

**CITY OF SANTA ROSA
PROFESSIONAL SERVICES AGREEMENT
WITH OPTICOS DESIGN, INC.
AGREEMENT NUMBER _____**

This "Agreement" is made as of this ____ day of _____, 2021, by and between the City of Santa Rosa, a municipal corporation ("City"), and Opticos Design, Inc. a California Corporation ("Consultant").

R E C I T A L S

A. City desires to create policies and standards to accommodate by-right construction, replacement or conversion of standard single-family homes and remodels to produce missing middle infill housing. These changes would allow for an the increased production of housing units of varying types and affordability, and in areas currently planned for Medium Density (8-18 units per acre) or Medium Low Density (8-13 units per acre) residential development. Criteria for these new units would include form-based design standards that ensure a scale compatible with single family neighborhoods.

B. City desires to retain a qualified firm to conduct the services described above in accordance with the Scope of Services as more particularly set forth in Exhibit A to the Agreement.

C. Consultant represents to City that it is a firm composed of highly trained professionals and is fully qualified to conduct the services described above and render advice to City in connection with said services.

D. The parties have negotiated upon the terms pursuant to which Consultant will provide such services and have reduced such terms to writing.

AGREEMENT

NOW, THEREFORE, City and Consultant agree as follows:

1. SCOPE OF SERVICES

Consultant shall provide to City the services described in Exhibit A ("Scope of Services"). Consultant shall provide these services at the time, place, and in the manner specified in Exhibit A. Exhibit A is attached hereto for the purpose of defining the manner and scope of services to be provided by Consultant and is not intended to, and shall not be construed so as to, modify or expand the terms, conditions or provisions contained in this Agreement. In the event of any conflict between this Agreement and any terms or conditions of any document prepared or provided by Consultant and made a part of this Agreement, including without limitation any document relating to the scope of services or payment therefor, the terms of this Agreement shall control and prevail.

2. COMPENSATION

a. City shall pay Consultant for services rendered pursuant to this Agreement at the

rates, times and in the manner set forth in Exhibit B. Consultant shall submit monthly statements to City which shall itemize the services performed as of the date of the statement and set forth a progress report, including work accomplished during the period, percent of each task completed, and planned effort for the next period. Invoices shall identify personnel who have worked on the services provided, the number of hours each worked during the period covered by the invoice, the hourly rate for each person, and the percent of the total project completed, consistent with the rates and amounts shown in Exhibit B.

b. The payments prescribed herein shall constitute all compensation to Consultant for all costs of services, including, but not limited to, direct costs of labor of employees engaged by Consultant, travel expenses, telephone charges, copying and reproduction, computer time, and any and all other costs, expenses and charges of Consultant, its agents and employees. In no event shall City be obligated to pay late fees or interest, whether or not such requirements are contained in Consultant's invoice.

c. Notwithstanding any other provision in this Agreement to the contrary, the total maximum compensation to be paid for the satisfactory accomplishment and completion of all services to be performed hereunder shall in no event exceed the sum of one-hundred seventy-two thousand and eighty-seven dollars and no cents (\$172,087). The City's Chief Financial Officer is authorized to pay all proper claims from Charge Number 08055.

3. DOCUMENTATION; RETENTION OF MATERIALS

a. Consultant shall maintain adequate documentation to substantiate all charges as required under Section 2 of this Agreement.

b. Consultant shall keep and maintain full and complete documentation and accounting records concerning all extra or special services performed by it that are compensable by other than an hourly or flat rate and shall make such documents and records available to authorized representatives of City for inspection at any reasonable time.

c. Consultant shall maintain the records and any other records related to the performance of this Agreement and shall allow City access to such records during the performance of this Agreement and for a period of four (4) years after completion of all services hereunder.

4. INDEMNITY

a. Consultant shall, to the fullest extent permitted by law, indemnify, protect, defend and hold harmless City, and its employees, officials and agents ("Indemnified Parties") from all claims, demands, costs or liability (including liability for claims, suits, actions, arbitration proceedings, administrative proceedings, regulatory proceedings, losses, expenses or costs of any kind, interest, defense costs, and expert witness fees), that arise out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of Consultant, its officers, employees, or agents, in said performance of professional services under this Agreement, excepting only liability arising from the sole negligence, active negligence or intentional misconduct of City.

b. The existence or acceptance by City of any of the insurance policies or coverages described in this Agreement shall not affect or limit any of City's rights under this Section 4, nor shall the limits of such insurance limit the liability of Consultant hereunder. This Section 4 shall not apply to any intellectual property claims, actions, lawsuits or other proceedings subject to the provisions of Section 17(b), below. The provisions of this Section 4 shall survive any expiration or termination of this Agreement.

5. INSURANCE

a. Consultant shall maintain in full force and effect all of the insurance coverage described in, and in accordance with, Attachment One, "Insurance Requirements." Maintenance of the insurance coverage set forth in Attachment One is a material element of this Agreement and a material part of the consideration provided by Consultant in exchange for City's agreement to make the payments prescribed hereunder. Failure by Consultant to (i) maintain or renew coverage, (ii) provide City notice of any changes, modifications, or reductions in coverage, or (iii) provide evidence of renewal, may be treated by City as a material breach of this Agreement by Consultant, whereupon City shall be entitled to all rights and remedies at law or in equity, including but not limited to immediate termination of this Agreement. Notwithstanding the foregoing, any failure by Consultant to maintain required insurance coverage shall not excuse or alleviate Consultant from any of its other duties or obligations under this Agreement. In the event Consultant, with approval of City pursuant to Section 6 below, retains or utilizes any subcontractors or subconsultants in the provision of any services to City under this Agreement, Consultant shall assure that any such subcontractor has first obtained, and shall maintain, all of the insurance coverages set forth in the Insurance Requirements in Attachment One.

b. Consultant agrees that any available insurance proceeds broader than or in excess of the coverages set forth in the Insurance Requirements in Attachment One shall be available to the additional insureds identified therein.

c. Consultant agrees that the insurance coverages and limits provided under this Agreement are the greater of: (i) the coverages and limits specified in Attachment One, or (ii) the broader coverages and maximum limits of coverage of any insurance policy or proceeds available to the name insureds.

6. ASSIGNMENT

Consultant shall not assign any rights or duties under this Agreement to a third party without the express prior written consent of City, in City's sole and absolute discretion. Consultant agrees that the City shall have the right to approve any and all subcontractors and subconsultants to be used by Consultant in the performance of this Agreement before Consultant contracts with or otherwise engages any such subcontractors or subconsultants.

7. NOTICES

Except as otherwise provided in this Agreement, any notice, submittal or communication required or permitted to be served on a party, shall be in writing and may be served by personal delivery to the person or the office of the person identified below. Service may also be made by mail, by placing

first-class postage, and addressed as indicated below, and depositing in the United States mail to:

City Representative:

Amy Nicholson, Senior Planner
100 Santa Rosa Avenue, Room 3
Santa Rosa, CA 95404
707-543-3258 (phone)
anicholson@srcity.org

Consultant Representative:

Mitali Ganguly
2100 Milvia Street, Suite 125
Berkeley, CA 94704
510-809-9511
mitali.ganguly@opticosdesign.com

8. INDEPENDENT CONTRACTOR

a. It is understood and agreed that Consultant (including Consultant's employees) is an independent contractor and that no relationship of employer-employee exists between the parties hereto for any purpose whatsoever. Neither Consultant nor Consultant's assigned personnel shall be entitled to any benefits payable to employees of City. City is not required to make any deductions or withholdings from the compensation payable to Consultant under the provisions of this Agreement, and Consultant shall be issued a Form 1099 for its services hereunder. As an independent contractor, Consultant hereby agrees to indemnify and hold City harmless from any and all claims that may be made against City based upon any contention by any of Consultant's employees or by any third party, including but not limited to any state or federal agency, that an employer-employee relationship or a substitute therefor exists for any purpose whatsoever by reason of this Agreement or by reason of the nature and/or performance of any services under this Agreement.

b. It is further understood and agreed by the parties hereto that Consultant, in the performance of Consultant's obligations hereunder, is subject to the control and direction of City as to the designation of tasks to be performed and the results to be accomplished under this Agreement, but not as to the means, methods, or sequence used by Consultant for accomplishing such results. To the extent that Consultant obtains permission to, and does, use City facilities, space, equipment or support services in the performance of this Agreement, this use shall be at the Consultant's sole discretion based on the Consultant's determination that such use will promote Consultant's efficiency and effectiveness. Except as may be specifically provided elsewhere in this Agreement, the City does not require that Consultant use City facilities, equipment or support services or work in City locations in the performance of this Agreement.

c. If, in the performance of this Agreement, any third persons are employed by Consultant, such persons shall be entirely and exclusively under the direction, supervision, and control of Consultant. Except as may be specifically provided elsewhere in this Agreement, all terms of employment, including hours, wages, working conditions, discipline, hiring, and discharging, or any other terms of employment or requirements of law, shall be determined by Consultant. It is further understood and agreed that Consultant shall issue W-2 or 1099 Forms for income and employment tax purposes, for all of Consultant's assigned personnel and subcontractors.

d. The provisions of this Section 8 shall survive any expiration or termination of this Agreement. Nothing in this Agreement shall be construed to create an exclusive relationship between

City and Consultant. Consultant may represent, perform services for, or be employed by such additional persons or companies as Consultant sees fit.

9. ADDITIONAL SERVICES

Changes to the Scope of Services shall be by written amendment to this Agreement and shall be paid on an hourly basis at the rates set forth in Exhibit B, or paid as otherwise agreed upon by the parties in writing prior to the provision of any such additional services.

10. SUCCESSORS AND ASSIGNS

City and Consultant each binds itself, its partners, successors, legal representatives and assigns to the other party to this Agreement and to the partners, successors, legal representatives and assigns of such other party in respect of all promises and agreements contained herein.

11. TERM, SUSPENSION, TERMINATION

a. This Agreement shall become effective on the date that it is made, set forth on the first page of the Agreement, and shall continue in effect until both parties have fully performed their respective obligations under this Agreement, unless sooner terminated as provided herein.

b. City shall have the right at any time to temporarily suspend Consultant's performance hereunder, in whole or in part, by giving a written notice of suspension to Consultant. If City gives such notice of suspension, Consultant shall immediately suspend its activities under this Agreement, as specified in such notice.

c. City shall have the right to terminate this Agreement for convenience at any time by giving a written notice of termination to Consultant. Upon such termination, Consultant shall submit to City an itemized statement of services performed as of the date of termination in accordance with Section 2 of this Agreement. These services may include both completed work and work in progress at the time of termination. City shall pay Consultant for any services for which compensation is owed; provided, however, City shall not in any manner be liable for lost profits that might have been made by Consultant had the Agreement not been terminated or had Consultant completed the services required by this Agreement. Consultant shall promptly deliver to City all documents related to the performance of this Agreement in its possession or control. All such documents shall be the property of City without additional compensation to Consultant.

12. TIME OF PERFORMANCE

The services described herein shall be provided during the period, or in accordance with the schedule, set forth in Exhibit A. Consultant shall complete all the required services and tasks and complete and tender all deliverables to the reasonable satisfaction of City, not later than November 1, 2021.

13. STANDARD OF PERFORMANCE

Consultant shall perform all services performed under this Agreement in the manner and according to the standards currently observed by a competent practitioner of Consultant's profession in California. All products of whatsoever nature that Consultant delivers to City shall be prepared in a professional manner and conform to the standards of quality normally observed by a person currently practicing in Consultant's profession, and shall be provided in accordance with any schedule of performance. Consultant shall assign only competent personnel to perform services under this Agreement. Consultant shall notify City in writing of any changes in Consultant's staff assigned to perform the services under this Agreement prior to any such performance. In the event that City, at any time, desires the removal of any person assigned by Consultant to perform services under this Agreement, because City, in its sole discretion, determines that such person is not performing in accordance with the standards required herein, Consultant shall remove such person immediately upon receiving notice from City of the desire of City for the removal of such person.

14. CONFLICTS OF INTEREST

Consultant covenants that neither it, nor any officer or principal of its firm, has or shall acquire any interest, directly or indirectly, that would conflict in any manner with the interests of City or that would in any way hinder Consultant's performance of services under this Agreement. Consultant further covenants that in the performance of this Agreement, no person having any such interest shall be employed by it as an officer, employee, agent or subcontractor, without the written consent of City. Consultant agrees to avoid conflicts of interest or the appearance of any conflicts of interest with the interests of City at all times during the performance of this Agreement.

15. CONFLICT OF INTEREST REQUIREMENTS

a. **Generally.** The City's Conflict of Interest Code requires that individuals who qualify as "consultants" under the Political Reform Act, California Government Code sections 87200 *et seq.*, comply with the conflict of interest provisions of the Political Reform Act and the City's Conflict of Interest Code, which generally prohibit individuals from making or participating in the making of decisions that will have a material financial effect on their economic interests. The term "consultant" generally includes individuals who make governmental decisions or who serve in a staff capacity.

b. **Conflict of Interest Statements.** The individual(s) who will provide services or perform work pursuant to this Agreement are "consultants" within the meaning of the Political Reform Act and the City's Conflict of Interest Code:

yes no

If "yes" is checked by the City, Consultant shall cause the following to occur within 30 days after execution of this Agreement:

- (1) Identify the individuals who will provide services or perform work under this Agreement as "consultants"; and
- (2) Cause these individuals to file with the City Clerk the assuming office statements of economic interests required by the City's Conflict of Interest Code.

Thereafter, throughout the term of the Agreement, Consultant shall cause these individuals to file with the City Clerk annual statements of economic interests, and "leaving office" statements of economic interests, as required by the City's Conflict of Interest Code.

The above statements of economic interests are public records subject to public disclosure under the California Public Records Act. The City may withhold all or a portion of any payment due under this Agreement until all required statements are filed.

16. CONFIDENTIALITY OF CITY INFORMATION

During performance of this Agreement, Consultant may gain access to and use City information regarding inventions, machinery, products, prices, apparatus, costs, discounts, future plans, business affairs, governmental affairs, processes, trade secrets, technical matters, systems, facilities, customer lists, product design, copyright, data, and other vital information (hereafter collectively referred to as "City Information") that are valuable, special and unique assets of the City. Consultant agrees to protect all City Information and treat it as strictly confidential, and further agrees that Consultant shall not at any time, either directly or indirectly, divulge, disclose or communicate in any manner any City Information to any third party without the prior written consent of City. In addition, Consultant shall comply with all City policies governing the use of the City network and technology systems. A violation by Consultant of this Section 16 shall be a material violation of this Agreement and shall justify legal and/or equitable relief.

17. CONSULTANT INFORMATION

a. City shall have full ownership and control, including ownership of any copyrights, of all information prepared, produced, or provided by Consultant pursuant to this Agreement. In this Agreement, the term "information" shall be construed to mean and include: any and all work product, submittals, reports, plans, specifications, and other deliverables consisting of documents, writings, handwritings, typewriting, printing, photostatting, photographing, computer models, and any other computerized data and every other means of recording any form of information, communications, or representation, including letters, works, pictures, drawings, sounds, or symbols, or any combination thereof. Consultant shall not be responsible for any unauthorized modification or use of such information for other than its intended purpose by City. Notwithstanding the foregoing, Consultant shall retain full ownership and control, including ownership of any copyrights, of all of its proprietary intellectual property prepared or produced prior to the execution of this contract, including software and scripts, style sheets, and macros, drawings and images. All proprietary intellectual property included in deliverables shall be clearly marked as such by Consultant.

b. Consultant shall fully defend, indemnify and hold harmless City, its officers and employees, and each and every one of them, from and against any and all claims, actions, lawsuits or other proceedings alleging that all or any part of the information prepared, produced, or provided by Consultant pursuant to this Agreement infringes upon any third party's trademark, trade name, copyright, patent or other intellectual property rights. City shall make reasonable efforts to notify Consultant not later than ten (10) days after City is served with any such claim, action, lawsuit or other proceeding,

provided that City's failure to provide such notice within such time period shall not relieve Consultant of its obligations hereunder, which shall survive any termination or expiration of this Agreement.

c. All proprietary and other information received from Consultant by City, whether received in connection with Consultant's proposal, will be disclosed upon receipt of a request for disclosure, pursuant to the California Public Records Act; provided, however, that, if any information is set apart and clearly marked "trade secret" when it is provided to City, City shall give notice to Consultant of any request for the disclosure of such information. Consultant shall then have five (5) days from the date it receives such notice to enter into an agreement with the City, satisfactory to the City Attorney, providing for the defense of, and complete indemnification and reimbursement for all costs (including plaintiff's attorneys' fees) incurred by City in any legal action to compel the disclosure of such information under the California Public Records Act. Consultant shall have sole responsibility for defense of the actual "trade secret" designation of such information.

d. The parties understand and agree that any failure by Consultant to respond to the notice provided by City and/or to enter into an agreement with City, in accordance with the provisions of subsection c, above, shall constitute a complete waiver by Consultant of any rights regarding the information designated "trade secret" by Consultant, and such information shall be disclosed by City pursuant to applicable procedures required by the Public Records Act.

18. MISCELLANEOUS

a. Entire Agreement. This Agreement contains the entire agreement between the parties. Any and all verbal or written agreements made prior to the date of this Agreement are superseded by this Agreement and shall have no further effect.

b. Modification. No modification or change to the terms of this Agreement will be binding on a party unless in writing and signed by an authorized representative of that party.

c. Compliance with Laws. Consultant shall perform all services described herein in compliance with all applicable federal, state and local laws, rules, regulations, and ordinances, including but not limited to, (i) the Americans with Disabilities Act of 1990 (42 U.S.C. 12101, et seq.) ("ADA"), and any regulations and guidelines issued pursuant to the ADA; and (ii) Labor Code sections 1720, et seq., which require prevailing wages (in accordance with DIR determinations at www.dir.ca.gov) be paid to any employee performing work covered by Labor Code sections 1720 et seq. Consultant shall pay to the City when due all business taxes payable by Consultant under the provisions of Chapter 6-04 of the Santa Rosa City Code. The City may deduct any delinquent business taxes, and any penalties and interest added to the delinquent taxes, from its payments to Consultant.

d. Discrimination Prohibited. With respect to the provision of services under this Agreement, Consultant agrees not to discriminate against any person because of the race, religious creed, color, national origin, ancestry, physical disability, mental disability, medical condition, genetic information, marital status, sex, gender, gender identity, gender expression, age, sexual orientation, or military and veteran status of that person.

e. Governing Law; Venue. This Agreement shall be governed, construed and enforced in accordance with the laws of the State of California. Venue of any litigation arising out of or connected with this Agreement shall lie exclusively in the state trial court in Sonoma County in the State of California, and the parties consent to jurisdiction over their persons and over the subject matter of any such litigation in such court, and consent to service of process issued by such court.

f. Waiver of Rights. Neither City acceptance of, or payment for, any service or performed by Consultant, nor any waiver by either party of any default, breach or condition precedent, shall be construed as a waiver of any provision of this Agreement, nor as a waiver of any other default, breach or condition precedent or any other right hereunder.

g. Incorporation of Attachments and Exhibits. The attachments and exhibits to this Agreement are incorporated and made part of this Agreement, subject to terms and provisions herein contained.

19. AUTHORITY; SIGNATURES REQUIRED FOR CORPORATIONS

Consultant hereby represents and warrants to City that it is (a) a duly organized and validly existing Corporation, formed and in good standing under the laws of the State of California, (b) has the power and authority and the legal right to conduct the business in which it is currently engaged, and (c) has all requisite power and authority and the legal right to consummate the transactions contemplated in this Agreement. Consultant hereby further represents and warrants that this Agreement has been duly authorized, and when executed by the signatory or signatories listed below, shall constitute a valid agreement binding on Consultant in accordance with the terms hereof.

If this Agreement is entered into by a corporation, it shall be signed by two corporate officers, one from each of the following two groups: a) the chairman of the board, president or any vice-president; b) the secretary, any assistant secretary, chief financial officer, or any assistant treasurer. The title of the corporate officer shall be listed under the signature.

20. COUNTERPARTS AND ELECTRONIC SIGNATURES

This Agreement and future documents relating thereto may be executed in two or more counterparts, each of which will be deemed an original and all of which together constitute one Agreement. Counterparts and/or signatures delivered by facsimile, pdf or City-approved electronic means have the same force and effect as the use of a manual signature. Both City and Consultant wish to permit this Agreement and future documents relating thereto to be electronically signed in accordance with applicable federal and California law. Either Party to this Agreement may revoke its permission to use electronic signatures at any time for future documents by providing notice pursuant to the Agreement. The Parties agree that electronic signatures, by their respective signatories are intended to authenticate such signatures and to give rise to a valid, enforceable, and fully effective Agreement. The City reserves the right to reject any signature that cannot be positively verified by the City as an authentic electronic signature.

Executed as of the day and year first above stated.

CONSULTANT:

Name of Firm:Opticos Design, Inc.

TYPE OF BUSINESS ENTITY (*check one*):

- Individual/Sole Proprietor
- Partnership
- Corporation
- Limited Liability Company
- Other (please specify: _____)

Signatures of Authorized Persons:

By: _____

Print Name:_____

Title: _____

By: _____

Print Name:_____

Title: _____

City of Santa Rosa Business Tax Cert. No.

Attachments:

Attachment One - Insurance Requirements

Exhibit A - Scope of Services

Exhibit B - Compensation

CITY OF SANTA ROSA

a Municipal Corporation

By:_____

Print
Name:_____

Title:_____

APPROVED AS TO FORM:

Office of the City Attorney

ATTEST:

City Clerk

**ATTACHMENT ONE
INSURANCE REQUIREMENTS FOR
PROFESSIONAL SERVICES AGREEMENTS**

- A. Insurance Policies:** Consultant shall, at all times during the terms of this Agreement, maintain and keep in full force and effect, the following policies of insurance with minimum coverage as indicated below and issued by insurers with AM Best ratings of no less than A-:VI or otherwise acceptable to the City.

Insurance	Minimum Coverage Limits	Additional Coverage Requirements
1. Commercial general liability	\$ 1 million per occurrence \$ 2 million aggregate	Coverage must be at least as broad as ISO CG 00 01 and must include completed operations coverage. If insurance applies separately to a project/location, aggregate may be equal to per occurrence amount. Coverage may be met by a combination of primary and umbrella or excess insurance but umbrella and excess shall provide coverage at least as broad as specified for underlying coverage. Coverage shall not exclude subsidence.
2. Business auto coverage	\$ 1 million	ISO Form Number CA 00 01 covering any auto (Code 1), or if Consultant has no owned autos, hired, (Code 8) and non-owned autos (Code 9), with limit no less than \$ 1 million per accident for bodily injury and property damage.
3. Professional liability (E&O)	\$ 1 million per claim \$ 1 million aggregate	Consultant shall provide on a policy form appropriate to profession. If on a claims made basis, Insurance must show coverage date prior to start of work and it must be maintained for three years after completion of work.
4. Workers' compensation and employer's liability	\$ 1 million	As required by the State of California, with Statutory Limits and Employer's Liability Insurance with limit of no less than \$ 1 million per accident for bodily injury or disease. The Workers' Compensation policy shall be endorsed with a waiver of subrogation in favor of the City for all work performed by the Consultant, its employees, agents and subcontractors.

B. Endorsements:

1. All policies shall provide or be endorsed to provide that coverage shall not be canceled, except after prior written notice has been provided to the City in accordance with the policy provisions.

2. Liability, umbrella and excess policies shall provide or be endorsed to provide the following:
 - a. For any claims related to this project, Consultant's insurance coverage shall be primary and any insurance or self-insurance maintained by City shall be excess of the Consultant's insurance and shall not contribute with it; and,
 - b. **The City of Santa Rosa, its officers, agents, employees and volunteers are to be covered as additional insureds on the CGL policy.** General liability coverage can be provided in the form of an endorsement to Consultant's insurance at least as broad as ISO Form CG 20 10 11 85 or if not available, through the addition of both CG 20 10 and CG 20 37 if a later edition is used.

C. Verification of Coverage and Certificates of Insurance: Consultant shall furnish City with original certificates and endorsements effecting coverage required above. Certificates and endorsements shall make reference to policy numbers. All certificates and endorsements are to be received and approved by the City before work commences and must be in effect for the duration of the Agreement. The City reserves the right to require complete copies of all required policies and endorsements.

D. Other Insurance Provisions:

1. No policy required by this Agreement shall prohibit Consultant from waiving any right of recovery prior to loss. Consultant hereby waives such right with regard to the indemnitees.
2. All insurance coverage amounts provided by Consultant and available or applicable to this Agreement are intended to apply to the full extent of the policies. Nothing contained in this Agreement limits the application of such insurance coverage. Defense costs must be paid in addition to coverage amounts.
3. Policies containing any self-insured retention (SIR) provision shall provide or be endorsed to provide that the SIR may be satisfied by either Consultant or City. Self-insured retentions above \$10,000 must be approved by City. At City's option, Consultant may be required to provide financial guarantees.
4. Sole Proprietors must provide a representation of their Workers' Compensation Insurance exempt status.
5. City reserves the right to modify these insurance requirements while this Agreement is in effect, including limits, based on the nature of the risk, prior experience, insurer, coverage, or other special circumstances.



March 11th, 2021

Amy Nicholson
Senior Planner, Planning and Economic Development
City of Santa Rosa

Re: Santa Rosa Missing Middle Housing (MMH) Initiative

Dear Amy,

We're pleased to present you with Opticos' updated scope for the Santa Rosa MMH Study. We've expanded on the tasks proposed in our original submittal based on our discussion with you and Amy Lyle. We've also incorporated scope tasks from Strategic Economics (SE) and Rincon Consultants (RC) for the financial feasibility and EIR addendum tasks.

Please review this scope along with the Cost Table and let us know if you have any questions or suggestions.

Task 1. Project Start-Up and Existing Conditions Analysis

1A. Kick-off Meeting. The project team (Opticos, SE and RC) will meet with the City to confirm project goals, scope and deliverables, and receive relevant background information. Ahead of the meeting, Opticos will provide a list of GIS files and background information needed, as well as examples of recently completed smaller housing projects in the City and contact information for local developers and other potential interviewees for Task 1B.

At the kick-off meeting, Opticos will provide an Analysis Approach Memo outlining the methodology and data to be used for the analysis in Tasks 1C, 1D and 1E. Rincon will provide an EIR Methodology Memo outlining the proposed approach to the environmental analysis and a discussion of whether an addendum would be the appropriate level of documentation (or if additional scope and budget may be required for a higher level of review). If an addendum is confirmed as the appropriate document, the memo will briefly describe the proposed methodology and data to be used and the proposed organization and format of the addendum. This will include a list of key issue areas and related assumptions and thresholds of significance.

1B. Developer Interviews. Strategic Economics will interview up to 6 developers, architects, and/or other local experts to gather information about opportunities and challenges of Missing Middle Housing (MMH) that may influence the design of appropriate building types, as well as to obtain revenue and cost inputs for use in the

pro forma analysis in Task 2B. The findings from the interviews will be shared with the team.

1C. City-wide Placetypes and Building Types Analysis. Following the outline and methodology established at the kick-off meeting, Opticos will carry out a high-level city-wide Placetypes Analysis to identify potential areas for MMH development and categorize them according to characteristics such as access to transit, services and amenities, adjacent uses, intensity of development, etc. The analysis will also catalog existing building types, and MMH types, if any. The findings will be presented in the form of maps and a matrix of identifying characteristics in the MMH Analysis Memo.

1D. Establish Lot Categories. Opticos will map existing lot widths and lot depths city-wide, to establish lot categories which will then be tested with applicable MMH building types in Task 2. Missing Middle building types have distinct physical attributes, and this lot analysis will help determine the palette of building types that each lot category can support. We are assuming that all existing lots will be categorized into one of four categories - Small (S), Medium (M), Large (L) and Extra Large (XL). The lot categories will be summarized in the MMH Analysis Memo as a matrix, identifying applicable MMH types for each.

1E. Regulatory System Analysis. In parallel to Tasks 1C and 1D, the team will analyze existing codes, policies, standards, and fee structure with the help of City staff to identify barriers to MMH. These will be summarized as tables and simple graphics in the MMH Analysis Memo.

TASK 1 DELIVERABLES:

- Background information and GIS data request memo
- Attend kick-off meeting
- Analysis Approach Memo outlining methodology, data for analysis, and outline of MMH Analysis Memo
- EIR Methodology Memo outlining methodology, assumptions, organization and format for EIR Addendum
- Up to 6 virtual meetings with developers and consolidated meeting notes
- MMH Analysis Memo (MS Word/ PPT format) including analysis maps and summary tables summarizing placetype characteristics, existing building types and MMH types; analysis and matrix of lot categories showing applicable MMH types; and matrix of limiting factors to MMH development

Task 2. MMH Analysis and Zoning Districts

2A. Working Session. The project team will organize a working session with City staff to present findings to date from the analysis in Task 1 and get consensus on test fits to be carried out in Task 2B. In this session, Opticos will also discuss the proposed methodology for Test Fits and Financial Feasibility Analysis as part of Task 2A and 2B, and summarize this as a memo.

2B. Physical Test Fits + Financial Feasibility Analysis for MMH Types. In this step, test fits of typical MMH building prototypes will be carried out for each lot category (S, M, L, XL) to assess physical feasibility of the building types. Simple 3D (SketchUp) massing models will be created to illustrate the physical form of the MMH building types and identify limiting factors. We are assuming test fits for 4 building types.

As part of this step, Strategic Economics (SE) will work with City staff to select up to four of the building prototypes developed by Opticos for the financial feasibility analysis. These prototypes may vary in terms of factors such as building configuration, parcel size, parking and tenure. Each prototype will be analyzed in up to three locations in Santa Rosa, given that different locations will have different market strengths.

To analyze the prototypes, SE will collect market and development cost data, supplemented by findings from the developer interviews in Task 1, and assess feasibility using pro forma analysis. The analysis will address the following questions:

- Which development prototypes are most feasible? Is ownership or rental housing more likely to be developed?
- What are the expected price points and rents for MMH types, and which household types and income groups would they serve?
- Which locations are most likely to attract MMH types?

Strategic Economics will prepare a draft memo that summarizes the financial feasibility analysis results, meet with City staff to discuss the results, and revise the analysis as necessary.

2C. Working Session. The project team will organize a working session with City staff to discuss the MMH test fits and financial feasibility analysis, and get direction to prepare a Code Framework for the new MMH Zoning Districts.

2D. Approach Memo and Code Framework. Opticos will prepare a Code framework as a table summarizing standards for the two new MMH zones, applicable MMH types, and recommendations for where to insert this content into Santa Rosa's Municipal Code.

2E. MMH Zoning Districts – Administrative Draft. Opticos will develop two new zoning districts customized for MMH that could be incorporated directly into the City's zoning ordinance. Each new zoning district will include development standards and supplemental standards, including illustrative graphics. Opticos will use its template for the Administrative Draft, and an example document will be shared in advance to set expectations for the content and graphics.

2F. Working Session. The project team will organize a working session with City staff to discuss the MMH zone development and supplemental standards in the Administrative Draft and get feedback.

2G. MMH Zoning Districts – Final Draft. Opticos will produce the Final Draft with updates in response to comments received from City staff.

2H. Community Workshop. The project team will organize a community workshop (we are assuming this will be an online event) including a PowerPoint presentation, discussion and Q&A session. The presentation will include relevant background information on Missing Middle Housing as well as the findings of the MMH study to date, and draft zoning recommendations.

TASK 2 DELIVERABLES:

- Approach Memo outlining methodology for analyzing Test Fits and Financial Feasibility
- Attend 3 working sessions with City staff on MMH Analysis memo, MMH building type test fits and financial feasibility, and Admin Draft Zonng Districts
- Summary sheets of building prototype test fits with simple 3D graphics, and listing key limiting factors to MMH
- Financial Feasibility Analysis Memo (draft + final)
- Code Framework Memo for new MMH Zoning Districts showing key zone standards and recommendations
- Administrative Draft of MMH Zoning Districts for a maximum of two new MMH zones. Should the study reveal the need for a third or additional MMH zones, these could be provided for additional budget
- Final Draft of MMH Zoning Districts as a PDF (of Indesign/Word file) updated with City's comments
- Organize and lead a 2-hour virtual Community Workshop [Opticos + Strategic Economics] to present the MMH study findings and recommendations, including preparation of presentation slides and leading a Q&A session. A PDF of the PPT will be provided that can be circulated by City staff as required.

Task 3. EIR Addendum

In accordance with Section 15164 of the CEQA Guidelines, a lead agency may prepare an addendum to a previously certified EIR if some changes or additions are necessary but none of the conditions described in Section 15162 calling for preparation of a subsequent EIR have occurred. This scope of work assumes that the proposed program would not result in new or substantially increased significant impacts and that, pursuant to CEQA Guidelines Section 15164, an EIR Addendum would be the appropriate level of supplemental CEQA review.

However, if a new impact or increase in magnitude of a previous impact, or other significant new information is identified, such that the City of Santa Rosa determines that an IS-(M)ND, Supplemental EIR or Subsequent EIR is required, Rincon will notify Opticos and City staff immediately to determine the appropriate course of action. This could include preparation of a new scope and cost estimate for the more involved process.

3A. Draft EIR Addendum. Rincon will prepare a Draft EIR Addendum pursuant to the requirements set forth in the State CEQA Guidelines (Section 15164). The Draft EIR Addendum will include the following content:

- **Introduction.** This will include a description of the project and context and explanation of the relationship of the document to previous analyses, as well as a description of the required contents and applicability of preparing an Addendum. Opticos' analysis will provide necessary information including buildout assumptions and mapping to show locations of potential development, among other project details.
- **Environmental impact evaluation of the proposed project.** The EIR Addendum will evaluate how the proposed project would have different environmental impacts or a different degree of impact than those presented in the General Plan EIR and CAP SEIR. Although the discussion will address all issue areas discussed in the EIR, we anticipate most of the discussions to be relatively brief, as the focus will be on impact areas where the proposed changes would be the most substantial. The anticipated key issue areas for analysis in the EIR Addendum include aesthetics, air quality, greenhouse gas emissions, land use, noise, transportation, public services, and utilities. Our analysis of these issues will be generally qualitative in nature, based on a general discussion of increased development potential in the context of the General Plan forecasts. Mitigation measures from the previous EIRs, other federal/state/local regulations, and standard City conditions of approval would all be applied as appropriate to address impacts. (If the City ultimately wishes to analyze parcel eligibility and conditions to generate a quantitative buildout estimate, we can provide a cost estimate for additional services for a more quantitative analysis.) No technical transportation analysis or detailed or site-specific technical studies or modeling are proposed.

The addendum could employ a checklist approach with customized checklist questions based on CEQA Guidelines sections 15162 and 15164, or could be organized by discussions under each CEQA topical area framed by the 15162 and 15164 criteria; Rincon has used both of these formats successfully on similar projects. An electronic copy of the Administrative Draft will be provided to City staff for review and comments.

3B. Final EIR Addendum. Rincon will address City comments on the Draft EIR Addendum and prepare the Final Addendum. We assume the City will handle

printing and noticing regarding the project and that, consistent with the CEQA Guidelines, the document will not be specifically and separately circulated for public comment.

TASK 3 DELIVERABLES:

- Administrative Draft EIR Addendum as a stand-alone report as a PDF (of MSWord file)
- Final EIR Addendum in MSWord and PDF format

Task 4. Public Hearings/ Meetings

4A. Public Hearings and Meetings. Opticos and Rincon will attend up to two public meetings or hearings to answer questions, if any, on the MMH Study, and analysis and conclusions of the Addendum or the CEQA process and context.

TASK 4 DELIVERABLES:

- Attend up to two public meetings/ hearings [Opticos + Rincon]

Task 5. Project Management and Coordination

5A. Project Management and Invoicing. We are assuming “lean” project management and coordination for this project. To be efficient with the budget, we plan to coordinate with City staff and the team via regular emails and calls as needed, but we do not anticipate a regular schedule of weekly calls with set agendas, or monthly progress reports. This task will include invoicing and team coordination.

TASK 5 DELIVERABLES:

- Regular email communication and updates
- Periodic calls (average of one 30-minute call a week)
- Invoicing and progress summary on monthly basis

Project Contingency.

Opticos recommends adding a contingency amount (approximately 5% of project cost) to be used for additional analysis, meetings, and/ or other project needs that may arise. This amount would be used only if needed and when authorized by the City.

Our estimated timeline for completing the analysis is **nine months**, with the exact schedule to be finalized after discussion with the City.

Please let me know if you have any questions or comments.

Sincerely,

Mitali Ganguly

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