

Amendment to Purchase Order 6050005 with Yardi Canada Ltd. to Integrate a Centralized Affordable Rental Housing Access System into Existing Web-Based System and to Renew the Existing Licence Agreement

Date: June 17, 2024

To: General Governance Committee

From: Chief Procurement Officer and the Executive Director, Housing Secretariat

Wards: All

SUMMARY

The purpose of this report is to request authority to amend Purchase Order Number 6050005 with Yardi Canada Ltd, for the provision of an Integrated Housing Management System and Acquisition system. In 2019, Toronto Community Housing entered into a five (5)-year agreement for a Software as a Service solution with Yardi Canada Ltd. that included language allowing the City of Toronto to piggyback on that procurement. The City exercised the piggyback option, which resulted in Purchase Order 6050005. The Purchase Order amendment sought in this report is requested to include units associated with the Affordable Rental Housing Program into the existing Integrated Housing Management System (MyAccesstoHousingTO). The City's Digital Infrastructure Framework principles will continue to guide the next phase implementation with the inclusion of Affordable rental units in MyAccesstoHousingTO.

Toronto City Council, at the July 19, 2022 meeting of the Planning and Housing Committee, directed the General Manager, Shelter, Support and Housing Administration, the Chief Planner and Executive Director, City Planning, and the Executive Director, Housing Secretariat to:

Engage stakeholders (including the public, private and not profit housing providers, community organizations and the development industry) in designing a model for a new affordable housing centralized access system which would leverage the City's current choice-based system for subsidized housing to allow applicants to search and apply for available affordable housing and allow housing providers to advertise and fill affordable units with eligible applicants through a randomized draw process. Leveraging the City's existing technology to integrate Amendment to Purchase Order 6050005 and to Enter into a Licence Agreement

the Affordable Rental Housing Program ensures service continuity, optimizes efficiencies, and allows for system integration across multiple City-run housing programs to deliver a streamlined and coordinated service to Toronto residents.

While the initiative has been led by the Housing Secretariat, it has been in collaboration with Technology Services Division on the initial implementation of MyAccessToHousingTO. There is an ongoing commitment to align this initiative to the principles outlined in the Digital Infrastructure Strategy and, in partnership with Technology Services, maintain a focus on continuous improvement for the benefit of applicants.

The requested amendment increases the Purchase Order value by \$1,166,254 net of all applicable taxes and charges (\$1,186,780 net of Harmonized Sales Tax recoveries).

In addition, this report requests approval to re-negotiate and enter into a further five (5) year license agreement with Yardi Canada Ltd., commencing January 1, 2025 and ending on December 31, 2029. The current agreement is set to expire on December 31, 2024. As we are extending the term of contract beyond that set out in the original solicitation, a renewal shall be considered non-competitive agreement (in accordance with Section 195.7.1.E of the City of Toronto Municipal Code Chapter 195 (Purchasing)) and will allow for the City of Toronto's to align with Toronto Community Housing's amended agreement. This further agreement will be inclusive of the existing Choice-Based System and the Housing Provider Web-Based Portal project, previously included in Purchase Order 6050005. The further five (5) year licence agreement is expected to be valued at \$5,960,150 net of all applicable taxes and charges (\$6,065,049 net of Harmonized sales Tax recoveries), subject to further negotiation with Yardi Canada Ltd.

The total value of the two requests is \$7,126,404 net of all applicable taxes and charges (\$7,251,829 net of Harmonized Sales Tax recoveries), revising the overall Purchase Order value from \$6,065,796 net of all applicable taxes and charges (\$6,172,554 net of Harmonized Sales Tax recoveries) to \$13,192,200 net of all applicable taxes and charges (\$13,424,383 net of Harmonized Sales Tax recoveries).

RECOMMENDATIONS

The Executive Director, Housing Secretariat and the Chief Procurement Officer recommend that:

1. City Council, in accordance with Section 71-11.1C of the City of Toronto Municipal Code Chapter 71 (Financial Control By-Law), grant authority to amend Purchase Order Number 6050005 with Yardi Canada Ltd. to integrate a Centralized Affordable Rental Housing Access System into the existing web-based system acquired from the Vendor of Record by increasing the value of the Purchase Order by \$1,166,254 net of all applicable taxes and charges (\$1,186,780 net of Harmonized Sales Tax recoveries). And;

2. City Council, in accordance with Section 71-11.1C of the City of Toronto Municipal Code Chapter 71 (Financial Control By-Law), grant authority to the Executive Director, Housing Secretariat, to negotiate a further contract to extend the Purchase Order validity date for an additional five (5) years from December 31, 2024 to December 31, 2029. This further five (5) year term will increase the value of the Purchase Order by \$5,960,150 net of all applicable taxes and charges (\$6,065,049 net of Harmonized sales Tax recoveries), subject to further negotiation with Yardi Canada Ltd. The combined value of recommendation one (1) and two (2) revises the overall Purchase Order value from \$6,065,796 net of all applicable taxes and charges (\$6,172,554 net of Harmonized Sales Tax recoveries) to \$13,192,200 net of all applicable taxes and charges (\$13,424,383 net of Harmonized Sales Tax recoveries).

FINANCIAL IMPACT

Should Council adopt the recommendations in the report to amend Purchase Order 6050005 with Yardi Canada Ltd. the 2025 Housing Secretariat Operating Budget will increase by \$0.3 million gross, \$0.3 million net. As identified in Table 1 below, the net pressure will be \$0.4 million in 2026, and \$2.2 million from 2027 to 2029.

The 2024-2033 Housing Secretariat Council Approved Capital Budget already includes the funds required for the Capital portion of the Purchase Order amendment, and no additional Capital Budget funding is required.

Table 1: Estimated Financial Impacts (\$ millions)

2025		2026		2027*	
Gross	Net	Gross	Net	Gross	Net
\$0.3	\$0.3	\$0.4	\$0.4	\$2.2	\$2.2

*reflects annual estimate for 2027 and subsequent years

The total value of the requested amendment to Purchase Order 6050005 and further five (5) year licence agreement is \$7,126,404 net of all applicable taxes and charges (\$7,251,829 net of Harmonized Sales Tax recoveries) revising the overall Purchase Order value from \$6,065,796 net of all applicable taxes and charges (\$6,172,554 net of Harmonized Sales Tax recoveries) to \$13,192,200 net of all applicable taxes and charges (\$13,424,383 net of Harmonized Sales Tax recoveries).

Purchase Order Amendment Details can be seen in Table 2 below.

Table 2: Purchase Order Amendment Details

Period	Amendment Value for Affordable Expansion		Renewal Value	Total (Net of HST Recoveries)
	Capital costs for implementation (WBS Element: CAF011-04)	Operational Costs of additional licences (Fund Centre FH5134, Commitment Item: 4038)	Operational Costs of Existing Licences (Fund Centre FH5134, Commitment Item: 4038)	
January 1, 2025 - December 31, 2025	\$508,800	\$11,970	\$1,044,290	\$1,565,060
January 1, 2026 - December 31, 2026	N/A	\$61,643	\$1,124,019	\$1,185,662
January 1, 2027 - December 31, 2027	N/A	\$156,541	\$1,207,590	\$1,364,131
January 1, 2028 - December 31, 2028	N/A	\$203,077	\$1,295,165	\$1,498,242
January 1, 2029 - December 31, 2029	N/A	\$ 244,748	\$1,393,986	\$1,638,734
Total (Net of HST Recoveries)	\$508,800	\$677,979	\$6,065,050	\$7,251,829

The Chief Financial Officer and Treasurer has reviewed this report and agrees with the financial implications as identified in the Financial Impact Section.

DECISION HISTORY

On October 11, 2023, Council adopted several key design decisions regarding the integration of the Affordable Rental Housing program into MyAccesstoHousingTO. These decisions will support the integration of the program with the exiting the Rent-Geared-to-Income Centralized Waitlist and facilitate a streamlined access journey for both the Affordable and the Rent-Geared-to-Income programs through a single-entry access window, MyAccesstoHousingTO. A record of this decision can be found here: [Agenda Item History - 2023.PH6.1 \(toronto.ca\)](#)

On July 19, 2022, Council directed staff to proceed with negotiating and amending Purchase Order 6050005, on behalf of the City, the scope of work for the agreement with Yardi Canada Ltd. to support the design and integration of the Centralized Affordable Rental Housing Access System into the existing web-based portal. A record of this decision can be found here: [Agenda Item History - 2022.PH35.20 \(toronto.ca\)](#)

On September 18, 2019, the Bid Committee adopted report BA44.9, granting authority to the Chief Procurement Officer to award a vendor of record contract for a term of five years (end of contract date of December 31, 2024) as per the Toronto Municipal Code, Chapter 15-6.6 with Yardi Canada Ltd. for the acquisition of the Integrated Housing Management System, which came to be known to the public as MyAccesstoHousingTO. A record of the original decision can be found here: [Agenda Item History - 2019.BA44.9 \(toronto.ca\)](#)

COMMENTS

The Toronto Applicant Waiting List database was the legacy system used by the City to manage the Centralized Waiting List for households applying for Rent-Geared-to-Income assistance, pursuant to the *Housing Services Act*, 2011, under which the City is legislated to administer a waiting list as a Service Manager. The Toronto Applicant Waiting List was developed in a different era before the wide-spread use of technology and web-based systems. The Auditor General published a report on the Rent-Geared-to-Income system in 2019, entitled *Opening Doors to Stable Housing: An Effective Waiting List and Reduced Vacancy Rates Will Help More People Access Housing*. Council subsequently made several directives to align the Rent-Geared-to-Income program with the Auditor's recommendations, which culminated in the launch of the Choice Based Housing Access System, including an online applicant portal, MyAccesstoHousingTO, in July 2021 to replace the Toronto Applicant Waiting List system. The MyAccessToHousingTO system is a Software as a Service cloud system owned and operated by Yardi Canada Ltd.

Following the implementation of MyAccesstoHousingTO for the Rent-Geared-to-Income housing, City Council directed staff on July 19, 2022 to integrate units from the existing Affordable Rental Housing program into the system, leveraging the technology's ability to create an efficient one-window access system for social and affordable housing.

Once integrated, applicants will be able to submit and maintain one online application for both the Rent-Geared-to-Income and Affordable program and express interest on available vacancies through Choice-Based Cycles.

The amendment to the Purchase Order Number 6050005 requested in this report is a key step in actioning the July 2022 Council direction. Integrating units from the Affordable Rental Housing Program into the existing system maximizes existing operational resources and eliminates redundant costs related to operating two separate systems in parallel. Moreover, Yardi Canada Ltd. is contractually obligated to upgrade the system to reflect legislative amendments, limiting the risk to the City. Integration will also limit confusion for the public and ensure the most accessible service delivery for applicants, where units from multiple housing programs have a single point of entry.

In 2019, Toronto Community Housing entered into a five-year agreement for a Software as a Service solution to support an integrated housing management system with the Vendor of Record. Toronto Community Housing's contract included language allowing the City of Toronto to piggyback on the procurement. After Toronto Community Housing's initial procurement process, the City entered a piggyback procurement with Yardi Canada Ltd (Purchase Order 6050005). The agreement facilitated the modernization of the centralized waitlist and allowed for the development of the Housing Administration Provider Portal to support the administration of housing programs, per the Auditor General's 2019 recommendations. Toronto Community Housing recently renewed their contract which had reached the conclusion of the five-year term. This renewal created an efficient procurement path for the City of Toronto maintain service continuity for the 85,000 households on the Centralized Waiting List for subsidized housing and advance the direction received from Council. As the inclusion of Affordable Housing units was contemplated in the agreement between Toronto Community Housing and the Vendor of Record, this second piggyback will allow for the execution of this work. Pursuing a second piggyback contract also ensures continuity of service for applicants and housing providers using the Centralized Waiting List.

The design work to include units associated with the Affordable Rental Housing program in MyAccesstoHousingTO has been underway since July 2022. In October of 2023 key policy decisions were approved by Council, authorizing the use of income limits and asset limits for determining applicant eligibility, and the application of the single offer rule to Affordable Rental Housing. These key program policy decisions align the Affordable Rental Housing program with the Rent-Geared-to-Income Choice-Based program rules and will support unit integration into the existing web-based portal.

The Integrated Housing Management System was implemented using a Software as a service cloud solution purchased from Yardi Canada Ltd. The Affordable Rental Housing program will be developed as an extension to the existing cloud solution. The current vendor, Yardi Canada Ltd., requires the purchase of their proprietary software and associated licenses to develop and subsequently access the Affordable Rental Housing program within the system. The inclusion of these units is contemplated within the Toronto Community Housing contract, and a second piggyback will allow for the execution. As such, amending Purchase Order Number 6050005 is the recommended procurement option.

Concurrently, staff require authorization to negotiate a further licence agreement with the same Vendor of Record, Yardi Canada Ltd., for the next five (5) year term of January 1, 2025 to December 31, 2029.

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SIGNATURE

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