



City of Colusa California

STAFF REPORT

DATE: November 7, 2023
TO: Mayor and Members of the City Council
FROM: Jesse Cain, City Manager

AGENDA ITEM:

Consideration of a Resolution of the City Council of the City of Colusa approving the proposal from Placer.ai.

Recommendation: The Council adopt the Resolution approving the Placer AI Order Form

BACKGROUND ANALYSIS:

Over the last several years, Economic Development has been a topic of discussion between council and staff. I've looked into different options the City has to boost economic development, one being companies that provide the information needed to help attract new business while helping our current business to grow and thrive. What we've learned is that the data matters, and is the biggest factor in how a businesses, especial chain, or larger stores, determine their next location. This data consists of metrics that capture foot traffic, trade areas, cross visitation, population density and migration patterns. From our partnership with HDL, we were able to have review reporting of grocery, retail, and restaurants and what their requirements are. The only missing factor was what these numbers were for Colusa. HDL was able to provide a high-level spend per square foot, but in order to assist with site selection and total foot traffic, we needed to find a solution.

I came across this software named Placer. Ai after investigating programs that capture this information. In completing a demo on how it works, I learned this could do a lot for the City of Colusa and even for our business. This program will allow the city to conduct traffic counts on roads, by using the software we can compare what the traffic count are today and if it has changed once a project is completed. It will also allow us to explain to the citizens why we fix one and not the other. It will also allow the city to track activities at the parks to see what parks get used the most and what parks we should focus on based on use. This software will also let us see how many people are shopping locally and where people may be going out of town to shop.

These are just a few examples of how the program may help the city. The software allows up to build out our own reporting (Ad-hoc Reporting) so we can compare metrics on civic projects and community events. While using historical data provided to prioritize projects, we will be able to understand and plan for impacts to a level we cannot at this time.

There are many location analytics companies that provide foot traffic, trade area, and trend demographics, and CRM. We looked at Tableau, Advan Research, Near.co, and Buxton. While the basic levels all provide similar data, Placer.ai was the most robust in reporting for civic needs, where the other software companies work for small business. It also has the least amount of algorithmic reporting, meaning we will be able to view the data and have these numbers work for Colusa, and not what is trending in larger and more urban areas.

In December, City Staff will present reporting and how this information can be used to the Council at a regularly scheduled meeting. At this meeting, Council may request for reports to be built out and available for review. This software will give Council and staff a chance to work collaboratively to set goals that have milestones met, while also empowering Council and staff to make the best choices based on data and science when needed.

BUDGET IMPACT:

The cost of the program is \$15,000 annually right now and based on population. The goal is to build out reporting to fit city needs and council goals for one year. Each department will have available use and reporting for their needs, and we will measure ROI at a department level, with an overall ROI for the City. I am suggesting use of ARPA funds to purchase the first year. After one year, City Staff and Council can review and decide to move forward using budgeted funds from Economic Development.

STAFF RECOMMENDATION:

Adopt Resolution 23 - __
Placer. Ai Order form