



County of Wellington Social Services Department – Housing Services DIRECTIVE

Directive Number: 2013-18

Effective Date: November 14, 2013

This directive has been developed by the County of Wellington in its role as Consolidated Municipal Service Manager (CMSM) and applies to housing providers funded under the following social housing programs:

√	Provincially Reformed Non-Profit Housing Programmes (MNP, PNP & OCHAP)
√	Provincially Reformed Co-operative Housing Programmes (Co-ops)
√	Municipal Non-Profit Housing Programme (Section 56.1 Pre-1986)
	Local Housing Corporation (LHC)
	Federal Non-Profit Housing Programme (Section 95 Pre-1986)

Subject: Property Management Services Procurement and Contracts

Legislative Reference: Housing Services Act, 2011 (HSA) S.75 and O.Reg. 367/11 S.100
Housing Services Act, 2011 O.Reg. 367/11 S.100 (4)

Background:

HSA S.75 and O.Reg. 367/11 S.100 permit the CMSM to establish local standards for housing providers.

HSA O.Reg. 367/11 S.100 (4) permits the CMSM to establish local standards relating to the procurement of property management services by a housing provider.

Direction:

1. Property Management Procurement

The procurement of property management services by a housing provider must be done in an open, fair and competitive way.

A housing provider is required to establish and comply with the following procurement practices:

- A formal procurement process, including documents and contracts, shall be established by the housing provider's board of directors and shall be submitted to the County of Wellington CMSM for review and approval. The formal procurement process and all related documents shall not be developed by a property management firm on behalf of the board of directors, but shall be developed by the board of directors;

- Tender and Request for Proposal (RFP) documents, along with any appendices to these, such as a draft Property Management Contract, shall be submitted to the CMSM for review prior and approval prior to the commencement of any procurement;
- The procurement process shall require proposals to be obtained from a minimum of three (3) property management firms. Where a housing provider is unable to obtain three proposals, the housing provider must obtain prior written approval from the CMSM to consider less than three proposals;
- Where a conflict of interest is identified in the decision making process, the effected person(s) shall follow the procedures identified in the most recent version of the CMSM local Conflict of Interest standards;
- All property management contracts/agreements shall comply with the requirements set out in Section 2 of this directive and must be approved by the CMSM before any agreements are signed;
- The CMSM reserves the right to be involved in the development and approval of the tender or RFP, the interviews and selection of a property management firm.

2. Property Management Contracts

All property management contracts signed by housing providers must include the following minimum requirements:

- The contract term shall be for a maximum of three (3) years;
- Automatic contract renewal clauses shall not be used;
- The contract may provide for a maximum term extension of one (1) year. The terms of this extension must be agreed to in writing by the housing provider, the property management firm and the CMSM six (6) months prior to the expiry of the initial contract;
- The contract shall specifically identify and describe all goods and services included under the contract;
- The contract shall be non-assignable;
- The contract shall be exclusive to property management services. Maintenance services shall be negotiate procured and contracted separately;
- The contract must include an indemnification clause for both parties;
- The termination of contract clauses must allow either party to give a minimum of ninety (90) days written notice for termination at any point during the term and a maximum of thirty (30) days written notice for termination if the property management firm is found to be in breach of the contract;
- The contract shall stipulate that the corporation providing property management services shall give notice to the housing provider of any change in control of the corporation;
- The contract shall allow the board of directors to conduct a performance review of the property management firm as they see fit.

Application

In any situations where the standards established in this document conflict with those set in the housing provider corporate by-laws or corporate policies, these by-laws or policies must be changed to reflect the standards set out in this directive.

This Property Management Services Procurement and Contracts local rule is effective immediately and will apply to all future property management procurements and contracts.

If you require additional information, please contact the Housing Advisor.



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