



Office of the City Manager

CONSENT CALENDAR
January 20, 2026

To: Honorable Mayor and Members of the City Council
 From: Paul Buddenhagen, City Manager
 Submitted by: Jordan Klein, Director, Planning and Development Department
 Subject: Contract: Clariti Cloud Inc. for a Comprehensive Permit Management System,
 RFP Specification No. 24-11661-C

RECOMMENDATION

Adopt a Resolution authorizing the City Manager to execute a contract and any amendments with Clariti Cloud, Inc. for the implementation of the Permit Software Procurement (PSP) Project—including software licensing, implementation services, integrations, data migration, training, hosting, and five years of support and maintenance—in an amount not to exceed \$5,359,128.

SUMMARY

The City's existing permitting system is increasingly difficult to maintain and no longer meets operational needs of the Planning and Development Department. The PSP Project was initiated to replace the current system with a modern, cloud-based system that improves customer service, streamlines and consolidates workflows, and enhances internal efficiency.

Following a competitive selection process (Request for Proposal (RFP) Specification No. 24-11661-C), including extensive demonstrations, cost analysis, reference checks, and evaluation of implementation approaches, staff recommend awarding a contract to Clariti Cloud, Inc., whose proposal offers the best overall value, lowest implementation risk, and strongest alignment with the City's business process modernization goals.

FISCAL IMPACTS OF RECOMMENDATION

The total not-to-exceed amount for the Clariti contract is \$5,359,128, which includes:

- \$4,871,934 for software subscription, implementation services, integrations, data migration, training, hosting, managed and custom integrations, and optional travel; and
- A 10% contingency of \$487,193 to accommodate change orders, for unforeseen implementation needs.

Funding of \$1,500,000 for the initial phase is available in the Permit Service Center Fund (621), into which revenues from all building and zoning permit applications are

deposited, under the Budget Code: 621-53-581-000-0000-000-472-612990-. Funding for the FY27 and FY28 phases will be included in the FY27-28 budget. No General Fund allocation is requested for this procurement; all costs will be covered through fees paid by permit applicants, which include a technology enhancement fee meant to pay for this kind of service.

CURRENT SITUATION AND ITS EFFECTS

The City's current permit processing platform is more than a decade old and not optimized for current workflows, resulting in:

- Slow system performance and data reliability issues
- Manual workarounds across the Planning and Development Department, Fire Department, and Public Works Department
- Limited self-service options for applicants
- High support and maintenance demands for the Information Technology Department
- Constraints on electronic plan review, mobile field inspections, and application intake

To address these challenges, the PSP Project was initiated to replace the legacy system with a single, modern, cloud-based solution that supports:

- Integrated permit intake, routing, and review
- Mobile inspections
- Customer-facing application and permit portal
- Automated fee calculation and financial reporting
- Compliance with State laws (e.g., AB 2234 electronic submittal and permit tracking requirements)

Before issuing the RFP, staff conducted extensive outreach to all internal City stakeholder departments whose work uses or is impacted by the City's permitting software. As part of this effort, the City engaged the consultant, Thirdwave, to lead a comprehensive business process review. Overseen by the Planning and Development Department with substantial help from the IT Department, Thirdwave worked with subject-matter experts from Land Use Planning, Building & Safety, Public Works, Fire, the Office of Energy & Sustainable Development, Toxics Management, and administrative and finance staff to create detailed *as-is* and *to-be* process maps. These maps—developed collaboratively through workshops, interviews, and validation sessions—were incorporated into the RFP to provide vendors with a clear and consistent understanding of the City's current-state challenges and future-state expectations.

The City received 11 bids in response to the RFP. A review panel comprised of staff from Planning, Public Works, Fire, and Information Technology scored each bid using the criteria established in the RFP. Evaluation categories included functional fit to

business requirements, technical architecture and security, implementation methodology, proposer qualifications and past performance, cost, and long-term support considerations. Based on this initial scoring, five firms were selected and invited to participate in structured virtual demonstrations with the review panel.

From these demonstrations, two finalists were selected and invited for in-person, two-day demonstrations covering core permitting workflows, inspections, plan review, payments, reporting/analytics, and administrative configuration. Panelists asked operational questions and evaluated how well each solution supported the City's mapped-to-be processes. In parallel, staff conducted reference checks with jurisdictions currently using each finalist's platform to assess real-world performance, implementation experience, and quality of ongoing support.

After completing the demonstrations and reference checks, the review panel reconvened to deliberate. The panel reached a unanimous recommendation that the City enter into agreement with Clariti Cloud, Inc., which received the highest overall evaluation.

The proposed new contract would begin on January 21, 2026, and last until September 21, 2032, unless extended by mutual agreement. The contract term includes both the one-time system implementation period of 20 months, and five years of ongoing software licensing, hosting, maintenance, and support following system go-live.

The PSP Project advances the City's Strategic Plan goals to:

- Be a customer-focused organization that provides excellent, timely, easily accessible service and information to the community; and
- Provide an efficient and financially healthy city government.

BACKGROUND

The Permit Software Procurement (PSP) Project was initiated to replace the City's legacy Accela permitting system, modernize workflows, improve public-facing permitting services, support digital plan review, and provide an integrated platform for Planning, Building, Fire, Public Works, Environmental Health, and related City functions.

The City issued RFP Specification No. 24-11661-C – Comprehensive Permit Management Software Solution, seeking a commercial off-the-shelf, cloud-based platform capable of configurable workflows, robust data management, online permitting, GIS integration, digital plan check, and modern inspection tools.

Following a thorough evaluation process—including review of written proposals, vendor demonstrations, reference checks, internal staff interviews, and cost analysis—the evaluation committee determined that Clariti Cloud, Inc. best meets the City's operational, technical, and financial requirements.

ENVIRONMENTAL SUSTAINABILITY AND CLIMATE IMPACTS

The recommended action is not a project under California Environmental Quality Act (CEQA). The new system will reduce paper consumption, in-person visits, and vehicle trips associated with permitting, supporting the City's climate goals.

RATIONALE FOR RECOMMENDATION

A modern, cloud-based permitting system is necessary to improve transparency and reduce permit processing times, support remote work, mobile inspections, and electronic approvals, and reduce reliance on outdated systems and manual workflows. Once implemented, the Clariti software will enhance the customer experience for applicants, architects, contractors, and residents, and ensure compliance with new regulatory mandates for online permitting and timeline tracking.

ALTERNATIVE ACTIONS CONSIDERED

1. Maintain existing Accela system: This is not recommended due to ongoing performance issues, a high support burden and related costs, and misalignment with business needs.
2. Rebid the RFP: This is not recommended, since a full competitive procurement was completed, multiple strong proposals were received, and the recommended vendor was selected through a comprehensive evaluation process.

CONTACT PERSON

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Attachments:

1: Resolution

RESOLUTION NO. ##,###-N.S.

CONTRACT: CLARITI CLOUD, INC. FOR THE COMPREHENSIVE PERMIT
MANAGEMENT SOFTWARE SOLUTION (RFP SPECIFICATION NO. 24-11661-C)

WHEREAS, the City of Berkeley issued RFP Specification No. 24-11661-C, Comprehensive Permit Management Software Solution, to acquire a modern, integrated permitting, licensing, inspections, and community-facing portal system; and

WHEREAS, the City requires a consolidated solution that supports the work of the Planning & Development Department, Fire Department, Public Works Department, Environmental Health Division, and Information Technology Department, and that integrates with existing systems and business processes; and

WHEREAS, after evaluation of written proposals, product demonstrations, reference checks, and Best and Final Offer submissions, Clariti Cloud, Inc. was determined to be the highest-ranked proposer; and

WHEREAS, the parties negotiated a cost of \$4,871,934 for implementation and for five years of annual software support, to be paid from PSC Fund account 621-53-581-000-0000-000-472-613130; and

WHEREAS, the City wishes to include a 10% contingency to accommodate potential change orders, schedule adjustments, or additional implementation needs.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the Council authorizes the City Manager to execute a contract and all necessary amendments with Clariti Cloud, Inc. for the Comprehensive Permit Management Software Solution, RFP Specification No. 24-11661-C, in an amount not to exceed \$5,359,128, for a period beginning January 21, 2026 and continuing until September 21, 2032.

BE IT FURTHER RESOLVED that the City Manager is authorized to execute any required amendments or change orders, provided they remain within the not-to-exceed amount and comply with City contracting and fiscal oversight procedures.

