



## CITY OF BANNING STAFF REPORT

**TO:** CITY COUNCIL

**FROM:** Robert Fisher, Acting City Manager

**PREPARED BY:** David Newell, Community Development Director

**MEETING DATE:** July 8, 2025

**SUBJECT:** Consideration of Resolution 2025-99, Approving a Professional Services Agreement (C01134) with Rincon Consultants, Inc. for Preparation of Annual Progress Reports on Housing to Fulfill Statutory Mandates Under Government Code Section 65400 and 65700

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### **RECOMMENDATION:**

Adopt Resolution 2025-99.

### **BACKGROUND:**

California Government Code ("GC") Section 65300 requires each city and county to adopt a General Plan, including seven mandatory elements. The mandated elements include Land Use, Open Space, Conservation, Circulation, Noise, Safety, and Housing. The Housing Element is a policy document that describes goals, policies and programs that are designed to facilitate the development, improvement, and preservation of housing for all income groups in a city or county. Banning adopted an updated Housing Element on July 9, 2024 for the 2021-2029 planning period.

Each City and County in California must prepare an Annual Progress Report (APR) on the jurisdiction's status and progress in implementing its Housing Element using forms and definitions adopted by the California Department of Housing and Community Development (HCD) (GC § 65400). Each jurisdiction's APR must be submitted to HCD and the Governor's Office of Planning and Research (OPR) by April 1 of each year (covering the previous calendar year).

AB 2011 (2022), SB 6 (2022), AB 1743 (2022), and AB 649 (2022) added new data requirements for APRs, making the preparation of each year's report especially tedious and time-consuming. Given the limited staffing resources, the Planning Division has struggled to complete the reports by the April 1st HCD deadline and the City has yet to submit APRs for the 2021-2029 planning period.

On March 12, 2024, the City Council adopted Resolution 2024-49 authorizing the City to enter into an agreement with Rincon Consultants for the preparation of the City's Annual Progress Reports. However, this contract expired and the need remains as the City is currently out of compliance with the Government Code in completing and submitting its APRs.

Rincon Consultants has provided the attached proposal to assist with preparing its APRs for 2021-2025.

### **JUSTIFICATION:**

Government Code requires that all local jurisdictions in California report on their progress in meeting their assigned Regional Housing Needs Assessment Allocation (RHNA) through the preparation of its APR each year. The statutory deadline to submit the prior calendar year's APR is April 1st of the

following year. The City has not complied with this requirement for several years, and thus there is a need to complete these APRs with the assistance of a consultant that is able to complete these reports timely and ensure information provided complies with the HCD requirements. Further, because recent APRs haven't been prepared or submitted as required by the California Government Code, the City remains at risk of being penalized for non-compliance and losing out on grant opportunities.

**FISCAL IMPACT:**

The expired agreement with Rincon Consultants authorized up to \$40,000. Of this amount, the City has paid \$10,787.50 which leaves \$29,212.50 remaining and encumbered from FY 2024/2025 that may be carried forward to FY2025/2026 in the Department's contractual services account (001-2800-441.33-11). This account has an unencumbered balance of \$21,223. A total of \$50,000 is requested to cover the proposal estimate of \$48,702.50 and a contingency amount of \$1,297.50. Therefore, funding is available to cover the anticipated fiscal impact for the new contract.

**ALTERNATIVES:**

Provide alternative direction to staff.

**BUDGETED?:**

Yes

**CONTRACT/AGREEMENT:**

Yes

**ATTACHMENTS:**

1. [CC\\_Resolution\\_2025-99\\_Authorizing\\_Rincon\\_Agreement.docx](#)
2. [Rincon Consultants Proposal for APR Services](#)
3. [C01134 - Consulting Services \(Rincon Consultants, Inc\)](#)