

The Regional Municipality of York

Housing York Inc.
May 7, 2015

Report of the
General Manager
and
Chief Financial Officer

Yardi Voyager Software Contract Renewal

1. Recommendations

It is recommended that:

1. The Board authorize Housing York Inc. to extend the agreement with Yardi Systems Inc. for an additional five-year term, effective July 1, 2015.
2. The President be authorized to approve payments up to \$100,000 annually for up to five years, subject to the costs being within the annual budget approved, and satisfactory performance of services by the vendor.

2. Purpose

This report seeks the Board's authorization to extend the technology licensing, maintenance, and support services agreement annually for up to five years where total costs will be approximately \$364,000 over the five years, beginning in 2015.

3. Background

Housing York Inc.'s Purchasing Bylaw requires Board authorization to renew and extend contracts that will last beyond five years or exceeds the five-year cumulative cost threshold

Housing York Inc.'s (Housing York) Purchasing Bylaw 6-14 provides under Section 9.1(a) for direct purchases, where the compatibility of the purchase with existing equipment, facilities or services is the paramount consideration.

Yardi Voyager Software Contract Renewal

Board approval is also required when renewing or extending contracts that have a contract life in excess of five years and the five-year cumulative costs are greater than \$100,000.

Yardi Voyager software system is Housing York's primary technology solution used to support service delivery

The Board approved the report Information Technology Software Upgrade, on April 14, 2010, which authorized Housing York to enter into an agreement with a direct purchasing provider, Yardi Systems Canada Inc., to upgrade the primary software system from Enterprise to Voyager with a cost of up to \$500,000.

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 uses several Yardi Voyager modules including Property Management, Accounting, Budgeting and Legal to support its program service delivery. This software application enables housing operations to carry out their specific program mandates in accordance with program guidelines and legislation.

The software is used to:

- Track tenant leases, payments, legal notices, and statistical/ demographic information.
- Host vendors contact data, issue maintenance work orders and vendor payments, and monitor compliance with purchasing policy.
- Produce financial and statistical reporting including, financial statements, budgets and forecasts, and other analytical reports.

This 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 may be costly and/or not operationally effective in the short term.

4. Analysis and Options

Continued utilization of Yardi Voyager software application will exceed both the cumulative \$100,000 and five-year thresholds allowed under the Purchasing Bylaw

The initial 5-year term of the contract will expire in July 2015. The annual license renewal, maintenance and support base cost in 2014 was \$68,935. License cost increases annually based on the Consumer Price Index inflationary factor. The estimated five-year cumulative total cost is \$364,497 as shown in Table 1.

Table 1
Yardi Voyager Estimated License Renewal, Maintenance and Support Services Costs

2015	2016	2017	2018	2019	Five-year Total
\$70,217	\$71,523	\$72,854	\$74,209	\$75,694	\$364,497

Board approval is required to continue licensing, maintenance and support services of this key technology

The Yardi Voyager software application is a key element in fulfilling Housing York's mandate in to deliver Community and Health Services' social housing programs. Maintenance and support services are provided by the vendor on an ongoing basis, while the technology application is evaluated annually to ensure it continues to meet the business needs. Housing York can terminate this agreement upon 60 days notice if performance is unsatisfactory or the solution no longer meets business needs.

Link to key Council-approved plans

Technology maintenance and support services are an integral component of managing Housing York's technology needs in an efficient manner. The renewal of Yardi Voyager licensing, maintenance and support services will provide staff access to technology software and solutions supporting the implementation of the five strategic directions defined in Housing York Inc.'s Strategic Plan 2012-2016.

5. Financial Implications

Annual costs for licensing, maintenance and support services have been included in Housing York's multi-year budget

The annual cost of licensing, maintenance and support services may vary depending on the number of users, service utilization, Consumer Price Index, upgrades or enhancements required to meet changing business needs.

The costs for all licensing, maintenance, and support services will be managed within the approved Housing York Inc. annual operating budget.

6. Local Municipal Impact

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

7. Conclusion

The Yardi Voyager software application is a key element in fulfilling Housing York's mandate to provide efficient and effective social housing.

The Purchasing Bylaw 6-14 requires the Board's approval for direct purchases over \$100,000, and where a contract is for a period of greater than five years. Yardi Voyager software application continues to meet Housing York's business needs. Therefore, staff is seeking approval for renewal.

For more information on this report, please contact Carlene Jackson, Chief Financial Officer, Housing York Inc. at ext. 76064.

Yardi Voyager Software Contract Renewal

The Senior Management Group has reviewed this report.

Recommended by:

Rick Farrell
General Manager

Carlene Jackson
Chief Financial Officer

Approved for Submission:

Adelina Urbanski
President

April 22, 2015

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Accessible formats or communication supports are available upon request