



County of San Mateo

Inter-Departmental Correspondence

Department: COUNTY EXECUTIVE

File #: 22-360

Board Meeting Date: 5/17/2022

Special Notice / Hearing: None
Vote Required: Majority

To: Honorable Board of Supervisors

From: Michael P. Callagy, County Executive Officer
Peggy Jensen, Assistant County Executive

Subject: Amendment of Agreement with Colu to Provide a Shop Local Consumer Application to Support Small Businesses in San Mateo County

RECOMMENDATION:

Adopt a resolution authorizing an amendment to the agreement with Colu Technologies (US) Inc. for the development, licensing, and maintenance of the Choose Local San Mateo County mobile application, extending the term of the agreement to September 30, 2022 at a cost of \$45,000 using funds previously allocated for shop local application shopper incentives.

BACKGROUND:

On June 8, 2021, the Board approved an agreement with Colu Technologies (US) Inc. (Colu) for the development, licensing, and maintenance of a pilot San Mateo County Shop Local application to support local business recovery from the COVID-19 pandemic ("Agreement"). The Agreement included an initial term of five months for the pilot application, with two three-month options to extend the pilot (for a total of six months), both of which the County exercised.

The Board allocated a total of \$300,000 for the pilot application: \$100,000 to Colu under the Agreement, plus up to \$200,000 for shopper incentives to promote the application.

The pilot application, named "Choose Local San Mateo County", launched in November 2021 in eight areas throughout San Mateo County-Daly City, South San Francisco, Millbrae, San Mateo, San Carlos, Redwood City, North Fair Oaks, and Half Moon Bay. Since then, five more cities-Belmont, Burlingame, Colma, Menlo Park, and San Bruno-have been added. Ongoing discussions continue with the cities of Pacifica, Foster City, East Palo Alto, and Portola Valley.

Today, 961 local businesses are listed on the Choose Local San Mateo County application and it has been downloaded by 2,836 unique users. Participating businesses include locally owned restaurants, salons, coffee shops, bakeries, fitness studios, clothing stores, pet stores, and grocery stores, among others.

DISCUSSION:

Staff proposes extending the term of the Agreement for an additional four and a half months until September 30, 2022 in order to fully test the potential of the application to assist local businesses. Because the application was launched in November of 2021, it was hoped holiday shopping would boost initial business and user uptake. Unfortunately, due to the winter COVID-19 surge, the Choose Local San Mateo County app launch was slower than expected. However, since early this year, Colu staff and city partners have been working hard to promote the application to users and enroll local businesses and participation is increasing.

Fees paid to Colu for the extended term will total \$45,000. Staff proposes drawing those fees from the \$200,000 previously allocated for shopper incentives. Of the \$200,000 allocated for that purpose in June 2021, only \$110,000 has been spent, leaving a balance of \$90,000. The remaining \$45,000 (after reallocating \$45,000 for the Agreement) should be sufficient to cover shopper incentives for the extended term.

The County Attorney has reviewed and approved the resolution as to form.

FISCAL IMPACT:

There is no fiscal impact associated with amending the Agreement, as the additional \$45,000 will be paid using funds previously allocated by the Board. The original Agreement and the shopper incentives were funded with American Rescue Plan Act funds, which will now be used for the COLU contract extension.