



**Contra
Costa
County**

To: Board of Supervisors
From: John Kopchik, Director, Conservation & Development Department
Date: March 2, 2021

Subject: Authorize Annual Recurring Payment between Contra Costa County and Compliance Services, LLC, for Affordable Housing Monitoring Software

RECOMMENDATION(S):

1. APPROVE and AUTHORIZE the Director of Conservation and Development to approve, effective May 5, 2020, an annual recurring payment to Compliance Services, LLC, in the amount of \$75,000, plus additional user fees of \$500 per user annually, additional property fees of \$6 per unit annually, set up fees of \$175 per property, and annual increases in license fees of up to five percent per year, for each year that the Master Software License and Hosting Agreement (Agreement) between the County and Compliance Services, LLC, remains effective.
2. DIRECT the Auditor-Controller to pay Compliance Services, LLC, the annual recurring payment and other fees, charges, and annual increases required each year the Agreement remains in effect following approval of the fees and charges by the Director of Conservation and Development.
3. AUTHORIZE the Director of Conservation and Development, or designee, to terminate the Agreement when the Director of Conservation and Development, or designee, determines the software and services are no longer required by the County.

☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY
ADMINISTRATOR

☐ RECOMMENDATION OF BOARD
COMMITTEE

Action of Board On: **03/02/2021** ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

VOTE OF SUPERVISORS

AYE: John Gioia, District I Supervisor
Candace Andersen, District II Supervisor
Diane Burgis, District III Supervisor
Karen Mitchoff, District IV Supervisor
Federal D. Glover, District V Supervisor

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: March 2, 2021

Monica Nino, County Administrator and Clerk of the Board of Supervisors

By: June McHuen, Deputy

Contact: Deidre Hodgers,
925-674-7290

cc:

FISCAL IMPACT:

No impact to the County General Fund. Contract costs are covered by a combination of federal grant administrative funds (Community Development Block Grant and HOME Investment Partnership program) and multi-family mortgage revenue bond administrative funds, with a division of costs varying annually by number of units funded by each program originally. In 2020, the costs were allocated as 70% Bond Administrative Funds and 30% HOME funds.

BACKGROUND:

Contra Costa County manages an affordable housing compliance portfolio of 84 multi-family properties. The number of properties added each year can vary. The County is required to monitor compliance with affordability requirements for all these properties each year.

On May 6, 2008, the County became a participating public agency under a Master Software License and Hosting Agreement (agreement) between California Statewide Communities Development Authority and Compliance Services, LLC (contractor). As a participating public agency under the agreement, the County pays the contractor to license and use software that the department requires to monitor and report on affordable housing compliance.

The Contractor's monitoring and reporting system is a proprietary software that enables developers and public agencies to manage affordable housing records easily and efficiently. Real-time calculations and reports ensure compliance with federal, state, and local income and rent restrictions.

Prior to implementing the web-based compliance system, the County devoted approximately 60% of a full time Housing Technician position to multi-family compliance matters. Because the web-based compliance system has made the process of completing federal and state monitoring reports much more efficient, the staffing requirement has dropped to approximately 25% of a full-time staff position. The value of the increase in efficiency will continue to be realized as the County's portfolio grows. Equally important, management staff now has access to compliance data in a format that is easily accessed and analyzed.

Under the agreement, the County pays the Contractor a base charge of \$75,000 for the existing housing projects, a \$175 one-time set-up fee for each new project that is added, and additional annual charges of \$6 per unit per new project. Additional users can be added for \$500 per user per year. The agreement also authorizes license fee increases of up to five percent per year. Currently, the license fees are \$74,457.81 per year.

After the initial five-year term of the agreement, the agreement renews for successive one-year terms until the County terminates the agreement at least five days before the next renewal. Because of this evergreen term, the department requires Board

authorization to make payments under the agreement until the agreement is terminated. Staff recommend that the Board approve making these annual payments, inclusive of the base charge, set up fees, additional charges per added unit, additional user charges, and annual cost increases, all as required under the agreement, to ensure staff have uninterrupted access to affordable housing reporting and monitoring software during the term of the agreement.

CONSEQUENCE OF NEGATIVE ACTION:

If the renewal licensing fees are not approved, the County will not have access to the reporting and monitoring program and additional staff will be required to oversee these matters.

ATTACHMENTS

Master Software License and Hosting Agreement