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COUNCIL TRANSMITTAL: REPORT FROM THE LOS ANGELES HOUSING DEPARTMENT ON CREATING A COMPREHENSIVE, MULTILINGUAL ONLINE HOUSING SEARCH AND APPLICATION SYSTEM

SUMMARY

The General Manager of the Los Angeles Housing Department (LAHD) respectfully submits this report in response to a motion introduced by Councilmembers Nithya Raman and Marqueece Harris-Dawson (CF No. 23-0426), which requests LAHD, with support from any other relevant departments, to report back with recommendations and a proposed implementation timeline for creating a centralized, comprehensive, multilingual online search system for all available affordable housing units in the City of Los Angeles (City) based on applicant needs, preferences, and qualifications. This report provides an overview of LAHD's implementation recommendations, process, and costs.

RECOMMENDATION

- I. That the City Council, subject to the approval of the Mayor:
 - A. AUTHORIZE the General Manager, LAHD, or designee to negotiate and execute a sole source contract with Exygy, for an amount not to exceed \$2,366,208 for a three-year term commencing on or about December 1, 2023, and ending November 30, 2026 for the purpose of developing a centralized, comprehensive, multilingual online search system for affordable housing, subject to the availability of funding and the approval of the City Attorney as to form;

- B. FIND that the contract to be executed with Exygy is for the performance of professional, scientific, expert, technical, or other special services of a temporary and occasional character for which competitive bidding is not practicable or advantageous; and that the work can be performed more economically or feasibly by independent contractors than by City employees in accordance with Charter Section 1022;
- C. AUTHORIZE the City Controller to:
- i. Disencumber the amount of \$345,072 FROM City Contract No. C-138612-3 3Di, inc. funded by Fund No. 10D/43 Accessible Housing Fund Account No. 43Y900- Contract Programming - Systems Upgrades; then transfer funding and encumbrance TO a new contract with Exygy for developing a centralized, comprehensive, multilingual online search system for affordable housing;
 - ii. TRANSFER and APPROPRIATE \$345,072 within Fund No. 64R/43 SB 2 Permanent Local Housing Allocation from Account No. 43W244 Administrative to Account No. 43Y900 Contract Programming – Systems Upgrades for a new contract with Exygy for developing a centralized, comprehensive, multilingual online search system for affordable housing; and,
 - iii. Expend funds not to exceed \$690,144 upon proper written demand of the General Manager, LAHD, or designee.
- D. AUTHORIZE the General Manager of LAHD, or designee, to prepare Controller instructions and make any necessary technical adjustments consistent with the Mayor and City Council action on this matter, subject to the approval of the City Administrative Officer, and instruct the Controller to implement the instructions.

BACKGROUND

On September 5, 2016, the City entered into a settlement agreement with the Independent Living Center of Southern California and other plaintiffs regarding accessibility in the City’s portfolio of affordable housing developments. As a result of the settlement, the City created the Accessible Housing Program (AChP) within LAHD to ensure that people with disabilities have an equal opportunity to find and rent City-subsidized affordable housing units. A portion of the settlement agreement required the creation of an Accessible Housing Registry. In 2019, LAHD determined that the Registry should include all affordable housing units, not only accessible affordable units; and that in order to meet deadlines set by the settlement agreement, the system would be built with existing bench contractors rather than issuing a Request for Proposals. With support from 3Di Systems (3Di), a bench contractor for LAHD systems development, the Affordable and Accessible Housing Registry (Registry) was launched in September 2020. LAHD continues to administer, maintain, and update this online search platform with support from 3Di. Features of the current Registry include:

- Ability to search for affordable housing based on selected criteria
- Ability to sign up to receive notifications of new projects and projects open for lease-up

- Ability to submit pre-applications for 100% affordable projects that are not referral-based (i.e., not limited to target populations such as those experiencing homelessness, people living with HIV/AIDs, or those experiencing domestic violence)

However, the expertise of both 3Di and LAHD Systems staff is based in business systems, rather than public-facing systems and user experience, resulting in ongoing challenges in improving ease of use.

LAHD has assessed alternative approaches to ongoing improvement of the registry, including:

- Conducting a Request for Qualifications (RFQ) process seeking a qualified agency with experience designing, developing, supporting and maintaining websites for affordable housing organizations. The agency should have a deep understanding of the needs and challenges facing low-income individuals and families seeking affordable housing options, and should be able to provide us with a website that is both accessible and easy to use.
- Entering into a sole-source contract with Exygy, a software design and build agency known for its successful implementation of the City and County of San Francisco's Database of Affordable Housing Listing, Information, and Applications (DAHLIA) affordable housing portal.
- Evaluating the ability of LAHD Systems' current bench contractors and LAHD staff to continue incremental improvements to the existing Registry. Although this work is ongoing and will continue, given the lack of in-house expertise in user experience design, the pace and scope of improvements will be similar unless additional staff or contractors with additional skill sets are provided.

Regardless of the platform, LAHD's Occupancy Monitoring staff will undertake efforts to obtain and maintain listings for all properties with covenanted affordable housing units that require marketing, including units developed through the Transit Oriented Communities (TOC) and Density Bonus programs (also known as "Land Use projects"). The requirement to list Land Use projects on a public-facing website was added to covenants beginning in June 2016. LAHD will also endeavor to include units covenanted prior to 2016, but it is not a requirement of their covenant.

Additional staffing may be required in the Occupancy Monitoring to work with property owners/managers to maintain a growing portfolio of listings.

Recommendation Summary

After thorough evaluation, LAHD strongly recommends entering into a sole source contract with Exygy for the purpose of customizing a comprehensive and multilingual online system for affordable housing. Exygy is a software design and build agency known for its successful implementation of the City and County of San Francisco's Database of Affordable Housing Listing, Information, and Applications (DAHLIA) affordable housing portal. Following the success of DAHLIA, Exygy has entered into partnerships with other cities and counties, including the City of San Jose, San Mateo County, Alameda County, and Detroit. Although the City would be the

largest client Exygy has taken on to date, Exygy is unique in its focus on digital solutions to benefit communities, and its experience in public-facing affordable housing portals. LAHD believes that Exygy is positioned uniquely for this project given its 20 years of software development experience, award-winning expertise in public-facing systems, and eight-year record of successful implementation of affordable housing registries.

The proposed system will consist of three core products:

1. Public portal for property search and pre-application
2. Partner portal for developers and property managers
3. Administration portal for City staff

To fulfill the needs of our community, the system will offer a range of features designed to enhance user experience and accessibility, including:

- A comprehensive platform offering a one-stop-shop to search for all affordable housing units, including those created through incentive programs such as Transit Oriented Communities (TOC) and Density Bonus.
- The ability to submit a pre-application for any affordable housing unit (it is important to note that neither Exygy nor the existing Registry provide support for formal rental applications to be submitted to property owners online)
- Clear and easily understandable steps and options throughout the system for both home seekers and property owners/managers maintaining listings, using plain language to simplify comprehension.
- Jargon-free listings that prioritize information according to its importance for home seekers.
- The ability to search for homes based on key criteria, including qualifications/restrictions
- Support for multiple languages, ensuring inclusivity and assisting individuals from diverse backgrounds (most common languages to be fully translated; use Google translate for the remainder)
- Regular updates on application status through notifications to keep applicants informed.
- Access to online and offline customer support systems for comprehensive support.
- Generation of reports to provide insights and facilitate data-driven decision-making.
- User account management functionality to ensure a personalized and secure experience.
- Streamlined management of listings to maintain accurate and up-to-date information.
- Management of applications to facilitate the process for both applicants and relevant stakeholders.
- Compliance with the Web Content Accessibility Guidelines (WCAG) 2.0 and Section 508, meeting the baseline of accessibility for all users.

Implementation Timeline

If a sole source contract with Exygy is pursued, the proposed timeline would consist of four phases, with priorities as outline below.

1. *Initial Discovery, Design and Build (December 1, 2023 – June 30, 2024)*

- Engage with stakeholders and listing managers to define the specific needs and expectations for the website.
- Set up the core features and functions of the website with a focus on the unique requirements for the City of Los Angeles.
- Conduct initial design sessions and validate the proposed designs to ensure they align with the project's objectives.
- Initiate the comprehensive development of a multilingual online system.
- Ensure all core functionalities, including the public portal, partner portal, and admin portal, are thoroughly implemented and integrated.

2. *Launch and Enhancement (July 1, 2024 – June 30, 2025)*

- Build momentum and foster alignment with critical stakeholders to ensure project success.
- Prioritize and maintain strict compliance with the Web Content Accessibility Guidelines (WCAG) 2.1 and Section 508 standards throughout the customization phase.
- Engage in rigorous testing to identify and rectify potential issues. Conduct a comprehensive quality assurance review to ensure an outstanding user experience.
- Guarantee that the necessary training materials are prepared and disseminated, ensuring all users, both internal and external, can utilize the system efficiently. Provide thorough documentation for reference and troubleshooting.
- Ensure a seamless transition to the LAHD hosting environment, ensuring stability and accessibility for all users upon launch.
- Begin iterative feedback collection immediately post-launch to inform enhancement activities.
- Refine and improve system features based on user feedback.
- Work closely with stakeholders to quickly identify and address any emergent needs or issues arising after the system goes live.

3. *Enhancement (July 1, 2025 – June 30, 2026)*

- Continue the iterative feedback collection process initiated post-launch, ensuring that user experiences and needs remain central to enhancement efforts.
- Analyze feedback to pinpoint areas of improvement and potential new features.
- Extend the system's design to incorporate new features and enhancements based on user feedback and emerging needs.
- Implement necessary improvements and iterations to optimize the functionality and user-friendliness of the system.
- Collaborate with stakeholders to identify and prioritize key enhancements, such as integrating additional languages, streamlining application processes, and improving search capabilities.

- Conduct regular user testing and feedback collection to ensure continuous improvement and alignment with user expectations.

4. Maintenance Phase (July 1, 2026 – Onward)

Priorities:

- Provide ongoing product and technical maintenance to ensure the system's stability and reliability.
- Maintain and update listings management and facilitation features to reflect accurate and up-to-date information.
- Collaborate with partners to build internal capacities and provide necessary training to relevant parties.
- Monitor and address system performance, security, and accessibility concerns proactively.
- Budget for ongoing hosting, support, and maintenance costs to sustain the system's long-term operation.

Estimated Costs and Funding Considerations

The estimated cost for designing, developing, implementing and maintaining the proposed affordable housing and accessible website is to be determined through a sole source contracting process, although Exygy's initial estimate is presented below. This figure covers expenses associated with software development, system integration, data management, personnel, and other related expenses, both for the initial development of the website and for ongoing maintenance and operational expenses. Types of costs to consider include:

- **Development Costs:** This includes the cost of the agency or vendor to provide qualified software development to assist in the creation of the online system, as well as any associated development expenses.
- **Maintenance and Operational Expenses:** This includes the costs associated with ongoing maintenance and operational expenses, such as hosting the website, updating information on available units, responding to user inquiries, and other related expenses.
- **Personnel Costs:** This includes the salaries and benefits for the dedicated team of technical and business operation personnel that will be responsible for developing and maintaining the system, as well as the product owner who will oversee the entire development process.
- **Other Related Expenses:** This includes any additional expenses that may be necessary for the implementation of the website, such as outreach to potential users and any necessary training or education for personnel involved in the project.

The projected budget for the system's development stands at approximately \$1.4 million. Our primary objective for the first year is to reach an initial product launch. There is a possibility that we may need to incorporate new features that weren't initially prioritized. Additionally, unforeseen requirements might emerge during the

development phase. Both Exygy's team and the City's IT team will collaboratively work on these enhancements throughout the second year. After the first two years, the City's IT staff will undergo extensive training to gain proficiency in the system. Subsequently, they will assume the responsibility for routine maintenance and any further system enhancements. It's anticipated that the costs associated with maintenance and additional enhancements may decrease as the need for regular maintenance and the introduction of new features diminishes over time.

Annual Cost Estimate

	Phase 1: Discovery, Design and Build (December 1, 2023- June 30, 2024)	Phase 2: Launch and Enhancement (July 1, 2024 – June 30, 2025)	Phase 3: Enhancement (July 1, 2025 – June 30, 2026)	Phase 4: Maintenance (July 1, 2026 – Onward) Annual Cost
Exygy	\$690,144	\$1,183,104	\$492,960	\$0
City IT	\$0	\$192,000	\$384,000	\$576,000
Software Subscription	\$0	\$60,000	\$60,000	\$60,000
Total	\$690,144	\$1,435,104	\$936,960	\$636,000

For the first year of the Exygy contract, seven months’ funding is needed in Fiscal Year 2023-24 and the remaining five months of the contract will be requested through the annual budget process. Partial funding for the Exygy contract will be provided for by savings from an existing systems contract funded by the Accessible Housing Fund. The remaining Exygy contract costs in FY 2023-24 will be funded by SB 2 Permanent Local Housing Allocation Fund.

Recommendations for Personnel and Contracts

To oversee the design, development, implementation, and maintenance of the system, we recommend hiring Exygy as a sole source vendor. Exygy provides a multidisciplinary team with expertise in the following areas:

- Project Management
- Product Vision and Strategy
- Housing Policy Development and Facilitation
- Outreach and Listings Management
- Data Analysis
- Technical Leadership
- Technical Support
- User research and Testing
- Design and accessibility
- Content Strategy
- Reporting

In addition to Exygy as the vendor, the City will need to allocate staff members to fulfill specific roles and responsibilities. These include:

- Monitor and approve owner/property manager activities in the system, and enforce compliance as needed (LAHD Occupancy Monitoring and Accessible Housing Program)
 - Although AcHP is staffed to monitor listings of properties covered by the Corrected Settlement Agreement, Occupancy Monitoring will be solely responsible for monitoring listings of all non-covered properties (generally including Land Use projects developed using Density Bonus or Transit Oriented Communities). In a future annual budget submission, LAHD will request additional occupancy monitoring staff to support this work as follows:
 - 2 Management Assistants
 - 2 Management Analysts
 - 1 Senior Management Analyst I
- IT support for system integration (To meet the demands of the integration tasks, we will need to add an additional LAHD Systems contractor sourced from the existing bench contract pool)
- In-house training (Accessible Housing Program and Occupancy Monitoring)
 - Exygy will offer initial training to the program staff on the features and functionalities of the platform. It is important to document the training and, if feasible, record it for future reference. The designated program staff of the LAHD Occupancy Monitoring and Accessible Housing Program will document and record the training sessions; make them available for new staff; and develop a long-term knowledge maintenance plan.
- On-line and off-line support
 - By implementing both online and offline support services for the Registry website, we can ensure comprehensive and accessible customer support, leading to a significant enhancement in user experience and satisfaction. LAHD has a service contract with AnswerNet, a privately-owned call center outsourcing company. AnswerNet specializes in offering a wide range of services including live telephone answering, virtual receptionist services, customer service support, order processing, and more. The exact cost of the services can be determined once the volume of expected support requests has been identified, allowing for a more accurate estimation.

By partnering with Exygy and allocating the necessary personnel, LAHD believes that the City can ensure a successful implementation of a comprehensive online system for affordable housing.

FISCAL IMPACT

There is no impact to the General Fund. Funding to support this initiative will be provided by the Accessible Housing Fund and the SB 2 Permanent Local Housing Allocation Fund for Phase 1. Funding for the subsequent phases of the contract are subject to approval as part of the annual budget process, in accordance with the City's Financial Policies.

Approved By:

A handwritten signature in black ink, appearing to read "Ann Sewill". The signature is written in a cursive style with a prominent loop at the end.

ANN SEWILL

General Manager

Los Angeles Housing Department