



EXECUTIVE SUMMARY

HOUSING COMMISSION EXECUTIVE SUMMARY SHEET

MEETING DATE: June 10, 2022

HCR22-082

SUBJECT: Approval of an Amendment to the Contract between the San Diego Housing Commission and BASC LLC to Provide Ongoing Support for the COVID-19 Housing Stability Assistance Program Portal

COUNCIL DISTRICT: Citywide

ORIGINATING DEPARTMENT: Information Technology

CONTACT/PHONE NUMBER: Beto Juarez/619-578-7755

REQUESTED ACTION:

Authorize a second amendment to the contract between the San Diego Housing Commission and BASC LLC to increase the total compensation to address the need to provide ongoing support for the COVID-19 Housing Stability Assistance Program portal for the final months of the program.

EXECUTIVE SUMMARY OF KEY FACTORS:

- The Housing Commission administers and operates the COVID-19 Housing Stability Assistance Program (HSAP), which helps pay rent and utilities for households with low income in the City of San Diego that experience financial hardship due to or during the ongoing COVID-19 pandemic.
- The Housing Commission has fully expended all of the funds available for assistance payments through this program. As of May 11, 2022, the Housing Commission made payments totaling \$202,113,430.46 to help 17,165 qualifying households with low income.
- The City of San Diego has applied for the State cash flow loan program funds. If the funds are awarded to the City of San Diego, HSAP will be able to assist additional households that submitted applications by March 31, 2022, for rent and utilities due during or before March 2022.
- The Housing Commission awarded a contract to BASC to provide development and support services for the HSAP Portal. The contract was executed on October 20, 2021, for a total compensation of \$175,000 for the term of October 25, 2021, through October 24, 2023.
- On February 2, 2022, the Housing Commission amended the contract to increase the total maximum compensation to \$228,000 to include monthly support services pending the anticipated program completion date.
- Ongoing support is necessary to provide continued payments in anticipation of the State awarding cash flow loan funds to the City of San Diego to support HSAP through September 2022.
- The actions recommended in this report would increase the maximum compensation for BASC by up to \$134,000 for a total maximum compensation amount of \$362,000 for the full contract term.
- The funding proposed by this action is included in the Housing Commission's Housing Authority approved Fiscal Year 2022 Budget.



REPORT

DATE ISSUED: June 2, 2022

REPORT NO: HCR22-082

ATTENTION: Chair and Members of the San Diego Housing Commission
For the Agenda of June 10, 2022

SUBJECT: Approval of an Amendment to the Contract between the San Diego Housing Commission and BASC LLC to Provide Ongoing Support for the COVID-19 Housing Stability Assistance Program Portal

COUNCIL DISTRICT: Citywide

REQUESTED ACTION

Authorize a second amendment to the contract between the San Diego Housing Commission and BASC LLC to increase the total compensation to address the need to provide ongoing support for the COVID-19 Housing Stability Assistance Program portal for the final months of the program.

STAFF RECOMMENDATION

That the San Diego Housing Commission (Housing Commission) Board of Commissioners (Board) take the following actions:

- 1) Authorize a second amendment to the contract between the Housing Commission and BASC LLC (BASC) to increase the maximum total compensation in the amount of \$134,000 for a maximum compensation amount of \$362,000 for the full term of the contract to address the need for ongoing support services for the COVID-19 Housing Stability Assistance Program (HSAP) Portal for the final months of the program.
- 2) Authorize the President & Chief Executive Officer (President & CEO), or designee, to substitute the funding sources with other available funding sources so long as the total program/project budget amount after substitution does not exceed the approved total budget, and to increase compensation by not more than 20 percent of the total agreement amount, if necessary, should the operational need arise without further action by the Housing Commission Board.
- 3) Authorize the President & CEO, or designee to execute all documents and instruments that are necessary and/or appropriate to implement these approvals, in a form approved by General Counsel, and take such actions as are necessary and/or appropriate to implement these approvals, provided that a copy of the documents, signed as to form by General Counsel, is submitted to each Housing Commissioner.

SUMMARY

The Housing Commission administers and operates HSAP, which helps pay rent and utilities for households with low income in the City of San Diego that experience financial hardship due to or during the ongoing COVID-19 pandemic. The Housing Commission has fully expended all of the funds available for assistance payments through this program. As of May 11, 2022, the Housing Commission made payments totaling \$202,113,430.46 to help 17,165 qualifying households with low income.

June 2, 2022

Amendment to the Contract with BASC LLC to Provide Ongoing Support for
the COVID-19 Housing Stability Assistance Program Portal
Page 2

On April 19, 2022, the San Diego City Council authorized the City of San Diego to apply for funds through a State of California cash flow loan program to help additional households through HSAP. On February 7, 2022, California State lawmakers passed Senate Bill (SB) 115, which California Governor Gavin Newsom signed into law February 9, 2022. This legislation authorized eligible local jurisdictions and federally recognized tribal governments to request cash flow loans from the California Department of Housing and Community Development (HCD) for Emergency Rental Assistance Program expenditures. Such expenditures must be for complete, eligible applications by households that were received on or before March 31, 2022, for rent and utilities due on or before March 2022, including administrative costs that are consistent with the provisions of Chapter 17 (commencing with Section 50897) of Division 31 of Part 2 of the Health and Safety Code, as applicable. SB 115 was intended to provide local programs with immediate cash, in the form of temporary cash flow loans, to maximize rental relief to all eligible households as the local programs await additional federal funding from either ERA1 or ERA2. If the anticipated federal funding is not received by June 30, 2023, is insufficient to repay the loan and/or if such funds cannot be utilized for reimbursements, the California Department of Finance will forgive an amount up to the amount not covered by the federal allocation.

The City of San Diego has applied for the State cash flow loan program funds. A determination from the State about the application is pending. If the funds are awarded to the City of San Diego, HSAP will be able to assist additional households that submitted applications by March 31, 2022, for rent and utilities due during or before March 2022. Housing Commission staff anticipates continuing to make payments through September 2022 if the State cash flow loan funds are awarded.

The Housing Commission awarded a contract to BASC to provide development and support services for the HSAP Portal. The contract was executed on October 20, 2021, for a total compensation of \$175,000 for the term of October 25, 2021, through October 24, 2023. Specifically, BASC is providing ongoing development of the “Term 2” build and updates to the tenant/landlord and administration modules, Court Reporting Module, several batched Gap Payment initiatives, updated Utility Portal features, as well as monthly support.

On February 2, 2022, the Housing Commission amended the contract to increase the total maximum compensation to \$228,000 to include monthly support services pending the anticipated program completion date. With development completed, the ongoing support is necessary to provide continued payments in anticipation of the State awarding cash flow loan funds to the City of San Diego to support HSAP through September 2022.

Summary of Support Services:

- Continued maintenance of the application infrastructure, Amazon Web Services (AWS), web server, and database maintenance.
- Ongoing health checks for the AWS server, CloudFlare integration, Applicant/Landlord and Admin/Fiscal web portals, and email servers
- Monthly application and project support
 - Troubleshooting for issues that arise from the portal, application, or payment consoles.
 - Subject matter expertise at meetings and team interactions along with coordinating portal updates.
 - Ongoing support to manage portal access, sending bulk email and text/SMS notifications.
 - Generating Yardi payment files to process payments.

June 2, 2022

Amendment to the Contract with BASC LLC to Provide Ongoing Support for the COVID-19 Housing Stability Assistance Program Portal

Page 3

- Generating eligibility pulls per required logic with prioritization and ranking.
- Bablic website translation usage
- Twilio text/SMS message usage
- Cloudflare cyber security layer

The actions recommended in this report would increase the maximum compensation for BASC by up to \$134,000 for a total maximum compensation amount of \$362,000 for the full contract term.

FISCAL CONSIDERATIONS

The funding proposed by this action is included in the Housing Commission's Housing Authority approved Fiscal Year 2022 Budget. Approving this action will authorize the Housing Commission to increase the BASC LLC contract by \$134,000 to address the needs for ongoing support for the COVID-19 Housing Stability Assistance Program.

Original contract (No. IT-22-06):	\$175,000
First Contract Amendment:	\$53,000
New - Second Amendment Request:	<u>\$134,000</u>
Total Amended Contract:	\$362,000

Program Anticipated Completion Date September 22, 2022

Requesting:

1. Monthly support through September 2022: \$89,000
2. \$45,000 option to extend if the program runs past September
3. 20% contingency

EQUAL OPPORTUNITY CONTRACTING AND EQUITY ASSURANCE

BASC was founded by a minority woman and is committed to equity and inclusion. BASC strives to create a diverse and inclusive organization that welcomes and respects the diversity of their employees. It believes in building a culture of belonging where they move from awareness to empathy and demonstrate inclusive leadership.

HOUSING COMMISSION STRATEGIC PLAN

This item relates to Strategic Priority Area No. 1 in the Housing Commission Housing Commission Strategic Plan for Fiscal Year (FY) 2022-2024: Increasing and Preserving Housing Solutions.

ENVIRONMENTAL REVIEW

California Environmental Quality Act (CEQA)

The proposed action for support services for the Housing Stability Assistance Program is exempt from the California Environmental Quality Act (CEQA) pursuant to CEQA Guidelines Section 15061(b)(3) (Common Sense) which states that CEQA applies only to projects that have the potential for causing a significant effect on the environment. The Common Sense Exemption is applicable where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment. The action would not, on their own accord, cause a significant effect on the environment.

June 2, 2022

Amendment to the Contract with BASC LLC to Provide Ongoing Support for
the COVID-19 Housing Stability Assistance Program Portal

Page 4

National Environmental Policy Act (NEPA)

Processing under the National Environmental Policy Act is not required because federal funds are not included in the proposed action.

Respectfully submitted,

Beto Juarez

Beto Juarez
Senior Vice President of Information Technology &
Chief Information Officer
San Diego Housing Commission

Approved by,

Jeff Davis

Jeff Davis
Interim President & Chief Executive
San Diego Housing Commission

Docket materials are available in the "Governance & Legislative Affairs" section of the San Diego Housing Commission website at www.sdhc.org