



**SACRAMENTO  
HOUSING AND REDEVELOPMENT  
AGENCY**



September 11, 1984

Redevelopment Agency and  
Housing Authority of the  
City of Sacramento  
Sacramento, California

CITY MANAGER'S OFFICE  
**RECEIVED**

SEP 19 1984

**APPROVED** **APPROVED**  
SACRAMENTO REDEVELOPMENT AGENCY  
CITY OF SACRAMENTO  
SACRAMENTO HOUSING AUTHORITY  
CITY OF SACRAMENTO

Honorable Members in Session:

Subject: Amendment of Data Processing Masterplan

SUMMARY

SEP 25 1984

SEP 25 1984

The staff of the Agency is requesting to amend the Data Processing Masterplan approved by the Governing Boards of the Agency. The amendment would authorize the Agency Executive Director to proceed in acquiring a pre-programmed mini-computer system. In addition, the staff is requesting to switch funding of the wordprocessing equipment acquired with Department of Housing and Urban Development (HUD) Comprehensive Improvement Act Program (CIAP) funds to emergency reserve funds to facilitate acquisition of the mini-computer system with HUD-CIAP monies.

BACKGROUND

On July 12, 1983 the Commission approved the Agency Data Processing Masterplan which called for converting all Agency systems from the City computer hardware to the County computer hardware. After one year of effort in converting systems to the County, the staff of the Agency has realized that it is not cost beneficial to convert all systems. To verify staff's opinion, an outside consultant was retained to review the progress of the Agency's conversion process to the County's computer. The consultant's evaluation and recommendations and comments on the consultant's report from the City and County Data Processing personnel are attached as Exhibit I.

The consultant has recommended, and staff concurs, that the Agency acquire a pre-programmed mini-computer system to process all housing related activities. The recommendation is based on the following facts:

1. Converting existing housing systems, section 8 and central eligibility to the County's hardware does not improve response time or allow for on-line report formatting. In essence, we would be converting batch systems from one computer to another without any benefits.

9-25-84

All Districts

(1)

# SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

23

Redevelopment Agency and  
Housing Authority of the  
City of Sacramento  
September 11, 1984  
Page two

2. The County does not have existing software to permit on-line processing of housing activities.

3. Housing software for tenant accounting, maintenance work order processing, Section 8, and central eligibility applications have been developed and are in use by several housing authorities on pre-programmed mini-computers. These developed applications cannot run on a large system such as the County's IBM system.

4. To develop on-line housing systems with our existing programming staff of 3 programmers would take from one to two years, whereas implementing a pre-programmed mini system would take only five months.

5. Developed housing software now being used by other housing authorities has been accepted and approved by Housing and Urban Development for funding.

Staff believes that other major systems such as payroll/personnel and general ledger accounting should be converted to the County. Presently, these systems are 90% converted to the County. The consultant has recommended that the Agency use the new financial system to be acquired by the County in lieu of converting our payroll and general ledger systems. In discussions with the firm implementing the new County financial systems, we have learned that the system may not be able to handle our different reporting periods without extensive modification. If the system is capable of handling us, we will utilize the new accounting system.

Staff believes that the acquisition of a pre-programmed computer for housing activities will put back on schedule the completion of the systems identified in the masterplan for automation. Exhibit II indicates which systems will be converted and which will be processed on the mini-computer.

## FINANCIAL DATA

The cost of acquiring a pre-programmed computer system for housing activities would be approximately \$225,000. Annual operating costs would be hardware maintenance \$12,000; software maintenance, \$5,000; and, insurance \$10,000. Site preparation would cost approximately \$5,000. Funding for the system would come from HUD CIAP. The HUD-CIAP funds would be available by using emergency reserve monies to fund the wordprocessing system acquired as opposed to HUD-CIAP. Exhibit III indicates start up

# SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

23

Redevelopment Agency and  
Housing Authority of the  
City of Sacramento  
September 11, 1984  
Page three

costs and annual operating costs of in-house development compared to costs of a pre-programmed mini-computer for housing systems.

The cost of developing these systems in- house and the annual cost of running them on County hardware would be in excess of the total of the acquisition cost and annual operating cost of a mini system. In addition, the cost of in- house development of housing activities software would not be eligible for HUD CIAP funding.

The cost of the wordprocessing system was \$220,000. The use of HUD-CIAP funds for a housing oriented mini-computer system would be completely in compliance with HUD Regulations.

## POLICY IMPLICATION

The attached resolution amends the Data Processing Masterplan.

## VOTE AND RECOMMENDATION OF COMMISSION

At its regular meeting of September 17, 1984, the Sacramento Housing and Redevelopment commission adopted a motion recommending approval of the attached resolution. The votes were as follow:

AYES: Amundson, Angelides, Lopez, Moose, Ose, Sanchez,  
Walton, Teramoto

NOES: None

ABSENT: Luttrell, Pettit

# SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

23

Redevelopment Agency and  
Housing Authority of the  
City of Sacramento  
September 11, 1984  
Page four

## RECOMMENDATION

The staff of the Agency recommends that the attached resolution be approved to amend the Agency Data Processing Masterplan authorizing the Agency's Executive Director to proceed in acquiring a pre-programmed mini-computer system for housing activities.

Respectfully submitted,

*William H. Edgar*  
WILLIAM H. EDGAR  
Executive Director

TRANSMITTAL TO COUNCIL:

*Walter J. Slipe Jr.*  
For: WALTER J. SLIPE  
City Manager

23

# RESOLUTION NO. 84-029

ADOPTED BY THE HOUSING AUTHORITY OF THE CITY OF SACRAMENTO  
ON DATE OF

September 25, 1984

## AUTHORIZING AMENDMENT OF DATA PROCESSING MASTERPLAN

BE IT RESOLVED BY THE HOUSING AUTHORITY OF THE CITY OF SACRAMENTO:

Section 1. The Agency Data Processing Masterplan is amended to include the acquisition of a pre-programmed mini-computer for housing activities.

Section 2. The Executive Director is authorized to proceed with the acquisition of a mini-computer for housing activities.

Section 3. The amount of \$220,000 in Emergency Reserve Funds is appropriated for the acquisition of the IBM 8100 word-processing system.

\_\_\_\_\_  
CHAIRMAN

ATTEST:

\_\_\_\_\_  
SECRETARY

**APPROVED**  
SACRAMENTO HOUSING AUTHORITY  
CITY OF SACRAMENTO

SEP 25 1984

SEP 25 1984

23

**RESOLUTION NO. 84-053**

ADOPTED BY THE REDEVELOPMENT AGENCY OF THE CITY OF SACRAMENTO  
ON DATE OF

September 25, 1984

APPROPRIATING FUNDS  
AMENDMENT OF DATA PROCESSING MASTERPLAN

BE IT RESOLVED BY THE REDEVELOPMENT AGENCY OF THE  
CITY OF SACRAMENTO:

Section 1. The amount of \$220,000 in Emergency Reserve  
Funds is appropriated for the acquisition of the IBM 8100 word-  
processing system.

\_\_\_\_\_  
CHAIRMAN

ATTEST:

\_\_\_\_\_  
ASSISTANT SECRETARY

**APPROVED**  
SACRAMENTO REDEVELOPMENT AGENCY  
CITY OF SACRAMENTO

SEP 25 1984

SEP 25 1984

23

SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY

EVALUATION AND ACTION PLAN  
FOR DATA PROCESSING

JULY 3, 1984

## PRESENTATION OUTLINE

### . EVALUATION OF EDP MASTER PLAN IMPLEMENTATION

- .. ORGANIZATION
- .. SYSTEM DEVELOPMENT AND PROGRAMMING
- .. STAFF DEVELOPMENT AND TRAINING
- .. PROCESSING METHODOLOGY

### . ACTION PLAN

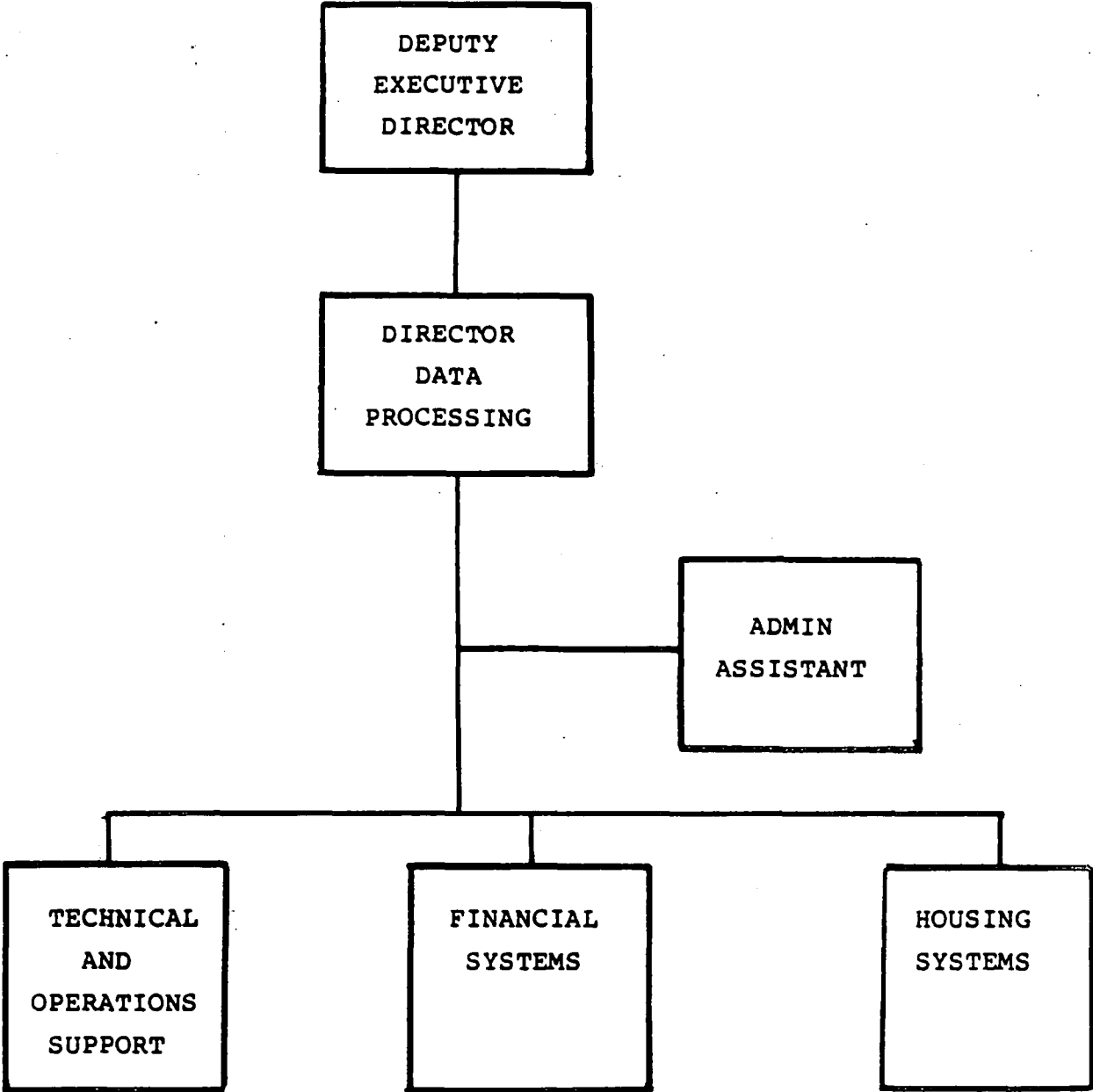
- .. PHASE I - STABILIZATION OF THE DATA PROCESSING FUNCTION
- .. PHASE II - DATA PROCESSING PLANNING
- .. PHASE III - IMPLEMENTATION OF DEVELOPMENT AND SUPPORT PLANS
- .. ACTION PLAN SCHEDULE



## ORGANIZATION

- . ESTABLISH A DATA PROCESSING DEPARTMENT
  
- . HIRE A DIRECTOR OF DATA PROCESSING
  
- . EXPAND THE DATA PROCESSING STAFF
  
- . ESTABLISH A DATA PROCESSING STEERING COMMITTEE
  
- . INSTITUTE A USER SHORT AND LONG-RANGE PLANNING PROCESS
  
- . IMPROVE THE COMMUNICATION BETWEEN THE DATA PROCESSING DEPARTMENT AND THE USER COMMUNITY.

RECOMMENDED SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY  
EDP DEPARTMENT ORGANIZATION



SYSTEMS DEVELOPMENT AND PROGRAMMING

- . IMPLEMENT A SYSTEMS DEVELOPMENT METHODOLOGY THAT INCLUDES:
  - .. USER INVOLVEMENT IN SYSTEMS DEVELOPMENT CYCLE
  - .. SERVICE REQUEST PROCEDURES
  - .. REQUIREMENTS DEFINITION
  - .. SYSTEM FEASIBILITY STUDIES
  - .. DETAILED SYSTEM SPECIFICATION
  - .. OPERATIONS DOCUMENTATION
  - .. PROGRAMMING DOCUMENTATION
  - .. CONVERSION PLANNING
  - .. ACCEPTANCE TESTING
  - .. PROJECT PROGRESS REPORTING

## STAFF DEVELOPMENT AND TRAINING

- ESTABLISH A STAFF DEVELOPMENT PLAN THAT INCLUDES IN-SERVICE AND OFF-SITE TRAINING
  
- COORDINATE STAFF TRAINING WITH THE NEEDS OF THE DATA PROCESSING MASTER PLAN

PROCESSING METHODOLOGY

- . CANCEL THE CITY TO COUNTY CONVERSION
  
- . INVESTIGATE THE CAPABILITIES OF THE COUNTY'S FINANCIAL ACCOUNTING AND PAYROLL SYSTEMS AND PROCEED WITH THEIR IMPLEMENTATION IF COMPATIBLE WITH AGENCY REQUIREMENTS
  
- . BEGIN A SEARCH FOR HOUSING AND REDEVELOPMENT SOFTWARE

PHASE I - STABILIZATION OF THE DATA PROCESSING FUNCTION

- I - DISCONTINUE THE CONVERSION FROM THE CITY TO THE COUNTY
  
- 2 - ESTABLISH DATA PROCESSING AS A DEPARTMENT AND INITIATE A SEARCH FOR A DATA PROCESSING DIRECTOR
  
- 3 - DEFINE THE AGENCY'S CURRENT OPERATIONAL ENVIRONMENT
  
- 4 - RESEARCH THE DATA PROCESSING PRACTICES AND PROCEDURES IN USE BY THE CITY AND COUNTY
  
- 5 - ESTABLISH THE DATA PROCESSING DEPARTMENT'S ORGANIZATION STRUCTURE
  
- 6 - INSTITUTE A HIGH LEVEL DATA PROCESSING STEERING COMMITTEE

## PHASE II - DATA PROCESSING PLANNING

- I - UPDATE THE AGENCY'S DATA PROCESSING MASTER PLAN
- 2 - DEVELOP A USER ORIENTED SHORT-TERM DATA PROCESSING PLAN
- 3 - SOLICIT AND OBTAIN STEERING COMMITTEE APPROVAL OF THE SHORT-TERM GOALS AND OBJECTIVES.
- 4 - IMPLEMENT THE SYSTEMS DEVELOPMENT METHODOLOGY

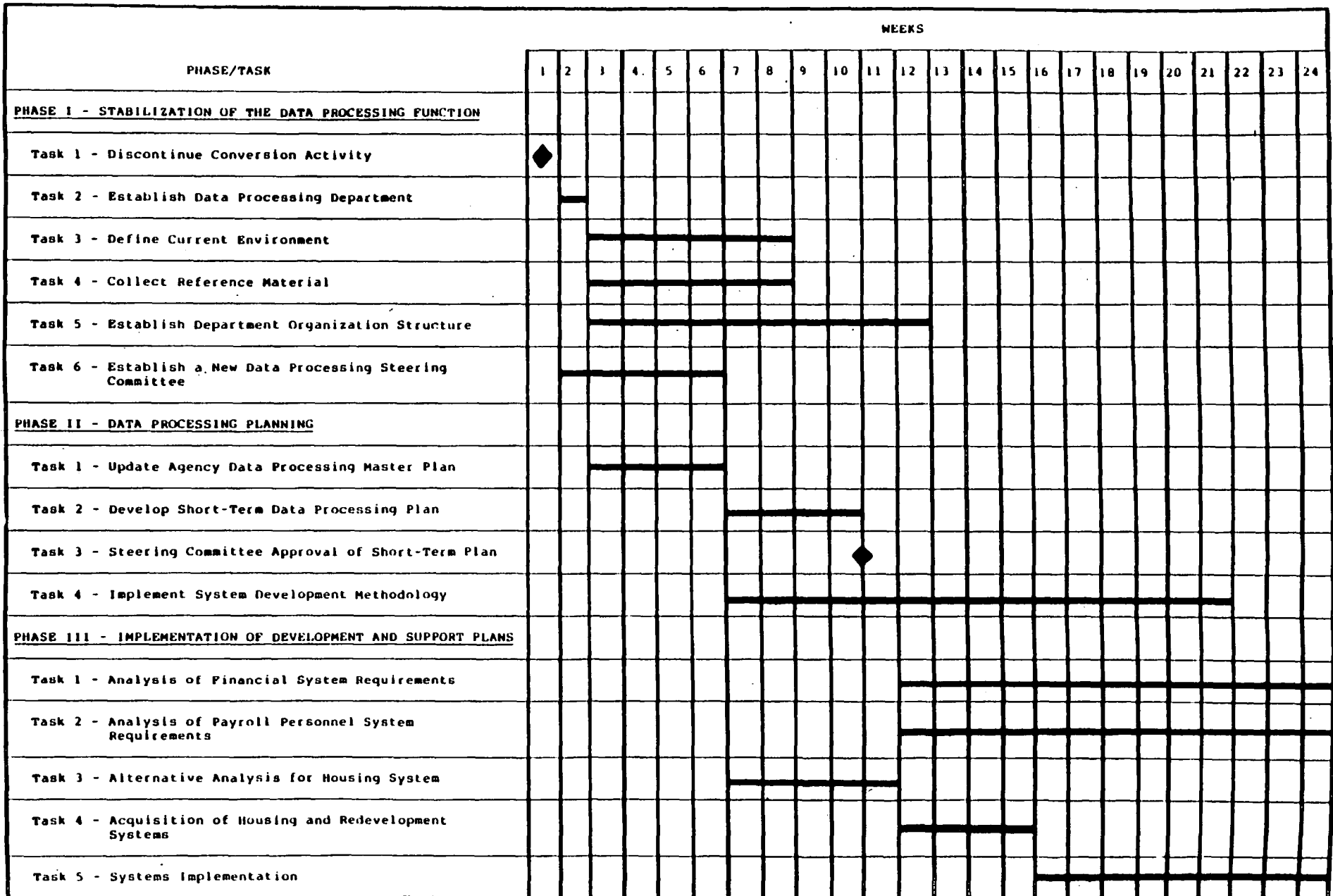
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PHASE III - IMPLEMENTATION OF DEVELOPMENT AND SUPPORT PLANS

- I - ANALYZE FINANCIAL SYSTEM REQUIREMENTS
- 2 - ANALYZE PAYROLL/PERSONNEL SYSTEM REQUIREMENTS
- 3 - CONDUCT AN ALTERNATIVES ANALYSIS OF HOUSING AND REDEVELOPMENT SOFTWARE
- 4 - ACQUIRE HOUSING AND REDEVELOPMENT SOFTWARE
- 5 - IMPLEMENT OPERATIONAL SYSTEMS



SACRAMENTO HOUSING AND REDEVELOPMENT AGENCY  
ACTION PLAN SCHEDULE



-12-

(20)

*Handwritten initials/signature*

23

July 13, 1984

TO :

Bill Edgar,  
Director  
Sacramento Housing and Redevelopment Agency

FROM :

Muriel Gray,  
Fiscal Bureau Manager  
Systems and Data Processing Department

SUBJECT : Evaluation of Data Processing Plan

I have reviewed the Evaluation and Action Plan for Data Processing by Main Hurdman Consultants. I feel the evaluation addresses some of the weaknesses of the Sacramento Housing Agency in the area of Data Processing.

The Consultant's plan is highly optimistic in schedules and accomplishments for the near future. The schedule puts little priority on the establishment of the Data Processing Department and the choice of a Director. This task directly affects the success and completion of the rest of the schedule.

The needs and direction taken by the Agency on the Master Plan neglected to identify the problems that exist now and have existed since the Data Processing area was established at the Housing Agency.

Successful automation requires a new mode of operating, that must encompass:

Communications, both style and media, you can not allow data processing to write programs without a requirements study and detail specifications,

Logistical considerations for staff, space, materials, furniture and equipment,

Sharing of information , that is possibly the greatest benefit of automation and the most difficult to achieve,

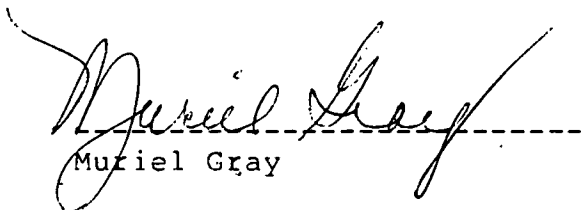
Determination of services to be provided, level of service and who to provide it,

Training of agency staff, in both the value of and application of computer/information systems technology.

Data Processing is a tool to help alleviate redundancy, manual efforts, and provide timely and accurate information. Procedures still need to be in place for the definition of

the problem, user requirements and an resulting alternative can be purchased software and/or hardware. Any alternative still requires skilled staff for conversion of data, maintenance, and custom changes to meet your specific needs, considerations for interfaces, sharing and compatability of hardware.

Unless there is managerial support from Housing for time, energy, resources, and priorities there is little hope for success. Data Processing can and must be managed and be held accountable for its performance.



Muriel Gray

cc: Paul Lazio, Main Hurdman Consultants  
Joe Williams, Assistant Director, Sacramento County  
Bill Glover, Systems Analysts, Sacramento County

23

APPLICATIONS IN MASTERPLAN  
IMPLEMENTATION ACTION

	<u>To be Converted to County</u>	<u>To be Operated on Mini-computer</u>
General Ledger Accounting	X	
Personnel/Payroll	X	
Property Management	X	
Capital Improvement Accounting	X	
Automated Budgeting	X	
Central Eligibility		X
Section 8		X
Maintenance Work Orders		X
Loan Servicing	X	
Contract Monitoring		X
Stores Inventory		X
Tenant Accounting		X
Inspection control-Maintenance		X
Vehicle Maintenance		X

Exhibit III

COST OF IN-HOUSE DEVELOPMENT  
AND RUNNING HOUSING  
APPLICATIONS ON COUNTY HARDWARE

<u>System</u>	<u>Hours</u>	<u>Rate</u>	<u>Costs</u>
Section 8	1520	\$37	\$56,240
Tenant Accounting	2000	37	74,000
Maintenance	2000	37	74,000
Central Eligibility	500	37	18,500
Inventory	500	37	<u>18,500</u>
Total Development costs			<u>\$241,140</u>
Cost of additional data processing terminals/printers for on line access			
	10 @ 1,100		11,000
	10 @ 2,500		<u>25,000</u>
Total Equipment cost			<u>\$36,000</u>
Total Start-up			<u>\$277,240</u>
Annual operating cost:			
	County equipment usage charge		50,000
	Telephone lines		<u>10,000</u>
			<u>60,000</u>

23

Exhibit III

COST OF PURCHASE OF  
PRE-PROGRAMMED MINI-COMPUTER

Equipment Acquisition cost	\$225,000
Site preparation	5,000
	<hr/>
Total acquisition cost - (start up)	<u>\$230,000</u>

Annual operating costs:

Insurance	10,000
Maintenance-hardware	12,000
Maintenance-software	5,000
Telephone lines	<u>10,000</u>
Total	<u>\$37,000</u>

\* Cost includes training (full bundled system)