

The Regional Municipality of York

Housing York Inc.
June 7, 2018

Report of the
General Manager
and
Chief Financial Officer

Amendment to Housing York's Property Management System Agreement

1. Recommendations

It is recommended that:

1. The Housing York Inc. Board authorize an amendment to the agreement between Housing York Inc. and Yardi Systems Inc. to increase the contract price from \$364,000 to \$664,000 as a result of purchasing additional software modules.
2. The President be authorized to execute the necessary amendment to the current agreement.

2. Purpose

This report seeks Housing York Inc. Board (Board) approval to amend the current agreement with Yardi Systems Inc. (Yardi) for additional software modules to modernize service delivery, measure customer service level standards, and analyze costs more efficiently and comprehensively.

Housing York Inc.'s [Purchasing Bylaw 6-14](#) requires Board approval for the purchase of additional deliverables under a contract if the total cost exceeds provisions in the bylaw for scope and contingency changes.

3. Background

In [May 2015](#), Yardi's contract was renewed for five years

Yardi is one of a very few providers that offers full business solutions for the social housing market. Originally, the Province acquired the Yardi product for Service Managers and today more than 80 housing providers in Ontario utilize Yardi's software and services. Housing York Inc. (Housing York) uses several Yardi software modules including Property Management, Accounting, Budget and Legal to support its program service delivery.

In [May 2015](#), the Board extended Yardi's technology licensing, maintenance and support services agreement annually for up to five years, effective July 1, 2015. The total cost of the contract was estimated at \$364,000 over five years, beginning in 2015.

This software application has been in use for several years and due to the complexity of business needs and the operational impact of changing technologies, replacing this technological solution would be costly and not operationally effective in the short term.

4. Analysis and Implications

A key deliverable in Housing York Inc.'s 2017 – 2020 Plan [*Achieving New Heights Through Innovation and Sustainability*](#) is to upgrade and improve Housing York's property management system

A key deliverable in Housing York's 2017 to 2020 Plan, [*Achieving New Heights Through Innovation and Sustainability*](#), recommended upgrading Yardi to a newer version and purchasing new software modules to modernize service delivery, measure customer service level standards, and analyze costs more efficiently and comprehensively. Housing York completed the property management software upgrade to the newer version in 2017 and now plans to implement the second phase of the system upgrade including new software modules and functionalities.

New software modules will support business needs

Table 1 outlines the features and benefits of the four new software modules.

Table 1
Features and Benefits of Additional New Software Modules

Features and Benefits	
Advance Maintenance	<ul style="list-style-type: none">• Track asset documentation such as work order history, warranty information and manuals saving staff time and improving tenant service• Streamline scheduling of preventative maintenance to improve resource planning• Improve the unit inspection process
Construction Management	<ul style="list-style-type: none">• Detailed recording of job costs across the entire construction lifecycle• Automation of workflows for job approvals, job budgets and revisions, contracts and change orders• Comprehensive reporting capabilities with the ability to drilldown to underlying transactions
Tenant Portal	<ul style="list-style-type: none">• Tenant access to manage their accounts, create maintenance requests and view planned inspection work• Improved communication between tenants and staff through access to helpful documents, announcements and links to other forms
Vendor Portal	<ul style="list-style-type: none">• Self-service options for vendors including managing invoices and purchase orders and submitting documents• Improved communication between Housing York and vendors

5. Financial Considerations

Annual licensing fees and one time implementation costs have been included in Housing York's multi-year budget

Table 2 provides a summary of the estimated costs for the additional modules as well as the implementation costs.

Table 2
Yardi Additional Licensing and Implementation Costs

	2018 Budget (\$)	2019 Budget (\$)	2020 Budget (\$)
Advance Maintenance	64,000	69,000	77,000
Construction Management	8,000	8,200	8,400
Tenant Portal		8,500	9,200
Vendor Portal		12,800	13,800
Implementation costs	17,800	3,300	
Total Costs	89,800	101,800	108,400

Sufficient funds for the project are included in the approved 2018 budget. Beyond 2018, costs will be included and addressed as part of the annual budget process.

6. Local Municipal Impact

There are no direct municipal impacts as a result of this report.

7. Conclusion

The Yardi software application is a key element in fulfilling Housing York's mandate to provide efficient and effective social housing. The additional software modules will support Housing York's complex business needs.

[Purchasing Bylaw 6-14](#), requires Board approval for the purchase of additional deliverables under a contract if the total cost exceeds provisions in the bylaw for scope and contingency changes.

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For more information on this report, please contact Michelle Willson, Chief Financial Officer at 1-877-464-9675 ext. 76064.

The Senior Management Group has reviewed this report.

Recommended by:

Rick Farrell
General Manager

Michelle Willson
Chief Financial Officer

Approved for Submission:

Katherine Chislett
Commissioner of Community and Health
Services

May 24, 2018

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