



STAFF REPORT
11/18/2020

TO: Honorable Mayor and City Council Members

FROM: Luis Lopez, Development Services Director

SUBJECT: Platform Subscription Agreement (Permit Tracking Web-Based Software Services) with CityGrows in the amount of \$52,600 to be paid using LEAP Grant Funds (\$25,000.00) and SB-2 Grant Funds (\$27,600.00).

STAFF RECOMMENDATION:

Staff recommends that the City Council authorize the City Manager to execute the attached Platform Subscription Agreement with CityGrows in the amount of \$52,600.00 for a term of five years.

BACKGROUND:

In 2019, city staff hired a local consultant (Holistic System Integration Solutions) to conduct a feasibility study of revamping the City's current community development module (Eden software) for plan check/permitting processing and accounting. The study was to include options for land-management integration (using GIS mapping) and electronic plan check/routing capabilities, in addition to the creation of digital projects and data dumping for improved records management.

As part of the feasibility study, the consultant organized several vendor demonstrations and staff had the opportunity to ask questions of the vendors. The study found that commercial software / hardware vendors could cater a land-based permit tracking system specifically for the City of Coachella, but at a very high cost (i.e., \$350,000 - \$750,000.00). The Tyler Technologies vendor (who owns Eden) provided the least expensive option and staff was preparing to issue an RFP (Requests for Proposals) from these vendors in order to move forward to the next steps.

DISCUSSION/ANALYSIS:

Subsequent to the completion of the feasibility study described above, staff was approached by Riverside County staff who recommended a new vendor (CityGrows) that uses a Web-based subscription service that can host the City's community-development services in an on-line platform. The standard agreement to customize and host the services come at a nominal cost, compared to the "full service" data integration software companies that staff previously interviewed.

Attached to this staff report is a standard Platform Subscription Services Agreement that the vendor uses for their services. The monthly cost for the subscription is \$460 monthly, or \$5,600 if paid in advance annually. City staff would like to purchase five years in advance or \$27,600 for the Initial Term.

Payment retained by the vendor includes a 4.9% of the transaction amount plus \$0.30 for each transaction processed through the on-line payment functionality. Alternatively, an applicant can pay in cash, or by check at City Offices to avoid these charges. The Agreement further includes two data management tasks to upload historical data for the last 10 years (\$15,000 task) and to digitize and configure up to 10 City Application Forms on the web-based service (\$10,000 task).

With respect to the transaction fees for on-line payments, the City will have the option to “waive” the fee for small amount permits such as yard sale permits, special event permits, concrete paving in the front yard permits, fencing permits, re-roof permits, air conditioning replacement permits, and patio cover permits. This is a policy question, but staff would recommend that the City Council authorize staff to waive the transaction fee for any permit under \$500, to ensure that these owner-builder permits. As always, the applicants will have the option to pay in cash or by check and avoid these transaction fees.

The CityGrows Platform uses the 3rd party agreement for the “Stripe” services which allows credit card payments to be processed on-line. Attached to this staff report is the negotiated CityGrows Agreement with the compensation outlined in Exhibit A and the Stripe Services Agreement in Exhibit B.

Grant Funding:

The Agreement with CityGrows qualifies for grant funding under California HCD’s Local Early Action Planning (LEAP) Grant, and SB-2 Grand programs. Staff currently has \$100,640 allocated for “Permit Tracking System” under the SB-2 Grant program and \$25,000 under the LEAP grant program. The proposed agreement with CityGrows has a contract amount of \$52,600 and represents a grant cost savings of \$73,040 (\$125,640 - \$52,600) which can be re-allocated to other housing related tasks and programs.

The following charts shows the currently-allocated grant amounts for Permit Tracking System and other housing-related tasks under SB2 and LEAP Grants.

SB2 Grant

	<i>Allocated Amounts</i>
ADU Outreach/Research Design	\$12,000
Final ADU Building Plans + Plan Renewal Fees	\$13,000
Permit Tracking System	\$100,640 (\$73,040 “savings” to be re-allocated)
GRANT TOTAL (Allowable)	\$160,000 (\$34,360 coming from SB2 re-programming)

LEAP Grant

Housing-Related Tasks	<i>Allocated Amounts</i>
Process 4 Re-Zonings + 2 CEQA Neg. Decs.	\$53,310
Prepare + Adopt Housing Elements	\$96,050
Permit Tracking System	\$25,000
Develop Pre-Approved ADU/JADU Architectural Drawings	\$10,000
GRANT TOTAL (Allowable)	\$150,000 (\$34,360 overage to be allocated out of SB2)

Staff is in the process of re-programming and re-allocating the grant funds for each of the above grants to balance the two total amounts of \$160,000 and \$150,000. Currently staff has exceeded the LEAP maximum grant amount by \$34,360. However we have a significant cost savings in SB2 where the funds will be re-programmed.

ALTERNATIVES:

1. Authorize the City Manager to execute the attached Platform Subscription Agreement with CityGrows, Inc. and allocate grant funding for the project.
2. Authorize the City Manager to execute the attached Platform Subscription Agreement with CityGrows, Inc. with modified terms, and allocate grant funding for the project.
3. Continue this item and provide staff direction.

FISCAL IMPACT:

The terms of the CityGrows Agreement would require the City to pay up to 25% of the contract cost, or \$13,150 out of General Fund accounts, which are budgeted for in the current operating budget for the Community Development Department. The remaining 75% of the contract work must qualify for grant funding. Staff anticipates no fiscal impact in that the project will qualify for full funding through the LEAP Grant Program and SB-2 Grant funding that the City has been awarded. City Council appropriates the amount of the grant-funded portion of the agreement in the general fund (101) and grants fund (152) and approves a corresponding transfer from the City's grants fund (152) to the general fund (101).

RECOMMENDED ALTERNATIVE(S):

Staff recommends Alternative #1 or #2 as noted above.

Attachment: Platform Subscription Agreement with CityGrows, Inc.