MEMORANDUM

CSFRA, Community Development Department

DATE: August 27, 2018

TO: Rental Housing Committee

FROM: Anky van Deursen, Associate Planner
Roger Jensen, CIO/Information Technology Director

SUBJECT: **CSFRA Information Technology System**

RECOMMENDATION

That the Rental Housing Committee approve staff's recommendation, following a Request for Proposals process, to contract with 3Di, Inc., to develop an information technology system to implement the Community Stabilization and Fair Rent Act and to authorize the Program Manager or other designee to execute an agreement with 3Di, Inc., for said services in an amount not to exceed $85,000 for implementation and first year of service.

BACKGROUND

Due to the scope and breadth of the Community Stabilization and Fair Rent Act (CSFRA), with over 15,000 rental units being covered by the program, implementing the CSFRA in an effective and efficient manner will require a reliable, well-functioning information technology (IT) system that is able to receive, store, and retrieve a potentially significant volume of data. The system should be able to run key reports, look up pertinent information related to CSFRA units, and facilitate compliance with the CSFRA. Additionally, a system that can communicate with other City programs and systems, such as the Multi-Family Inspection Program or the fee billing process, can greatly streamline key parts of the CSFRA administration. All cities in California with a rent stabilization program use an IT system to help administer their programs.

A centralized data management system capable of supporting the different types of information necessary to support the regulations is important to ensure data integrity, improve staff efficiency, and prevent errors caused by missing or misidentified information received from the public. The system must be able to support the following types of information:

- Landlord property information

- Notices of termination

- Tenant relocation assistance information and compliance

- Banked rent increase information

- Petitions, appeals, and decisions

Without a data management system in place, each of these types of information is collected separately and manually matched to previously received data using Excel spreadsheets. Using a tool like Excel for this process provides no data access control or data auditing tools that are standard in a centralized data management system.

On September 11, 2017, the Rental Housing Committee (RHC) directed staff to present three options for a CSFRA IT system: (1) a lean IT system; (2) a medium IT system; and (3) a robust IT system. On October 9, 2017, the RHC reviewed these three options for an IT system for implementation of the CSFRA. The RHC decided to budget for the development of a proposed "medium IT system," and to allow the RHC to review the Request for Proposals (RFP) requirements related to selection of an IT vendor to develop such system. On February 12, 2018, the RHC reviewed the technical requirements for an IT system for implementation of the CSFRA and approved the start of the RFP process. The timeline for such process was estimated to take about six months.

ANALYSIS

On February 21, 2018 the Purchasing Department published RFP No. 181521 to solicit proposals for a Rent Database Management System. Three vendors submitted responses to the RFP. A mandatory preproposal conference was held on March 12, 2018. Two proposers took part in this conference, and one proposer was removed from consideration immediately due to cost and design approach. Written questions or clarifications regarding the RFP were to be directed to the Purchasing Department with a deadline of March 23, 2018. Answers were provided to all proposers by March 30,

2018. The deadline for submitting proposals was set at April 11, 2018, with software demos scheduled for May 7 and May 8, 2018.

An Evaluation Committee was composed of staff from the IT Department and the CSFRA program. Each member of the Evaluation Committee evaluated the proposals individually in accordance with the following qualitative and quantitative criteria:

- Overall quality and completeness of RFP process

- Meeting the RFP requirements

  – General system requirements

  – City administration requirements

  – Owner/property manager features

  – Tenant features

  – Integration support

  – Support and maintenance

- Qualifications and experience

- Implementation approach

- Product demonstration

- Reference checks

- Other factors, such as overall understanding of City's needs

- Total costs

The Evaluation Committee then met to discuss the evaluations to achieve supporting consensus on the ratings assigned to each vendor. The Evaluation Committee then formulated its collective conclusions and chose the vendor 3Di, Inc., located in Brea, California.

3Di has the most mature rent database system on the market, having developed a housing management system for the County of Los Angeles in 2003 and added support for their rent control ordinance four years ago. In early 2017, 3Di developed a cloud-hosted version of the product for smaller agencies, with the first customer the City of Beverly Hills. The Evaluation Committee included the City of Beverly Hills in the reference checks for 3Di and received positive feedback about the product and support they received from 3Di.

Based on 3Di's proposal response, system demo, and reference checks, the Evaluation Committee has selected them as the vendor of choice to implement a system for the City of Mountain View.

FISCAL IMPACT

The RHC adopted a budget for the CSFRA for Fiscal Year 2018-19, including up to $175,000 for start-up and development of an IT database. It is currently foreseen that $85,000 would be sufficient to cover the costs in this fiscal year. Staff will return to the RHC if additional services beyond the requested amount in the recommendation are needed.

PUBLIC NOTICING — Agenda posting.

AK/3/CDD/RHC
896-08-27-18M