**CITY OF DANA POINT**

**AGENDA REPORT**

| Reviewed By: | |
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| DH | X |
| CM | X |
| CA | X |

**DATE:** JANUARY 20, 2026

**TO:** HONORABLE MAYOR AND CITY COUNCIL

**FROM:** KELLY REENDERS, CITY MANAGER
JEFF ROSALER, INTERIM DIRECTOR OF COMMUNITY DEVELOPMENT

**SUBJECT:** PROFESSIONAL SERVICES AGREEMENT WITH JOE A. GONSALVES & SON FOR STATE LEGISLATIVE ADVOCACY RELATED TO STATE HOUSING AND DEVELOPMENT MATTERS

## RECOMMENDED ACTION:

That the City Council:

1) Ratify a Professional Services Agreement with Joe A. Gonsalves & Son to provide state legislative advocacy services related to housing and community development matters, including representation before the California Department of Housing and Community Development (HCD); and

2) Authorize the City Manager to execute any non-substantive amendments consistent with the scope of services and budget; and

3) Authorize the budget adjustment in the fiscal impact section of this report.

## BACKGROUND

The State of California has enacted and continues to implement sweeping housing legislation affecting local land use authority, housing element compliance, accessory dwelling units, density regulations, and housing production accountability. HCD plays a central role in interpreting, administering, and enforcing these statutes.

Joe A. Gonsalves & Son is a Sacramento-based government relations firm with a long history of representing municipalities on housing, land use, and community development matters at the state level.

The City engaged Joe A. Gonsalves & Son in October 2025 to assist with responding to correspondences and Notices of Violation(s) issued by HCD. As a result of facilitated meetings, calls, and coordination with State officials, the City

has improved communication with HCD, strengthened staff and City Council relationships with State representatives, and fostered a more collaborative working relationship.

**DISCUSSION:**

Under the agreement, Joe A. Gonsalves & Son is providing the following services:

- Engage in advocacy on behalf of the City on state matters and on City-sponsored legislative proposals in consultation with the City Manager, executive staff, as deemed appropriate.
- Advocate on behalf of the City and maintain liaison between the Administration, Legislature, and State Agencies and Departments as determined by the City.
- Provide expertise in regulatory and legislative strategy and techniques to facilitate legislation and regulations through the process.
- Respond to issues and assist the City in providing appropriate communication to key legislators and regulators.
- Identify effective advocacy strategies including where leverage should be applied, identify pitfalls, and provide an understanding of the political climate in the state.
- Assist staff in understanding how legislation and regulations are formulated.
- Analyze and assist staff in drafting persuasive language in support of advocacy efforts.
- Monitor the legislative and regulatory process regarding specific issues within the City's identified priorities, as well as identifying other issues that may affect City departments.
- Develop and evaluate strategies for the support, opposition, or amending of pending legislation and regulations.
- Provide assistance in securing state support for local and regional legislation and projects and develop strategies to gain concurrence by the Governor and his administration.

While the scope of work allows for broad legislative support, the City's current and anticipated use of these services is focused on housing and community development matters aligning with the City's most immediate state-level challenges.

The terms of the contract allow the City to cancel with 30 days written notice.

**STRATEGIC PLAN IMPLEMENTATION:**

Strategic Goal 3: Foster Economic Health and Prosperity

**FISCAL IMPACT:**

The cost of the agreement with Joe A. Gonsalves & Son is $6,000 per month, for an annual not-to-exceed amount of $72,000.
To fund the contract for the second half of FY 2026, a budget adjustment of $36,000 is requested to the Planning Professional Services account (01-41-20-0000-2230).

**ALTERNATIVE ACTIONS:**

As determined by Council.

**ACTION DOCUMENT** **PAGE #**

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## ACTION DOCUMENT A

AGREEMENT

BETWEEN JOE A. GONSALVES & SON
AND CITY OF DANA POINT

CITY OF DANA POINT (hereinafter "CLIENT") wishes to engage the services of JOE A. GONSALVES & SON (hereinafter "ADVOCATE"), located at 1201 K Street, Suite 1850, Sacramento, California, to provide services in legislative advocacy and governmental affairs in matters affecting CLIENT in the State of California.

The purpose of this Agreement is to state the terms and conditions under which ADVOCATE will provide services to CLIENT.

I. ADVOCATE Representative(s):

The following principal(s) of ADVOCATE are designated as being the principal(s) and representative(s) of ADVOCATE authorized to act in its behalf with respect to the work specified in this Agreement and make all decisions in connection with this Agreement:

Anthony D. Gonsalves
Jason A. Gonsalves
Paul A. Gonsalves

The terms and conditions are limited to the following:

II. ADVOCATE's Scope of Services. ADVOCATE agrees to assume and perform the following duties and responsibilities:

A. Represent **CITY OF DANA POINT** in Sacramento in terms of communicating the CLIENT's interests to the appropriate elected representatives, key staff members, state agencies and other individuals as needed.

B. Develop and maintain good working relationships between the CLIENT and State legislators, legislative staff, and state agencies.

C. Develop, coordinate and execute the CLIENT's advocacy efforts, including communication with legislative officials and other governmental officials for the purpose of influencing legislation or administrative action.

D. Review all pertinent legislative bills introduced in the California Legislature and inform the CLIENT of all such legislation affecting its

interest and forward weekly a copy of all such bills to the CLIENT. The CLIENT will review and analyze all such legislative bills and inform ADVOCATE, in writing, of its position on such bills the CLIENT wishes to pursue.

E. Assist in identifying and obtaining state funding available for CLIENT programs and proposed capital projects.

F. Obtain support, through letters of support and other means, from state legislators and officials for CLIENT grant applications.

G. Provide a monthly written summary during the legislative session and at other times if warranted that gives updates on pending legislation, state budget, and other relevant issues.

H. Arrange meetings with legislative representatives or key agency staff and CLIENT representatives.

I. Attend and provide testimony on behalf of the CLIENT in legislative committee hearings.

J. Provide support, including advising on briefing papers, talking points, etc., when CLIENT officials are requested to testify before a legislative committee.

III. CLIENT Representative:

"Designee" authorized to act in its behalf with respect to the work and services specified in this Agreement and to make all decisions in connection with this Agreement. Whenever approval, direction, or other actions are required by CLIENT under this Agreement, those actions will be taken by the "Designee", unless otherwise stated. The "Designee" has the right to designate another Representative at any time, by providing notice to ADVOCATE.

IV. CLIENT's Duties and Responsibilities:

A. CLIENT shall analyze and review all legislative bills submitted to it by ADVOCATE and will inform ADVOCATE, in writing, of its position on any and all such bills CLIENT wishes ADVOCATE to pursue.

B. CLIENT shall, on a timely and continuing basis, apprise ADVOCATE of any specific issues it wishes to have analyzed or pursued by ADVOCATE under this Agreement.

C. CLIENT shall, on a timely basis, pay all bills and invoices submitted to it by ADVOCATE.

V. Effective Date and Term. This agreement shall become effective on the October 6, 2025, and shall continue in full force and effect unless and until terminated by CLIENT and/or by ADVOCATE.

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VI. Compensation. CLIENT shall pay to ADVOCATE the monthly sum of $ 6000.00 (Six Thousand Dollars) payable in advance on the first day of each month. ADVOCATE is an independent contractor and shall be responsible for all taxes including but not limited to ADVOCATE's employees' withholdings etc.

VII. Costs and Expenses. CLIENT shall reimburse ADVOCATE for any travel and/or other expenses directly related to any request by CLIENT for ADVOCATE to participate in any meetings or activities outside of Sacramento.

VIII. Attorneys Fees and Costs. If any legal action is necessary to enforce or interpret the terms of this Agreement, the prevailing party shall be entitled to reasonable attorney's fees, costs, and necessary disbursements in addition to any other relief to which such party may be entitled.

IX. Indemnification.

A. Professional Services. In the connection with its professional services, the Contractor shall hold harmless and indemnify CLIENT, and its elected officials, officers, employees, servants, volunteers, and agents serving as independent contractors in the role of city or agency officials, (collectively, "Indemnities"), with respect to any and all damages, liabilities, losses, reasonable defense costs or expenses (collectively, "Claims"), including but not limited to liability for death or injury to any person and injury to any property, to the extent the same out of, pertain to, or relate to the negligence, recklessness, or willful misconduct of the Contractor or any of its officers, employees, subcontractors, Contractors, or agents in the performance of its professional services under this Agreement. Contractor shall reimburse all reasonable defense costs and expenses, including actual attorney's fees and experts' costs incurred in connection with such defense.

B. Other Indemnities. In connection with all Claims not covered by Section A, the Contractor shall defend, hold harmless and indemnify the Indemnities with respect to any and all Claims including but not limited to Claims relating to death or injury to any person and injury to any property, which arise out of, pertain to, or relate to the non-professional acts, omissions, activities or operations of Contractor or any of its officers, employees, subcontractors, Contractors, or agents in the performance of this Agreement. Contractor shall defend Indemnities in any action or actions filed in connection with any such Claims with counsel of CLIENT's choice, and shall pay all costs and expenses, including actual

attorney's fees and experts' costs incurred in connection with such defense.

C. Non-waiver of Rights. Indemnities do not, and shall not, waive any rights that they may possess against Contractor because of the acceptance by CLIENT, or the deposit with CLIENT, of any insurance policy or certificate required pursuant to this Agreement.

D. Waiver of Right of Subrogation. Except as otherwise expressly provided in this Agreement, Contractor, on behalf of itself and all parties claiming under or through it, hereby waives all rights of subrogation against the Indemnities, while acting within the scope of their duties, from all claims, losses and liabilities arising out of or incident to activities or operations performed by or on behalf of the Contractor.

E. Survival. The provisions of this Section IX shall survive the termination of the Agreement and are in addition to any other rights or remedies which Indemnities may have under the law. Payment is not required as a condition precedent to an Indemnities' right to recover under this indemnity provision, and an entry of judgment against Contractor shall be conclusive in favor of the Indemnities' right to recover under this indemnity provision.

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X. Insurance: ADVOCATE must maintain at its sole expense the following insurance, which will be full coverage not subject to self insurance provisions:

A. Automobile Liability, including owned, non-owned and hired vehicles, with at least the following limits of liability:

1. Primary Bodily Injury with limits of at least $500,000 per person, $1,000,000 per occurrence; and

2. Primary Property Damage of at least $250,000 per occurrence; or

3. Combined single limits of $1,000,000 per occurrence.

B. General Liability including coverage for premises, products and completed operations, independent contractors/vendors, personal injury and contractual obligations with combined single limits of coverage of at least $1,000,000 per occurrence.

C. Professional liability insurance – Not Applicable.

D. Workers' Compensation with limits as required by the State of California and Employers Liability with limits of at least $1,000.000.

E. The insurance provided by ADVOCATE will be primary and non-contributory.

F. CLIENT, must be named as additional insured under the general liability policies.

G. ADVOCATE must provide certificates of insurance and/or endorsements to the CITY OF DANA POINT before the commencement of work.

H. Each insurance policy required by this Paragraph must contain a provision that no termination, cancellation or change of coverage can be made without thirty days notice to CLIENT.

XI. Governing Law. This Agreement shall be governed by the laws of the State of California.

XII. Entire Agreement/Severability. This Agreement has six (6) pages. It constitutes the entire Agreement between parties regarding its subject matter. If any provision of this Agreement is held by any court to be invalid, void, or unenforceable, the remaining provisions shall nevertheless continue in full force and effect.

XIII. Notice of Termination.

A. 30-Day notice of termination under this Agreement by ADVOCATE shall be given to CLIENT by certified mail to the following address:

MIKE KILLEBREW
CITY OF DANA POINT
33282 GOLDEN LANTERN
DANA POINT, CA 92629

B. 30-Day notice of termination under this Agreement by CLIENT shall be given to ADVOCATE by certified mail at the following address:

Joe A. Gonsalves & Son
1201 K Street, Suite 1850
Sacramento, CA 95814.

XIV. Amendments. The Agreement may be modified or amended only by a written document executed by both ADVOCATE and CLIENT.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as follows:

JOE A. GONSALVES & SON

DATED: October 1, 2025

DocuSigned by:
BY Jason Gonsalves
87D6D8A725B9443...
Jason A. Gonsalves, Partner

CITY OF DANA POINT

DATED: October 6, 2025

DocuSigned by:
BY
3AB00E71B8C94D7...
Micheal Killebrew, City Manager

## SUPPORTING DOCUMENT B

Joe A. Gonsalves & Son
Anthony D. Gonsalves
Jason A. Gonsalves
Paul A. Gonsalves
PROFESSIONAL LEGISLATIVE REPRESENTATION
925 L ST. · SUITE 530 · SACRAMENTO, CA 95814-3706
916 441-0597 · FAX 916 441-5081
Email: gonsalves@gonsalvi.com

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### SCOPE OF SERVICES

State lobbying services relating to legislative and regulatory issues that pertain to all facets of business and operations of the city of Dana Point (City) departments.

Activities include, but are not limited to the following:

- Engage in advocacy on behalf of the City on state matters and on City-sponsored legislative proposals in consultation with the City Manager, executive staff, as deemed appropriate.
- Advocate on behalf of the City and maintain liaison between the Administration, Legislature, and State Agencies and Departments as determined by the City.
- Provide expertise in regulatory and legislative strategy and techniques to facilitate legislation and regulations through the process.
- Respond to issues and assist the City in providing appropriate communication to key legislators and regulators.
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- Develop and evaluate strategies for the support, opposition, or amending of pending legislation and regulations.
- Provide assistance in securing state support for local and regional legislation and projects and develop strategies to gain concurrence by the Governor and his administration.

Contract Points of Contact:

Anthony D. Gonsalves
Jason A. Gonsalves
Paul A. Gonsalves

(916) 441-0597 gonsalves@gonsalvi.com