consultant procure a bond guaranteeing payment of losses and related investigations, claim administration, and defense expenses that is satisfactory in all respects to each of them.

f. Subcontractors. Consultant shall include all subcontractors as insureds under its policies or shall furnish separate certificates and certified endorsements for each subcontractor. All coverages for subcontractors shall be subject to all of the requirements stated herein.

g. Variation. The Contract Administrator may, but is not required to, approve in writing a variation in the foregoing insurance requirements, upon a determination that the coverage, scope, limits, and forms of such insurance are either not commercially available, or that City's interests are otherwise fully protected.

4.5 Remedies. In addition to any other remedies at law or equity City may have if Consultant fails to provide or maintain any insurance policies or policy endorsements to the extent and within the time herein required, City may, at its sole option, exercise any of the following remedies, which are alternatives to other remedies City may have and are not the exclusive remedy for Consultant's breach:

- a. Obtain such insurance and deduct and retain the amount of the premiums for such insurance from any sums due under this Agreement;
- b. Order Consultant to stop work under this Agreement or withhold any payment that becomes due to Consultant hereunder, or both stop work and withhold any payment, until Consultant demonstrates compliance with the requirements hereof; and/or
- c. Terminate this Agreement.

## **SECTION 5. INDEMNIFICATION.**

5.1 Indemnification for Professional Liability. Where the law establishes a professional standard of care for performance of the Services, to the fullest extent permitted by law, Consultant shall indemnify, protect, defend (with counsel selected by City), and hold harmless City and any and all of its officers, employees, officials, volunteers, and agents from and against any and all claims, losses, costs, damages, expenses, liabilities, liens, actions, causes of action (whether in tort, contract, under statute, at law, in equity, or otherwise) charges, awards, assessments, fines, or penalties of any kind (including reasonable consultant and expert fees and expenses of investigation, costs of whatever kind and nature and, if Consultant fails to provide a defense for City, the legal costs of counsel retained by City) and any judgment (collectively, "Claims") to the extent same are caused in whole or in part by any negligent or wrongful act, error, or omission of Consultant, its officers, agents, employees, or subcontractors (or any entity or individual that Consultant shall bear the legal liability thereof) in the performance of professional services under this Agreement.

5.2 Indemnification for Other than Professional Liability. Other than in the performance of professional services and to the full extent permitted by law, Consultant shall indemnify, protect, defend (with counsel selected by City), and hold harmless City, and any and all of its officers, employees, officials, volunteers, and agents from and against any and all Claims, where the same arise out of, are a consequence of, or are in any way attributable to, in whole or in part, the performance of this Agreement by Consultant or by any individual or entity for which Consultant is legally liable, including but not limited to officers, agents, employees or subcontractors of Consultant.

5.3 Limitation of Indemnification. The provisions of this Section 5 do not apply to claims occurring as a result of City's sole or active negligence. The provisions of this Section 5 shall not release City from liability arising from gross negligence or willful acts or omissions of City or any and all of its officers, officials, employees, and agents acting in an official capacity.

## **SECTION 6. STATUS OF CONSULTANT.**

6.1 Independent Contractor. At all times during the term of this Agreement, Consultant shall be an independent contractor and shall not be an employee of City. City shall have the right to control Consultant only insofar as the results of the Services rendered pursuant to this Agreement and assignment of personnel pursuant to Subparagraph 1.3; however, otherwise City shall not have the right to control the means by which Consultant accomplishes the Services rendered pursuant to this Agreement. The personnel performing the Services under this Agreement on behalf of Consultant shall at all times be under Consultant's exclusive direction and control. Consultant shall not at any time or in any manner represent that it or any of its officers, employees, or agents is in any manner officers, officials, employees, or agents of 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. Except for the fees paid to Consultant as provided in this Agreement, City shall not pay salaries, wages, or other compensation to Consultant for performing the Services hereunder for City. City shall not be liable for compensation or indemnification to Consultant for injury or sickness arising out of performing the Services hereunder. Notwithstanding any other City, state, or federal policy, rule, regulation, law, or ordinance to the contrary, Consultant and any of its employees, agents, and subcontractors providing services under this Agreement shall not qualify for or become entitled to any compensation, benefit, or any incident of employment by City, including but not limited to eligibility to enroll in the California Public Employees Retirement System ("PERS") as an employee of City and entitlement to any contribution to be paid by City for employer contributions and/or employee contributions for PERS benefits.

## **SECTION 7. LEGAL REQUIREMENTS.**

7.1 Governing Law. The laws of the State of California shall govern this Agreement.

7.2 Compliance with Applicable Laws. Consultant and any subcontractor shall comply with all applicable local, state, and federal laws and regulations applicable to the performance of the work hereunder. Consultant shall not hire or employ any person to perform work within City or allow any person to perform the Services required under this Agreement unless such person is properly documented and legally entitled to be employed within the United States. Any and all work subject to prevailing wages, as determined by the Director of Industrial Relations of the State



of California, will be the minimum paid to all laborers, including Consultant's employee and subcontractors. It is understood that it is the responsibility of Consultant to determine the correct scale. The State Prevailing Wage Rates may be obtained from the California Department of Industrial Relations ("DIR") pursuant to California Public Utilities Code, Sections 465, 466, and 467 by calling 415-703-4774. Appropriate records demonstrating compliance with such requirement shall be maintained in a safe and secure location at all times, and readily available at City's request. Consultant shall indemnify, defend, and hold City and its elected and appointed boards, members, officials, officers, agents, representatives, employees, and volunteers harmless from and against any liability, loss, damage, cost or expenses (including but not limited to reasonable attorneys' fees, expert witness fees, court costs, and costs incurred related to any inquiries or proceedings) arising from or related to (i) the noncompliance by Consultant or any party performing the Services of any applicable local, state, and/or federal law, including, without limitation, any applicable federal and/or state labor laws (including, without limitation, the requirement to pay state prevailing wages and hire apprentices); (ii) the implementation of Section 1781 of the Labor Code, as the same may be amended from time to time, or any other similar law; and/or (iii) failure by Consultant or any party performing the Services to provide any required disclosure or identification as required by Labor Code Section 1781, as the same may be amended from time to time, or any other similar law. It is agreed by the Parties that, in connection with performance of the Services, including, without limitation, any and all public works (as defined by applicable law), Consultant shall bear all risks of payment or non-payment of prevailing wages under California law and/or the implementation of Labor Code Section 1781, as the same may be amended from time to time, and/or any other similar law. Consultant acknowledges and agrees that it shall be independently responsible for reviewing the applicable laws and regulations and effectuating compliance with such laws. Consultant shall require the same of all subcontractors.

7.3 Licenses and Permits. Consultant represents and warrants to City that Consultant and its employees, agents, and any subcontractors have all licenses, permits, qualifications, and approvals of whatsoever nature that are legally required to practice their respective professions. Consultant represents and warrants to City that Consultant and its employees, agents, and subcontractors shall, at their sole cost and expense, keep in effect at all times during the term of this Agreement any licenses, permits, and approvals that are legally required to practice their respective professions. In addition to the foregoing, Consultant and any subcontractors shall obtain and maintain during the term of this Agreement valid Business Licenses from City.

## **SECTION 8. TERMINATION AND MODIFICATION.**

8.1 Termination. City may cancel this Agreement at any time and without cause upon written notification to Consultant.

8.2 Termination by Consultant. Consultant may cancel this Agreement upon 30 days' written notice to City.

8.3 Consequences of Termination. In the event of termination, Consultant shall be entitled to compensation for the Services performed up to the date of termination; City, however, may condition payment of such compensation upon Consultant delivering to City any or all documents, photographs, computer software, video and audio tapes, and other materials provided to Consultant or prepared by or for Consultant or City in connection with this Agreement.

8.4 Extension. City may, in its sole and exclusive discretion, extend the end date of this Agreement beyond that provided for in Subsection 1.1. Any such extension shall require a written amendment to this Agreement, as provided for herein. Consultant understands and agrees that, if City grants such an extension, City shall have no obligation to provide Consultant with compensation beyond the maximum amount provided for in this Agreement. Similarly, unless authorized by the Contract Administrator, City shall have no obligation to reimburse Consultant for any otherwise reimbursable expenses incurred during the extension period.

8.5 Amendments. The Parties may amend this Agreement only by a writing signed by all the Parties.

8.6 Assignment and Subcontracting. City and Consultant recognize and agree that this Agreement contemplates personal performance by Consultant and is based upon a determination of Consultant's unique personal competence, experience, and specialized personal knowledge. Moreover, a substantial inducement to City for entering into this Agreement was and is the professional reputation and competence of Consultant. Consultant may not assign this Agreement or any interest therein without the prior written approval of the Contract Administrator. Consultant shall not subcontract any portion of the performance contemplated and provided for herein, other than to the subcontractors noted in Consultant's proposal, without prior written approval of the Contract Administrator. In the event that key personnel leave Consultant's employ, Consultant shall notify City immediately.

8.7 Survival. All obligations arising prior to the expiration or termination of this Agreement and all provisions of this Agreement allocating liability between City and Consultant shall survive the expiration or termination of this Agreement.

8.8 Options upon Breach by Consultant. If Consultant materially breaches any of the terms of this Agreement, City's remedies shall include, but not be limited to, any or all of the following:

- a. Immediately terminate this Agreement;
- b. Retain the plans, specifications, drawings, reports, design documents, and any other work product prepared by Consultant pursuant to this Agreement;
- c. Retain a different consultant to complete the Services described in Exhibit A; and/or
- d. Charge Consultant the difference between the cost to complete the Services described in Exhibit A that is unfinished at the time of breach and the amount that City would have paid Consultant pursuant to Section 2 if Consultant had completed the Services.

## **SECTION 9. KEEPING AND STATUS OF RECORDS.**

9.1 Records Created as Part of Consultant's Performance. All reports, data, maps, models, charts, studies, surveys, photographs, memoranda, plans, studies, specifications, records, files, or any other documents or materials, in electronic or any other form that Consultant prepares or obtains pursuant to this Agreement and that relate to the matters covered hereunder shall be the property of City. Consultant hereby agrees to deliver those documents to City upon the expiration or termination of this Agreement. It is understood and agreed that the documents and other materials, including but not limited to those described above, prepared pursuant to this Agreement are prepared specifically for City and are not necessarily suitable for any future or other use. Any use of such documents for other projects by City shall be without liability to Consultant. City and Consultant agree that, until final approval by City, all data, plans, specifications, reports, and other documents are confidential and will not be released to third parties without prior written consent of both Parties unless required by law.

9.2 Licensing of Intellectual Property. This Agreement creates a non-exclusive and perpetual license for City to copy, use, modify, reuse, or sublicense any and all copyrights, designs, rights of reproduction, and other intellectual property embodied in plans, specifications, studies, drawings, estimates, test data, survey results, models, renderings, and other documents or works of authorship fixed in any tangible medium of expression, including but not limited to, physical drawings, digital renderings, or data stored digitally, magnetically, or in any other medium, which are prepared or caused to be prepared by Consultant under this Agreement ("Documents and Data"). Consultant shall require all subcontractors to agree in writing that City is granted a non-exclusive and perpetual license for any Documents and Data the subcontractor prepares under this Agreement. Consultant represents and warrants that Consultant has the legal right to license any and all Documents and Data. Consultant makes no such representation and warranty in regard to Documents and Data which were prepared by design professionals other than Consultant or provided to Consultant by the City. City shall not be limited in any way in its use of the Documents and Data at any time, provided that any such use not within the purposes intended by this Agreement shall be at City's sole risk.

9.3 Consultant's Books and Records. Consultant shall maintain any and all ledgers, books of account, invoices, vouchers, canceled checks, and other records or documents evidencing or relating to charges for the Services or expenditures and disbursements charged to City under this Agreement for a minimum of three (3) years, or for any longer period required by law, from the date of final payment to Consultant under this Agreement. All such records shall be maintained in accordance with generally accepted accounting principles and shall be clearly identified and readily accessible.

9.4 Inspection and Audit of Records. Any records or documents that Section 9.3 of this Agreement requires Consultant to maintain shall be made available for inspection, audit, and/or copying at any time during regular business hours, upon oral or written request of City. Under California Government Code Section 8546.7, if the amount of public funds expended under this Agreement exceeds TEN THOUSAND DOLLARS (\$10,000.00), this Agreement shall be subject to the examination and audit of the State Auditor, at the request of City or as part of any audit of City, for a period of three (3) years after final payment under this Agreement.

## **SECTION 10. MISCELLANEOUS PROVISIONS.**

10.1 Attorneys' Fees. If either Party to this Agreement brings any action, including an action for declaratory relief, to enforce or interpret the provision of this Agreement, the prevailing Party shall be entitled to reasonable attorneys' fees and expenses including costs, in addition to any other relief to which that Party may be entitled; provided, however, that the attorneys' fees awarded pursuant to this Section shall not exceed the hourly rate paid by City for legal services multiplied by the reasonable number of hours spent by the prevailing Party in the conduct of the litigation. The court may set such fees in the same action or in a separate action brought for that purpose.

10.2 Applicable Law; Venue. The internal laws of the State of California shall govern the interpretation and enforcement of this Agreement. In the event that either Party brings any action against the other under this Agreement, the Parties agree that trial of such action shall be vested exclusively in Riverside County.

10.3 Severability. If any provision of this Agreement is held invalid, the remainder of this Agreement shall not be affected thereby and all other parts of this Agreement shall nevertheless be in full force and effect.

10.4 Section Headings and Subheadings. The section headings and subheadings contained in this Agreement are included for convenience only and shall not limit or otherwise affect the terms of this Agreement.

10.5 No Implied Waiver of Breach. The waiver of any breach of a specific provision of this Agreement does not constitute a waiver of any other breach of that term or any other term of this Agreement.

10.6 Successors and Assigns. The provisions of this Agreement shall inure to the benefit of and shall apply to and bind the successors and assigns of the Parties.

10.7 Consultant Representative. All matters under this Agreement shall be handled for Consultant by Kim McCann ("Consultant's Representative"). The Consultant's Representative shall have full authority to represent and act on behalf of Consultant for all purposes under this Agreement. The Consultant's Representative shall supervise and direct the Services, using his best skill and attention, and shall be responsible for all means, methods, techniques, sequences, and procedures and for the satisfactory coordination of all portions of the Services under this Agreement.

10.8 City Contract Administration. This Agreement shall be administered by a City employee, Doug Darnell, Principal Planner ("Contract Administrator"). All correspondence shall be directed to or through the Contract Administrator or his designee. The Contract Administrator shall have the power to act on behalf of City for all purposes under this Agreement. Unless otherwise provided in this Agreement, Consultant shall not accept direction or orders from any person other than the Contract Administrator or his designee.

10.9 Notices. Any written notice to Consultant shall be sent to:

PLACEWORKS INC.  
Attn: Kim McCann  
3 MAC ARTHUR PLACE, SUITE 1100  
SANTA ANA, CA 92707

Any written notice to City shall be sent to the Contract Administrator at:

City of Menifee  
29844 Haun Road  
Menifee, CA 92586  
Attn: Doug Darnell, Principal Planner

with a copy to:

City Clerk  
City of Menifee  
29844 Haun Road  
Menifee, CA 92586

10.10 Professional Seal. Where applicable in the determination of the Contract Administrator, the first page of a technical report, first page of design specifications, and each page of construction drawings shall be stamped/sealed and signed by the licensed professional responsible for the report/design preparation. The stamp/seal shall be in a block entitled “Seal and Signature of Registered Professional with report/design responsibility,” as in the following example.

Seal and Signature of Registered Professional with report/design responsibility.
---

10.11 Rights and Remedies. Except with respect to rights and remedies expressly declared to be exclusive in this Agreement, the rights and remedies of the Parties are cumulative and the exercise by either Party of one or more of such rights or remedies shall not preclude the exercise by it, at the same or different times, of any other rights or remedies for the same default or any other default by the other Party.

10.12 Integration. This Agreement, including the scope of services attached hereto and incorporated herein as Exhibit A, represents the entire and integrated agreement between City and Consultant and supersedes all prior negotiations, representations, or agreements, either written or oral. The terms of this Agreement shall be construed in accordance with the meaning of the language used and shall not be construed for or against either Party by reason of the authorship of this Agreement or any other rule of construction which might otherwise apply.

10.13 Counterparts. This Agreement may be executed in multiple counterparts, each of which shall be an original and all of which together shall constitute one agreement.

10.14 Execution of Contract. The persons executing this Agreement on behalf of each of the Parties hereto represent and warrant that (i) such Party is duly organized and existing, (ii) they are duly authorized to execute and deliver this Agreement on behalf of said Party, (iii) by so executing this Agreement, such Party is formally bound to the provisions of this Agreement, and (iv) that entering into this Agreement does not violate any provision of any other Agreement to which said Party is bound.

10.15 Nondiscrimination. Consultant covenants that, by and for itself, its heirs, executors, assigns, and all persons claiming under or through them, that in the performance of this Agreement there shall be no discrimination against or segregation of, any person or group of persons on account of any impermissible classification including, but not limited to, race, color, creed, religion, sex, marital status, sexual orientation, national origin, or ancestry.

10.16 No Third Party Beneficiaries. With the exception of the specific provisions set forth in this Agreement, there are no intended third-party beneficiaries under this Agreement and no such other third parties shall have any rights or obligations hereunder.

10.17 Nonliability of City Officers and Employees. No officer, official, employee, agent, representative, or volunteer of City shall be personally liable to Consultant, or any successor in interest, in the event of any default or breach by City or for any amount which may become due to Consultant or to its successor, or for breach of any obligation of the terms of this Agreement.

10.18 No Undue Influence. Consultant declares and warrants that no undue influence or pressure is used against or in concert with any officer or employee of City in connection with the award, terms or implementation of this Agreement, including any method of coercion, confidential financial arrangement, or financial inducement. No officer or employee of City shall receive compensation, directly or indirectly, from Consultant, or from any officer, employee, or agent of Consultant, in connection with the award of this Agreement or any work to be conducted as a result of this Agreement.

10.19 No Benefit to Arise to City Employees. No member, officer, or employee of City, or their designees or agents, and no public official who exercises authority over or has responsibilities with respect to this Agreement during his/her tenure or for one (1) year thereafter, shall have any interest, direct or indirect, in any agreement or sub-agreement, or the proceeds thereof, for the Services to be performed under this Agreement.

[Signatures on Following Page]

IN WITNESS WHEREOF, the Parties hereto have executed and entered into this Agreement as of the Effective Date.

**CITY OF MENIFEE**

**CONSULTANT**

\_\_\_\_\_  
Armando G. Villa, City Manager

\_\_\_\_\_  
Randal W. Jackson, President

Attest:

\_\_\_\_\_  
Kay Vinson, Acting City Clerk

\_\_\_\_\_  
Keith McCann, CEO/CFO

Approved as to Form:

[Note: 2 officer's signatures required if  
Consultant is a corporation, unless provided  
with a certificate of secretary in-lieu]

\_\_\_\_\_  
Jeffrey T. Melching, City Attorney

## **EXHIBIT A**

### **SCOPE OF SERVICES**

Services shall include Inclusionary Housing Feasibility Study & Housing Market Study in the amount not to exceed **EIGHTY FOUR THOUSAND NINE HUNDRED EIGHTY EIGHT DOLLARS AND ZERO CENTS (\$84,988.00)** as further detailed in the following page(s).

**EXHIBIT A.**





RFP 2023-7

## City of Menifee Inclusionary Housing Feasibility Study & Housing Market Study



**SUBMITTED TO:**

**CITY OF MENIFEE**

Jennifer Christoffersen  
Purchasing & Contracts Specialist  
29844 Haun Road  
Menifee CA 92586  
[jchristoffersen@cityofmenifee.us](mailto:jchristoffersen@cityofmenifee.us)

**SUBMITTED BY:**

**PLACEWORKS**

Steve Gunnells  
Chief Economist  
3 MacArthur Place, Suite 1100  
Santa Ana CA 92707  
714.966.9220 | [sgunnells@placeworks.com](mailto:sgunnells@placeworks.com)

~~NOVEMBER 30, 2022~~ JANUARY 24, 2023

[PLACEWORKS.COM](https://placeworks.com)



## 4. PROPOSED PROJECT APPROACH & OVERALL PROJECT SCHEDULE

### Project Understanding

The City of Menifee seeks to prepare a Menifee Housing Study (MHS) that will satisfy two implementation actions that the city has set for itself in its 6th cycle Housing Element: Develop a housing market and impact study and an inclusionary housing feasibility study.

Broadly speaking, the housing market and impact study is focused on addressing constraints and barriers to affordable housing in the city. These potentially include regulatory and other governmental constraints as well as nongovernmental constraints, such as land costs, market demand, lending practices, and other economic and market issues. This study is expected to result in recommendations for policies, strategies, and programs and an evaluation framework with which the city can track progress.

The inclusionary housing feasibility study is intended to result in recommendations and considerations for a potential inclusionary housing policy. With the unprecedented increase in RHNA allocations in many cities and new requirements that the affordable housing sites identified in the housing element be replaced if the sites are developed with other than affordable housing, we are seeing many cities consider adopting inclusionary housing ordinances. The project is also expected to provide recommendations for monitoring and public disclosure of the effectiveness of the inclusionary housing policy.

### Scope of Work

#### Task A. Kick-off Meeting & Project Schedule

PlaceWorks will conduct a project kick-off meeting with City staff. A key purpose for this meeting is for staff to explain the City's expectations for the project, especially for the final products and how the City intends to use these. In addition, PlaceWorks will review the scope of work and the proposed schedule. While we would expect the main points of the scope to be finalized beforehand, at this meeting we will assign dates to expected milestones for the project's completion. Finally, at this meeting we will also:

- Establish protocols for communication between consultant and City staff.
- Review and discuss methodology for the assignment.
- Identify required information needed by the team.
- Establish number and frequency of progress meetings.
- Clarify project objectives and deliverables.

#### *Deliverable(s):*

- » Finalized schedule
- » Summary notes

### Task B. Housing Market Impact Study Component

Preparation of the Housing Market Impact Study encompasses several subtasks.

#### Task B1. Baseline Analysis

PlaceWorks will prepare a baseline analysis of the local housing market. The analysis will summarize key socioeconomic and housing factors, including demographics, economic and market conditions, tenure, student enrollment and housing, and supportive services. The baseline analysis will inform the forecast and gap analysis and the evaluation framework.

#### Task B2. Forecasts and Gap Analysis

PlaceWorks will prepare robust forecasts for population, households, housing needs, and employment. The housing forecasts will be segmented by tenure, price points, and product types. The difference between the current housing stock and the forecast housing needs represents the new housing that will need to be developed. The forecasts will be provided for 5, 10, 15, and 20 years out. The forecasts will also include low and high ranges with a discussion of the trend changes that may raise or lower the actual housing need over time.

#### Task B3. Stakeholder Interviews

To support the barriers analysis subtasks as well as the inclusionary housing feasibility study, PlaceWorks proposes to conduct interviews with stakeholders: market rate housing developers active in the city and the region, affordable housing developers, real estate brokers, and financial institutions. We will collaborate with City staff to identify specific individuals and entities to interview. The scope and budget accommodate up to 12 individual interviews. In our experience, we receive the most candid input when interviews are conducted individually. Furthermore, we find that the interviewees may be more forthcoming when the interviews result in only a summary report without quoting any individuals. Thus, the final report will include a summary of the input received from the interviews.

#### Task B4. Barriers Analysis

As local governments complete their housing elements, a key challenge facing communities throughout California is how to facilitate and create the local conditions that not only encourage the development of housing, but also encourage the type of housing that addresses local needs. Indeed, the housing element requires an assessment of key nongovernmental and governmental factors that individually or cumulatively may constrain the production of housing. The City's housing element includes a policy and program framework to identify potential barriers to improving housing access and production.

To advance this discussion further, PlaceWorks proposes to conduct a peer review of the housing constraints section of the City's recently adopted, 6th cycle, 2021-2029 Housing Element. Specifically, Sections 3.a. "Nongovernmental Constraints" and 3.b. "Governmental Constraints" will be assessed to identify barriers to the City's housing goals and policies. Defining what constitutes a "firm" barrier can be challenging given the many different development scenarios possible in the City and the unique site-specific constraints involved. Specifically, PlaceWorks will:

- Conduct a critical review of factors preventing Menifee's residents from accessing suitable housing.



- Qualitatively assess adopted building and land development codes that impact housing costs, both market rate and affordable housing.
- Analyze the local lending and financing environment to identify any barriers to specific populations, neighborhoods, and housing types.
- Analyze federal, state, and local funding programs; private sector funding/investment opportunities; impacts of market forces, such as cost and availability of developable land; and infrastructure and utility costs (including costs associated with extending utility service) to identify if the development of housing in the city for all income levels for renting and ownership are being hindered or advanced.

To perform this analysis, PlaceWorks will rely on a qualitative assessment of the city potential barriers based on a comparison of codes in similarly situated cities in the region, discussions with developers active in the city or region, and a high-level literature review. To the extent feasible, these findings will be geared to complement the selected prototypes of housing that the City wishes to incentivize with its inclusionary ordinance. This will help ferret out broad-based and city-specific barriers that can be addressed through responsive policies and implementation programs that the City may establish.

#### Task B5. Suitable Housing Policies and Strategies Recommendations

Based on the preceding subtasks, PlaceWorks will prepare a robust list of potential policies, strategies, and programs that can achieve the vision and goals for the strategic plan for suitable housing. The list will be a matrix that includes a description, identification of which office or department or other agency would likely be responsible, cost and funding estimates, and time frame. We will collaborate with City staff to fill out the matrix. We will review the draft list with City staff and finalize it based on the review meeting prior to including it in the draft report.

#### Task B6. Suitable Housing Policies and Strategies Evaluation

PlaceWorks will collaborate with City staff to outline an appropriate evaluation framework. We typically recommend an annual evaluation process that is coordinated with the City's budgeting process. This allows any changes resulting from the evaluation to be incorporated into the budget for the following year. However, some cities begin the budget process sooner than others, so this is not always feasible.

In addition to the framework, we will identify key indicators that can and should be measured. We generally seek to use data that the City already collects or that is readily available. However, we will work with staff, and there are particular new data sources that may be warranted.

Finally, we typically recommend that the evaluation process include a reporting component. Simply publicizing numbers is usually insufficient to foster continual improvement. Instead, the process of crafting an annual report and explaining why things changed as expected or differently than expected is often the most valuable component of an evaluation process.

We will prepare a narrative description of the proposed evaluation process and an initial baseline of the selected indicators.

#### *Deliverable(s).*

We do not anticipate specific deliverables for this task, as the work will be incorporated into the draft report (Task D). However, we do intend to review progress on individual components as work progresses as part of regular semi-monthly progress review meetings with City staff.



### Task C. Inclusionary Housing Feasibility Study Component

Preparation of the Inclusionary Housing Feasibility Study Component encompasses several subtasks.

#### Task C1. Baseline Pro Forma Model

The core of the feasibility analysis is the pro forma model, which calculates the return on investment for each scenario analyzed. PlaceWorks employs a comprehensive, detailed pro forma model that will be customized for Menifee. At the project kick-off meeting (Task A) we will discuss the characteristics that are of most interest to the City—for example, this might include tenure, parking, variations in sales values/rents, required off-site improvements, percent affordable housing, and so forth.

This task covers the initial customization of the pro forma model, including collection of local data on construction costs and market data on market rate rents and sales values. Through the stakeholder interviews (Task B3) we will collect additional information that factors into the baseline pro forma model.

PlaceWorks will work with City staff to identify up to six product types/ development scenarios for the analysis. For each scenario, we will include one version as a for-sale product and a second version as a for-rent product.

We will rely on city staff to provide estimates for development impact fees for each scenario as well as an allowance for likely off-site improvements costs.

#### Task C2. Initial Feasibility Analysis

PlaceWorks will conduct the initial feasibility analysis. We will review the initial results in an online meeting, in which we will walk through each scenario and the results. We find that more often than not, this initial run of the models raises unanticipated questions and a host of “what ifs.” For example, in our work for the City of Hollister, the question arose, Just how much of a density bonus is necessary for 20 percent affordable for owner-occupied single-family subdivisions?

The pro forma estimates the return on investment given the estimated costs and revenues associated with each development scenario and the estimated cost to acquire the land. We typically use an internal rate of return of 15 percent for for-sale products and a cash-on-cash yield of 6 percent for for-rent products. If the project rate of return is equal to or higher than the target rate of return, then the project is feasible. These rates of return are measured against the equity investment in the project. Because the equity for most development projects comes from regional and national capital markets, these rates of return typically do not vary from jurisdiction to jurisdiction. Nevertheless, we will vet the target rate of return through the stakeholder interviews (Task B3).

The pro forma model then varies the estimated land acquisition cost until the project rate of return equals the target rate of return. This final land cost is the residual land value. If the residual land value is less than the estimated cost to acquire the land, then the difference is the amount of subsidy that would be required for the project to be financially feasible. Put another way, the difference can also be used to calculate the increase in rents or sales values that would be necessary for the project to be feasible.



### Task C3. Final Feasibility Analysis

Based on the review meeting with City staff, we will revise the pro forma model and conduct the final run of the financial feasibility analysis. We will prepare a detailed report of the feasibility analysis with the methodology, assumptions, and detailed output tables.

### Task C4. Inclusionary Housing Recommendations

Based on the final feasibility analysis, PlaceWorks will outline considerations for an inclusionary housing policy. This will include a number of decision points the City will need to make (such as resale restrictions for affordable units or the amount of an in-lieu fee); the study's recommendations for each of the decision points, when appropriate; and a description of the rationale. Finally, we will outline monitoring and public disclosure of the effectiveness of the inclusionary housing policy and a process for updating the policy regularly over time.

#### *Deliverable(s):*

We do not anticipate specific deliverables for this task, as the work will be incorporated into the draft report (Task D). However, we do intend to review progress on individual components as work progresses as part of regular semi-monthly progress review meetings with City staff.

### Task D. Draft MHS Study Report

#### Task D1. Draft Report

PlaceWorks will prepare a draft MHS Report, as set forth in the RFP. We anticipate that the report will be fairly lengthy and somewhat complex. We propose to include a robust and graphically rich executive summary that is capable of being distributed as a stand-alone report.

The draft report will include the analyses, discussions, and recommendations described in the preceding tasks. In addition, the report will include the following specific items set forth in the RFP as applicable to the Inclusionary Housing Study Chapter:

- A summary of the research process identifying various sources utilized.
- An accessible and jargon-free overview of the feasibility study methodology and its most significant findings.
- 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.
- Recommendations for the design of an inclusionary housing policy based on the results of the analysis, including:
  - » 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).
  - » The income targets for required affordable rental and ownership units.
  - » The mix of incentives, if any, that would be needed to make the recommended level of affordable housing requirements financially feasible.
  - » The level (or range) of in-lieu fees that would result in the fee option being roughly financially equivalent to the cost of on-site compliance for typical projects.

#### 4. Proposed Project Approach & Overall Project Schedule



- Recommendations of additional housing policy alternatives for consideration by the City for development and adoption of new policies and programs, including inclusionary housing policy, to better address market conditions and needs identified in the study.
- Recommendations regarding best practices for ongoing monitoring and public disclosure of the effectiveness of the inclusionary housing policy (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.
- One or more technical appendices that 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.
- One or more 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.

PlaceWorks will submit the draft report in a digital format. We will conduct one in-person and one online meeting to review the draft with city staff. Based on the two review meetings and one round of consolidated written comments, we will prepare the final report.

***Deliverable(s):***

- » Draft Menifee Housing Study Report, submitted in a digital format
- » One in-person review meeting with City staff
- » One online review meeting with City staff

#### Task D2. Review Meeting

PlaceWorks will submit the draft report in a digital format. We will conduct one in-person and one online meeting to review the draft with city staff. Based on the two review meetings and one round of consolidated written comments, we will prepare the final report.

***Deliverable(s):***

- » Draft Menifee Housing Study Report, submitted in a digital format
- » One in-person review meeting with City staff
- » One online review meeting with City staff

#### Task E. Final MHS Report

PlaceWorks will prepare the final version of the Menifee Housing Study. We will submit the report in a digital format, with a high-resolution file suitable for printing and a lower resolution file suitable for posting on the City's web page.

***Deliverable(s):***

- » Final Menifee Housing Study Report, submitted in a digital format

#### Task F. Presentations

PlaceWorks will conduct two presentations of the MHS Report. The first presentation will be in a workshop format to present preliminary results and recommendations and to obtain input and direction. The second presentation will be a formal presentation of the final report, with a question-and-answer period.



## 4. Proposed Project Approach & Overall Project Schedule

We will collaborate with City staff to schedule the two presentations. However, the first presentation will likely be conducted near the end of Tasks B and C. We will rely on City staff to coordinate the logistics of the two presentations.

For each presentation, PlaceWorks will provide a presentation deck describing the methodology, findings, and recommendations. We will also lead the presentation and discussions.

### *Deliverable(s):*

- » Two in-person presentations
- » PowerPoint presentation deck for each presentation

## Schedule

PlaceWorks proposes a six-month schedule to complete the project. If work begins at the beginning of March, the project would be completed by the end of August 2023. If the project starts at the end of March, then the project would still be completed before the end of September 2023.

	2023	March				April				May				June				July				August				
		6	13	20	27	6	13	20	27	3	10	17	24	1	8	15	22	29	5	12	19	26	3	10	17	24
TASK A: KICK-OFF MEETING & PROJECT SCHEDULE																										
Kick-off Meeting																										
TASK B: HOUSING MARKET IMPACT STUDY COMPONENT																										
2.1 Task B1: Baseline Analysis																										
2.2 Task B2: Forecasts and Gap Analysis																										
2.3 Task B3: Stakeholder Interviews																										
2.4 Task B4: Barriers Analysis																										
2.5 Task B5: Suitable Housing Policies and Strategies Recommendations																										
2.6 Task B6: Suitable Housing Policies and Strategies Evaluation																										
TASK C: INCLUSIONARY HOUSING FEASIBILITY STUDY COMPONENT																										
3.1 Task C1: Baseline Pro Forma Model																										
3.2 Task C2: Initial Feasibility Analysis																										
3.3 Task C3: Final Feasibility Analysis																										
3.4 Task C4: Inclusionary Housing Recommendations																										
TASK D: DRAFT MHS STUDY REPORT																										
4.1 Task D1: Draft Report																										
4.2 Task D2: Review Meeting																										
TASK E: FINAL MHS REPORT																										
5.1 Final MHS Report																										
TASK F: PRESENTATIONS																										
6.1 Presentations																										



## ATTACHMENT A: COST PROPOSAL & ACCEPTANCE OF PROPOSED CONTRACT/AGREEMENT

For each task during the term of the Agreement, please submit the estimated hours and extended cost for each person assigned to this project. Proposers must submit cost proposals for the complete scope of work. Each cost option shall include all possible direct and indirect costs, travel, insurance, overhead, labor, profit, rebates, contingent commissions, renewal commissions, service fees, and any other expenses.

The City reserves the right to add or remove services over the contract term. The City reserves the right to award the Service(s) listed on this solicitation "individually", by "groups", "all or none", or by any other method as deemed in the best interest of the City.

Please state the firm fixed hourly rates and list the position title for each project team member. The hourly rates shall be firm for the base term of the contract effective August 3, 2022 – August 2, 2024. Rates shall be fully burdened and include all labor, taxes, profit, general & administrative expenses, overhead, and insurance incurred by the Consultant. The below rates will apply to all Tasks, additional supplemental services or for updates outside of the existing Scope of Work.

**Please complete and return Attachment A: Cost Proposal file and provide detailed cost breakdown. Attachment A: Cost Proposal must be completed and uploaded for a complete proposal.**

Task #	Description Assessment of Current Programs	Estimated Number of Hours to Complete	Price
A	Kick Off Meeting and Project Schedule	15	\$ 2,938
B	Housing Market Study Research & Analysis Component	125	25,184
C	Inclusionary Housing Feasibility Study Research & Analysis Component	132	23,501
D	Draft MHS Study Report	78	14,770
E	Final Revised Draft MHS Study	54	8,894
F	Workshop Presentation to Planning Commission & City Council	40	8,323
	<b>SUBTOTAL - LABOR</b>	<b>444</b>	<b>\$ 83,609</b>

Additional Services	Please provide pricing for any additional services not included above	Estimated Number of Hours to Complete	Price
Claritas/Travel	\$1,000 for Claritas Data; Remainder = Travel	--	\$ 1,379
		--	
		<b>GRAND TOTAL</b>	<b>\$ 84,988</b>

### HOURLY RATES:

Title	Hourly Rate
Principal	\$210–\$335
Associate Principal	\$195–\$275
Senior Associate II	\$170–\$260
Senior Associate I	\$160–\$215
Associate II	\$135–\$190
Associate I	\$125–\$175
Project Planner	\$105–\$165
Planner	\$90–\$145
Graphics Specialist	\$90–\$155
Administrator	\$145–\$200
Clerical/Word Processing/Technical Editor	\$45–\$150
Intern	\$80–\$115

Subconsultants are billed at cost plus 10%.  
 Mileage reimbursement rate is the standard IRS-approved rate.