

CITY OF HAMILTON

COMMUNITY SERVICES DEPARTMENT Housing Services Division

TO: Chair and Members Emergency & Community Services Committee	WARD(S) AFFECTED: CITY WIDE
COMMITTEE DATE: March 25, 2013	
SUBJECT/REPORT NO: Procurement Policy 11 Approval of the Extension of the Contract with Del Management Solutions Inc. (CS13020) (City Wide)	
SUBMITTED BY: Joe-Anne Priel General Manager Community Services Department	PREPARED BY: Robert McKnight 905-546-2424 ext. 3728 Gillian Hendry 905-546-2424 ext.4818
SIGNATURE:	

RECOMMENDATION

That a one year extension of the Procurement Policy 11 for a single source contract with Del Management Solutions Inc. (DMS) for the administration of the centralized wait list for social housing applicants in the annual amount of \$304,538 plus HST, to be charged to Account 57010-625010, be approved.

EXECUTIVE SUMMARY

This report seeks Council's approval of a single source contract with Del Management Solutions Inc. (DMS) to administer the co-ordinated wait list for social housing applicants. It is necessary to obtain the approval of Council for extension of the Policy 11 as a single source as the monetary value of the contract exceeds \$250,000 as per Policy 11, Section 4.11, #2 of the City's Procurement Policy.

The City's Purchasing Division initially issued a Request for Proposal (RFP) in 2004 under Contract C2-15-04 to procure services to administer a centralized housing wait list. In Hamilton, the service is called Access to Housing (ATH). Fengate Property Management was the successful bidder and the City entered in to a 3-year contract commencing January 1, 2004. In 2007, and every three years thereafter, the City of Hamilton issued an RFP for the delivery of ATH. Fengate was the successful proponent for all subsequent RFP's. Fengate sold their business to DMS and a Novation Agreement was signed November 7, 2011. The expiry of this agreement was December 31, 2012. The request for extension of the Policy 11 was not approved prior to expiration of the current contract and is therefore in non-compliance with the City of Hamilton's Procurement Policy.

Housing Services Division is currently exploring alternative delivery models for the social housing waitlist. A recommendation report regarding future delivery of the social housing waitlist service is targeted for the September 9, 2013 Emergency and Community Services Committee meeting.

FINANCIAL / STAFFING / LEGAL IMPLICATIONS

Financial:

The annual fee payable to DMS for the three-year contract period from January 1, 2010 to December 31, 2012 was \$302,136 plus HST. The current contract after the inflationary increase is \$304,548 plus HST. This cost has been included in the Housing Services Division 2013 budget submission.

Staffing:

There are no staffing implications for Report CS13020.

Legal:

The contract extension with DMS has been reviewed and approved by the City's Legal Services Division.

HISTORICAL BACKGROUND

The legal mechanism utilized by the Province of Ontario to transfer all responsibility for social housing to Ontario municipalities was the Social Housing Reform Act 2000 (SHRA). Included in the responsibility was the administration of the co-ordinated access waiting list. The co-ordinated access waiting list is a local system of referring applicants seeking rent-subsidized housing to social housing providers. Access to Housing (ATH) was adopted as the working name for the co-ordinated access system

for the City of Hamilton. The Housing Services Act, 2011, has since replaced the SHRA. The delivery of the co-ordinated waiting list remains the responsibility of municipalities.

In April 2004, City Council directed staff (Report #HCS04029) to proceed with a Request for Proposal (RFP) for the delivery of a co-ordinated access system for social housing. In September 2004, Fengate Property Management Ltd. was awarded Contract C2-15-04 effective January 1, 2005 (Report #HCS04059).

As per the City of Hamilton's Purchasing Policy, in 2007 and, every three years thereafter, the City of Hamilton issued another RFP for the delivery of the Co-ordinated Access System for Social Housing. Fengate was the successful proponent in all subsequent RFP's. Fengate Property Management Ltd. sold their business to DMS and a Novation Agreement was signed on November 7, 2011.

The current ATH waiting list for social housing system has been under review since September 2012 by a committee established by the Housing Services Division. The committee is comprised of social housing providers, housing stakeholders, ATH staff, and City staff.

Housing Services Division is currently exploring alternative delivery models for the social housing waitlist. A Request for Information (RFI) was issued on February 14, 2013. The RFI closed March 7th, 2013.

The work of the committee and the results of the RFI will provide the Housing Services Division with the information required to provide recommendations to the E&CS committee in September 2013.

POLICY IMPLICATIONS/LEGISLATED REQUIREMENTS

There are no policy implications to the recommendations in Report CS13020.

RELEVANT CONSULTATION

The Procurement Section of the Corporate Services Division was consulted in the writing of this report to ensure compliance with the City of Hamilton's Procurement Policies and Procedures.

ANALYSIS / RATIONALE FOR RECOMMENDATION

The City of Hamilton is mandated to administer the co-ordinated wait list for social housing in its role as Service Manager of Social Housing. It is necessary to extend the current contract with DMS until the results of the Request for Information are received and analysed and a report is provided to Emergency and Community Services Committee with recommendations for consideration.

ALTERNATIVES FOR CONSIDERATION

There are no alternatives for Report CS13020.

ALIGNMENT TO THE 2012 – 2015 STRATEGIC PLAN:

Strategic Priority #2

Valued & Sustainable Services

WE deliver high quality services that meet citizen needs and expectations, in a cost effective and responsible manner.

Strategic Objective

2.1 Implement processes to improve services, leverage technology and validate cost effectiveness and efficiencies across the Corporation.

APPENDICES / SCHEDULES

None