

# TRANSMITTAL

To:

**THE COUNCIL**

Date: 07/22/2016

From:

**THE MAYOR**

**TRANSMITTED FOR YOUR CONSIDERATION. PLEASE SEE ATTACHED.**



(Ana Guerrero)

**ERIC GARCETTI**  
Mayor



Eric Garcetti, Mayor  
Rushmore D. Cervantes, General Manager

**Housing Development Bureau**  
1200 West 7th Street, Los Angeles, CA 90017  
tel 213.808.8638 | fax 213.808.8610  
hcidla.lacity.org

Council File No.: 15-0024  
Council District: Citywide  
Contact Persons:  
Brittanya Murillo: (213) 808-8976  
Tsegalem Woldemariam: (213) 808-8985  
Doug Swoger: (213) 808-8948  
Helmi Hisserich (213) 808-8662

July 20, 2016

Honorable Eric Garcetti  
Mayor, City of Los Angeles  
Room 303, City Hall  
200 North Spring Street  
Los Angeles, CA 90012

Attention: Mandy Morales, Legislative Coordinator

**COUNCIL TRANSMITTAL: REQUEST FOR APPROVAL TO EXECUTE FIRST AMENDMENT TO COOPERATION AGREEMENT WITH THE COMMUNITY DEVELOPMENT COMMISSION OF THE COUNTY OF LOS ANGELES FOR A REGIONAL AFFORDABLE HOUSING LISTING SERVICE**

**SUMMARY**

The General Manager of the Los Angeles Housing + Community Investment Department (HCIDLA) respectfully requests authorization to execute a First Amendment to the Cooperation Agreement (C-125926) with the Community Development Commission of the County of Los Angeles ("The County") and Emphasys Computer Solutions, Inc. (Emphasys) to continue providing an affordable housing listing service in the Los Angeles County region. The proposed amendment to the current contract will add compensation of \$132,190 to the contract for the period of July 14, 2016 through July 13, 2017.

The Cooperation Agreement provides for an affordable housing listing service where HCIDLA developments are posted for the public. The listing service, which includes online and toll-free call center support, provides individuals, families, and housing caseworkers with free listing services of residential rental properties in the Los Angeles County region. The City's three-year contract commitment leverages the County's \$3.2 million investment in this inter-agency regional data sharing effort.

**RECOMMENDATIONS**

The General Manager of HCIDLA respectfully requests that:

- I. Your office schedule this transmittal at the next available meeting(s) of the appropriate City Council committee(s) and forward it to the City Council for review and approval immediately thereafter;
- II. The City Council, subject to the approval of the Mayor, take the following actions:
  - 1. AUTHORIZE the General Manager of HCIDLA, or designee, to:
    - a. Execute a First Amendment to Contract No. C-125926 with the Community Development Commission of the County of Los Angeles and Emphasys Computer Solutions, Inc. (Emphasys) in an amount not to exceed \$132,190 for the period of July 14, 2016 through July 13, 2017; and
    - b. Execute any subsequent amendments to this agreement, subject to City Attorney approval as to form.
  - 2. AUTHORIZE the Controller to:
    - a. Establish new account 43N701 Housing Listing Service and transfer appropriation as follows:

	<i>Fund</i>	<i>Account</i>	<i>Account Name</i>	<i>Amount</i>
<i>From</i>	240	43K299	Reimbursement of General Fund Costs	\$ 9,165
<i>To</i>	240	43N701	Housing Listing Service	9,165
<i>From</i>	815	43K299	Reimbursement of General Fund Costs	\$ 63,450
<i>To</i>	815	43N701	Housing Listing Service	63,450

- b. Establish new account 43N701 Housing Listing Service within the Low and Moderate Income Housing Fund 55J and appropriate \$59,575 from available cash balance.
      - c. Expend funds upon proper demand of the General Manager of HCIDLA.

**BACKGROUND**

On December 19, 2006, the Board of Supervisors of the County of Los Angeles approved a joint recommendation submitted by the Los Angeles County Chief Executive Officer (CEO) and the Community Development Commission of the County of Los Angeles, delegating authority to the CEO to execute an agreement with SocialServe.com to create the Los Angeles County Housing Resource Center website (LAC-HRC). The website, <http://housing.lacounty.gov>, was subsequently launched in

June 2007. The County entered into its most recent contract for internet based housing database website services and call center on December 30, 2015.

The County authorized the execution of Cooperation Agreements with other cities and agencies, including the City of Pasadena, the City of Los Angeles and the non-profit Affordable Living for the Aging, to develop partner websites that were linked to the LAC-HRC database. Partner websites have allowed for inter-agency, inter-jurisdictional sharing and leveraging of information and resources to provide housing listings.

The primary purpose of the LAC-HRC website and its supporting call center is to provide individuals, families, and housing caseworkers with a free listing service of residential rental properties in Los Angeles County. The listing information includes data on landlords who accept tenants with Section 8 Housing Choice Vouchers and Veterans Affairs Supportive Housing (VASH) Vouchers. The website also has additional information on housing units, which have accessibility features that can benefit persons with disabilities. Additionally, the website meets Website Content Accessibility Guidelines (WCAG) 2.0, which means that the information is accessible to persons who rely on screen readers, helmet pointers, and other assistive technologies, as required by current ADA Title II standards. The call center similarly supports relay systems for persons who are deaf or hearing impaired.

### **Contract Justification and Performance**

HCIDLA was granted authority to enter into a Cooperation Agreement with the Community Development Commission of the County of Los Angeles and Non-Profit Industries (DBA SocialServe.com) for the development of a partner website for HCIDLA's affordable rental housing properties. The three-year contract has funded the 2015 launch of the new website, [www.housing.lacity.org](http://www.housing.lacity.org), which has offered users new multi-lingual and multi-media platforms to find affordable housing. Currently, housing searches can be performed in 103 languages. This website portal provides access to the LAC-HRC housing listing data and call center.

Through this Agreement, the City's contribution of data and funding leverages over eight years of County investment totaling \$3.2 million to develop a complex, regional data infrastructure, website and call center. This contract will continue to promote regional data sharing and leverage City resources with that of the County. Additionally, the services provided through this contract are aligned with the Mayor's Executive Directive that established an Open Data initiative. The LAC-HRC has proven to be very successful. There are currently close to 11,600 owners/property managers registered and the total number of units in the system are 77,163 and of those, over 1,300 housing units currently available or have an open waiting list. Last year, the website received over three million queries for housing in Los Angeles County.

In August 2015, Emphasys acquired the technology assets of SocialServe.com and became their parent company. SocialServe.com still operates as non-profit partner and affiliate of Emphasys. The continuity of operations has been seamless because key SocialServe.com staff involved with the LAC-HRC transferred to Emphasys and the call center continues to be maintained by SocialServe.

### **Contract Costs and Term**


During the first year of the contract, [www.housing.lacity.org](http://www.housing.lacity.org) was successfully designed, launched, and maintained; and over 200 new properties were registered on the website. The second and third years' estimates include maintenance costs related to hosting the website and call center support. The second year of the contract is budgeted to cost \$132,190. The third year of the contract is estimated to cost \$106,075. Included in all of the aforementioned totals is a 10% administrative cost for the County to administer the Cooperation Agreement. All costs are outlined in Attachment 1 Draft First Amendment to the Cooperation Agreement. HCIDLA is requesting authority to execute a First Amendment to the Cooperation Agreement with the Community Development Commission of the County of Los Angeles and Emphasys to add \$132,190 to the current contract.

HCIDLA will continue to ensure that the website developers have the information they need to enter, update, and maintain the housing inventory information that will be available to those who search the website and contact the hotline. The Contractor will contact each project individually to assure that profiles contain current contact information, rent amounts, income restrictions, and unit amenity information. The inventory of projects that will be listed through this contract will include housing developments restricted by regulatory agreements or covenants monitored by HCIDLA. To make housing searches more effective and efficient, the housing listings that are visible to the public will only consist of projects with vacant units or open waiting lists. These listings are updated on a monthly basis.

### **Fiscal Impact**

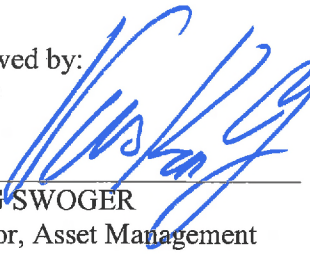
There will be no impact on the City's General Fund.

Prepared by:



BRITTANYA MURILLO  
Manager, Occupancy Monitoring Unit

Reviewed by:



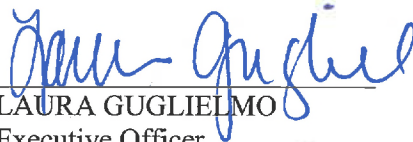
DOUG SWOGER  
Director, Asset Management

Reviewed by:



HELMI HISSERICH  
Assistant General Manager

Reviewed by:



LAURA GUGLIELMO  
Executive Officer

Approved by:



RUSHMORE D. CERVANTES  
General Manager

Attachment 1: Draft First Amendment to the Cooperation Agreement



**ATTACHMENT 1: DRAFT FIRST AMENDMENT TO COOPERATION AGREEMENT**

**FIRST AMENDMENT TO  
COOPERATION AGREEMENT BY AND BETWEEN  
THE COMMUNITY DEVELOPMENT COMMISSION OF THE  
COUNTY OF LOS ANGELES AND THE LOS ANGELES HOUSING AND COMMUNITY  
INVESTMENT DEPARTMENT FOR SHARED DATA COLLECTION AND CREATION AND  
MAINTAINANCE OF A HOUSING RESOURCE CENTER PARTNER WEBSITE**

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THIS FIRST AMENDMENT to the Cooperation Agreement ("Amendment One") is made and entered into by and between the Community Development Commission of the County of Los Angeles ("Commission"), the Los Angeles Housing and Community Investment Department (HCIDLA), and Emphasys Computer Solutions, Inc., a Michigan corporation ("Contractor"). The Commission, HCIDLA and the Contractor are hereinafter referred to collectively as the "Parties" and each individually as a "Party." HCIDLA enters into this Amendment One in partnership with the Commission and Contractor to continue operation and improve the partner website ("HCIDLA Partner Website") that is linked to the Los Angeles County Housing Resource Center website ("LAC-HRC Website") that is operated by the Contractor on behalf of the Commission.

**WITNESSETH**

- A. WHEREAS, from March 31, 2009 to December 31, 2009, the Commission maintained a contract (Master Agreement) with Non-Profit Industries, d/b/a Socialserve.com (Socialserve) to develop, operate, and manage the LAC-HRC Website.
- B. WHEREAS, the Los Angeles County Board of Supervisors granted authority for the Commission's Executive Director to enter into agreements with cities or agencies in Los Angeles County that desired to have partner websites to the LAC-HRC Website.
- C. WHEREAS on July 14, 2015, the Commission and HCIDLA entered into a three-year Cooperation Agreement with Socialserve in order to provide for the development and operation of an HCIDLA Partner Website to the LAC-HRC Website; and
- D. WHEREAS, the executed Cooperation Agreement has been further identified by HCIDLA as City Contract No. C-125926; and
- E. WHEREAS, Section 8.A. of the Cooperation Agreement provides for amendments; and
- F. WHEREAS, the Parties are desirous of amending the Cooperation Agreement as authorized by the Los Angeles City Council and Mayor (refer to Council File No. 15-0024, dated December 23, 2014; approved by Council on February 10, 2015 and concurred with the Mayor on February 17, 2015), for the purpose of increasing compensation by One Hundred and Thirty Two Thousand and One Hundred Ninety Dollars (\$132,190); these funds are made up of Low and Moderate Income Housing Funds (No. 55J- \$59,575), Municipal Housing Finance Funds (No. 815- \$63,450), and Housing Production Revolving Funds (No. 240- \$9,165); for a new total contract amount not to exceed One Hundred and Sixty Nine Thousand and Six Hundred Forty Five Dollars (\$169,645); and

G. WHEREAS, in August, 2015, the Contractor acquired the technology assets of Socialserve, and now serves as the parent company; and

H. WHEREAS, on December 15, 2015, the Los Angeles County Board of Supervisors, also acting as the Los Angeles County Board of Commissioners, approved a new sole source contract between the Commission and Contractor to effectively continue the uninterrupted operation of the LAC-HRC Website upon the expiration of the current contract; and

I. WHEREAS, a contract ("Master Agreement") for Internet-based Housing Database and Website Services by and between the Commission and the Contractor was executed on December 30, 2015; and

J. WHEREAS, this Amendment is necessary and proper to continue and/or complete certain activities authorized under the Cooperation Agreement; and

NOW, THEREFORE, the Parties agree that the Revised Agreement be amended effective upon execution, as follows:

#### AMENDMENT

1. Amend the first paragraph, by deleting "Non-Profit Industries, Inc. a North Carolina not for profit corporation d/b/aSocialserve.com", and replacing it with "Emphasys Computer Solutions, Inc., a Michigan corporation"
2. Amend Recital A, by replacing the existing language with the following:
  - A. WHEREAS, Commission and Contractor entered into a Contract for Internet-Based Housing Database Website Services on December 30, 2015, ("Master Agreement") for purposes of creating, managing, maintaining and expanding information and services on the LAC-HRC Website.
3. Amend Recital E by replacing the existing language with the following:
  - E. WHEREAS, the current Master Agreement, as amended, expires on December 31, 2018.
4. Amend Recital G by replacing the existing language with the following:
  - G. WHEREAS, HCIDLA will pay all costs for the HCIDLA website described herein with funds utilizing Low and Moderate Income Housing Funds (No. 55J- \$59,575), Municipal Housing Finance Funds (No. 815- \$63,450), and Housing Production Revolving Funds (No. 240- \$9,165).
5. Amend Section 6, Fees and Payments by deleting sections A and B and replacing the existing language with the following:
6. Fees and Payments
  - A. As itemized in Exhibit B, HCIDLA agrees to pay the Contractor and Commission as



follows;

- Year 1, defined as July 14, 2015 to July 13, 2016: up to \$37,455, which includes an administrative fee not to exceed \$3,405;
- Year 2, defined as July 14, 2016 to July 13, 2017: up to \$132,190, which includes an administrative fee not to exceed \$10,190, for a total contract amount not to exceed \$169,645;
- Year 3, defined as July 14 2017 to July 13, 2018: up to \$106,075, which includes an administrative fee not to exceed \$7,825, for a total contract amount not to exceed \$275,720.

Administrative fees paid to the Contractor shall pass-through to the Commission within 30 days of receipt of payment.

- B. All payments due subsequent to December 31, 2018, shall be conditioned upon renewal of the Master Agreement.

7. Amend to delete Exhibit B and replace it in its entirety with the revised Exhibit B in this amendment.

SPACE BELOW LEFT INTENTIONALLY BLANK

IN WITNESS WHEREOF, the Parties have caused this Revised Agreement to be executed by their duly authorized representatives.

APPROVED AS TO FORM:  
MICHAEL N. FEUER  
City Attorney \_\_\_\_\_, 2016

By: \_\_\_\_\_  
Deputy / Assistant City Attorney

Date: \_\_\_\_\_, 2016

ATTEST:

HOLLY L. WOLCOTT, City Clerk

By: \_\_\_\_\_  
Deputy City Clerk

Date: \_\_\_\_\_, 2016

For THE CITY OF LOS ANGELES

RUSHMORE D. CERVANTES  
General Manager  
Los Angeles Housing + Community Investment  
Department

By: \_\_\_\_\_

Title: \_\_\_\_\_

Executed this \_\_\_\_\_ day of  
\_\_\_\_\_, 2016

(Contractor's Corporate Seal of Notary)

Executed this \_\_\_\_\_ day of  
\_\_\_\_\_, 2016

For: COUNTY OF LOS ANGELES

COMMISSION  
Community Development Commission of the  
County of Los Angeles

By: \_\_\_\_\_  
Sean Rogan, Executive Director

Date: \_\_\_\_\_

COUNTY OF LOS ANGELES  
Chief Information Office

By: \_\_\_\_\_  
Peter Loo, Acting Chief Information Officer

APPROVED AS TO FORM:  
MARY C. WICKHAM,  
County Counsel

By: \_\_\_\_\_  
Senior Deputy County Counsel

Date: \_\_\_\_\_

For: Emphasys Computer Solutions, Inc.

By: \_\_\_\_\_  
Name: MICHAEL BYRNE  
Title: Chief Executive Officer

ATTEST:

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**EXHIBIT B**  
**PROJECT COST SCHEDULE**

<u>Service Component</u>	<u>Year 1</u> 7/14/15 – 7/13/16	<u>Year 2</u> 7/14/16 – 7/13/17	<u>Year 3</u> 7/14/17 – 7/13/18
Develop artwork ("Skin") for new HCIDLA custom header co-branded with County site	\$2,500	-	-
Develop artwork/ language for marketing and promotion, printing	\$2,500	-	-
Develop search link to return all listings <ul style="list-style-type: none"> <li>• Include "flag": to identify HCIDLA properties as needing to be in compliance with listings on site</li> <li>• Link will also flag LA County properties if they are co-funders with HCIDLA/City</li> </ul>	\$1,200	\$575	\$925
Launch website <ul style="list-style-type: none"> <li>• Configuring database for HCIDLA data</li> <li>• Setting up DNS for URLs</li> <li>• HTML coding to build site</li> </ul>	\$1,400	-	-
Owner/manager training sessions	\$2,000 4 trainings (\$500 each)	\$3,500 4 Webinars (\$500 each) 2 On-Site Trainings (\$750 each)	\$2,000 4 trainings (\$500 each)
Staff training	\$500	-	-
Specialized travel/training	\$3,000	-	-

<u>Service Component</u>	<u>Year 1</u> 7/14/15 – 7/13/16	<u>Year 2</u> 7/14/16 – 7/13/17	<u>Year 3</u> 7/14/17 – 7/13/18
Prevent "flagged" HCIDLA properties from being able to be deleted by owner(s) without authorization	\$800	\$550	\$550
Develop custom report to send monthly to include status and contact information: <ul style="list-style-type: none"> <li>o Available</li> <li>o Registered</li> <li>o Not registered</li> <li>o Accessible</li> <li>o Waitlisted</li> </ul>	\$900	\$275	\$275
Initial outreach and support to register projects, billed at \$55/project. Year 1 for 350 projects (federal funding); year 2 for 500 projects (CRA and Bond restrictions); year 3 for 400 projects (Land Use restrictions), totaling 1,250 projects over 3 years.  Query current listings with special population designations and contact those properties to increase accessible descriptions and educate on reason behind the effort. <ul style="list-style-type: none"> <li>• Ensure accessible features listed for units for tenants with 1) mobility impairments; 2) sensory (hearing/visual) impairments</li> <li>• Ensure these features can be queried by general public</li> </ul>	\$19,250	\$27,500	\$22,000
Host www.housing.lacity.org website and basic support services	-	\$10,000	\$10,000
Call center support	-	\$35,000	\$35,000

<u>Service Component</u>	<u>Year 1</u> 7/14/15 – 7/13/16	<u>Year 2</u> 7/14/16 – 7/13/17	<u>Year 3</u> 7/14/17 – 7/13/18
Merge City and County portfolio for shared data access <ul style="list-style-type: none"><li>Pending agreement by Commission and HCIDLA</li></ul>	-	\$1,500	\$1,500
Printing of marketing materials	-	\$2,000	-
Custom coding, field collection, surveys, data analysis	-	Periodic Compliance Polling Notification System to verify compliance, unit vacancies and open waiting lists  \$15,000 Development	Out of Scope – billed per project on agreed upon hourly fees or separate contract
Maintenance of Periodic Compliance Polling System	-	\$6,000/yr. for maintenance	\$6,000/yr. for maintenance
Subtotal	\$34,050	\$101,900	\$78,250
CDC Administrative Fee (10% of Subtotal)	\$3,405	\$10,190	\$7,825
Regional Partnership Usage Volume Fee  -Includes printing of marketing materials (3,000 posters, fliers, lobby cards)	-	\$20,000	\$20,000
Total per contract period	\$37,455	\$132,190	\$106,075
Total contract amount to date	\$37,455	\$169,645	\$275,720