

**MOTION**

TO CITY CLERK FOR PLACEMENT ON NEXT  
REGULAR COUNCIL AGENDA TO BE POSTED

#54

On July 1, 2020, the City Council and Mayor approved LAHD's recommendations for the proposed LEAP Grant application and accompanying Resolution (C.F. No. 20-0753) to apply for and allocate the \$1.5 million in LEAP Grant over a three-year period as follows: 1) \$700,000 for staffing, outreach, and resources needed to update and implement the Housing Element of the General Plan; 2) \$550,000 to accelerate software system improvements for the production of affordable housing development; and, 3) \$250,000 for contractual services needed to streamline and expand affordable housing on public land.

On June 3, 2021, HCD executed a Standard Agreement with the City for an award of \$1,500,000 in LEAP Grant funds. The Leap Grant requires that all Grant funds must be expended by the Grantee on or before December 31, 2023. To ensure that the Grantee is reimbursed on or before December 31, 2023, LAHD must deliver to all final invoices for reimbursement to HCD on or before September 30, 2023.

On March 7, 2023, LAHD executed a contract with Emphasys Computer Solutions, Inc. (C.F. No. 21-0685) and subsequently allocated \$550,000 in LEAP Grant funds to the contract to carry out system improvements for the department. On May 31, 2023 a termination letter was issued due to the selected solution having critical issues.

LAHD is currently in the process of working with Cask NX LLC to develop multiple features on the ServiceNOW platform including but not limited to: an automated system to submit, review, and validate developer, contractor, and subcontractor compliance documentation, which can also be adapted to process developer drawdown payment requests; and a preliminary tracker solution that migrates HHH and other project data, as well as related data collection and reporting, to the ServiceNow platform.

On April 25, 2023, the City Council and Mayor approved LAHD's recommendations to allocate \$500,000 in the State of California's Permanent Local Housing Allocation ("PLHA") grant for the Cask NX LLC contract (C.F. No. 22-0277-S1). However, in order to expend the majority of the LEAP Grant funds by the deadline, LAHD would like to replace the PLHA funds with LEAP Grant funds.

**I THEREFORE MOVE** that the City Council:

A. AUTHORIZE the City Controller to:


- i. Disencumber the amount of \$500,000 FROM City Contract No. C-142722 Emphasys Computer Solutions Inc. funded by Fund No. 43/49N- LAHD Small Grants & Awards Appropriation No. 43T972- HIMS Replacement per C.F. No. 21-0685; then transfer funding and encumbrance TO City Contract No. C-136109 Amendment #6 CASK NX LLC.
- ii. Disencumber the amount of \$500,000 FROM City Contract No. C-136109 Amendment # 6 CASK NX LLC funded by SB 2 PERMANENT LOCAL HOUSING ALLOCATION FUND Fund No. 43/64R, Appropriation No. 43W900- Contract Programming Systems Upgrade; then transfer funding

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amounting to \$500,000 within SB 2 PERMANENT LOCAL HOUSING ALLOCATION FUND 43/64R FROM Appropriation No. 43W900- Contract Programming Systems Upgrade TO Appropriation No. 43W244 -Admin Reserve for future contracts.

PRESENTED BY: 

NITHYA RAMAN  
Councilmember, 4th District

SECONDED BY: 

**ORIGINAL**

JUN 16 2023