# Request for Policy Analysis (Council Referrals)

| | |
|---|---|
| Department | Housing |
| Department Rep. Name/Ext. | Erik Soliván/x5-3855 |
| Policy/Ordinance Subject | Cost of Residential Development |

| | |
|---|---|
| Rules Date | 3/11/2026 |
| Item | C.2 |
| Councilmember Sponsorship | Mahan, Kamei, Campos, Tordillos, and Cohen |

## Staff Recommendation

[✓] GREEN  Adopt based on tradeoffs outlined on next page

[ ] YELLOW  Defer to a later designated date or the annual Budget Process

[ ] RED  Recommend Council not adopt nominated idea

[ ] NEEDS CLARIFICATION OR MORE TIME TO EVALUATE

## Staff Evaluation

| Is this already underway in a department work plan? | Is this time critical or an emergency? | Will this require substantial resources, staffing, budget, strategic support, or reprioritizing existing work plan? |
|---|---|---|
| [ ] Yes  [✓] No | [ ] Yes  [✓] No | [✓] Yes  [ ] No |

## Criterion to Determine Scale of Project Complexity

Project complexity is determined by scoring the project in each of the 3 criterions below and then summing the score.

   a. Low Complexity is a sum of 6 or less.
   b. Medium Complexity is a sum of 7 – 9.
   c. High Complexity is a sum of 10 or greater.

Total Score = 10

| Scoring Criterion | | Low Complexity | | Medium Complexity | | High Complexity | |
|---|---|---|---|---|---|---|---|
| | Estimated Duration | 6 – 9 months | [x] = 1 | 9 - 18 months | [ ] = 2 | More than 18 months | [ ] = 3 |
| | Organizational Complexity (Internal) | Can easily be absorbed into existing work plan | [ ] = 1 | Planned work (future) | [x] = 2 | Work not currently proposed | [ ] = 3 |
| | | Have staff with required skillset/knowledge | [ ] = 1 | Have staff with required skillset/ requires moderate research | [x] = 2 | Do not have staff with required skillset/requires significant research | [ ] = 3 |
| | | Less than or equal 2 staff required | [ ] = 1 | 3 - 4 staff required | [x] = 2 | More than 5 staff required | [ ] = 3 |
| | (External) | 1 Additional department; no community outreach required | [ ] = 1 | 2 Other departments Involved; some community outreach required | [ ] = 2 | 3 or more departments and/or external partners involved; significant community outreach required | [x] = 3 |

### DEPT. Required

| [ ] Airport | [ ] Auditor | [ ] CMO | [ ] OEDCA | [ ] ESD | [x] Fire | [ ] HR | [ ] IT | [ ] PRNS | [ ] Police | [ ] Retirement |
|---|---|---|---|---|---|---|---|---|---|---|
| [x] Attorney | [ ] Clerk | [ ] CMO – Budget | [x] Community Energy | [ ] Finance | [x] Housing | [ ] IPA | [ ] Library | [x] PBCE | [x] PW | [x] DOT |

CMO Approval: /s/ Lee Wilcox   Date 3/10/2026

| Analysis |
|---|
| **Explain the rationale for staff recommendation, including any mitigating factors that need to be considered (recent legislative action, significant work plan changes, etc.). Please address the following as well.** |
| GREEN LIGHT: The Administration can implement this nominated idea under its current work plan. Item should be sent to Council to add to department work plan. (1) How will the idea be approached? (2) If adopted, what is its impact and/or tradeoff to the City Council Focus Area or to a department work plan, including strategic support? (3) What is the minimum viable scope to move the idea forward and reduce its complexity? |
| 1- This work is aligned to the Building More Housing Focus Area. The Administration updates the Cost of Residential Development report approximately every 12-18 months. The next update and City Council Study Session is scheduled for Q3 FY 2026-2027. The Housing Department is the lead department that oversees the consultant contract. While the Housing Department has sufficient funding to cover the expanded consultant scope items listed in the Rules memorandum, additional staff time from various departments will be required, including Fire, Public Works, Transportation, Energy, and PBCE. The additional scope items will not require any new staffing resources. <br> 2- The work can generally be incorporated into the existing process. <br> 3- At a minimum, the expanded study scope would incorporate the additional analyses within the existing framework of the Cost of Residential Development Study by modifying the consultant scope of work and applying the established development proforma modeling approach used in prior studies. This approach would allow the City to evaluate the requested factors—such as parking ratios, development timelines, and additional building typologies—using representative development scenarios without requiring new data collection or a separate study effort. |
| YELLOW LIGHT: Administration recommends Council defer this nominated idea to a later designated date or the annual Budget Process due to (describe cost implications, workload impacts, or other factors) |
| N/A |
| RED LIGHT: The Administration recommends Council not to adopt this nominated idea due to (describe reason implementation would be difficult if not impossible – conflict with other laws, etc.). |
| N/A |