



City of Santa Ana
20 Civic Center Plaza, Santa Ana, CA 92701
Staff Report
May 21, 2024

TOPIC: First Amendment to Agreement with MRI Software LLC (Formerly Happy Software LLC)

AGENDA TITLE

Approve a First Amendment to the Agreement with MRI Software LLC (formerly Happy Software LLC) to Continue Providing Housing Authority Management Software

RECOMMENDED ACTION

Authorize the Executive Director of the Housing Authority to execute a First Amendment to the Agreement with MRI Software LLC (formerly Happy Software LLC) to continue providing housing authority management software by extending the term for two years until May 31, 2026, adding additional compensation in the amount of \$148,100, and expanding the scope of work to include criminal and sex offender background checks, for a total amount not to exceed \$348,100, subject to non-substantive changes approved by the Executive Director of the Housing Authority and Authority General Council.

GOVERNMENT CODE §84308 APPLIES:

No

DISCUSSION

On May 4, 2021, the City Council authorized the Executive Director of the Housing Authority to execute an Agreement with Happy Software LLC for housing authority management software services for the Housing Choice Voucher (HCV) program (Exhibit 1). [Following that approval, MRI Software LLC acquired Happy Software LLC.] This software is essential to the operation of the Housing Authority and its obligation to electronically transfer data to the U.S. Department of Housing and Urban Development (HUD) on a regular basis and disburse over \$45 million in rental assistance funds every year. The software tracks all program information on thousands of applicants, participants, and owners served by the program; schedules and maintains records on all Housing Quality Standards (HQS) inspections; performs income and payment calculations; and creates and transmits all HUD-required reports, amongst various other tasks. In addition to the day-to-day use of the software, the annual license includes system upgrades, software updates, all pertinent user manuals, staff training, as well as the Housing Authority's applicant, owner and tenant on-line portals.

The original Agreement is set to expire on May 31, 2024. To continue using this essential software for the operation of the Housing Authority, staff is requesting to extend the term of this Agreement by two years until May 31, 2026. This also requires amending the Agreement to add additional compensation in the amount of \$148,100 over the two-year period. The First Amendment to the Agreement with MRI Software LLC is attached as Exhibit 2.

In addition to housing authority management software, MRI also provides client screening services which are used by hundreds of housing authorities across the country. The Housing Authority is required to perform criminal background checks and sex offender checks prior to admitting any adult applicants to the HCV program. Background checks include lifetime registration requirements under any state sex offender registration program. The Housing Authority currently uses National Credit Reporting for this service and would like to replace that smaller agreement by adding a background screening service to this amended Agreement with MRI Software LLC.

MRI Software LLC has provided an outstanding quality of service over the last three years. The use of this housing authority management software is mission-critical to the operation of the Housing Authority. Without this software, the Housing Authority would be unable to provide rental assistance to very low-income and extremely low-income families in the City.

FISCAL IMPACT

Funding for this Agreement is available in the FY 2023-24 Housing Authority and Other Contractual Services and Computer Software Subscriptions account (no. 14018760-62300/66511) and will be budgeted in the future fiscal years for expenditures as shown in the table below:

Fiscal Year	Accounting Unit - Accounting #	Accounting Unit, Account Description	Amount
FY 23-24 (June)	14018760-62300	Housing Authority-Vouchers ADM, Contract Services-Professional	\$500
FY 23-24 (June)	14018760-66511	Housing Authority-Vouchers ADM, Computer Software Subscriptions	\$5,500
FY 24-25 (July-June)	14018760-62300	Housing Authority-Vouchers ADM, Contract Services-Professional	\$3,000
FY 24-25 (July-June)	14018760-66511	Housing Authority-Vouchers ADM, Computer Software Subscriptions	\$69,100
FY 25-26 (July-May)	14018760-62300	Housing Authority-Vouchers ADM, Contract Services-Professional	\$2,500
FY 25-26 (July-May)	14018760-66511	Housing Authority-Vouchers ADM, Computer Software Subscriptions	\$67,500
		Total Contract Amount	\$148,100

The above spending plan is only an estimate and subject to change.

EXHIBIT(S)

1. [Staff Report from May 4, 2021](#)
2. First Amendment to Agreement with MRI Software LLC

Submitted By: Michael L. Garcia, Executive Director of Community Development

Approved By: Alvaro Nuñez, Acting City Manager