



REPORT FOR ACTION

Non-Competitive Contract with Neighbourhood Information Post for Rent Bank Administration Services

Date: November 23, 2020
To: Economic and Community Development Committee
From: General Manager, Shelter, Support and Housing Administration and Chief Procurement Officer, Purchasing and Materials Management Division
Wards: All

SUMMARY

The purpose of this report is to seek City Council authority for the General Manager, Shelter, Support and Housing Administration, to enter into a non-competitive contract with Neighbourhood Information Post to ensure ongoing Toronto Rent Bank administration services for the period of January 1, 2021 to March 31, 2023. The potential contract value for the Toronto Rent Bank administration services is \$1,098,348 Gross and Net \$0.

The Toronto Rent Bank provides interest-free loans to low income tenants in imminent danger of losing their homes due to rental arrears, and to low income tenants for first and/or last month's rent deposits who are moving to more affordable and/or stable housing. The Toronto Rent Bank consists of a Rent Bank Loan Fund, from which funding for loans is drawn and repaid loans are deposited, and Rent Bank Administration. Both components of the Toronto Rent Bank are provincially funded.

In 2015, Neighbourhood Information Post (NIP) was successful in Request for Proposal (RFP) No. 9121-14-7149 to provide Rent Bank Administration. NIP's contract for Rent Bank Administration ended on September 30, 2020 and a bridge contract for the period October 1, 2020 to December 31, 2020 is currently in process to cover requirements pending approval of this report. A review of the Rent Bank program commenced in 2019, with the objective of incorporating recommended program changes into the RFP for Rent Bank Administration in 2020. Due to the COVID-19 pandemic, the completion of the review was delayed and implementation was put on hold. As a result, the new competitive procurement process for Rent Bank Administration services did not proceed during this time.

At present, NIP continues to administer the Toronto Rent Bank, meeting current requirements at fair market pricing. Based on their ability to meet our requirements and provide specialized services, the delays in the Rent Bank review, and the impact of

COVID-19 on the procurement process, a non-competitive procurement with Neighbourhood Information Post is required to ensure ongoing Rent Bank service delivery. The continuation of the Toronto Rent Bank under the administration of NIP for an additional two year period will permit staff to complete the program review and plan a procurement process for Rent Bank services starting April 1, 2023 that will incorporate the results of the review, as well as consider additional service revisions related to the COVID-19 pandemic response.

City Council approval is required under Municipal Code Chapter 195 Purchasing, where the current request exceeds the Chief Purchasing Official's authority of the cumulative five-year commitment for each vendor, under Article 7, Section 195-7.3 (D) of the Purchasing By-Law or exceeds the threshold of \$500,000 net of HST allowed under staff authority as per the Toronto Municipal Code, Chapter 71- Financial Control, Section 71-11A.

RECOMMENDATIONS

The General Manager, Shelter, Support and Housing Administration and the Chief Procurement Officer, recommend that:

1. City Council authorize the General Manager, Shelter, Support and Housing Administration, to negotiate and enter into a new non-competitive contract with Neighbourhood Information Post for Rent Bank Administration Services in the amount of \$1,098,348 Gross and Net \$0 for the period January 1, 2021 to March 31, 2023.

FINANCIAL IMPACT

The estimated non-competitive contract value is \$1.098 million and is expected to take effect in 2021. Funding for the administration of the Rent Bank is included in SSHA's 2021 Operating Budget submission for consideration through the 2021 Budget Process. Additional funding, as noted in Table 1, will be included in the 2022-2023 SSHA Operating Budget Submissions with approval subject to the budget process.

The Chief Financial Officer and Treasurer has been advised of the financial impacts associated with the administration of the Toronto Rent Bank to be considered along with other priorities during the 2021 Budget Process.

Table 1: Financial Impact Summary

Term	Cost Centre	Cost Element General Ledger	Total payment to organization	Total cost of contract net of HST	Tax charged to SSHA to FH5315	Tax charged to Corporate
Jan 1 - Dec 31, 2021	FH5315	5200	488,156	484,392	512	3,256
Jan 1 - Dec 31, 2022	FH5315	5200	488,156	484,392	512	3,256
Jan 1 - Mar 31, 2023	FH5315	5200	122,039	121,098	128	814
Total: Jan 1, 2021 - Mar 31, 2023	FH5315	5200	1,098,348	1,089,875	1,147	7,326

The City is not taxed by non-profit organizations for services. However, non-profit organizations have an effective tax rate of 3.94%, which the City reimburses. The majority of the Rent Bank Administration contract is salaries and benefits, and thus HST is reimbursed only on a portion of office expenses, which are paid at the non-recoverable rate for non-profit organizations of 3.94%. Nine quarterly payments will be made.

EQUITY IMPACT

Rent Bank Services are accessed by low-income individuals and families who face a variety of complex and intersecting challenges and are at imminent risk of eviction. This includes people from a range of equity-seeking groups, such as seniors, people experiencing homelessness, persons with disabilities, youth, and people who identify as LGBTQ2S+.

DECISION HISTORY

On August 26, 2015, Bid Committee adopted the report Award of Request for Proposal No. 9121-14-7149 to Neighbourhood Information Post for Coordination and Central Administration Services for the Toronto Rent Bank Program. This report granted authority to award a contract for the administration of Rent Bank services to Neighbourhood Information Post.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2015.BD44.18>

COMMENTS

Toronto was one of the first municipalities in Ontario to create a rent bank program in 1998 and has been working with Neighbourhood Information Post since that time. In order to create an opportunity for other interested vendors to apply, SSHA undertook a competitive procurement process in 2015 for Rent Bank Administration. Neighbourhood Information Post was the sole vendor that applied and was awarded a contract for the administration of the Toronto Rent Bank program for up to five years through a Request for Proposals process. Blanket Contract # 47019518 ended on September 30, 2020 and a bridge contract for the period October 1, 2020 to December 31, 2020 is currently in process to cover requirements pending approval of this report. This will ensure there are no gaps in Rent Bank service delivery, and the City can continue to provide eviction prevention services as the Landlord and Tenant Board works through the backlog of eviction applications resulting from the COVID-19 pandemic.

Neighbourhood Information Post maintains specialized infrastructure to administer these funds, including strong financial controls within which they manage significant complexities related to working with vulnerable Torontonians to provide small, interest-free loans.

Neighbourhood Information Post also employs staff with specialized skill sets and years of experience providing the Toronto Rent Bank program, which ensures the success of this program. There are no other vendors currently equipped to administer the Toronto Rent Bank.

The price is firm, and is reflective of a typical not-for-profit project budget, including staffing costs and reasonable costs to maintain the Toronto Rent Bank infrastructure.

The Fair Wage Office has reported that Neighbourhood Information Post has indicated that it has reviewed and understands the Fair Wage Policy and Labour Trades requirements and has agreed to comply fully.

CONTACT

Doug Rollins, Director, Housing Stability Services, Shelter, Support and Housing Administration, 416-392-0054, Doug.Rollins@toronto.ca

Jacque Breen, Manager, Corporate Purchasing, Policy and Quality Assurance Purchasing and Materials Management Division, 416-392-0387, Jacque.Breen@toronto.ca

SIGNATURE

Mary-Anne Bédard
General Manager, Shelter, Support and Housing Administration

Mike Pacholok
Chief Procurement Officer, Purchasing and Materials Management Division