



Department of Housing and Community Development

Special Project Report for

HCD Connect (formerly CHAAPP)

Project Number: 2240-053

June 2025

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1 Executive Project Approval Transmittal

Agency/State Entity Name			
Business, Consumer Services and Housing Agency/California Department of Housing and Community Development			
Project Title (maximum of 75 characters)			Project Acronym
HCD Connect (formerly CHAAPP)			HCD Connect
Project ID	Approval Date	State Entity Priority	Agency Priority
2250-053	07/01/2023	1	1
<p>I am submitting the attached Special Project Report (SPR) in support of our request for the California Department of Technology's approval to continue development and/or implementation of this project.</p> <p>I certify:</p> <ul style="list-style-type: none"> The SPR was prepared in accordance with the State Administrative Manual Sections 4945-4945.2, my agency/state entity has considered the cost benefits analysis associated with the proposed project changes and the changes are consistent with our information management strategy as expressed in our current Agency Information Management Strategy (AIMS). The acquisition of the applicable information technology (IT) product(s) or service(s) required by my department that are subject to Government Code 7405 applying Section 508 of the Rehabilitation Act of 1973 as amended meets the requirements or qualifies for one or more exceptions (see following page). The document(s) being submitted are accessible to persons with disabilities based on the requirements specified in Section 508 of the federal Rehabilitation Act of 1973, as amended, the Government Code section 11135, and the Web Content Accessibility Guidelines (WCAG 2.0). <p>I have reviewed and agree with the information in the attached Special Project Report.</p>			

APPROVAL SIGNATURES		
Chief Information Officer		Date Signed
Adi Lingam	Digitally signed by Adi Lingam Date: 2025.06.04 12:28:32 -07'00'	2025-06-04
Printed name:	Adi Lingam	
Budget Officer		Date Signed
Dhruv.Mehta	Digitally signed by Dhruv.Mehta Date: 2025.06.04 14:10:55 -07'00'	2025-06-04
Printed name:	Dhruv Mehta	
State Entity Director		Date Signed
Gustavo Velasquez	Digitally signed by Gustavo Velasquez Date: 2025.06.10 09:33:23 -07'00'	
Printed name:	Gustavo Velasquez	
Agency Chief Information Officer		Date Signed
Piccione, Jason@DCA	Digitally signed by Piccione, Jason@DCA Date: 2025.06.19 14:06:08 -07'00'	6/19/2025
Printed name:	Jason Piccione	
Agency Secretary		Date Signed
		06/23/2025
Printed name:	Tomiquia Moss	

1.1 IT Accessibility Certification

Yes or No

Yes	The Proposed Project Meets Government Code 7405 / Section 508 Requirements and no exceptions apply.
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Exceptions Not Requiring Alternative Means of Access

Yes or No	Accessibility Exception Justification
N/A	The IT project meets the definition of a national security system.
N/A	The IT project will be located in spaces frequented only by service personnel for maintenance, repair, or occasional monitoring of equipment (i.e., "Back Office Exception").
N/A	The IT acquisition is acquired by a contractor incidental to a contract.

Exceptions Requiring Alternative Means of Access for Persons with Disabilities

Yes or No	Accessibility Exception Justification
N/A	Meeting the accessibility requirements would constitute an "undue burden" (i.e., a significant difficulty or expense considering all agency resources). Explain: Describe the alternative means of access that will be provided that will allow individuals with disabilities to obtain the information or access the technology.
N/A	No commercial solution is available to meet the requirements for the IT project that provides for accessibility. Explain: Describe the alternative means of access that will be provided that will allow individuals with disabilities to obtain the information or access the technology.

HCD purposefully cultivates excellent systems, operations, and processes providing the highest and best use of its resources. Procuring and implementing a comprehensive solution will enable HCD staff to process State and Federal monies in compliance with HUD and State policies.

The enterprise system will integrate metrics and performance reporting that's unified and accessible. This will support continuous program process improvement through innovation. Organizational productivity and staff morale will improve as HCD embarks in investing in modern technology solutions to meet specific business needs (requirements). Online services will reduce manual workload and improve customer access to HCD products and services. Improving online service capabilities will enhance internal and external processes and enable effective tracking, monitoring, and reporting.

The system will also enable HCD to interact with jurisdiction users to proactively manage communications, submission, revision, and acceptance of housing elements and annual progress reports via the online portal and thus provide opportunities to improve operational processes and increase reporting efficiency and data accuracy.

Strategically Invest Our Internal Resources

- Enhance use of technology to optimize productivity

HCD will strategically allocate its resources in alignment with priorities to deliver the optimum level of performance, transparency, and accountability by enhancing the use of technology and online services to optimize productivity and accessibility. An effective loans and grants management system will dramatically enhance client communication and improve stakeholder performance while improving staff efficiency and increasing staff capacity. This solution would eliminate the need for manual intervention for monitoring and tracking loans and grants and will reduce risk and improve accuracy, accountability, and staff morale.

Functional Goals and Objectives

Objective ID: 1.1 – Provide HCD stakeholders (applicants and grantees) with a highly available portal where HCD can publish, receive, and evaluate grant or loan program applications.

Objective ID: 2.1 – Demonstrated capability to provide HCD users with the ability to report on disbursements of State and Federal funds in accordance with applicable State and Federal reporting requirements. Provides HCD with the ability to conduct monitoring activities per program policies/guidelines. Where applicable, provide the ability to provide reports and/or data files to Federal or State partners (e.g. HUD IDIS, HUD DRGR, FISCAL) to facilitate timely financial activity reporting.

Objective ID: 3.1 – Ability to receipt, track, disburse, and reconcile Program Income by income type source (local or State), and the activities of the income funds within a single system.

Objective ID: 4.1 – Provide jurisdictions with the ability to self-service and submit Housing Elements and Annual Progress Reports (initial and revised) to the online portal.

7. Proposed Solutions

HCD Connect (formerly CHAAPP) is intended to provide HCD with a robust and scalable enterprise data collection, organization, and information management system to accurately manage and report essential housing program and funding information. The system will be configurable and flexible to accommodate new programs and changes to existing programs.

The current project scope is focused on the implementation of one State and one Federal program. These programs will be used to create a template to on-board other programs once the project is complete. This approach does not allow HCD to fully meet its objectives or its goal of onboarding all state and federal grant programs. HCD received CDT approval to execute an amendment to extend the current contract term from December 30, 2025 to January 31, 2027, and will incorporate additional scope that will include the analysis and planning activities to implement all programs.

Benefits of this approach:

- a. Cost-Effective Approach for all Programs:
 - i. Individual program transition is significantly more expensive and counterproductive as it encourages one-off business processes.
 - ii. The output of the new scope will result in HCD having an approach, timeline, and accurate costs to move into implementation of all programs reducing overall costs and mitigating complexities.
- b. Efficiency in Process and People:
 - i. The current project team (HCD and Vendor resources) operates with high synergy, following multiple process improvements, ensuring optimal outcomes.
 - ii. Knowledge gained by the current project team will be instrumental in achieving efficiency and better outcomes through the comprehensive all- program analysis process.
- c. Minimized Disruptions:
 - i. Procuring and engaging a new vendor would require additional HCD time and resources for onboarding, leading to delays and added costs. By successfully implementing the one State and one Federal program, the Vendor and HCD will be able to show success of the solution to their need.
 - ii. By completing the analysis and planning activities for all program implementation through a standardization approach, HCD and the current Vendor will be able to address unknowns and ensure successful implementation.

8. Major Milestones	Estimated Completion Date
Release 1 Go-Live (Internal)	Completed 11/04/2024
Release 1 Go-Live (External)	Completed 11/18/2024
Release 1.1 Go-Live (Prop 1)	Completed 01/13/2025
Release 1.1 Go-Live (Service Cloud)	Completed 01/13/2025
Release 2 Design Completion	07/15/2025
Release 2 Development Completion	08/31/2025
Release 2 SIT Completion	11/21/2025
Release 2 UAT Completion	01/23/2026
Release 2 Technical Release	01/31/2026
Transition to M&O (R1 & R1.1)	02/01/2026
PIER	(one year after project end)

PIER

Key Deliverables	Estimated Completion Date
1.1 Master Project Schedule	07/30/2023 and Ongoing
1.2 Project Management Plan	Completed 07/30/2023
2 Solution Architecture	Completed 07/30/2023
3 Implementation Roadmap	Completed 07/30/2023
4 Epics/Features/User Stories (R1)	Completed 11/27/2023
4 Epics/Features/User Stories (R1.1)	Completed 01/30/2025
4 Epics/Features/User Stories (R2)	07/15/2025
5 System Design/Build Documentation (R1)	Completed 10/15/2024
5 System Design/Build Documentation (R1.1)	Completed 01/15/2025
5 System Design/Build Documentation (R2)	08/31/2025
6 Test Plan/Test Results (R1)	Completed 11/27/2024
6 Test Plan/Test Results (R1.1)	Completed 01/06/2025
6 Test Plan/Test Results (R2)	11/07/2025
7 Knowledge Transfer Materials (R1)	Completed 11/19/2024
7 Knowledge Transfer Materials (R1.1)	Completed 01/06/2025
7 Knowledge Transfer Materials (R2)	09/19/2025
8 Monthly Project Status Report	Monthly
9 Implementation Plan/Verification Results (R1)	Completed 11/27/2024
9 Implementation Plan/Verification Results (R1.1)	Completed 01/15/2025
9 Implementation Plan/Verification Results (R2)	01/15/2026

2.2 Section B: Project Contacts

Project #	2240-053
Doc Type	SPR

EXECUTIVE CONTACTS

	First Name	Last Name	Area Code	Phone #	Ext.	Area Code	Fax #	E-mail
Agency Secretary	Tomiquia	Moss	279	226-4609				Tomiquia.Moss@bcsh.ca.gov
State Entity Director	Gustavo	Velasquez	916	704-9831				Gustavo.Velasquez@hcd.ca.gov
Budget Officer	Dhruv	Mehta	916	776-0369				Dhruv.Mehta@hcd.ca.gov
CIO	Adi	Lingam	916	820-1830				Adi.Lingam@hcd.ca.gov
Project Sponsor	Matt	Schueller	916	477-6578				Matt.Schueller@hcd.ca.gov

DIRECT CONTACTS

	First Name	Last Name	Area Code	Phone #	Ext.	Area Code	Fax #	E-mail
Document prepared by	Heather	Henry	916	890-7053				Heather.Henry@hcd.ca.gov
Project Director	Mayura	Khanwalkar	916	829-0347				Mayura.Khanwalkar@hcd.ca.gov
Project Manager	Bob	Fantozzi	916	820-1471				Robert.Fantozzi@hcd.ca.gov

2.3 Section C: Project Relevance to State and/or Departmental Plans

Project #	2240-053
Doc Type	SPR

- 1. **What is the date of your current Technology Recovery Plan (TRP)?** **Date** October 2024
- 2. **What is the date of your current Agency Information Management Strategy (AIMS)?** **Date** January 2024
- 3. **For the proposed project, provide the page reference in your current AIMS and/or strategic business plan.** **Date** 2024-2026 Strategic Plan **Page #** 7
- 4. **Is the project reportable to control agencies?** **Yes** **No**

If YES, CHECK all that apply:

<input type="checkbox"/>	a) The project involves a budget action.
<input type="checkbox"/>	b) A new system development or acquisition that is specifically required by legislative mandate or is subject to special legislative review as specified in budget control language or other legislation.
<input checked="" type="checkbox"/>	c) The estimated total development and acquisition costs exceed the Department of Technology's established Agency/state entity delegated cost threshold and the project does not meet the criteria of a desktop and mobile computing commodity expenditure (see SAM 4989 – 4989.3).
<input type="checkbox"/>	d) The project meets a condition previously imposed by the Department of Technology.

2.4 Section D: Budget Information

Project #	2240-053
Doc Type	SPR

Budget Augmentation Required?

No Yes

If yes, indicate fiscal year(s) and associated amount:

FY	2022/23	FY		FY		FY		FY	
	\$6,713,000		\$		\$		\$		\$

PROJECT COST

1.	Fiscal Year	2021/22	2022/23	2023/24	2024/25	2025/26	2026/27	TOTAL
2.	One-Time Cost	\$87,619	\$1,484,979	\$6,641,870	\$8,881,738	\$16,580,859	\$0	\$33,677,064
3.	Continuing Costs	\$0	\$0	\$0	\$0	\$1,074,379	\$4,365,530	\$5,439,909
4.	TOTAL PROJECT BUDGET	\$87,619	\$1,484,979	\$6,641,870	\$8,881,738	\$17,665,238	\$4,365,530	\$39,116,973

PROJECT FINANCIAL BENEFITS

5.	Cost Savings/ Avoidances	\$0	\$0	\$3,674,936	\$6,480,264	\$13,977,970	\$0	\$24,133,169
6.	Revenue Increase	\$0	\$0	\$0	\$0	\$0	\$0	\$0

2.5 Section E: Vendor Project Budget

Project #	2240-053
Doc Type	SPR

Vendor Cost for SPR Development (if applicable)	\$0
Vendor Name	N/A

VENDOR PROJECT BUDGET

1.	Fiscal Year	2021/22	2022/23	2023/24	2024/25	2025/26	TOTAL
2.	Primary Vendor Budget	\$0	\$0	\$2,143,739	\$2,789,630	\$11,060,346	\$15,993,715
3.	Independent Oversight Budget	\$37,942	\$114,184	\$60,000	\$148,080	\$101,937	\$462,143
4.	IV&V Budget	\$0	\$0	\$417,600	\$259,419	\$174,021	\$851,040
5.	PM Tech Budget	\$0	\$970,000	\$1,066,046	\$296,619	\$644,979	\$2,977,644
6.	3 rd Party Validation Budget	\$0	\$0	\$0	\$0	\$300,000	\$300,000
7.	TOTAL VENDOR BUDGET	\$37,942	\$1,084,184	\$3,687,385	\$3,493,748	\$12,281,283	\$20,584,542

PRIMARY VENDOR HISTORY SPECIFIC TO THIS PROJECT

8.	Primary Vendor	Accenture
9.	Contract Start Date	06/30/2023
10.	Contract End Date (projected)	01/31/2027
11.	Amount	\$15,993,715

PRIMARY VENDOR CONTACTS

	Vendor	First Name	Last Name	Area Code	Phone #	Ext.	Area Code	Fax #	E-mail
12.	Accenture	Nevil	Pesika						nevil.s.pesika@accenture.com
13.	Accenture	Paul	Lavery						paul.m.lavery@accenture.com
14.	Accenture	Jason	Reeh						jason.reeh@accenture.com

2.6 Section F: Risk Assessment Information

Project #	2240-053
Doc Type	SPR

RISK ASSESSMENT

Has a Risk Management Plan been developed for this project?

Yes

No

General Comment(s)

The project team follows the California Department of Technology's established project management methodology that includes the risk management process and use of standardized project planning tools. All identified risks are evaluated for appropriate risk response, and mitigation activities are included in the detailed project plan. This plan encompasses the entire structure of the project, including its deliverables, and provides a comprehensive framework to assess each aspect of the project for potential risk. To ensure success, risks will be monitored and evaluated by the project team throughout the project.

3 Proposed Project Change

3.1 Project Background/Summary

HCD oversees more than 80 programs that award funding—often as loans and grants—for construction, acquisition, rehabilitation and preservation of affordable rental and ownership housing, homeless shelters and transitional housing, public facilities, infrastructure, and disaster recovery. HCD also provides housing elements and annual progress reports for the State of California and addresses the outstanding Housing and Urban Development (HUD) monitoring findings and concerns.

HCD's current legacy solutions are based on utilizing multiple stand-alone systems with their own unique data pools. These systems include locally developed applications such as CAPES, Housing Elements Tracking System (HETS), and Annual Progress Report (APR). HCD also utilizes third-party subscription tools, such as eCivix and Civix for grant management and disaster recovery. Power BI is the reporting tool, pulling data from these multiple sources.

For data capture, task management, and communications, HCD relies heavily on emails, manual communication, and macro-enabled Excel workbooks. The combination of these systems and tools presents a multitude of data accuracy issues, and communication gaps, and makes reporting in a timely and accurate manner extremely difficult and manual.

HCD's current technology systems are insufficient to meet operational needs and reporting requirements, including those at the State and Federal level.

HCD Connect is intended to enhance collaboration between HCD staff across the department, external applicants who seek HCD services, and various external agencies that collaborate with HCD. Business benefits of HCD Connect include:

1. More efficient processes through greater use of automation
2. Significant time saved in reconciliation
3. Improved data accuracy and data quality
4. Accelerated reporting
5. Simplified workflows and improved overall user experiences

HCD Connect is intended to provide HCD with a robust and scalable enterprise data collection, organization, and information management system with the capability to accurately manage and report essential housing program and funding information. In addition, HCD Connect will provide the ability to award, track, monitor, and report housing loan and grant information. HCD Connect will position HCD to address the outstanding Housing and Urban Development (HUD) monitoring findings and concerns, reduce existing operational risks, and help mitigate HCD's high-risk grantee designation while achieving HCD's mission of promoting safe, affordable homes and vibrant, inclusive, sustainable communities for all Californians.

3.1.1 Baseline Systems

- A. Consolidated Automated Program Enterprise Systems (CAPES) is HCD's enterprise-level data collection and organization system that manages and reports essential State and Federal program and funding information. CAPES supports more than 80 Federal and State programs and is used to award, track, monitor, and report housing loan and grant information for its \$7 billion housing portfolio. Each loan and grant award is monitored individually using CAPES and necessary manual tools and processes (primarily MS Excel) to reconcile data for reporting.

The CAPES is used by the Division of Financial Assistance (DFA), Administration and Management (ADM), Housing Policy Development Division (HPD), and Audit and Evaluations. CAPES currently captures and tracks Loan and grant Notices of Funding Availability (NOFAs), applications, awards, contracts, projects, underwriting, monitoring, financial management (i.e., disbursement, receipts, etc.) and reporting information for different programs.

CAPES support the following business functions:

- a. Application Processing—NOFAs are published annually on the HCD's website, with an average of 685 applications.
- b. Underwriting – 11 HCD programs award loans and complete the underwriting process.
- c. Award – Approximately 400 housing awards are made annually.
- d. Contracts – The Contracts Office finalizes and distributes executed contracts. On average, 375 contracts and 98 contract amendments are executed annually.
- e. Financial Management – Each awarded project will mail fund requests with supporting documentation and itemized expenses for each listed expense attached to HCD. The fund requests are routed to FMO staff to enter CAPES for State programs.
- f. Monitoring – Monitoring occurs once the project is physically completed by the developer, all the funds have been disbursed, and closing documents have been mailed to HCD. The Asset Management Compliance (AMC) Section handles monitoring. These project files are maintained on-site at HCD for the term of the loan or grant; this can be for up to 55 years.
- g. Reporting – Each DFA program has its own reporting requirements throughout the life of a project.

CAPES is customizable to capture the information required to complete the business processes to disburse and monitor various housing grants and loans. HCD staff use Java interface and/or Oracle database to meet the business needs. HCD business needs are varied and unique to each HCD program, requiring customized data entry fields and menu selections based on the type of data collected and the necessary reporting outputs.

CAPES is an internal staff-facing system and does not have an external facing portal for application submittal by external applicants.

- B. Grant Management System (eCivis) – This GMS software by eCivis offers an online grant management platform to track non-disclosure agreements, contracts, and funds requests and address HUD requirements for Federal programs. The GMS is a proprietary software and poses multiple challenges to accommodate any new requirements/guidelines coming from new program

fundings. The software is SaaS based but the solution is proprietary and HCD is dependent on vendors and EUNA solutions for any updates required for new program funding.

- C. eGrants System (Civix) – This GMS supports HCD’s Owner Occupied Reconstruction (OOR) program and works directly with disaster impacted homeowners to help determine their eligibility for grant funding to assist with reconstruction and assist grant recipients through the reconstruction process. The OOR program consists of program management, construction management, case management, and financial management features within the new software system. This solution allows HCD personnel and external users (e.g., applicants, project managers) to effectively link, track, manage, analyze, search, and report all project information throughout a project’s lifecycle from the initial homeowner’s survey and grant application through construction and closeout.
- D. Housing Element Tracking System (HETS) – HETS is the HPD internal system for tracking specific housing elements and annual progress report data. HETS tracks required data elements for jurisdictions to include in their mandated local general plans. HETS captures project-level data for the 539 California city and county jurisdictions, including reporting dates, data elements, and iterations of reports from draft through adoption by HCD with built-in data validation business rules that benefit the annual progress reporting. Additionally, HETS tracks and allows HCD to monitor jurisdiction progress toward achieving goals established for the housing element each year and recently added the capability to track Accessory Dwelling Unit Ordinances for jurisdiction.
- E. Annual Progress Reporting (APR) – APR is the public-facing portal to HETS where jurisdictions upload their annual progress reports into the APR system. The data uploaded to APR are available in HETS for HCD reviewing, tracking, monitoring, and reporting.
- F. ServiceNow – Service Now services the external facing portal for NOFAs.
- G. Neighborly – SaaS solution on Federal Direct Assistance Program such as OOR.
- H. Cognito – Cognito is a portal solution used by HPD for the Homeless Housing, Assistance, and Prevention (HHAP) program.

3.1.2 Initial Project Scope

HCD Connect is intended to provide HCD with a robust and scalable enterprise data collection, organization, and information management system to accurately manage and report essential housing program and funding information and award, track, monitor, and report housing information, for both Federal and the State of California. As such, the system provided will be configurable and flexible to accommodate new programs and changes to existing programs.

The new system will become the main portal for all users – including applicants and HCD staff – to submit, interact with, and manage all program and project workflow, data, information, reporting, funding, and monitoring. This will position HCD to reduce and mitigate operational risks while achieving HCD’s mission. It will be a secure, user-friendly, web-based system. allowing users to manage and report the data that meets requirements outlined in state and federal notices, regulations, statutes and guidelines and manages all components of the Department’s business processes.

HCD Connect system will replace HCD’s Consolidated Automated Programs Enterprise System (CAPES), Housing Elements Tracking System (HETS), Annual Progress Report (APR), and third-party subscription tools such as eCivis and Civix for HCD staff and public users (jurisdiction and public). HCD Connect System will provide an internal application/case management portal, an external application portal, eligibility determination, and workflow functions, loan and grant management functions, analytics and performance reports, and interfaces to multiple Federal and State systems.

HCD plans the Notice of Funding Availability (NOFA) schedule every year based on the budget and available funds for the Program as designated by State and Federal Budget funds. Given the variability of NOFA, it was determined that in addition to the solution implementation, as a part of the implementation activities, the Contractor will lead and carry out program rollout for one (1) Federal grant/loan program, one (1) State grant/loan program, and the HETS/APR tracking and reporting portal. The rollout includes all form and workflow configurations and data migration needed to operationalize these programs in HCD Connect.

The following project objectives were established for the enterprise system.

- Project Objectives:
 - Objective ID: 1.1 – Provide HCD stakeholders (applicants and grantees) with a highly available portal where HCD can publish, receive, and evaluate grant or loan program applications.
 - Objective ID: 2.1 – Demonstrated capability to provide HCD users with the ability to report on disbursements of State and Federal funds in accordance with applicable State and Federal reporting requirements. Provides HCD with the ability to conduct monitoring activities per program policies/guidelines. Where applicable, provide the ability to provide reports and/or data files to Federal or State partners (e.g. HUD IDIS, HUD DRGR, FISCAL) to facilitate timely financial activity reporting.
 - Objective ID: 3.1 – Ability to receipt, track, disburse, and reconcile Program Income by income type source (local or State), and the activities of the income funds within a single system.
 - Objective ID: 4.1 – Provide jurisdictions with the ability to self-service and submit Housing Elements and Annual Progress Reports (initial and revised) to the online portal.

HCD requires that HCD Connect system is built on a highly configurable and extensible cloud-based Software-as-a-Service (SaaS) solution which is based on a Low-code Application Platform (LCAP) which provides rapid application development and deployment using low-code and no-code techniques. As evaluated and approved HCD Connect is to implement the GMS available in the Salesforce platform to meet above mentioned goals with a SaaS LCAP platform. The LCAP features would enable HCD to rapidly implement future add-on functions mandated by legislation and other regulations.

3.2 Project Status

Date	Project Status
July 2023	Project Start Date: July 1,2023 with an approved and end date of December 31, 2024.
	Original proposal indicated 3 releases (December 2023, June 2024, and October 24) with one customer-facing full and final release in October 2024. Negotiations for a customer facing release based on Loan and Grants Cycles and Agile iterations led to change in release structure and agreement on delay of Solution Architecture and Implementation Roadmap deliverables with a Discovery phase through October 2023 to determine detailed to-be state.

Date	Project Status
October 2023	<p>At the completion of Discovery Phase in October 2023, the project adjusted release from a three (3) to a two (2) release implementation plan (May and October 2024) to improve integration with existing program grant/loan cycles. This change did not have an impact on the overall project schedule, cost, or scope. The milestones were reworked and incorporated into the implementation roadmap.</p> <p>HCD selected the Affordable Housing & Sustainable Community (AHSC) and Community Development Block Grant (CDBG) programs as the template programs for Loan and Grants Lifecycle rollout. These were deemed to be comprehensive programs that could cover the requirements and features expected on the solution/platform. The rollout was based on the NOFA calendar* for 2024.</p>
December 2023	<p>Lack of sprint metrics and slow progress on planned user story grooming started impacting Project schedule. Functional team fell behind and Sprint build capacity was unused. Identified as reason for delay was Deficient functional team and resource skills from Accenture. Functional Lead and Scrum Master were replaced, and additional resources were brought onboard to supplement the team capacity.</p>
February 2024	<p>Executive Sponsors from impacted Programs indicated the need for full system functionality from NOFA to Monitoring to operationalize a NOFA in HCD Connect. AHSC and CDBG could continue as the chosen programs with the NOFA in January 2025.</p> <p>Project team established a new timeline with October 2024 as Release 1 and February 5, 2025, as the Release 2. Release 1 scope was identified as HETS/APR and Minimal Viable Product (MVP) Loan and Grants and Release 2 scope was enhanced Loan and Grants.</p>
March-May 2024	<p>High functional staff turnover from Accenture in April and May 2024 impacted the completion of design activities.</p>
June 2024	<p>HE/APR data integration did not experience the same delays. Team decided to progress the Salesforce screens user story refinement after the APR program team workload was optimal. Reports, data conversion and integration work completed as planned.</p> <p>AHSC and CDBG (loans and grants lifecycle) the team continued to work through feature-based refinement, but progress was much slower than planned or expected. Schedule milestones for AHSC application build and Standard Agreement Design completion could not be met resulting in a need for another schedule change.</p> <p>Realignment of R1 and R2. R1 will include loan and grants lifecycle AHSC and CDBG up to Standard Agreement (9 Epics) and HE/APR implementation and data migration by November 2024. The remaining AHSC and CDBG loan and grants Epics (5 Epics) will be delivered in R2 by February 5, 2025.</p>

Date	Project Status
July 2024	Realignment of R1 and R2. R1 will deliver HE/APR functionalities in support of November 1, 2024, Go-Live. This includes the current scope of migrating HETS data into HCD Connect. Design, development, and testing for grant and loan functions. R2 – timeline is TBD. Deployment timing of grant and loan functions for use in production will be assessed when the design for Epics through standard agreements are fully approved and ready for development.
August 2024	HCD added R1.1 to prioritize and launch Homekey+ application portal using HCD Connect. Project team worked with Accenture to plan an intermediate release that would enable the Homekey+ application portal for application submissions. Executive sponsors also decided to include the Service Cloud implementation to provide a support platform for all future HCD Connect support requests from Internal and External Users. Delivery by December 15, 2024.
November 2024	Successful deployment of Release 1 – Housing Elements (HE) and Annual Progress Reporting (APR) allowed HCD Connect to be established as system replacement for the HETS/APR legacy system. This release of HE/APR fulfills one of the project objectives as detailed in the PAL documentation. The successful release caters to internal staff from the HPD and provided external jurisdictions to register and self-service Housing Element and Annual Progress Report submissions.
January 2025	Release 1.1 was successfully deployed establishing HCD Connect as the external portal for Application Intake and Service Cloud as the operational support platform for HCD Connect. Release 1 and 1.1 scope is now being supported in production.
December 2025	Standardization Analysis complete for all programs.
January 2026	Release 2 – technical release.

** HCD plans the NOFA schedule each year based on the budget and available funds for the Program as designated by State and Federal Funds*

Table 1, Milestone Status

Milestone	Status	Est. Completion Date
R1 Go-Live (Internal)	Completed	11/04/2024
R1 Go-Live (External)	Completed	11/18/2024
R1.1 Go-Live (Prop. 1)	Completed	01/13/2025
R1.1 Go-Live (Service Cloud)	Completed	01/13/2025
R2 Requirements Definition	Projected Schedule	06/15/2025
R2 Design Completion	Projected Schedule	07/15/2025
R2 Development Completion	Projected Schedule	08/31/2025
R2 Standardization Analysis	Projected Schedule	01/07/2026
R2 System Integration Testing	Projected Schedule	10/31/2025
R2 Training	Projected Schedule	12/31/2025
R2 User Acceptance Testing	Projected Schedule	01/23/2025
R2 Technical Release	Projected Schedule	01/31/2026
PIER		One year after project end

3.3 Reason for Proposed Change

The original project assumption in implementing the Grants Management Solution (GMS) in the Salesforce platform was that HCD's Grant and Loan Lifecycle requirements could be mapped to meet 70% out of the box functionality with little configuration. Solution implementation would be followed by implementation of two distinct programs from 2 different systems allowing HCD to establish the standard Loan and Grants Platform.

By implementing a standard loan and grants lifecycle into GMS through original contract. HCD would have the ability to easily configure and onboard the remaining programs once thereby enabling cutover of existing datasets and replacement of existing systems.

Early in the project, HCD's grant and loan programs were discovered to be much more complex and could not be standardized by implementing one state and one federal program.

Project Challenges and Delays

- A. Understanding of functional business specifications during procurement and subsequently in discovery resulted in incorrect assumptions of low complexity by System Integrator (Accenture) to use out of the box grants and loans functionality available in Salesforce GMS. The increased complexity in process and system design added to increased effort on requirement documentation, system configurations, custom build components and eventually testing.
- B. Discovery phase was expected to yield detailed process flows and mapping of to-be in Salesforce solution. However, process flow remained high level during Discovery phase and the gaps were identified later during detailed design and user story grooming. This delayed the identification of the issues on increased effort and need for additional time and money. It also delayed the findings and fallouts of the 2-program implementation approach.
- C. A parallel workstream option/expedited timeline was considered, but HCD had fewer workstream resources and wanted to do sequentially since the parallel tracks and staggered approach were not conducive to the process dependencies within the loan and grants lifecycle. Therefore, Epics or features were not able to complete end to end for feature or lifecycle testing as planned.
- D. AHSC and CDBG had distinct applications and the approach of building a common configurable application after requirement elaboration had to be readjusted. Several component modules were developed to keep the configurability increasing the effort in development and testing but the nuances in HCD applications continue to challenge established pattern.
- E. Ongoing data model and conversion discussions specifically on Fund and Project objects surfaced the gap in being able to roll out AHSC and CDBG without interrelated dataset.
- F. HCD process discussions uncovered the complexities associated with multiple divisions, programs, processes and IT systems. Some of these differences needed process standardization effort, while other programmatic differences had to be identified and addressed through enhancements for a complete HCD Connect solution meeting project objectives.
- G. Accenture's staffing issues (skill gaps and turnover) also created project delays. High turnover of Accenture functional team mid-stream delayed planned functional completion on Loan and Grants lifecycle. It also added rework and additional effort on the same functional topics when new resources were onboard. Functional staff additions and process improvements have now resolved this issue, but the time lost resulted in schedule delays.

- H. HCD included additional scope and release to incorporate the priorities on Prop 1 funding and Homekey+ program. Although some functionality was partially built, the deviations and one time effort on specific features, UAT, deployment and maintenance resulted in focus shift for teams on ground.
- I. HCD Loan and Grant Programs presents challenges with multiple divisions, branches, programs, processes and IT systems performing loan and grants lifecycle with a lot of manual intervention and team specific operating procedures. Assumption of applying a standard process and toolset needed department level business process standardization effort to have taken place before the software implementation. Project team is having to navigate these differences alongside solution design and driving consensus and agreement between multiple groups requires additional review cycle time resulting in delayed completion of design activities.
- J. Schedule delays have led the project team to focus their efforts intentionally on the 2 selected programs AHSC and CDBG for completion. However, platform design and data conversion exercises need more discussions on Program variations and standardization. This has become a challenge and balancing act for all project stakeholders and execution team. Functional experts and loan/grants SMEs on the team have pointed out that some of the solutions and process flows would need further elaboration and significant redesign once all programs are considered for onboarding. This is in view of these programs serving different legislative needs, regulations and policies. Some program onboarding may be standardized to fit the designed system, while other programmatic differences might be necessary. Programmatic differences will make future onboarding of programs more challenging and time consuming than originally assumed. Building specific application templates for each Program will be inefficient, effort and cost intensive. The lack of standardization leads to data conversion, reporting and maintenance challenges which in turn will incur effort and cost impacts long term.

Due to the challenges and complexity of the implementation of the current scope. HCD will not fully meet their business objectives for this project.

Project Objectives met with implementation of R1 and R1.1

- **Objective ID: 1.1** – Provide HCD stakeholders (applicants and grantees) with a highly available portal where HCD can publish, receive, and evaluate grant or loan program applications.
- **Objective ID: 4.1** – Provide jurisdictions with the ability to self-service and submit Housing Elements and Annual Progress Reports (initial and revised) to the online portal.

Project Objective met with implementation of R2

- **Objective ID: 3.1** – Ability to receipt, track, disburse, and reconcile Program Income by income type source (local or State), and the activities of the income funds within a single system.

Project Objective that will not be met with current project scope, schedule and cost

Given the interrelated datasets that cannot be migrated with just AHSC and CDBG. The implementation of two (2) programs cannot achieve tracking and reporting capabilities within a single system.

- **Objective ID: 2.1** – Demonstrated capability to provide HCD users with the ability to report on disbursements of State and Federal funds in accordance with applicable State and Federal reporting requirements. Provides HCD with the ability to conduct monitoring activities by program policies/guidelines. Where applicable, provide the ability to provide reports and/or data files to Federal or State partners (e.g. HUD IDIS, HUD DRGR, FISCAL) to facilitate timely financial activity reporting.

3.4 Proposed Project Change

Project team has mitigated multiple issues through process improvements, traversed through the above delays and continues to make progress on overall project objectives with a committed pool of project resources from HCD and Vendor team. The team is motivated and feels confident in its ability to meet the project objectives in the proposed new timeline with the scope adjustments and inclusion of all programs for final implementation. HCD leadership and sponsors are engaged and contributing directly to project as needed. Change Management, training and hands on adoption initiatives are progressing alongside design and build activities to ensure readiness for transition.

Success of the project largely depends on HCD's ability to include all programs in scope of design, implement standardized lifecycle and programmatic differences as necessary to operationalize all programs on HCD Connect. This will enable full data conversion and cutover, which in turn allows for meeting all project objectives and a shift from legacy/old systems to the centralized HCD Connect.

Over the last eighteen (18) months these changes have been put in place to meet project objectives:

1. Allocation of dedicated and committed resources from HCD and Accenture for implementation, data conversion, data migration, change management, training and operations.
2. Inclusion of Subject Matter Experts (SMEs) in all discussions and decisions as needed.
3. Provide clarity in design processes by using feature-based refinement.
4. Provision of sprint metrics and user story sequencing.
5. Establishing the To Be solution with high level Epic and Feature disposition.
6. Ensure documentation of the To Be Process Design before System Design
7. Establishing scope change governance on identified requests from process design outside of contractual requirements.
8. Requirement Traceability for every Work Order Authorization and use of unanticipated cost.
9. Keeping solution design focused on configurability and extensibility.
10. Risk, Issues and Decision cadence and governance.
11. Governance on HCD template changes impacting Salesforce form designs.
12. Committed to meet new re-baselined schedule included in this SPR.

For HCD to meet all objectives and to roll out a single robust system that incorporates all grant and loan programs, new scope needs to be added to the current contract.

Amendment 2 extends the contract term from December 30, 2025, to January 31, 2027, and incorporates the following additional scope for the Contractor to complete the all-program analysis as part of the contract. Exhibit H (SOW) – All Program Inventory documents the list of HCD programs to be included in the following activities and deliverables.

1. **Standardization Project Plan**

The Contractor will create and maintain a project schedule for the Standardization milestones and activities in Microsoft Project Plan. The Standardization Analysis Timeline will include elements such as task names, task duration, planned and actual start and finish dates, status, and assigned resources for the tasks. The timeline will be made available to project participants, providing them with visibility into the project's progress, upcoming activities, and overall timeline. The Contractor will also

define the project management plan as a guiding document to ensure alignment and consistency across the Contractor, HCD IT, HCD business, and HCD project team during project execution. This plan will be for the ways of working and will include stakeholder roles and responsibilities for the meetings, artifacts, and deliverables, standardization milestones, and the review and approvals process. This plan is a supplement to the approved DEL 1.2 Project Management Plan established in task #1 of SOW table 15-1.

2. **Program Capability Matrix Pre-Work for Epic Grouping A**

The Contractor will conduct a pre-assessment for Epic Grouping A in Exhibit H (SOW) – All Program Inventory with the current implementation to identify program variances and differences and will compile them into a Program Capability Matrix. This activity will include:

- a) Review of pre-existing documentation available and pre-populating the Program Capability Matrix with initial understanding.
- b) Pre-workshops for Applications, Application Reviews, and Award/Standard Agreement Funding where applicable to elaborate on capability differences and flexibility to adopt to existing features and capabilities.
- c) Contractor to pre-populate intake forms for priority capability variances from pre-workshops.
- d) Program Capability Matrix will include attribute differences and potential fits with system configuration, workarounds, training, or customization assumptions.

3. **Fit-Gap Analysis for Epic Grouping A**

The program scope for this deliverable is defined as Epic Grouping A under Exhibit H (SOW) – All Program Inventory. For each Epic:

- a) The Contractor will facilitate demos of HCD Connect build functionality and/or process flows to relevant HCD program stakeholders (1-4 Epics per week)
- b) Using the pre-populated Program Capability Matrix deliverable as a starting point, the HCD program stakeholders will review and confirm if the current solution is considered a Fit/Gap/Non-Applicable.
- c) HCD Program Stakeholders will provide further details and justification with business rationale via intake form to confirm the gaps that need to be developed into new system requirements.

4. **Fit-Gap System Requirements for Epic Grouping A**

The Contractor will draft system requirements based on the gaps identified in Fit-Gap Analysis for Epic Grouping A. These requirements will define the scope of work and expected system functionalities for the Epic Grouping A as identified in Exhibit H – All Program Inventory. System requirements will elaborate on high-level attribute differences and system customizations that are needed to fulfill the solution gaps identified. HCD will provide on-going weekly feedback during requirements review meetings.

5. **Fit-Gap Analysis for Epic Grouping B**

The program scope is defined as Epic Grouping B under Exhibit H (SOW) – All

Program Inventory. For each post-award Epic:

- a) The Contractor will facilitate demos of HCD Connect build functionality and/or process flows to relevant HCD program stakeholders (1-4 Epics per week)
- b) Using the Program Capability Matrix, the HCD program stakeholders will identify if the current solution is considered a Fit/Gap/Non-Applicable.
- c) HCD Program Stakeholders will provide further details and justification with business rationale via intake form to confirm the gaps that need to be developed into new system requirements.

6. Fit-Gap System Requirements for Epic Grouping B

The Contractor will draft system requirements based on the gaps identified in Fit-Gap Analysis for Epic Grouping B. These requirements will define the scope of work and expected system functionalities for the Epic Grouping B as identified in Exhibit H (SOW) – All Program Inventory. System requirements will elaborate on high-level attribute differences and system customizations that are needed to fulfill the solution gaps identified. HCD will provide on-going weekly feedback during requirements review meetings.

7. Fit-Gap System Requirement Estimation

The Contractor will develop solution estimation (effort and cost) for implementing all programs identified in Exhibit H (SOW) - All Program Inventory. This estimation should be provided at a minimum at the feature level and will be based on the Fit-Gap Analysis and system requirements identified for customizations. Overall estimation needs to be inclusive of all program onboarding and implementation.

8. Implementation Roadmap

The Contractor will create a detailed Implementation Roadmap based on the approved system requirements and estimates. This roadmap will outline the high-level effort, cost, deliverables, implementation timeline with business milestones for all Programs as identified in Exhibit H (SOW) - All Program Inventory. Program Onboarding process, Application Finalization, and releases in the implementation roadmap will be aligned to HCD NOFA Calendar available as of September 2025. HCD will review and approve the roadmap to ensure alignment with project objectives. This deliverable should include documentation of the following:

- a) Proposed schedule of project activities (design, development, testing, UAT, training, etc.).
- b) Dependencies (e.g. HCD resources, product licenses) required for the proposed roadmap to be implemented within the timeline proposed.
- c) Proposed approach to how data migration for all programs is incorporated in the overall schedule.
- d) Proposed approach to how internal and external users (especially existing users who are utilizing HCD's other external facing solutions) will be onboarded/transitioned for all programs.

The deliverables introduced in this amendment are documented in Table 15-1 - Deliverables Table are subject to HCD's review and formal sign-off following the project's deliverable management processes.

This amendment updates the contract to combine Release 2 and Release 3 into a single R2 technical release. The end term date of the base contract period is extended from December 30, 2025, to January 31, 2027.

3.4.1 Accessibility

The proposed solution is compliant with the Americans with Disabilities Act (ADA), and includes compatibility with screen reader technologies, for visually impaired users. The proposed solution complies with Section 504 of the ADA, and Section 508 of the Rehabilitation Act.

3.4.2 Impact of Proposed Change on the Project

- A. Current project scope will complete all design, build, test and migration activities for AHSC and CDBG in UAT and Pre-prod environments but not rollout these programs in Production to avoid stale data and code.
 - a. HCD Program teams cannot rollout the planned 2 programs (CDBG & AHSC) in October 2025 as the NOFA calendar does not line up to the current cycle and do not want to bring these programs mid-stream to HCD Connect impacting existing users. Furthermore, the applications as currently designed for the 2 programs (CDBG & AHSC) are based on the 2024 NOFA and do not account for changes needed to align with the 2025 and the anticipated 2026 NOFAs.
 - b. HCD Program teams are hesitant to add another system to the mix of existing systems without complete data migration and cutover from earlier systems as it impacts operations, operating procedures and competing resource priorities for program staff.
 - c. The data migration of AHSC and CDBG cannot complete without reconciliation with the other Program Funds and Project data. The segregation of this dataset in CAPES and eCivis would result in a large effort for the HCD data team and again competing priorities with ongoing project. This is also a sub-standard migration strategy given the eventual goal of system retirement.
- B. A technical release for Release 2 (R2), AHSC and CDBG programs, is scheduled for January 31, 2026. R2 will be migrated with disabled configurations and other HCD Connect R2 components to the production environment. Data conversion will be performed and implementation verification including integration and converted data validation will be completed in the UAT environment.
- C. Adding this new scope will instill confidence within the HCD that the solution is comprehensive. Expanding the scope allows for anticipating potential challenges or requirements from various program areas. The new scope ensures thoroughness, addresses concerns, creates alignment across programs, and helps the department feel more confident about a successful and seamless rollout.

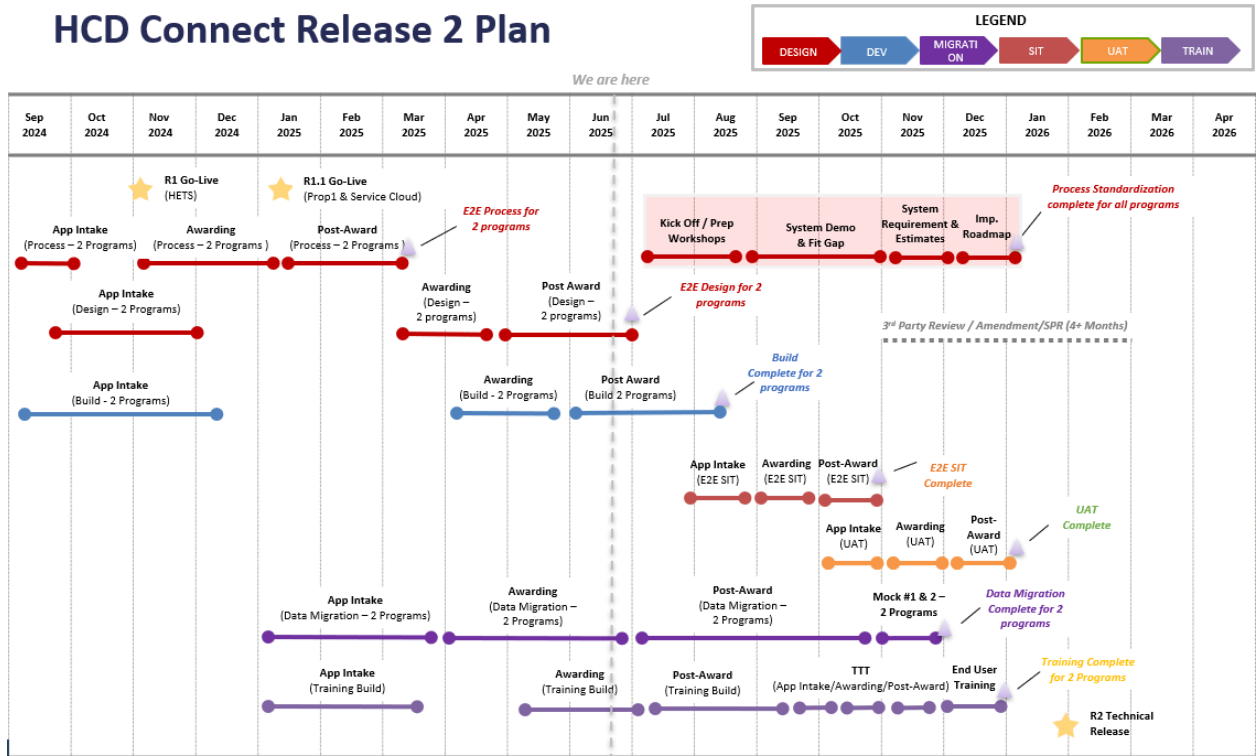
3.4.3 Feasible Alternatives Considered

<p>Option 1 Recommended– Implement to technical release AHSC & CDBG, Complete planning activities for the Implementation of All Programs</p> <ul style="list-style-type: none"> • Two-Program Implementation 1/31/26 • HCD Connect will submit a Special Project Report (SPR) and execute an Amendment to current contract for time and additional funds required for the planning activities to implement all programs. • Additional cost estimated - \$7 Million*. <ul style="list-style-type: none"> ○ \$5 Million – Vendor cost ○ \$2 Million HCD external consultants. 	
<p>Pros:</p> <ul style="list-style-type: none"> • Completion of features and functions for current scope and planning for the implementation of all programs provides a baseline for future work. 	<p>Cons:</p> <ul style="list-style-type: none"> • Will not meet project objectives or end state. • Will require a new future amendment • Will not be able to retire existing systems for up to four (4) years.
<p>Option 2 – Implement AHSC & CDBG and Procure for End State</p> <ul style="list-style-type: none"> • Two-Program Implementation 9/2025, All-Program Implementation by 2/2028, Retire old systems by 8/2028. • HCD Connect will submit a Special Project Report (SPR), complete original scope. HCD initiates PAL process for new project to implement all programs. • Additional cost estimated - \$21 Million* <ul style="list-style-type: none"> ○ \$3 Million – Vendor cost, ○ \$14 Million – Vendor costs to implement all programs (estimate for new contract). \$4 Million HCD external consultants. 	
<ul style="list-style-type: none"> • Completion of features and functions as outlined in the current project and reprocure for additional scope. 	<ul style="list-style-type: none"> • Higher cost and slower progress. • Required PAL and new procurement resulting in higher cost and extended timeline. • Loss of domain knowledge built with potential of current System Integrator (SI) not awarded new contract.
<p>Option 3 – Amend for End State and Implement all Programs</p> <ul style="list-style-type: none"> • All-Program Implementation by 6/2028, Retire old systems by 12/2026. • HCD Connect will submit a Special Project Report (SPR), a Non-Competitively Bid (NCB) and execute and Amendment to current contract for time and additional funds to implement all programs. • Additional cost estimated - \$12.5 Million* <ul style="list-style-type: none"> ○ \$9.5 Million – Vendor for additional features and all program implementations. ○ \$3 Million HCD external consultants. 	
<p>Pros:</p> <ul style="list-style-type: none"> • Optimize project with ongoing resources with domain knowledge. • End state in sight with an incremental approach. 	<p>Cons:</p> <ul style="list-style-type: none"> • Additional cost upfront • Extended and dedicated HCD staff engagement and leadership sponsorship needed on standardization • Confidence in end state with delays and unknowns from analysis of all programs.
<p>*Estimated costs do not include additional HCD personnel cost increase nor CDT PAO or CDT STP costs</p>	

3.4.4 Implementation Plan

The proposed solution will be implemented in multiple phases utilizing an iterative development approach. Small parts of the system are constructed and tested before proceeding to the next part. New parts are incrementally built, tested, and added to existing parts until the system is completed. Construction this way allows issues to be uncovered and addressed sooner. The proposed solution includes the following phases:

HCD Connect Release 2 Plan



4 Updated Project Management Plan

4.1 Project Manager Qualifications

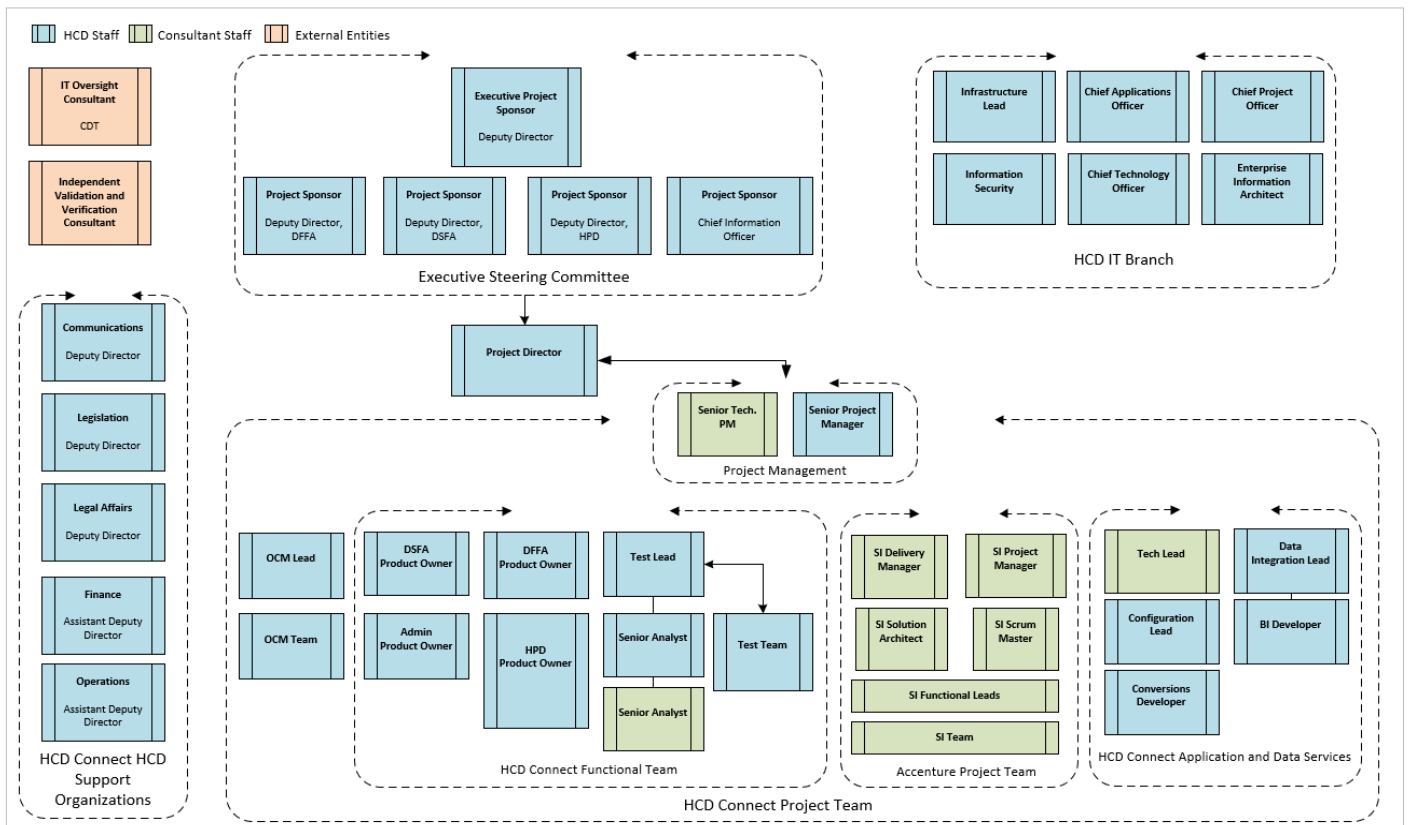
The ITB assigned Bob Fantozzi as the state Project Manager (PM) for HCD Connect (formerly CHAAPP). Bob has demonstrated the managerial and organizational skills required to be the ITB PM for this project. Bob is PMP certified, and he possesses the ability to apply the knowledge, skills, tools, and techniques necessary to successfully implement the project. Bob previously managed enterprise Windows and SharePoint upgrades and migration of critical enterprise software systems to Amazon Web Services for the State Compensation Insurance Fund. There has been no change in the ITB PM since the start of the project.

4.2 Project Management Methodology

HCD Connect (formerly CHAAPP) continues to utilize the California Project Management Methodology (CA-PMM). The framework is based on the Project Management Institute’s (PMI) Project Management Body of Knowledge and is compatible with the Statewide Information Management Manual (SIMM), Section 17. The CA-PMM provides standard methods and guidelines to ensure that projects are conducted in a disciplined, well-managed, and consistent manner and promotes the delivery of quality products that meet customer needs with projects completed on time and within budget.

4.3 Project Organization

The organizational chart below represents the project team.



4.4 Project Priorities

Managing a project requires the balancing of four factors: schedule, scope, resources, and quality. These factors are interrelated; a change in one causes a change in one or more of the others. The CHAAP trade-off matrix below shows the relative importance of each factor using a priority 1 (highest) to 4 (lowest).

Table 2, Project Priorities

Schedule	Scope	Resources	Quality
4	1	3	2

4.5 Project Plan

4.5.1 Project Scope

The project scope encompasses the procurement and the implementation of a Software-as-a-Service (SaaS) solution to achieve an enterprise application to publish, organize, track, award, manage, and report on essential Federal and State loan and grant programs as well as supporting jurisdiction reporting of housing elements, and annual progress reports to replace existing HCD legacy systems and SaaS products. Change of project scope to include Standardization Analysis of all HCD Loan and Grant programs and the delivery of an Implementation Roadmap for migration to HCD Connect. Details provided in Section 3.4.

4.5.2 Project Assumptions

- Project resources availability and consistency issues can be identified and resolved in a timely manner throughout the project lifecycle.
- All stakeholders (project team, interface partners, state/federal programs, admin (legal, contract, finance, and accounting), subject matter experts, etc.) will actively and timely participate in accordance with the approved project plan.
- Project risks and issues will be addressed in a timely manner.
- Decision-making authorities (internal and external) will provide feedback and decisions in a timely manner.

4.5.3 Project Phasing

HCD Connect (formerly CHAAP) will be implemented in multiple phases. Please refer to Section 3.4.4 for a description of each phase.

4.5.4 Project Roles and Responsibilities

Table 3, Roles and Responsibilities

Role	Responsibility
Project Sponsors	<ul style="list-style-type: none"> • <i>Champion, own and are accountable for the overall Project success</i> • <i>Provide HCD executive support and strategic direction</i> • <i>Establish and prioritize project objectives</i> • <i>Ensure project is adequately funded</i> • <i>Ensure sustained buy-in and project support across the enterprise at all levels</i>

Role	Responsibility
	<ul style="list-style-type: none"> • <i>Advocate for the project within the enterprise and with internal and external stakeholders</i> • <i>Serve as the highest escalation for issues/decisions</i> • <i>Empower the Project Director(s) and Manager(s) with the appropriate authority</i> • <i>Ensure an appropriately skilled Project Manager is selected for the project</i> • <i>Provides input into the Project Scope Statement.</i> • <i>Helps develop the project's Organizational Chart and Responsibility Assignment Matrix (RAM).</i> • <i>Develops the Project Staffing Estimate with the IT Sponsor.</i>
Project Director	<ul style="list-style-type: none"> • <i>Provides input into the drafting of the Preliminary Scope Statement.</i> • <i>Provides input into the drafting of the project's Organization Chart.</i> • <i>Provides input regarding business resources committed in the preliminary Budget Plan.</i> • <i>Facilitates sustained buy-in from business resources</i> • <i>Ensures timely availability of needed business resources</i> • <i>Ensures effective management of business resources assigned to the project</i> • <i>Escalates decisions and issues, as needed, to the Project Sponsor</i> • <i>Coordinates project-related issues with other efforts</i> • <i>Reviews and resolves significant issues that the Project Manager or Team cannot resolve</i>
Project Manager	<ul style="list-style-type: none"> • <i>Writes all elements of the Project Charter with input from appropriate Stakeholders, but primarily the Project Sponsor, the Business Owner(s), and the IT Sponsor.</i> • <i>Obtains sign-off on Project Charter from IT Sponsor and Project Sponsor.</i>
Business Owners	<ul style="list-style-type: none"> • <i>Provides input into the drafting of the Scope Statement.</i> • <i>Provides input into the drafting of the project's Organization Chart.</i> • <i>Provides input regarding business resources committed in the preliminary Budget Plan.</i>





4.5.5 Project Schedule

Table 4, High Level HCD Connect (formerly CHAAPP) Schedule

Major Milestones	Projected Start Date	Projected Completion Date*
Process Flows Documentation and Alignment (2 programs)	September 2024	Mid-March 2025
System Design (2 programs)	September 2024	July 15, 2025
Application Build (2 programs)	September 2024	August 31, 2025
Data Migration (2 programs)	January 2025	October 31, 2025
Mock Data Migrations (2 programs)	November 1, 2025	November 30, 2025
Train the Trainer (2 programs)	September 15, 2025	December 31, 2025
Standardization Analysis (All programs) *	July 7, 2025	January 7, 2026
System Integration Testing (2 programs)	August 1, 2025	October 31, 2025
User Acceptance Testing (2 programs)	October 1, 2025	January 23, 2026
Technical Release		January 31, 2026

*Standardization Deliverables

The following deliverables will shape the target state scope across all programs

Deliverable	 Fit-Gap Analysis	 Business Process Flows for all programs	 System Requirements & Estimates	 Implementation Roadmap
<i>Content</i>	<ul style="list-style-type: none"> Program Matrix: Outline of the program variances and differences To-Be Variances and Capabilities: Blueprint of proposed recommendation of standardization of variances/capability customizations 	<ul style="list-style-type: none"> Business Process Flows: new and update existing business process flows to incorporate HCD-approved standardizations 	<ul style="list-style-type: none"> Stub User Stories: list of the contractual requirements with the corresponding implementation solution estimates Summary: high level solution for HCD Connect and capability assumptions 	<ul style="list-style-type: none"> Roadmap: proposed timeline to design, build and deploy the contractual requirements
<i>Format</i>	<ul style="list-style-type: none"> Program Matrix: Excel To-Be Variances and Capabilities: PowerPoint 	<ul style="list-style-type: none"> Business Process Flows: Visio 	<ul style="list-style-type: none"> Stub User Stories: Excel Summary: Visio/PowerPoint 	<ul style="list-style-type: none"> Roadmap: PowerPoint

4.6 Project Monitoring and Oversight

The California Department of Technology (CDT) and Independent Verification and Validation consultant (IV&V) perform oversight for the project and provide monthly reports.

4.7 Project Quality

Quality assurance is monitored using the HCD's quality control procedures. Procedures include separation of duties, acceptance testing, version control tools, requirements traceability matrix, and customer walk-through. The project team will ensure the design quality, development, and testing of the new system.

4.8 Change Management

The project team utilizes the change management processes as defined within the CA-PMM framework. The Steering Committee must approve significant changes to project baselines (cost, schedule, scope, and quality). During development, the project team uses the HCD's enterprise configuration management processes.

4.9 Authorization Required

The California Department of Technology approval of the SPR is required.

5 Updated Risk Management Plan

This project employs the CA-PMM for Risk Management. The methodology is based on the PMI’s PMBOK® and is compatible with the SIMM, Section 17. Below is the risk register for the project.

5.1 Risk Register

Table 5, Risk Register

Risk ID	Description	Probability	Potential Impact	Timeframe	Risk Status	Category	Mitigation Plan	Risk Resolution
7	Implementation of additional ancillary systems impacting HCD Connect.	Medium	Medium	Medium	Watch	Processes	For current systems (eCivis, CIVIX, CAPES, Neighborly, ServiceNow) a gradual transition to HCD Connect needs to be outlined along with timeline for decommission as part of data migration, conversion and program onboarding approach. This includes managing existing contracts and license commitments for existing systems. For any new systems yet to be identified, make sure department leadership considers impact/dependency with HCD Connect as it considers the integrated timeline and strategic approach.	<ol style="list-style-type: none"> 1. Ensure current systems are part of the discovery process and included in the integration process. 2. Ensure existing contracts can be renewed and continued till HCD Connect is able to onboard all programs and retire existing systems. 3. System migration strategy needs to be drafted in view of the updated implementation plan.
14	Data migration concerns for Loan and Grants Lifecycle	Medium	High	Long	Watch	Technology	<p>Project team will collaborate with business stakeholders, technical teams, and ODD to ensure the complexities of the data migration are managed properly.</p> <p>Team has started creating the data conversion & migration plan document to communicate out to program team and others to how we are approaching data migration & conversion.</p>	<p>1/27(MK) - Updated this risk to include current challenges on data mapping, conversion and migration. 2/3: This risk was presented in the ESC last week. 2/10: Weekly meetings on migration going well, David wrote a strategy document to review w/ Mayura when she returns. Next discussion date 3/3/25. 3/3/25: Changed status to Watch. Next discussion date 4/7.</p>

59	The current planned schedule for HCD Connect in Oct 2025 for AHSC and CDBG cannot be deployed to Production	Medium	High	Medium	Open	Project	Release 2 (R2), AHSC and CDBG programs, will be migrated with disabled configurations and other HCD Connect R2 components to the production environment. Data conversion will be performed and implementation verification including integration and converted data validation will be completed in the UAT environment.	1/27(MK) - This risk needs to be discussed further to outline our plan at a more granular level. Current SPR proposes inclusion of "All Programs" as a close follow up for implementation in production. This risk will be realized if the SPR direction changes. 2/3: Beth to look into what the impact would be on the R2 Deliverables (for example implementation plan). If it doesn't go into production, which environment would it occur in? (Impacts to data migration & training.) Will tie into new R2 plan (technical go-live). 2/10: Still in progress with R2 planning. 2/24: Still an open item; next discussion date to be after the SPR amendment. 5/21: Updated risk mitigation plan to reflect plan proposed in SPR amendment.
60	HCD Connect will have Salesforce based Application Forms. Last minute changes to these forms prior to launch will be difficult to incorporate based on level of changes	High	Medium	Long	Open	OCM	HCD Leadership needs to be aware of lead times for application changes once HCD Connect is used for NOFA and subsequent processing. Last minute changes to application that impact overall form design, layout and function might be difficult to incorporate.	2/3: Accenture to estimate standard timelines for updates with examples such as changing a picklist. Aim for end of February 2025 for estimate to PMs & Danielle. 2/10: Recommendation from David to share the information w/ ESC, Bob to track next steps. Next ESC meeting is 2/24, will meet in week of 2/17 to prepare to outline in the ESC call for initial awareness. 2/24: Still in progress. Will be in the risk section of the ESC call today, 2/24. 3/3/25: Still in progress.

63	Program Resource Availability for the parallel streams of R2 and Standardization needs to be worked out by HCD to meet agreed timelines	Medium	High	Medium	Watch	Project	HCD has designated SMEs from the program teams to provide the pre-work documentation and attend the analysis effort when it begins in mid-June. Coupled with the current progress on design, the team determines that this risk can be placed in Watch status to provide on-going monitoring of the SME availability.	<p>4/28/25: Per discussion on 4/28/25, given R2 design progress and additional SMEs being identified to support the activities, closing the risk at this time.</p> <p>5/20/25 HC: Per discussion with Heather, Bob, and Adi; reopening the risk to place it in Watch status to monitor that the identified SMEs are able to support the upcoming std. analysis work per plan.</p>
64	Delay Start on Standardization Analysis	Medium	High	Short	Watch	Project	Standardization schedule will be adjusted if the approval/execution of the SPR/Amendment #2 does not complete by 6/5/2025.	<p>4/28/25: Will have material impact to the standardization schedule (issue trigger) if the analysis cannot start on or before 6/15.</p> <p>5/12/25: Still on track for 6/15 start date. Will continue to track progress weekly ahead of mobilization.</p> <p>5/19/25: Targeting the SPR signoff to happen by 6/5. The start of Standardization to be 6/16.</p>
65	Delay of Portal Design Review by Web Team till SIT	TBD	High	Medium	Open	Functional/Technical	Instead of reviewing portal pages individually and providing input on style (font, size, image, color, etc.), HCD will publish a style guide (based on R1/R1.1) for all R2 external pages to follow.	<p>5/12/25: Karen, Danny, Hank to refine the request to web team (hold initial reviews before the final reviews closer to testing, especially for external pages).</p> <p>5/19/25 HC: HCD working on publishing a style guide by 5/27 for the Dev team to follow in R2 page configuration/development.</p>

6 Updated Economic Analysis Worksheets (EAW)

The detailed Financial Analysis Worksheets (FAW) document is included with this SPR submission. The table below shows the major variances between the Stage 4 FAW and SPR FAW.

6.1 Variance Tables

Executive Cost Summary Changes:

Line Item	Stage 4 FAW	SPR FAW	Change	Reason for Change
Planning Cost (One-Time)	\$3,392,053	\$1,572,598	-\$1,819,455	See 'Project Cost Changes' table below.
Project Cost (One-Time)	\$20,990,357	\$32,104,466	\$11,114,109	See 'Project Cost Changes' table below.
Future Ops (Continuing)	\$10,855,595	\$5,439,909	-\$5,415,686	See 'Future Ops Cost Changes' table below.
Total	\$35,238,005	\$39,116,973	\$3,878,968	

Project Cost Changes (One-Time, Includes Planning):

Line Item	Stage 4 FAW	SPR FAW	Change	Reason for Change
Redirected Staff	\$6,256,764	\$8,014,022	\$1,757,258	PAL Stage 4 (S4) FAW assumed only 18 months of staffing. SPR FAW represents 31 months through January 31, 2026. Under Existing Staff To Be Redirected, changed IT Associate to IT Specialist II. Used Actuals for completed years.
New Staff	\$1,515,584	\$0	-\$1,515,584	New positions listed in PAL Stage 4 (S4) FAW were not approved in previous BCPs. HCD used blanket positions and added positions in Redirected staff on SPR FAW.
OE & E	\$165,000	\$0	-\$165,000	OE&E costs are indirect costs and were not budgeted for this project.
Consulting (Intradepartmental-CDT)	\$242,126	\$462,143	\$220,017	For 2024/25 and 2025/26 CDT Oversight, updated to reflect new work rate of \$12,340 per month. For 2025/26 CDT STP, added cost for amendment (1.25% of amendment). New costs took effect FY 24/25.
Consulting (External)	\$14,942,938	\$20,122,399	\$5,179,461	Through contact amendments, increased SI contract amount by \$2,231,760 due to time extension and new scope. PM consultant contracts increased by \$999,746, due to time extension and additional staff. IV&V contract increased by \$433,411 due to time extension. Added \$300,000 for 3rd Party Validation as required by CDT.
IT (Licensing, Tools, Hosting)	\$1,260,000	\$5,078,500	\$3,818,500	Updated to reflect actual costs, the extended project timeline, and a projected 5% annual increase. The actual costs exceeded the Stage 4 estimates primarily due to a revised Salesforce licensing model, which differs from the model used in a prior project.
Total	\$24,382,412	\$33,677,064	\$9,294,652	

Future Ops Cost Changes (Continuing):

Line Item	Stage 4 FAW	SPR FAW	Change	Reason for Change
Redirected Staff	\$1,738,376	\$2,632,888	\$894,512	Updated the monthly salaries to align with current mid-range salaries per CalHR.
New Staff	\$3,536,362	\$0	-\$3,536,362	New positions listed in PAL Stage 4 (S4) FAW were not approved in previous BCPs. Future BCP will be submitted for position control and not for additional budget.
OE & E	\$445,000	\$0	-\$445,000	OE&E costs are indirect costs and were not budgeted for this project.
Consulting (Intradepartmental- CDT)	\$0	\$0	\$0	No change.
Consulting (External)	\$2,195,857	\$900,000	-\$1,295,857	Future Ops Costs are listed for partial 25/26 and 26/27, and SI M&O rate changed to \$50,000 per month per Amendment 2.
IT (Licensing, Tools, Hosting)	\$2,940,000	\$1,907,021	-\$1,032,979	Updated based on current costs for FY 26/27. Partial 25/26 costs are covered in Project costs.
Total	\$10,855,595	\$5,439,909	-\$5,415,686	