



# AGENDA REPORT

**TO:** Edward D. Reiskin  
City Administrator

**FROM:** William A. Gilchrist  
Director, PBD

**SUBJECT:** Accela Contract Renewal and  
Strategic Enhancements to Accela  
Permitting Systems

**DATE:** March 23, 2021

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City Administrator Approval 

Date: Mar 11, 2021

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## RECOMMENDATION

Staff Recommends That The City Council Adopt A Resolution:

- 1. Amending The City's Current Contract With Accela For The Continued Maintenance, Hosting, Licensing And Professional Service To Support The Accela System, By Extending The Term Of That Contract For An Additional Three Years And Increasing The Previously Authorized Amount of That Contract By An Amount Not To Exceed One Million Five Hundred Thousand Dollars (\$1,500,000) For a Total Contract Amount of Three Million Eight Hundred And Eleven Thousand Four Hundred And One Dollars (\$3,811,401);**
- 2. Authorizing The City Administrator To Award Contracts To Accela Certified Vendors And Other Information Technology Consultants To Implement The Permitting System Service Enhancements Proposed Under The City's Reimagining One Stop Permitting (ROSP) Initiative In A Total Amount Not To Exceed Two Million Two Hundred Fifty Thousand Dollars (\$2,250,000) Which Includes A Seven Hundred Fifty Thousand Dollar (\$750,000) Contingency For A Three-Year Term Beginning As Soon As Possible Following The Adoption Of This The Resolution, Without Returning To Council;**
- 3. Amending Resolution No. 88174 C.M.S., Which Adopted The Fiscal Year 2020-21 Mid-Cycle Budget Adjustments, To Appropriate Up To Two Million Two Hundred Fifty Thousand Dollars (\$2,250,000) From The Development Services Fund (Fund 2415) Fund Balance To Finance The Contracts Awarded To Accela Certified Vendors And Other Information Technology Consultants; And**
- 4. Waiving The Multi-Step Solicitation Process For All These Contracts.**

## **EXECUTIVE SUMMARY**

The City began using Accela<sup>1</sup> in 2014; since then the Planning and Building Department (PBD) has moved its business operations and processes from an accounting-based system to a land use management system by integrating all property-based information into Accela to effectively connect PBD's data management system.

The City continues to expand the use of Accela among City departments that authorize or otherwise regulate land uses, to automate the many steps in the permit review process and to increase coordination and communication between departments. As noted in the Information Technology Department's (ITD's) agenda report presented at the June 13, 2017 Finance and Management Committee meeting, the City intends to take full advantage of the Accela Civic Platform that will enhance services by enabling the City to:

- Use a common land use management system to visualize the status of various inspections and collaborate permit tracking activities for all properties located in the City;
- Leverage mobile capabilities to accelerate staff productivity;
- Share and review electronic documents across departments;
- Improve service delivery of the City's building and planning resources; and
- Enhance online presence and improve access to allow customers to submit, track, schedule, and coordinate land use management activities through a one-stop online platform.

Staff recommends that the City Council approve the proposed Resolution to amend the City's current contract with Accela, Inc. by extending that contract for an additional three years until November 30, 2025 and by increasing the amount previously authorized for that contract in an amount not to exceed \$1.5 million for continued maintenance, hosting, licensing and professional service to support the Accela system. Under the current Accela contract, the City has a maximum of 499 Accela user licenses, most of which are being used with only 9 left available. In addition to PBD, other City departments have begun to migrate many of their permitting and land use management functions into the Accela Civic Automation System, and the authorization requested under the proposed resolution will enable the City to add additional users in the Accela system and allow Oakland Public Works (OPW), Oakland Department of Transportation (OakDOT), Oakland Fire Department (OFD), and the City Administrator's Office (CAO) to fully implement all other land use regulation activities into this platform. Additionally, the proposed Resolution would authorize the City Administrator or designee to waive the competitive bidding requirements and execute contracts with Accela certified vendors and other information technology consultants in a total amount not to exceed \$2.25 million, which includes \$750,000 in contingency funding, to implement strategic permitting system service enhancements proposed under the City's Reimagining One-Stop Permitting initiative (ROSP). The ROSP officially launched in November 2020 to assess each department's processes and identify changes that will improve coordination between departments, strengthen communication with the public, and implement software or other improvements to address common delays in the permitting process. The authorization requested under the proposed

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<sup>1</sup> Accela is a cloud based Software as a Service (SaaS) solution that streamlines the permit issuance, inspections, and code enforcement processes.

Resolution will enable staff to implement Citywide strategic enhancements identified through the ROSP in an expeditious manner given the urgent need for these system enhancements.

### **BACKGROUND / LEGISLATIVE HISTORY**

On May 17, 2011, the City Council adopted Resolution No. 83358 C.M.S., which authorized a five (5) year contract with Accela, Inc. for a proprietary software application and professional services to license, configure, update, and remotely host a computerized land-use management system for the City.

On January 20, 2014, PBD went live with the Accela system, replacing the City's 25-year-old permit tracking legacy system.

On June 20, 2017, the City Council adopted Resolution No. 86785 C.M.S., which authorized the City Administrator, or designee, to: award a contract(s) to Accela, Inc. or Accela authorized vendors for continued maintenance, hosting, licensing and professional services to support the Accela system for a period of five (5) years in a total amount not to exceed two million three hundred eleven thousand four hundred one dollars (\$2,311,401), for all contracts awarded; and for professional services associated with the implementation of a fire inspection module for the OFD's Fire Prevention Bureau in an amount not to exceed four hundred fourteen thousand dollars (\$414,000), for all contracts awarded; and to waive the competitive request for proposal requirements for these contracts.

In July 2020, Accela changed the underlying technology and charging model, which required the City to execute a revised subscription agreement with Accela. This new agreement was executed for the final two years (December 1, 2020 - November 30, 2022) on the five-year term and remained under the not to exceed contract amount of \$2.3 million per Resolution No. 86785 C.M.S. Under the current Accela contract, the City has a maximum of 499 Accela users, most of which are being used with only 9 left available. As City departments continue to migrate more of their permitting and land use management functions into the Accela Civic Automation System, there is a need to expand Accela usage across departments and increase the number of allowable users. Therefore, under the proposed Resolution, staff requests authority to amend the City's current contract with Accela to increase the amount previously authorized for that contract in an amount not to exceed \$1.5 million and to extend that contract for an additional three years to November 30, 2025, which will enable the City to add additional users in the Accela system and allow OPW, OakDOT, OFD, and the CAO to fully implement all other land use regulation activities into this platform.

In January 2021, PBD completed several Accela system enhancements designed to improve accessibility and communication with the public. Seven new permits, such as solar electric and residential/non-residential alterations, were added to the Accela Citizen Access (ACA) portal, allowing the public to apply and pay fees for a total of twelve different permits on ACA. In addition, automated email notifications have been implemented to generate notifications to the applicant as a permit moves through each phase in the process, and sends updates advising the applicant of their permit's progress. When the notification is sent to an applicant that the permit is ready to issue, the applicant now also receives instructions on how to print its permit and job card directly from ACA.

## **ANALYSIS AND POLICY ALTERNATIVES**

The City, via PBD, continues to provide development permitting and inspection services to residents, businesses, and the development community. The use of Accela has allowed PBD and the four (4) other departments mentioned above to efficiently process and record information and documents essential to these permits and inspections. Some of the functionalities of Accela include:

- Issuance of permits (both online and in person);
- (Re)scheduling of inspections (both on premise and remote);
- Allowing customers to create external accounts with access to pay for services, schedule inspections, check permit status, print issued permits, file Code Enforcement cases, and research permitting records;
- Tracking complaints and blight issues via smart devices;
- Providing real-time geographical information via maps about projects and developments in the community;
- Ease of search of address with a comprehensive overview and history of all construction on a property; and
- Enabling smart "watch-lists" to track development projects.

In addition to PBD, Accela is used by OPW and OakDOT for permits that affect the public right-of-way (e.g., streets, curbs, and sidewalks) such as:

- Utility work, e.g., excavation for underground pipes and installation of above-ground poles;
- "P-Jobs" – privately constructed public improvements;
- Encroachment permits, and sidewalk merchandise display;
- Sewer lateral connections to the City's sewer main pipes, curb, gutter, sidewalk, and driveway permits; and
- Obstruction permits and Tree permits.

Some of the main benefits Accela brings to OPW and OakDOT include:

- Facilitating better communication and coordination between OakDOT, PBD and customers;
- Preventing potential safety and scheduling issues prior to project coordination and internal workflow designs;
- Leveraging real-time, map-based coordination to provide visibility into all projects and events via the ACA portal;
- Providing many property-specific information such as creekside parcel conditions, ensuring accurate processing of related permits; and
- Maximizing opportunity for cost-sharing and savings with other City departments to reduce overall expenditures across the board.

The benefits of Accela to OFD include:

- The Vegetation Inspection Module enables OFD to conduct vegetation inspections in a fully automated fashion, thereby reducing wildfire risks within the CalFIRE-designated fire hazard severity zones;
- The Commercial Inspections Module was introduced in 2020 to support OFD's scheduling, tracking and management of commercial building inspections. This new Accela activity supports OFD's efforts to identify and investigate sites that contain hazardous materials and unsafe buildings/activities and conditions; and
- A fully automated invoice and fee collection process assists OFD in proactively managing inspection related fees.

The benefits of Accela to the CAO includes:

- The Mobile Food Vending Permit and Emergency Mobile Vending Permit modules were launched in Accela and allow staff to review, process and manage Mobile Food Vending Permits in a streamlined and automated fashion.

The City of Oakland has benefited greatly from the use of Accela's land use management system and online products. This web-based cloud solution has afforded the City the ability to record, transact and manage land use and community development activities needed to support and promote economic development. The use of Accela has enhanced staff's ability to effectively manage processes including (but not limited to) permits, building safety, fee calculations, application check-ins, and inspections & investigations.

Under the current Accela contract, the City has a maximum of 499 Accela user licenses, most of which are being used with only 9 left available. In order to expand Accela usage across departments and increase the number of allowable users, staff requests authority to amend the City's current contract with Accela to increase the amount previously authorized for that contract in an amount not to exceed \$1.5 million and to extend that contract for an additional three years to November 30, 2025.

### ***Reimagining One-Stop Permitting (ROSP) Overview***

The temporary closure of 250 Frank H. Ogawa Plaza and the in-person permit counters in that facility due to the Coronavirus pandemic presented an opportunity for City staff to assess all permitting processes and develop improvements that will streamline permitting functions across all departments and update customer interface systems. In November of 2020, the CAO officially launched this effort, known as the Reimagining One-Stop Permitting initiative (ROSP), convening an interdepartmental team with representatives from the PBD, OakDOT, OPW, the Economic and Workforce Development Department (EWDD), Special Activities Division of the CAO, and OFD. Under the first phase of the ROSP, each department has developed flowcharts that map the process and steps involved in reviewing and issuing each type of permit, and the ROSP team will evaluate each department's processes to identify changes that will improve coordination between departments, strengthen communication with the public, and implement software or other improvements to address common delays in the permitting process. In addition to this in-depth assessment of the City's permitting processes, staff will also engage key stakeholders in the local development community, including the Oakland Chambers of Commerce, the Jobs and Housing Coalition, Oakland Builders Alliance, Building Owners and

Managers Association, and many other groups, to gather information about common challenges or issues that their constituencies have encountered in working with the City of Oakland, as well as recommendations for how the City can improve its permitting processes and more effectively serve residents, developers, contractors, and other customers in the permitting process.

In addition to in-depth review of departmental permitting processes and stakeholder engagement, the ROSP will also utilize available data from Accela and other platforms to analyze the performance metrics of the current permitting system and identify improvements to enhance both front- and back-end user experience. Critically, all City departments will be integrated into Accela to ensure consistent processes and data tracking across departments. With the assistance of ITD, Accela, and other consultants, staff will develop upgraded data reporting tools and information dashboards to allow staff and the public to determine the status of a permit in real-time. The permit counter functions conducted in 250 Frank H. Ogawa Plaza will be consolidated into a “one-stop shop”, in which customers can schedule appointments, upload documents and plans, and request information through a centralized platform available online and/or through their mobile device, limiting the need for in-person appointments. The improvements identified through the ROSP will address many existing issues and challenges in the City’s permitting processes, while also implementing upgrades that will enable the City to adapt and operate more efficiently given the challenges generated or worsened by the Coronavirus pandemic.

### ***ROSP Implementation***

The proposed Resolution would authorize the City Administrator to enter into agreements with certified Accela vendors and other information technology consultants in an amount not to exceed \$2.250 million, to implement systemwide improvements to the City’s permitting and land use management systems identified through the ROSP, including but not limited to:

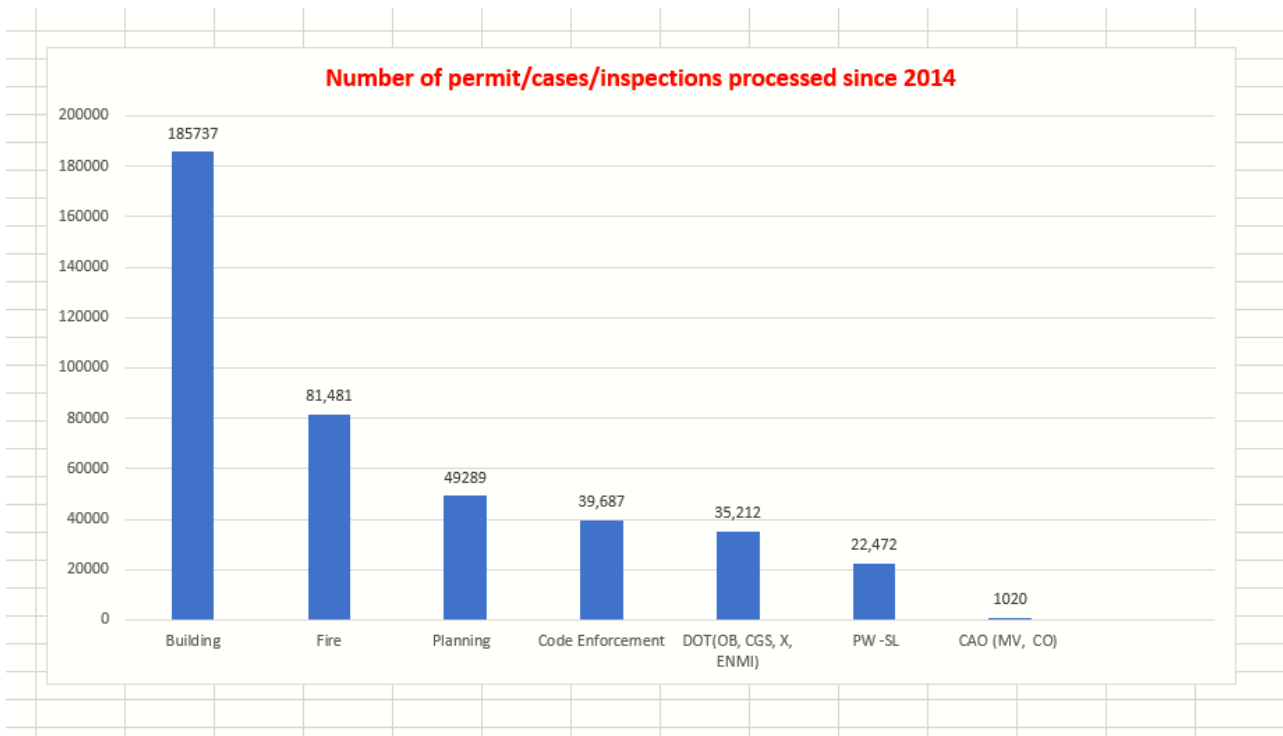
- Update existing configurations based on findings of a gap analysis of existing business processes for customized and optimal functionality,
- Support end user training in Accela and ancillary applications which support inspections and permitting,
- Support enhancements identified through the ROSP initiative, including:
  - the development of internal dashboards and reporting that can be used by management to assess service delivery, including areas that may be experiencing service impactions, and to track development benchmarks and performance metrics
  - the development of public facing dashboards for customers to gain insight into the processing of their specific application as well as a high-level overview of performance system-wide
  - the implementation of new applications or other software that will improve user experience by enabling customers to schedule appointments, upload documents and plans, and request information through a centralized platform available online and/or through a smart device.

Staff is also requesting authorization to allocate contingency funding for professional services, in the amount of \$750,000 for a three-year term. This funding will be utilized on an as-needed basis only to cover any future customizations, additional training sessions, or expanded implementation efforts.

Since the implementation of the Accela program in May 2014, the City has transacted over 200,000 building permits and record requests, documented and recovered over 41,000 enforcement cases and processed over 49,300 planning reviews/applications, processed 22,472 sewer lateral permits, 35,212 OakDOT permits, over 1,000 Mobile Food Vending and Cannabis Certificate of Occupancy permits from the CAO, and documented 81,481 inspections from OFD. This data is also provided in **Figure 1** below.

Currently, Accela services close to 500 City staff, and over 16,000 customers, both on-premise and virtually (online).

**Figure 1:** Productivity of Accela System since Implementation (2014)



**Waiver of RFP/Q Competitive Selection Requirements**

Oakland Municipal Code (OMC) Section 2.04.042 requires a multiple-step solicitation process for contracts for the combined purchase of products and professional services. OMC Section 2.04.042 D. provides an exception to the multiple-step solicitation requirements of the OMC upon a finding and determination by the City Council that it is in the best interests of the City to do so. Staff recommends that the Council find and determine that it is in the best interest of the City to waive the multiple-step solicitation process requirements for these contracts and for this project based on the following factors:

- Enterprise Platform: Accela Inc. possesses unique qualifications as a sole source vendor. Staff has determined that Accela is the only U.S. based vendor that offers an enterprise system with multi-lingual capacity, that is also 508 compliant. Section 508 of

the Rehabilitation Act of 1973 was passed in 1997 and requires federal agencies to make their electronic and information technology accessible to people with disabilities.

- Business Essential System: Accela is already part of the core technology system within PBD. To pivot to a different vendor with a new system would (i) cause significant disruption to what is now a core functionality within the City and (ii) result in a substantial fiscal impact as it would necessitate a huge capital investment for a new system implementation.
- Cross-Departmental Efficiencies: By authorizing the expansion of the current Accela program into other City departments, it will allow better inter-departmental collaboration and improve overall City permit reviewing efficiency. Sharing the best practices on one consistent platform throughout the City would eliminate redundant technology or system incompatibility issues, allowing the City to serve the public better and save unnecessary costs.
- Accela is the only vendor that is compatible with the City's existing Oracle platform. The City of Oakland has made significant investments in the Oracle R12 upgrade, including the integration of Oracle R12 modules with the Accela payment module. The ability to link existing systems directly into Oracle financials will facilitate reporting and financial accountability.
- Accela is the only vendor in this space that supports multiple languages; providing an access portal that can support the Spanish-, Chinese- and Vietnamese-speaking communities. The ability to conduct business in multiple languages will increase the accessibility and transparency of City government and meets the intent of the Equal Access Ordinance No. 12324 C.M.S. established by the City of Oakland in 2001.
- The CAO, Special Activities Division, plans to implement other special activity permitting functions for businesses such as night clubs, beauty stores, and salons into the Accela platform.
- In addition, the CAO expects to implement the cannabis permitting process in Accela which will allow staff to more efficiently manage and track cannabis-related activities and inspections.
- After an extensive effort in 2020, Accela is now highly integrated with the City's new Centralized Document Management System (OnBase). Switching to another system would require major additional resources for integration.
- The Accela certified vendors completed rigorous training, examining, testing and notarization process, and are recognized as industry leaders to implement and optimize the Accela system for state and local agencies across the U.S. Waiving the competitive process for the Accela Certified vendors reduces the City's risk of contracting with an unqualified vendor.

## **FISCAL IMPACT**

Funding for the \$1.5 million contract with Accela was budgeted as part of the PBD's biennial operations and maintenance costs for fiscal year (FY) 2021-23 and will be part of future biennial Budget processes for the last two years of the contract. There is also project carryforward funding available.

Funding for the Accela certified vendors and other information technology and consulting firms will be appropriated from Development Services Fund (2415) fund balance for up to \$2.250



million, which includes a \$750,000 contingency. The contingency funding will be utilized on an as-needed basis only to cover any future customizations, additional training sessions, or expanded implementation efforts. There is an estimated FY 2020-21 beginning fund balance of \$119 million, enough to fund the ROSP initiative service enhancements.

Funding for these contracts is and will be available in Development Services Fund (Fund 2415), Administration: Planning, Building and Neighborhood Preservation Organization (84111), Tech Enhancement and Rec Mgmt Project (1003971), A Project to be Determined, and DPBNP Administration (IP49) program. Approval of this resolution will result in no fiscal impact to the General Purpose Fund (1010).

In order to appropriate funds from Development Services Fund (Fund 2415), staff requests that the Council amend Resolution no. 88174 C.M.S., which adopted the Fiscal Year 2020-21 Mid-Cycle Budget Adjustments.

### **COORDINATION**

This report was prepared in coordination with the CAO, the City Attorney's Office, the Budget Bureau, PBD, OFD, OPW and OakDOT.

### **SUSTAINABLE OPPORTUNITIES**

***Economic:*** This project indirectly benefits the local economy by improving efficiencies through combining multiple data management systems, enhancing services, and providing a functional platform for staff to perform daily tasks more efficiently.

***Environmental:*** This project supports the City's enforcement of environmental regulations including, but not limited to the City's Creek Protection Ordinance and Protected Tree Ordinances.

***Race & Equity:*** Providing greater clarity, transparency and efficiency of the City's permitting processes will benefit all Oakland resident/neighborhoods; however, enhancements to permitting processes have the potential to expand opportunities for Black, Indigenous and People of Color (BIPOC) to open and expand businesses and improve their properties. Access to capital for BIPOC property owners and businesses is a major barrier to obtaining the resources needed to establish businesses and property ownership that creates wealth and provides economic stability. Increased review and permitting timelines often have a disparate impact on BIPOC communities because of discriminatory lending practices which make securing credit for development extremely difficult. As a result, any project delay threatens to put projects sponsored by BIPOC property and business owners at a higher risk of failure because they typically face more strenuous requirements to secure and maintain financing for their projects.

**ACTION REQUESTED OF THE CITY COUNCIL**

Staff Recommends That The City Council Adopt A Resolution:

1. Amending The City's Current Contract With Accela For The Continued Maintenance, Hosting, Licensing And Professional Service To Support The Accela System, By Extending The Term Of That Contract For An Additional Three Years And Increasing The Previously Authorized Amount of That Contract By An Amount Not To Exceed One Million Five Hundred Thousand Dollars (\$1,500,000) For a Total Contract Amount of Three Million Eight Hundred And Eleven Thousand Four Hundred And One Dollars (\$3,811,401);
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4. Waiving The Multi-Step Solicitation Process For All These Contracts.

For questions regarding this report, please contact Angela Robinson Piñon, Assistant Director, at (510) 238-3707.

Respectfully submitted,



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March 16, 2021