

C-7

September 15, 2020

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Adopt Specifications No. RFP DV20-005 and award a contract to Granicus, LLC, formerly known as Host Compliance, LLC, of St. Paul, MN, for Short-Term Rental Compliance Services, in an annual amount of \$114,307, with a \$27,690 contingency for optional tax collection support, for a total annual amount not to exceed \$141,997, for a period of two years, with the option to renew for three additional one-year periods, at the discretion of the City Manager; and, authorize the City Manager, or designee, to execute all documents necessary to enter into the contract, including any necessary amendments. (Citywide)

DISCUSSION

City Council approval is requested to enter into a contract with Granicus, LLC, formerly known as Host Compliance, LLC, for the provision of software to assist with administration of the Short-Term Rental (STR) Program.

On June 16, 2020, the City Council adopted Ordinance No. ORD-20-0024 (Ordinance) to establish regulations, standards, and a registration process for STRs. The Department of Development Services (Department) conducted a Request for Proposals (RFP) to identify a mechanism for administration of the Ordinance's regulations through address identification and data reporting, compliance monitoring, enforcement, and tax collection support.

The RFP was advertised in the Long Beach Press-Telegram on January 10, 2020, and 17 potential proposers specializing in data reporting and compliance monitoring were notified of the RFP opportunity. Of those proposers, 14 downloaded the RFP via the City's electronic bid system. The RFP document was made available by the Purchasing Division, located on the sixth floor of City Hall, and on the Division's website at www.longbeach.gov/purchasing. An RFP announcement was also included in the Purchasing Division's weekly update of Open Bid Opportunities, which is sent to 35 local, minority-owned and women-owned business groups. Five proposals were received on February 7, 2020. Of those five proposers, one was a Women-owned Business Enterprise (WBE), and none were Minority-owned Business Enterprises (MBEs), certified Small Business Enterprises (SBEs), or Long Beach businesses (Local).

The selection committee determined that Granicus, LLC, of St. Paul, MN (not a MBE, WBE, SBE, or Local), was the most qualified firm to provide the services. The selection committee, comprised of representatives from the Department, made the determination based on the firm's demonstrated competence, expertise in performance of comparable engagements, expertise and availability of key personnel, financial stability, conformance with the terms of the RFP, and reasonableness of cost.

Local Business Outreach

In an effort to align with the City's outreach goals, Long Beach businesses are encouraged to submit proposals for City contracts. The Purchasing Division also assists businesses with registering on the PlanetBids database to download RFP specifications. Through outreach, three Long Beach vendors were notified to submit proposals, of which none downloaded and submitted a proposal. The Purchasing Division is committed to continuing to perform outreach to local vendors to expand the proposer pool.

This matter was reviewed by Deputy City Attorney Erin Weesner-McKinley on August 25, 2020, Deputy Finance Director Sandy Tsang-Palmer on August 28, 2020, and by Budget Analysis Officer Julissa José-Murray on August 26, 2020.

TIMING CONSIDERATIONS

City Council action to adopt Specifications No. RFP DV20-005 and award a contract concurrently is requested on September 15, 2020, to ensure the STR Program implementation begins as required by the Ordinance.

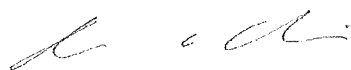
FISCAL IMPACT

The total contract amount will not exceed \$141,997 per year, including a \$27,690 contingency, for a period of two years, with the option to renew for three additional one-year periods. Sufficient appropriation is currently budgeted in the General Fund Group in the Development Services Department. This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. There is no local job impact associated with this recommendation.

SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



OSCAR W. ORCA
DIRECTOR OF DEVELOPMENT SERVICES

APPROVED:



THOMAS B. MODICA
CITY MANAGER