

# Tendering

## for Property Management Services for Non-Profits:

A Guide and Template Documents

Co-operative housing providers should contact the [Co-operative Housing Federation of Canada](#) to access templates designed specifically for co-ops.





# Introduction

SHSC's Social Housing Resource Committee is a group of 20 provider and property management representatives who have developed this series of templates to assist your non-profit in tendering for property management services. If you are a "co-operative" housing provider, you should use the templates developed by the [Co-operative Housing Federation of Canada](#)

## **Included in this package are the following:**

- A Guide to Tendering for Property Management Services for Non-Profits
- Standard Invitation Letter to Property Management Firms
- Request for Proposals (RFP) for Property Management Services
- Sample Management Agreement
- Evaluating Bids from Property Management Firms

These materials are made available free of charge to assist non-profit housing providers as general information guides. Since these are guides only, users will need to adapt and supplement the guides to suit their own particular situations.

While SHSC's Social Housing Resource Committee makes every effort to present accurate and reliable information in these materials as of September 30th, 2010, no guarantee or warranty is made as to the completeness or accuracy of the information.

By using these materials, you agree to release SHSC and its Social Housing Resource Committee from all liabilities and damages arising from your use of these materials.

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# **A Guide to Tendering**

## **for Property Management Services for Non-Profits**

# Introduction

Non-profit housing providers need sound management to be successful. That usually means hiring staff or a property management company to take care of the day-to-day business of the non-profit. Each non-profit has to decide which management model it wants to use – whether to hire its own staff or a management company. There are many factors that affect this decision. One of these is the availability of competent and qualified individuals to fill staff positions.

If your choice is to hire your own staff to manage the non-profit, you should ensure that you have in place policies and procedures for hiring staff that are compliant with applicable legislation and comply with them.

This *Guide to Tendering for Property Management Services for Non-Profits* will help you if you plan to hire a property management company. All non-profits can use this information but there are some specific requirements for Ontario-program non-profits under the *Social Housing Reform Act*. (See page 7 for *Mandatory provisions for Ontario-program non-profits*). It is important for the non-profit to feel confident that the process used in the hiring is fair. It is also important for the non-profit to get good value for the money it spends and to be accountable for the money it receives from the government in the form of subsidies.

Before starting the tendering process, the board should check for information about the tendering process in the non-profit's Spending By-law and Conflict of Interest By-law. For example, conflict of interest rules in the by-laws may tell the board that their current property management company should not advise them in the hiring process. The Spending By-law will probably say that the non-profit must get written quotes if it wants to hire a company to manage the non-profit. If your non-profit does not have a Spending By-law or Conflict of Interest By-law, the Ontario Non-Profit Housing Association (ONPHA) can provide a model for the non-profit to adopt.

## Who Makes the Hiring Decision?

The board is legally responsible for hiring employees and/or a property management company. In most non-profits, the board makes these decisions and informs the members (if they are different than the board) about what's happening at the annual members' meeting. The board may decide to set up a committee of board members to oversee the hiring. This committee may bring a final recommendation about the hiring to the full board for a decision.

## Why tender?

It is the board's responsibility to make sure the non-profit gets quality property management services at a reasonable cost. A good tendering process will help the board fulfill this responsibility. SHSC's Social Housing Resource Committee prepared this package specifically to help non-profits get bids for property management services.

## Preparing for Tendering

If you decide to hire a property management company, you should establish a clear timetable in advance. Ask several property management companies to tender or bid as not everyone that you ask may reply.

This package includes a timetable on page 6 and it shows the hiring process taking about three months.

You need to adapt the model Instructions for Bidders, the Summary of Non-Profit and Management Requirements and the Management Agreement to apply to your non-profit. The instruction sheet will help you do this.

### **The board or hiring committee will need to look at:**

- How much can the non-profit afford to pay?
- How many hours of on-site service do you want from the property management company each week?
- Do you want the property management company to provide maintenance services as well?
- If the non-profit has its own employees for maintenance, do you want the property management company to supervise their work?

When you have answered these and other questions, you should be able to go through the tender package, put in the necessary information and delete parts that do not apply to your non-profit. Section A, the Standard Invitation letter provides the summary of the non-profit's management requirements so is very important. Non-profits should pay close attention when adapting it.

## During the Tender Process

The most important thing for you to remember about a tendering process is that all management companies must be treated the same. They must all receive the same information, and you must answer all their questions in the same way. Any answer must be put in writing to all bidders even if they did not ask the question.

This package suggests an information session about halfway through the tender period. If you feel it's important for all bidders to see the property and meet board representatives, you should make attendance a requirement for bidding.

When you receive the bids, you should go over them carefully. If you need more information to make a decision, you can ask for further details in writing, or you can interview one or more of the bidders. The price they have proposed is important, but it is also important for you to feel confident that the company will do a good job for your non-profit and perform the services you need.

## Mandatory provisions for Ontario-program non-profits

Regulation 339/01 of the *Social Housing Reform Act* sets out rules for property management contracts and requires that management companies be selected through an open and competitive process. This *Guide to Tendering for Property Management Services for Non-Profits* and the model *Management Agreement* meet those rules.

# Timetable for Hiring a Property Management Company

Week	Process	Tasks	Comments
1	Identify companies to bid	Choose at least three	This starts three months before the start date of the contract
2	Finalize instructions to bidders and contract	Board makes decisions re: duties / supervision	
3	Issue tender package	Send to all companies at the same time	
4			
5	Information session	Schedule tour of the non-profit, opportunity for bidders to ask questions at meeting. This can be optional or mandatory to a bidder	
6	Answer questions of potential bidders	Outside the information session, any question put by any potential bidder must be in writing and respond in writing to all bidders	
7	Deadline for bids	Put the scheduled closing date in the tender package	
8	Interviews / presentations	You can interview all bidders or just the preferred one	
9	Committee recommendation and board decision	Review submitted bids and selection of company	
10	Offer contract to selected company		
11	Sign contract	Complete final version of contract	Contract is signed two weeks before contract starts
12	Start date		Usually the day after previous contract expires



# Instruction Sheet for Using the Sample Bid Package

This sample bid package in the following sections/pages should help non-profits hire a property management company.

Because it is a model, there are places where the non-profit has to fill in the blanks. Also, when the documents refer to *ABC Non-Profit* replace it with the name of your non-profit.

Note that there are some things that you cannot fill in right now, such as the:

- name of the property management company on the agreement and bid form
- dates on the contract (signature page) and the bid form
- amount of the fees in the contract (paragraph 13) and the bid form.

There are places where the non-profit will have to decide to include certain wording. These are clearly marked in the text, as shown in the example below:

## **Staffing**

*(OPTIONAL – include only if the non-profit has staff or its own maintenance staff)*

The non-profit has the following staff (*for example, Maintenance Person, Janitor, Custodian*):

- 
- 

There are also places where the non-profit will choose wording from two possible options. These options are clearly marked in the text, as shown in the example below:

### **OPTION A**

Bookkeeping will be performed on computer equipment and accounting software provided by the non-profit.

### **OPTION B**

Bookkeeping will be performed on the Property Manager's own computer equipment and accounting software. Any software of the Property Manager must be able to produce all records in machine-readable form to transfer to other programs at the termination of the Agreement if requested by the non-profit.

It is important that you adapt all parts of this package for your non-profit. This includes:

- the Instructions to Bidders
- the Summary of Non-Profit and Property Management Requirements (Section A)
- the Management Agreement (Section B).

Fill in all the blanks. Delete options that do not apply to your non-profit. There are other places in the materials where the non-profit should delete items on a list that do not apply.

Keep in mind that you do not need a perfect tender document. What is important is:

- companies are bidding on the same thing
- all bidders or potential bidders are treated the same.

***Make the changes to suit your non-profit as much as possible.*** If you make a mistake or want to change something after you have sent out the information to potential bidders, just write up your changes and send them to all companies that received the original package.



# **Bid Package: Section A**

**Standard Invitation Letter To Property Management Firms**



September 1, 2010

## **PRIVATE AND CONFIDENTIAL**

Anywhere Property Management Services Inc.  
100 King Street  
Anywhere, Ontario  
A2B 3C4

Dear Sir/Madam:

### **Re: Request for Proposals for Property Management Services**

Please accept this invitation to participate in our request for proposals for property management services with respect to our Main Street Apartments complex. This non-profit housing project, targeted to accommodate both rent-geared-to-income (RGI) and market rent tenants, is located in Anywhere, Ontario.

ABC Non-Profit Housing Corporation is a private non-profit housing provider that receives funding for its operations from the Region of Somewhere, as Service Manager under the *Social Housing Reform Act (SHRA)*. As a consequence, this RFP and the subsequent management agreement to be signed with the property management agent are required to comply with the Act.

### **Submission Deadline**

Proposals will be received only in a sealed envelope(s) marked confidential to the attention of:

Mr. David Smith - President  
ABC Non-Profit Housing Corporation  
100 Main Street  
Anywhere, Ontario  
A1B 2C3

The submission must be hand delivered to the above noted address on Monday September 18, 2010 between the hours of 2:00 p.m. and 4:00 p.m. All bids must have a corporate seal.

### **Terms of Engagement**

The management services contract is for a one year period beginning January 1, 2011 and ending December 31, 2011 and can be renewed for 2 additional years upon acceptable performance and price.

### **Property to be Managed**

Main Street Apartments is located at 100 Main Street in Anywhere, Ontario. The project is comprised of 150 apartment units in a 8-storey building with underground garage. The 150 units are distributed as follows:

- seventy 1 - bedroom apartments
- fifty 2 - bedroom apartments
- thirty 3 - bedroom apartments

This complex has both surface and underground parking facilities. The underground garage requires card access. Common areas and facilities available to tenants include a laundry room with coin-operated equipment owned by the Corporation, a large common room with kitchen facilities, and a playground with creative play structure.

### **Region of Somewhere Program Requirements**

The owner has entered into a Delegation Agreement with the Region of Somewhere. Under that agreement, the Corporation and its property management agent are required to select geared-to-income tenants from the approved coordinated access system in accordance with the SHRA. They are also required by the Region of Somewhere to obtain such verification of income and assets as stipulated, including all applicable forms, and to calculate their rent in accordance with the SHRA and local rules established by the Region.

The property management agent will be required to bring to this engagement thorough experience, knowledge and facility in dealing with the program requirements set out in the SHRA, Delegation Agreement, and Directives issued by the Region of Somewhere from time to time. The successful bidder will be required to know and understand the provisions of the *Social Housing Reform Act* and the *Residential Tenancies Act (RTA)*.

### **ABC Non-Profit Housing Corporation Expectations**

ABC Non-Profit Housing Corporation is committed to providing the best quality housing that can be achieved within the limits of the operating budget approved by the Region of Somewhere. The property management agent must be committed to maintaining the highest standards of property care and management possible. The agent is expected to be well qualified and industrious in management of the Corporation's financial assets and in orderly maintenance of its physical assets.

The Corporation's target for vacancy loss and bad debt on its units is zero. To that end, the property management agent is to employ tenant selection and unit turnover strategies that allow that target to be attainable. The property management agent is also required to take prompt action on all arrears of rent and pursue collection on any monies owing for rent or damages.

### **Governance Structure**

The Board of Directors of ABC Non-Profit Housing Corporation is actively involved in assuring that its fiduciary responsibilities are met and the Corporation's assets are managed in a way that will allow it to achieve the expectations previously noted.

The property management agent will be required to meet monthly with the Board of Directors. As a general rule, the Board meets each month on the third Monday at 7:00 p.m. to deal with an agenda of items prepared, photocopied and delivered to the directors' homes by the property management agent. Minutes are taken by the agent and circulated in the following month's agenda. The Board may elect not to meet during one or more of the summer months (July and August) and at other times if there are no pressing issues. In addition, committee meetings are held on the second Monday of each month as required. For these meetings, the property management firm prepares, photocopies and delivers an agenda of items to the directors at the meeting, or in advance if requested.

All meetings are held in the common room at Main Street Apartments. The Corporation maintains an on-site office with a phone, fax machine and internet which is available to the property management agent.

### **Management Structure**

The property management agent will be responsible for carrying out the policies of the Board of Directors, with respect to the day-to-day operations of Main Street Apartments, in accordance with the Corporation's Management Plan and the Management Agreement, and such other documents or directions the Board of Directors may give.

Because of the complexities of the Main Street Apartments facilities, and in order to carry out the requirements of the Corporation's Preventative Maintenance Program, ABC Non-Profit Housing Inc. requires that the property management agent employ the services of a full-time maintenance person with the requisite skills to carry out the maintenance plan. These skills will include the following:

- appliance repair (fridges, stoves, washers, dryers)
- carpentry and cabinet repair
- drywall installation and repair
- flooring installation and repair
- mechanical repairs
- minor electrical repair
- plumbing installation and repair
- shingled roof, siding, soffit and fascia repair
- other skills required to carry out PMP duties

A position description is attached for reference. This individual, who will be an employee of the property management agent, is not required to live in the complex. This position is currently performed in a 37.5 hour working week. It is understood that statutory holidays and three weeks of vacation are permitted absences from the position. However, emergency service must be provided if required. The remuneration to the property management agent for this position will be negotiated annually and will be on an hourly basis.

ABC Non-Profit Housing Corporation requires that the property management agent employ the services of a live-in Janitor/Custodian (it may be a couple) whose duties are to maintain the property to a clean and tidy state, including the laundry room, common room, recycling room and office. A position description is attached for reference. This position is currently performed in a 37.5 hour working week. The remuneration to the property management agent for this position will be negotiated annually. Any additional hours for any employee/contractor required to cover the absence of the Janitor/Custodian on weekends or during vacation will be the responsibility of the property management agent and shall be included in the fee for this position. The remuneration to the property management agent for this position will be negotiated annually.

In general, it is expected that the property management agent will provide the persons, resources and commitment of time and effort necessary to enable the residents and directors of the Corporation to realize their expectations and objectives.

### **General Scope of the Work**

The following general summary of the scope of the work is intended only as a convenient introduction to the relevant documents. Firms submitting proposals are expected and admonished to examine the Owner's Management Plan and draft contract. In all cases, including any inconsistency or conflict, the Agreement governs over all other documents and the draft Agreement and Management Plan govern over this Request for Proposals.

The general scope of the Work is as follows:

The provision of property management services may be fairly described as a "full-service" engagement. This includes, but is not limited to, the following:

- Marketing and renting of units pursuant to the requirements of the SHRA;
- Administering all Landlord-Tenant matters, including ongoing maintenance of RGI rents, pursuant to the requirements of the Management Plan, the SHRA and the RTA;
- Overseeing and directing all persons employed in the administration and maintenance of Main Street Apartment within the requirements of applicable legislation;
- Attending to the ongoing maintenance and repair of assets;
- Administering and supervising all service contracts related to the premises;
- Attending to all financial matters, books and records;
- Liaising with officers and directors of the Owner, including consultations, regular meetings and written reports as required;
- Preparing all reports, budgets, returns and other documents required by the Region of Somewhere, auditors, Members or Directors;
- Guiding, resourcing and assisting with the social development of the Main Street Apartments community; and
- Carrying out all other functions, as assigned by the Board of Directors, which would be deemed to be part of a "full service" engagement.

## **Agreement**

The Agreement for services shall be in the form approved by the Owner, a draft copy of which forms part of this Request for Proposals. The Owner will consider no modifications to the proposed Agreement unless they have been submitted in detail as part of the applicant's submission to the RFP. The Agreement may, in any event, be subject to the prior approval of the Region of Somewhere.

## **Inspection of Property and Documents**

A site visit has been scheduled for Monday September 11, 2010 at 2:00 p.m. to allow prospective bidders to inspect the premises and to ask questions of the Owner with respect to the property and documents. Interested parties are instructed to attend at the front entrance to the apartment building at 100 Main Street in Anywhere. You will be taken to the common room from where a tour of the facilities will originate following the question and answer period that will be overseen by a representative of the Owner. No other inspections of the premises or documents will be permitted.

## **Proposal Contents**

In order to be considered, the proposal of the prospective property management agent must include the following information in their submission:

1. Completion of the Qualification Form attached to the RFP, which shall include the legal name and address of the property management firm.
2. Proof of insurability to the requirements set out in Section 3.2 of the RFP.
3. A profile of the firm that includes the personnel and resources that you have for the quality delivery of services and work as set out above. Refer to Section 3.3 of the RFP.
4. Particulars of the expertise and experience of the firm in property management generally, and specifically details of the firm's particular experience in managing non-profit housing projects with a market rent component. Ensure that all aspects of Sections 3.4 to 3.8 of the RFP are addressed.
5. Name, address, contact person and phone number of all non-profit housing projects that the firm is currently managing, or to whom you have provided any property management services since January of this year.
6. A statement that indicates clearly what services, which the Owner might otherwise expect, are not provided within your proposed property management fee.
7. Completion of the Bid Form attached to the RFP, which shall be signed by the authorized representative(s) of the firm and sealed.
8. Such other references or information, if any, that your firm deems appropriate.

## **Assessment of Proposals**

Proposals containing all of the required information and documentation, which are received as instructed in the RFP, will be assessed using the criteria noted in the RFP.

The lowest or any other bid will not necessarily be accepted.

The Owner reserves the right, but will not be obliged, to require interviews of any of the respondents to the Request for Proposals that it deems fit as part of the assessment of proposals.

Sincerely yours,

---

David Smith

President





# **Bid Package: Section B**

**Request for Proposals for Property Management Services**





**Request for Proposals for**  
**Property Management Services**

**ABC Non-Profit Housing Corporation**

Closing: September 18, 2010

Time: 12:00 noon to 2:00 pm

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# Request for Proposals for Property Management Services for the ABC Non-Profit Housing Corporation

## 1 Scope of Work

ABC Non-Profit Housing Corporation (ABC) invites submissions from qualified firms for the effective and efficient delivery of property management services ("Services") for a portfolio (the "Portfolio") of residential units located in Anywhere, Ontario. The successful bidder will carry out the terms of the ABC management agreement while maintaining the operating philosophy of the Board of Directors for ABC.

The Services to be provided under the Agreement will include, but not be limited to:

- Providing management and operating services for the Portfolio, including providing the required staff;
- Collecting and accounting for rents and all receivables due to ABC;
- Procurement, contract administration and management of all operating and maintenance services;
- Procurement, contract administration and management of security services as required;
- Utilities management including payment of utilities, taxes, etc.;
- Financial responsibility for budgeting, administration and reporting to the ABC and the Service Manager;
- Tenant relations on behalf of ABC pursuant to the terms of the leases;
- Responsibility for the timely rental of all units in the portfolio including the procurement of advertising and establishing rent geared to income leases;
- Maintaining a current waiting list of market rent applications;
- Participating in a coordinated access system as approved by the Service Manager;
- Negotiating renewal and termination of leases or tenancy agreements;
- Responsibility for the collection of all rental arrears including the duties of filing court documents and defending simple court matters;
- Timely reporting to the Board of Directors and the Service Manager on all required matters such as budgets, annual information returns, etc.;
- Responsibility for the accounts payable function of the Board;
- Meeting with the Board of Directors on a regular basis;
- Preparing and distributing the agenda for Board meetings;
- Recording, preparing and distributing minutes for Board meetings;
- Maintaining current good standing status with the Workers Safety and Insurance Board;
- Responsibility for adhering to and providing all other services and or duties as specified in ABC's management agreement and operating within the guidelines of the operating agreements with the Service Manager.

ABC will retain the authority for the approval of all expenditures, procurement and disbursements for the Portfolio. Notwithstanding, within certain limits as specified in the management agreement, ABC may delegate certain aspects of this authority.

ABC's main objectives are to offer a clean, safe and comfortable living and/or working environment for all its residents and staff while minimizing costs, being efficient in maintaining compliance with all appropriate regulations and meeting all of its financial obligations responsibly.

The successful bidder will be required to sign ABC's management agreement and will agree to abide by the terms and conditions of that agreement (draft agreement attached).

The successful bidder will have demonstrated substantial experience in the management of residential non-profit housing portfolios, with particular evidence of the ability to maintain market rent targets and maximize incentives, for market rent units, by meeting or exceeding the benchmarked market rents under the Social Housing Reform Act by minimizing vacancy losses.

The term of the Agreement will be for a maximum of 3 (three) years.

This contract includes provision of services for the entire portfolio, which shall be specified as consisting of the following projects and addresses:

Main Street Apartments, 100 Main Street, Anywhere, Ontario.

## **2 Process and Schedule**

The award of the Property Management Services tender will be done using the following process and approximate time frames.

### **Steps**

#### **2.1 Submission Closing September 25, 2010**

On the proposal closing date and during the period of time as set out in the RFP document, proponents will submit their proposals in accordance with the instructions contained in Section 3 of this document. Only submissions that address all stated requirements will be considered.

#### **2.2 Evaluation and Ranking of Submissions October 2, 2010**

Submissions will be evaluated and ranked by a committee of the Board of Directors of the ABC Non-Profit Housing Corporation, based on the criteria described in this document.

#### **2.3 Interviews and Recommendation to Board of Directors October 9, 2010**

An evaluation committee made up of ABC directors will evaluate the proposals and select the successful proponent. The selection will be based on the evaluated written submissions and the bid price for providing the required management services.

#### **2.4 Approval of Successful Proponent October 16, 2010**

The Board of Directors will make its final decision on the firm to be engaged to provide property management services effective January 1, 2011.

ABC Non-Profit Housing Corporation reserves the right not to accept the lowest or any tender.

#### **2.5 Agreement October 23, 2010**

The successful proponent will enter into an Agreement with ABC within seven (7) days of the receipt of the final Agreement as set out by ABC.

### 3 Requirements for Submission

Property Management firms who wish to submit a proposal shall, at their own expense, prepare and submit to ABC a submission which shall include, but not be limited to, the following:

#### 3.1 Qualification Form (mandatory requirement)

Complete the Qualification Form attached to the Request for Proposals package and sign in the space provided. In the case of a sole proprietorship, the sole proprietor shall sign the form and have his/her signature witnessed. In the case of a limited company the form shall be signed by an authorized signing officer and sealed with the corporate seal. In the case of partnership, all partners shall sign and have the signatures witnessed.

#### 3.2 Insurance (mandatory requirement)

During the term of this Agreement, the Company and each and every sub-contractor is required to maintain in full force and effect and at its own expense, the following insurance coverage:

1. General liability insurance including bodily injury and death, personal injury, broad form property damage including loss of use thereof, contractual liability, non-owned automobile liability, owners' and contractors' protective, products and completed operations and employers' liability, with coverage including the activities and operations conducted by the Company and those for whom the Company is responsible for in law. These policies will all (1) be written on an occurrence basis with coverage for any one occurrence or claim of at least Three Million Dollars (\$3,000,000) (2) be endorsed to name ABC as additional insured and (3) contain a severability of interests clause and cross liability clauses. The Company is responsible for payment of any loss or losses within the deductible.
2. Automobile liability coverage in an amount of not less than Two Million Dollars (\$2,000,000).
3. Professional Liability / Errors & Omissions insurance in an amount of not less than One Million Dollars (\$1,000,000) per claim and Two Million Dollars (\$2,000,000) in the aggregate annually.
4. Crime and Fidelity insurance in the form of a 3D fidelity-type bond which shall include a third party extension in respect of ABC's interests.
5. Sufficient property insurance coverage to adequately cover the Company's property, equipment and other such property in the care, custody and control of the Company. Such policy shall also contain a waiver of rights of subrogation against ABC.

All policies of insurance shall be (1) written with an insurer licensed to do business in Ontario (2) in form and content acceptable to ABC acting reasonably (3) be non-contributing with, and will apply only as primary and not excess to any other insurance available to ABC and (4) contain an undertaking by the insurers to notify ABC in writing not less than thirty (30) days before any material change, cancellation, lapse or termination of the policies.

Prior to execution of this Agreement and annually at expiration date of the insurance policies, the Company shall provide ABC a certified true copy of the above policies or a Certificate of Insurance satisfactory to ABC evidencing same.

For any policies to which an aggregate limit of liability applies, the Contractor will report to ABC any erosion of the policy limits that may affect ABC's ability to claim defence and indemnity under the policies as an additional insured or to recover damages in the event of a claim made by ABC against the Contractor under those policies. This report will be provided to ABC at the end of each calendar quarter (March 31, June 30, September 30, December 31) during the term of this contract and for two years (24 months) following expiration of this contract.

ABC shall be entitled to modify the insurance requirements contained in this section and upon written notice may reasonably require the Contractor to obtain different or additional insurance (including without limitation, different or additional policies, limits, coverage and deductibles) than those specified in this section. If there is a material increase in the cost of the Contractor's insurance premiums as a direct result of the request by ABC to obtain additional insurance pursuant to this section, then, upon receipt of confirmation from the Contractor's insurer of the cost and breakdown of the additional premium, and the insurer's confirmation that the additional premium is attributable directly to the additional insurance requested by ABC pursuant to this section, ABC will reimburse the Contractor for any reasonable additional premium costs directly attributable to the additional insurance requested.

### **3.3 Firm's Profile**

Provide information regarding the firm, including the nature of its business, history, structure, personnel, geographic location(s), etc. Include names and titles of the firm's officers, partners, sole proprietor, as well as list of managerial staff members proposed for the Agreement, with brief description of their qualifications, technical expertise, human resource management skills, previous experience in similar work, and role and contribution to the Services. Include the names of relevant associations of which your firm is a member/associate. Include the name of your firm's solicitor(s), bank(s), and auditor(s).

### **3.4 Experience**

Describe the extent of your firm's related experience and list of clients with specific references and names of contact person(s) for whom your firm has performed similar work in terms of size and cost in the last five (5) years. Provide a listing of previous contracts, including type and size of buildings, nature of services provided, and value of contracts. Include your non-profit housing management experience. Describe your experience with managing market rent units and outline what success your firm has had in achieving market rent incentives under the Social Housing Reform Act (SHRA).

### **3.5 Management Plan**

Provide a brief description of the manner in which your firm delivers services of this nature, including an intended workforce analysis, support resources and the types of services that are sub-contracted. In addition, provide an outline of the performance measures that your firm utilizes in evaluating the effectiveness of its operations.

Please ensure that your submission includes a description of how on-site service will be provided to residents.

### **3.6 Financial**

Describe financial methods, processes and systems utilized by your firm in monitoring, controlling and reporting operational expenditures. Provide samples of report forms used by your firm to report to the Board of Directors. Describe your success at producing operating surpluses in non-profit housing portfolios.

### **3.7 Quality Assurance**

Explain quality assurance policies and programs utilized and successful results achieved. Illustrate the manner in which your firm will monitor and report on the performance and efficiency of the Services.

### **3.8 Legislative Requirements**

Address the manner in which your firm proposes to comply with provisions of pertinent legislations e.g. Residential Tenancies Act, Social Housing Reform Act, Human Rights Code, Occupational Health and Safety Act, Construction Lien Act, etc. including any new or successor legislation.



## 4 Evaluation & Ranking

Submissions received by ABC will be evaluated and ranked based on the evaluation criteria shown in Section A of this document.

Submissions will be disqualified if not submitted in strict accordance with the requirements described herein.

ABC may request additional information or clarification of any firm regarding its submission.

ABC may require one or more bidders to attend at an interview with the Board of Directors or a committee of the same.

## 5 Site Visit

A site visit will be held on Monday, September 11, 2010 at 2:00 pm. Firms attending the site shall meet at the front entrance to Main Street Apartments, 100 Main, Anywhere, Ontario.

Firms are encouraged to attend the site visit as no other visits will be arranged and unauthorized visits are not permitted.

## 6 General Provisions

### 6.1 Submission Instructions

Copies of the Qualification Form and Bid Form are attached to this document. Return one copy of each, completed exactly as required, sealed in the self-addressed envelope provided. In a separate sealed envelope, provide two copies of your complete written submission comprising your proposal to ABC. The two copies are requested in order to facilitate our review of the same.

The completed submission packages must be received at the following address before the closing date and time:

ABC Non-Profit Housing Corporation  
100 Main Street  
Anywhere, Ontario, A1B 2C3  
**Attention: David Smith, President**

To be considered, submissions must be received at the above address between 12:00 noon and 2:00 pm, local time on Monday, September 25, 2010. No submissions will be accepted after 2:00 pm.

### 6.2 Designated ABC Representative

Interested firms are requested to read and study all parts of this RFP package to completely familiarize themselves with the document, the qualification process and the requirements of the Services.

Any questions or concerns should be directed to the following person:

David Smith (President)

- 905-555-5555

### 6.3 Addenda

If any requirements of this Request for Proposals are revised, addenda will be issued by ABC to all firms who have requested a RFP package. Communications modifying the Request for Proposals document shall not be considered by any firm unless confirmed in writing by addendum.

### 6.4 Conflict of Interest

Please be advised that your firm and its partners, directors, officers, employees, agents and volunteers shall not provide any services to ABC or any agent or any person, group or organization funded in whole or in part by ABC, where the provision of such services, actually or potentially, creates a conflict of interest with the provision of Services pursuant to the Agreement. Your firm shall disclose to ABC without delay, in your submission, any actual or potential situation that may be reasonably interpreted as either a conflict of interest or potential conflict of interest.

### 6.5 Freedom of Information

Please be advised that any information or documents provided by your firm to ABC become the property of ABC and may be released pursuant to the provisions of current privacy legislation.

## 7 Appendices

### 7.1 Evaluation Criteria

#### \* Mandatory Criteria:

1. Submit completed Qualification Form and Bid Form
2. Firm in good standing with the Workers Safety and Insurance Board
3. Insurance in the minimum amount of three million dollars (\$3,000,000.00) per occurrence

#### \* Weighted Criteria:

1. Firm's Profile
2. Experience
3. Management Plan
4. Financial
5. Quality Assurance
6. Legislative Requirements

*\* Refer to Section 3 of the Request for Proposals document for a description of each criteria and what it entails.*

## 7.2 Qualification Form

Project: ABC Non-Profit Housing Corporation

Property Management Services

Non-Profit Residential Portfolio

Anywhere, Ontario

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Name of Firm

---

Street Address

---

City or Town

---

Province Postal Code

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Telephone Fax

### **ABC Non-Profit Housing Corporation:**

I/We herein submit our completed tender package, in accordance with your Request for Proposals for the above noted Project.

I/We have received and allowed for Addenda numbered as follows: \_\_\_\_\_ (#'s or "none") in preparing my/our submission.

I/We hereby authorize ABC to contact references that I/we have named on my/our submission and such references have also been authorized to provide information about my/our firm.

I/We hereby acknowledge that I/we have full knowledge understanding of all existing conditions, legislation and all local requirements that may apply to the Project.

I/We have enclosed the following documentation, in accordance with the requirements prescribed herein, to satisfy the mandatory criteria:

\* copy of insurance certificate or letter of intent from insurer; and

I/We declare the I/we am/are not currently disqualified from tendering for this Project.

I/We have attached additional information and documentation as part of my/our tender submission.

I/We understand that any omission of failure to answer any question or address any requirement included in the Request for Proposals may result in my/our firm being disqualified from tendering.

I/We understand that the Request for Proposals does not constitute any offer of work by the ABC to any firm, nor is any contractual relationship stipulated or implied.

I/We hereby declare that information provided herein is true and correct to the best of my/our knowledge.

---

Name of Firm

---

Address of Firm

---

Witness

---

Signature of Official(s)

---

Witness

---

Signature of Official(s)

(seal)

---

Date

### 7.3 Bid Form

To: ABC NON-PROFIT HOUSING CORPORATION

Directors:

Having examined the Report for Proposal Documents, I/we fully understand the RFP package will be held to form the specifications of this tender and I/we hereby offer to:

Perform all services specified and/or referred to in this Proposal Submission Form and all attachments, including without limitation the terms of the Management Agreement, in diligent, careful and professional manner;

Provide at my/our expense the necessary expertise and supervision of staff to ensure compliance with all the terms of the Management Agreement and RFP Specifications for a term commencing January 1, 2010 and ending December 31, 2012.

MY/OUR LUMP SUM PRICE, EXCLUSIVE OF GOODS AND SERVICES TAX, FOR PERFORMING THE SERVICES AS DESCRIBED IN THE TENDER CALL DOCUMENTS IS PERCENT (\_\_\_\_%) OF THE GROSS MARKET RENT POTENTIAL OF THE PORTFOLIO, CALCULATED AT DECEMBER 31, 2010 TO BE \$1,500,000 FOR THE PERIOD JANUARY 1 TO DECEMBER 31, 2011. MARKET RENTS SHALL BE DEFINED TO BE THE MARKET RENTS AS APPROVED BY THE BOARD OF DIRECTORS (REFER TO SITE DATA ON PAGE 5 OF THE RFP).

I/We expressly warrant that the price stated above is quoted in utmost good faith on my/our part.

I/We fully recognize that ABC Non-Profit Housing Corporation does not bind itself to accept the lowest or any tender submitted. I/We acknowledge and agree that the decision of ABC Non-Profit Housing Corporation shall be based on various considerations and criteria, whether or not such considerations or criteria are referred to in the RFP document and whether or not I/we have been advised of such criteria or considerations.

If I/we am/are notified of the acceptance of this tender within the time specified, I/we will execute a Management Agreement of the form enclosed with this RFP Document, subject to any amendments and/or modifications as may be required by the Service Manager, forthwith upon being requested to do so.

I/We acknowledge that by the submission of this bid, I/we have carefully reviewed and agree with all of the terms and conditions contained in the Request for Proposals, including, without limitation, the Management Agreement.

By the submission of this tender, I/we covenant that I/we agree to provide such further information, materials, documents and assurances as may be required by the Service Manager.

I/We acknowledge and agree that the acceptance of any bid by ABC Non-Profit Housing Corporation may be subject to Service Manager approval and that if the Service Manager does not approve this bid, ABC Non-Profit Housing Corporation shall be entitled to terminate any obligations to me/us, without any liability, regardless of whether or not ABC Non-Profit Housing Corporation has accepted this bid.

I/We have received and allowed for addenda numbered as follows:

\_\_\_\_\_ in preparing my/our tender prices for this contract.

THIS PROPOSAL SUBMISSION SHALL BE FIRM, IRREVOCABLE AND OPEN FOR ACCEPTANCE FOR 60 DAYS FROM THE CLOSING DATE OF SEPTEMBER 18, 2010.

I/We hereby declare that information provided herein is true and correct to the best of my/our knowledge.

---

Name of Firm

---

Address of Firm

---

Witness

---

Signature of Official(s)

---

Witness

---

Signature of Official(s)

(seal)

---

Date

# **Bid Package: Section C**

## **Management Agreement**





# Management Agreement

THIS AGREEMENT MADE IN DUPLICATE, THIS \_\_\_\_\_the DAY OF \_\_\_\_\_, 200 .

BETWEEN:

**ABC Non-Profit Housing Corporation**

*(Hereinafter referred to as "ABC")*

and

**Chosen Property Management Company**

*(Hereinafter referred to as "the Agent")*

WITNESSETH THAT, in consideration of the **Premises** and of the mutual covenants hereinafter contained, the parties hereto agree as follows:

## PART 1: DEFINITION OF KEY WORDS AND PHRASES

The following words and phrases used in this Agreement will be in bold throughout this Agreement, for the purpose of identification, and will have the following meanings:

1. **ABC** means the ABC Non-Profit Housing Corporation and is the owner of the **Premises** as defined in this Agreement
2. **Act** means the Residential Tenancies Act RSO 2006, and the Rent Control Act RSO 1990 of the Province of Ontario.
3. **Agent** means a qualified property management company engaged to carry out the management of the **Premises** under the terms and conditions of this Agreement.
4. **Coordinated Access System** means a system approved by the **Service Manager** in the geographic area in which the **Premises** is located for the provision of:
  - a. information;
  - b. common application form;
  - c. assessment of eligibility ;  
and this system may also offer one or more of the following forms of application processing:
  - d. maintaining waiting lists for providers;
  - e. selecting applicants for accommodation in social housing projects within that geographic area;and in addition, complies with criteria established by the Province or Ontario.
5. **Service Manager** means the Service Manager designated under the **SHRA** as being the party responsible for funding and administration of social housing at the municipal level, for the purposes of this Agreement being the City of Hamilton.
6. **Management Plan** means a written plan developed and approved by **ABC** for the management of the **Premises** which details the policies and procedures to be adhered to and employed by the **Agent** in carrying out the responsibilities defined in this Agreement.

7. **Ministry** means the Ontario Ministry of Municipal Affairs and Housing.
8. **Premises** means the sum of all **Rental Units** and their appurtenances, as listed in Schedule "A" of this Agreement, and is known as Main Street Apartments.
9. **Preventative Maintenance Plan** means a written plan of scheduled maintenance activities, approved by **ABC** and carried out by the **Agent**, designed to keep the **Premises** at all times in a good and fit state and ready for occupancy.
10. **Rental Unit** means an individual apartment or townhouse rented as accommodation at a market rent or rent geared-to-income.
11. **SHRA** means the Social Housing Reform Act 2000, a act of the Legislature of the Province of Ontario, the purpose of which is to set out the rights and obligations of social housing providers, including **ABC**, for the operation of designated not-for-profit housing projects, including the **Premises**, and the obligations of the **Service Manager** to provide financial and other assistance. **SHRA** shall be deemed to include the regulations to the Act.

## PART 2: PURPOSE OF THE AGREEMENT AND GENERAL MATTERS

1. a. Whereas the ABC Non-Profit Housing Corporation is the Owner of non-profit rental housing units identified in Schedule A, **ABC** herewith does grant to the **Agent** upon the terms and conditions herein set forth certain rights, as indicated in this Agreement, in connection with the management of the heretofore designated properties (hereinafter referred to as the **Premises**) in accordance with the **SHRA**.
  - b. The **Agent** accepts this Agreement for the period and upon the terms herein provided and agrees to exert its best efforts faithfully and diligently to perform the specified services and to furnish the specified facilities, materials and labour. Said services, in general involve the leasing and management of the said premises in a manner that will provide decent, safe and well-maintained housing for tenants. The **Agent** agrees to maintain a high standard of maintenance and management and to focus on maintaining full occupancy of the units, both market and subsidized.
  - c. The **Agent** agrees to carry out a scheduled preventative maintenance program acceptable to **ABC** and, where applicable, in conformity with the original manufacturers' specifications and manuals and to focus on maintaining full occupancy of the units both market and subsidized. A copy of the preventative maintenance program is attached as Section A.
2. a. i. In matters concerning the administration of this Agreement, **ABC** will be represented by its President and the **Agent** by its General Manager. All communications between the parties hereto, not otherwise provided for, shall generally be directed to the persons assigned to these positions.  
  
In the day to day administration of operations under this Agreement, **ABC** will be represented by the Chairs of its standing committees, Finance, Administration and Building and Construction, and the **Agent** by such persons as are specified in writing as being their authorized delegates. The **Agent** may make informal contact on matters of immediate concern with such representatives of **ABC**.

- ii. The **ABC** shall provide to the **Agent** copies of the Owner's by-laws, policies and procedures and a list of the Board of Directors and functioning Committees of the Board and copies of minutes of monthly Board meetings. **ABC** shall meet regularly with the **Agent** to review the agreement and concerns of the parties and tenants related to all matters affecting the Owner and the portfolio.
  - iii. **ABC** shall approve and promptly make all payments and satisfy all requirements in regards to the portfolio, subject to proper and timely submission by the **Agent**. Payment of the management fee shall be in twelve equal payments by the 15th of each month.
  - iv. **ABC** shall provide guidance to the **Agent** and respond promptly to requests for guidance on interpretation of its best interests and the welfare of the housing portfolio.
- b. The **Agent** agrees to abide by all instructions relative to the management, rental and maintenance of the said premises issued from time to time by **ABC** through its President, or such other official of **ABC** as may be designated by same from time to time, and the **Agent** also agrees to adhere to all operating policies that have been or may be adopted and promulgated by **ABC**. Except as otherwise herein agreed to, the **Agent** shall be at liberty to employ its ordinary property management procedures on behalf of **ABC** and in the best interests of **ABC**.
- c. i. **ABC** shall have full and free access to the said premises, and to all books, documents, papers and records of the **Agent** and its affiliates that are pertinent to its and their operations under this Agreement, including the right to audit, and to make excerpts and transcripts from such books and records.
- ii. The **Agent** shall furnish to **ABC** by the regular monthly Board meeting a statement of all expenses and revenues for the preceding month and any residual monies.
- iii. The **Agent** shall provide written reports to **ABC** as listed in Schedule B and present or speak to the same at the monthly Board meeting or committee meeting(s) of **ABC** on request.
3. a. The **Agent** shall employ an on-site janitor/custodian at the expense of **ABC**, at an annual cost approved by **ABC**, and with a job description approved by **ABC**. The **Agent** shall also engage its own staff to carry out its maintenance duties and responsibilities under this Agreement, at the expense of **ABC**, at an annual cost approved by **ABC**, and with a job description approved by **ABC**. All maintenance staff employed by the **Agent** shall be properly qualified and shall devote their full efforts to manage the premises and also provide routine and extraordinary maintenance of the premises, betterments and additions, all within the budget mentioned. The **Agent** shall provide to the Owner a list of the names and the position titles of the employees who directly service the premises.

The **Agent** will also supply the services of its central office staff and equipment to the extent required to fulfill its duties under this Agreement. The **Agent** will be responsible at all times for the conduct of its employees in performing their duties under this Agreement. The **Agent** shall not be entitled to extra payment for supervision and/or inspection services in connection with such work. **ABC** shall have the right to inspect such maintenance work at any time.

- b. The **Agent** shall furnish at its own expense:
  - i. The requisite time, attention and effort of its central office staff, to discharge properly the obligations and responsibilities of the **Agent** as established hereunder, including supervision of all repairs, maintenance and operating activities, and to ensure the expected maintenance standard is achieved and maintained;
  - ii) The use of its own established central office, and the office staff and equipment appurtenant thereto, as may be required to discharge properly the obligations and responsibilities of the **Agent** hereunder.
4. a. In accordance with the requirements of the **SHRA**, the **Agent** shall prepare and submit to **ABC** an annual operating budget, for each project detailed in Schedule "A" for their review and approval. Upon approval by **ABC**, the **Agent** shall submit such information concerning the approved budget to the **Service Manager** and provide all pertinent information as may be required to support the annual operating budget proposed. The **Agent** shall represent **ABC** in any negotiations regarding such annual operating budget in order to obtain approval of the same.
  - b) The **Agent** shall provide a copy of any annual operating budget approved by the **Service Manager** to **ABC** and to its Auditor for use in the preparation of year ending financial statements.
5. The **Agent** agrees to maintain the premises within the annual Maintenance Budget (Labour and Related Expenses and Materials and Services) established for the premises.
6. Except for any cost overruns in the annual maintenance budget specified for the **Premises**, the **Agent** may incur on behalf of **ABC** as an operating expense all costs pursuant to the annual Approved Budget and in accordance with the tendering policies of **ABC**, certain additional operating budget accounts established and controlled by **ABC** (eg. utilities). The costs which may be incurred include, without limiting the generality of the foregoing, the salary and wage costs of the on-site janitor/custodian, routine maintenance, repairs, and supplies, utilities, and the operation of pre-agreed specific community services. All expenses shall be incurred in the name of the **Agent** saving and excepting however, payments in lieu of municipal taxes, utilities, reserve payments against loss by fire, owner's liability insurance premiums and mortgage or debenture payments or any other costs agreed to by both parties to be the responsibility of the owner.
7. The **Agent** is authorized to use and permit the use of community activities facilities and other non-dwelling space controlled by **ABC** for their intended purpose in accordance with the policies and regulations of **ABC**. No lease or written agreement covering use of such space shall be executed without the prior approval **ABC**.
8. a. The **Agent** shall accept as tenants only those persons whose applications meet the targeting plan and tenant selection criteria and **SHRA** (unless otherwise instructed by **ABC**) and the **Agent** shall thereupon cause such applicant to sign a lease document in such form as will be provided for by **ABC** and which has incorporated therein certain rules and regulations governing occupancy. A tenant shall not be permitted to occupy a dwelling in the premises unless and until the applicant has signed such a lease document, including the acknowledgement of receipt of a copy thereof, and initialed the rules and regulations, and the same has been signed and initialed as well by the **Agent**, and until such tenant has paid any rent which may be payable in advance thereunder. The **Agent** will on a monthly basis advise **ABC** of details of all rental accommodation vacancies as they occur or become known to the **Agent**.

- b. Unless otherwise specified in writing by **ABC**, the **Agent** shall fill all vacancies within the **Premises** in accordance with the Act and the terms and conditions of any operating agreement between **ABC** and the **Service Manager** approved **Coordinated Access System**. A copy of such agreement, where it exists, shall be attached as Section B.
- c. The monthly rents to be charged to subsidized tenants under their leases shall be in accordance with the Rent-Geared-To-Income scales applicable to the tenant's gross household income as set forth by the **Ministry**, or as the same may be charged or varied from time to time by **ABC** or such other rent as may be decided upon by **ABC**. The market rent tenants shall pay the approved market rent for the unit.
- d. The **Agent** shall, not less frequently than once annually, take steps to verify the income of the individual tenants and occupants whose rents are geared-to-income by requiring the tenant(s) to submit a completed and signed income review form setting forth details of such income and including such documentary verification as is required by the **Service Manager** and **ABC**. The **Agent** shall calculate rent in accordance with the **SHRA** and provide written notice of rent increase effective on the lease anniversary date of each tenant, as required by the **SHRA** and the Residential Tenancies Act. Such income statements and source material shall be available at all times for inspection by **ABC**, and **ABC** may require the **Agent** to take such further or other action to verify a tenant's income as may be reasonable under the circumstances. A minimum of ten percent of rent calculations must be checked by a second qualified employee for accuracy and for adequacy of income verification.
- e. The **Agent** shall advise **ABC** of all available details, where it comes to the attention of the **Agent** that a tenant may have knowingly and materially misrepresented her\his income or that of other occupants of the rental unit, so that **ABC** may, at its discretion, carry out further investigation and determine whether legal action should be taken to terminate the tenancy and to collect the rent owing due to the misrepresentation of income.
- f. The **Agent** shall adjust the monthly rent of an R.G.I. tenant (or tenants) if the income source during the annual verification of income is from a temporary or seasonal source and the change in income warrants an increase or decrease in rent according to the **SHRA**.
  - i. In cases where a decrease in income results in such a rent reduction, or
  - ii. If a change in income is produced by any change in social assistance received by the tenant, in which cases the rent shall be increased or decreased accordingly. (Increases are to be made in accordance with lease terms and requirements of the **Act** and the **SHRA**.)
- g. The **Agent** shall require the tenant to reimburse the cost, as specified in the signed lease, of any repairs or replacements necessitated by the negligent or willful damage of the property by the tenant, or any other person brought on to the premises by same. Invoices thus rendered shall be itemized as to labour and materials and **ABC** given full credit. Such tenant maintenance charges are considered a revenue receivable except that, where the **Agent** collects such receivable, the collected maintenance charge may be applied as a credit to the appropriate account of the budget in the year collected. Payments not designated to cover maintenance charges shall be applied first to rent.

- h. The **Agent** shall serve Notice of Termination on any tenant who is in arrears of rent without having to first obtain authorization for such action **ABC**. For all other instances where a tenant is in breach of any lease covenant the **Agent** shall first obtain permission from **ABC** before serving Notice of Termination on such tenant. In each such case, the tenant shall be advised through an informal conference or otherwise of the specific reasons for the action. The **Agent** shall maintain written records of the circumstances relating to the service of every Notice of Termination. Such records are to be provided to **ABC** and shall contain information relating to the tenant's occupancy, together with the reasons for the Agent's termination of the lease.
  - i) The **Agent** is to be knowledgeable of the requirements of the **SHRA** concerning to the rights of the Tenant and the obligations of the Landlord with respect to Internal Reviews. The **Agent** shall furnish at its own expense the requisite time, attention and effort of its central office staff, to discharge properly the obligations of the Landlord, where so directed, or to assist **ABC** in carrying out such responsibilities, including the provision of notice, the conducting of hearings, and representing **ABC** in any subsequent legal actions, unless **ABC** agrees to some other form of representation at their expense.
  - j) The **Agent** is to be familiar with the **Service Manager's** policies and Provincial Government legislation as regards all relevant matters, including the application of policy relating to eviction procedures.
9. a. **ABC** authorizes the **Agent** to collect and receive all rents and other sundry revenue as may be appropriate from the premises. The Agent agrees to minimize cash collections as feasible, and that it will use a pre-numbered cash receipt system for any necessary cash receipts.
- b. The **Agent** shall maintain proper records, in accordance with generally accepted accounting principles, in which to record all transactions with tenants, and shall maintain a running balance of the account of each tenant in accordance with requirements of **ABC**.
- c. The **Agent** shall pay out of rents and other sundry revenue collected, all operating expenses of the **Premises** in the manner and subject to the limitations provided for herein.
- d. i. The **Agent** shall maintain cash receipts and disbursement records, in accordance with generally accepted accounting principles, to record operating receipts and expenditures. The **Agent** shall each month prepare and submit to **ABC** not later than the regular monthly Board meeting following the period covered, in such form as approved by **ABC**, a statement(s) detailing all disbursements made during the period by the **Agent** on behalf of **ABC** for approval by **ABC**. Such statement shall be signed and certified as correct by a designated official of the **Agent**.
- ii. The **Agent** shall each month prepare and submit to **ABC** not later than the regular Board meeting, following the period covered, a statement(s) detailing the status of all revenue and expenditures by **ABC** general account classifications. The **Agent** shall for the December statement, or within 15 days if requested in writing to do so, prepare and submit a statement(s) detailing all revenue and expenditures by **ABC** individual account classifications and for the December statement only include, or have appended to it, an itemization of all outstanding accounts payable against each budget so that these outstanding charges may be accrued to the current year's budget on the **ABC** General Ledger. If requested by **ABC** in specific cases, such statement(s) shall be supported by vouchers evidencing payments made and shall be signed and certified to be correct by a designated official of the **Agent**.

- e.
  - i. The **Agent** shall give full credit to **ABC** on the monthly statement for all discounts of any nature obtained by the **Agent** through the operation of the premises and shall record the details of such transactions in its books.
  - ii. The **Agent** shall open and maintain a separate bank account identifying the premises covered by this Agreement, indicating clearly that it is the **Agent** for **ABC**, into which the **Agent** shall deposit all rents and other revenues received, and from which shall be paid out all operating expenses of the subject premises in the manner and subject to the limitations provided for herein.  
  
The **Agent** shall limit the signing authority of any two of its representatives together on the aforementioned bank account to five thousand dollars (\$5,000) and shall obtain the signature of at least one authorized representative of **ABC** on all cheques drawn on the account in an amount exceeding five thousand dollars (\$5,000).
  - iii. All revenue shall be deposited daily by the **Agent** into the bank account upon receipt of such revenue. All rents shall be posted in the accounting system for the day of receipt. Any bank interest and/or bank charges (ie. overdraft) shall be posted to Sundry Revenue.
  - iv. The **Agent** shall, not later than 15th day of the month following the period covered, provide **ABC** with a copy of the bank statement and reconciliation in order that **ABC** may monitor the cash flow for the premises.
- f. Where **ABC** requests in writing, the **Agent** shall, not later than the 15th day of each and every month, remit to **ABC**.
  - i. The balance of any funds due to **ABC** resulting from the operation of the premises in the preceding month(s) during the current operating year:
  - ii. The portion of the funds received by the 15th of the current month not used or needed to meet the obligations due and payable in the current month;
  - iii. Notwithstanding the foregoing, **ABC** may at any time during the month, at its discretion, request the transfer to **ABC** of any unutilized funds lying in the bank account maintained in the name of the premises.
- g. When the total of all operating expenses for any month exceeds the income derived from the said premises, and where the **Agent** has remitted to **ABC** all funds applicable under clause 8 f. of this Agreement, **ABC** shall reimburse the **Agent** within ten working days after the receipt of the monthly statement.
- h. The **Agent** is authorized in accordance with the tendering policies and procedures of **ABC** to procure and enter into short-term contracts in its own name for supplies, materials, equipment and services needed in the maintenance, repair and operation of the said premises pursuant to the Approved Budget. The **Agent** shall not, however, enter into any such contractual obligations as will have the effect of binding **ABC** for any period longer than one year, without the latter's express permission in writing first being obtained. **ABC** accepts responsibility for payments due on any of the aforementioned contracts remaining in effect in the event the Agreement between the **Agent** and **ABC** is terminated prior to the expiration of the maintenance/service contracts referred to above. The **Agent** shall maintain proper inventory controls for any supplies in accordance with generally accepted accounting principles.



- i. All property belonging to **ABC** and located at the premises shall be recorded by inventory check agreed with, and signed by, the **Agent** at the commencement of the Agreement, and shall be under the control of the **Agent** who accepts full accountability thereof. Updated inventories of such property shall be given to **ABC** in writing annually, commencing on the first anniversary date of the Agreement or at any other time in the year as may be specified by **ABC**. The **Agent** shall not be liable for any loss or destruction of such property caused by war, insurrection, riot, lawful seizure by Public Authorities, acts of God, ordinary wear and tear, fire or theft, or any other cause, except in the case of negligence on the part of the **Agent**. Any additions to or deletions from such inventory shall be reported immediately to **ABC** along with supporting documentation.
- j. The **Agent** shall promptly report in writing to **ABC** losses or damage to (from causes such as fire, windstorm, theft, accident, etc) real or personal property belonging to **ABC** in the amount of One Thousand Dollars (\$1000.00) or more per occurrence, indicating action taken or action recommended by the **Agent**. The obligation to report hereunder does not relieve the **Agent** of appropriate recovery efforts.

The Agent shall notify the Service Manager of any losses or damage to the housing accommodation that renders the accommodation uninhabitable.

- k. The **Agent** shall at his own expense make every effort to collect rents from existing tenants, including the issuing the appropriate forms under the Residential Tenancies Act, appearing at the Ontario Landlord and Tenant Board or Small Claims Court to seek remedy, filing garnishment orders and applying to the Sheriff, but not including the cost levied by these jurisdictions for filing applications or claims. In the event that the tenant vacates owing arrears in rent for any reason whatsoever, and after all such courses of action have been exhausted, a forwarding address (if available) and a full statement of the account, including copies of paid contractor maintenance invoices, shall be submitted to **ABC** along with the tenant file to enable further legal action for recovery to be instituted.
  - l. If requested by **ABC**, a report on vacating tenants, summarizing reasons for vacating shall be forwarded to **ABC**, along with a statement of account for the past twelve (12) months as a minimum, and where there is a balance owing, the statement must go back to the last zero balance.
  - m. The **Agent** shall maintain proper and complete attendance records for its on-site custodian and other maintenance staff, which records shall be available at all times for audit by **ABC**. The **Agent** shall be permitted an agreed upon schedule of days in which the janitor/custodian and maintenance employee may be absent from the job to allow for vacations, statutory holidays, sick leave and bereavement, so long as a procedure is in place to address emergencies and workload requirements.
  - n. The **Agent** shall submit within the stipulated time frames the requisite monthly, quarterly and annual reports as identified in Schedule B.
10. The **Agent** shall give careful attention to, and respond tactfully to, all tenant complaints and enquiries. Those on which satisfactory action cannot be taken are to be reported to **ABC** promptly. Every effort is to be made by the **Agent** to resolve tenant concerns so as to avoid tenant complaints to **ABC** or to third parties.



11. a. The **Agent** agrees to indemnify and hold harmless **ABC**, its officers, directors, partners, agents, employees, volunteers, members, successors and assigns (collectively the "Indemnified Parties") from and against all claims, costs, expenses, fines, demands, losses, damages, actions, suits or proceedings and all other liabilities and losses including bodily injury or death to any person or loss or damage to property, and expenses including all legal fees and disbursements, that arise out of or are attributable to the acts or omissions of the Contractor, its subcontractors, suppliers, agents, employees, officers, directors and all other persons and all other entities for whose acts the vendor may be liable or for whom it is responsible in law, but shall not include any claims arising solely from the active negligence of the "Indemnified Parties".

The indemnity obligations of the Contractor under this agreement shall survive the expiry or other termination of the Contract for any or no reason.

- b) The **Agent** shall furnish **ABC** with evidence by way of a certificate of a surety company that it carries a Fidelity Bond in such amount as may be required indemnifying the **Agent** ( and naming **ABC** as co-insured ) against loss by theft, embezzlement or other fraudulent acts on the part of the **Agent's** employees who are engaged in carrying out the services covered by this Agreement, the cost to be at the expense of the **Agent**.
12. It shall be the duty of the **Agent** to obtain the services of qualified employees in all instances. All employees engaged in the performance of this Agreement shall be hired and dismissed by the **Agent** and shall be the employees of the **Agent** and not the employees of **ABC**. All costs, damages and/or expenses related to such hiring or dismissal shall be the **Agent's** responsibility. Actions or omissions on the part of such employees that may involve financial loss of liability to **ABC** shall, when the **Agent** becomes aware of them, be promptly reported in writing.

The **Agent** agrees that all of its employees and/or agents having access, by virtue of this Agreement, to materials and information regarding individual **ABC** tenants shall treat same as confidential information not to be disclosed to third parties or used in any unauthorized way without the prior consent and knowledge of the individual tenant(s). The **Agent** agrees to abide by the Conflict of Interest Guidelines of the **SHRA** and the **Service Manager** as it applies to this Agreement.

The **Agent** further agrees that where a breach of such guidelines shall occur by the **Agent** and its employees or Directors, the Agreement shall, at the written request of **ABC** or the **Service Manager**, be terminated. The **Agent** further agrees that where such termination occurs neither **ABC** nor the **Service Manager** shall be liable to the **Agent** for any charges or costs incurred by the **Agent** as a result of the termination.

13. No member, officer or employee of **ABC**, or of the **Service Manager** during this tenure or for one year thereafter, shall have any interest, direct or indirect, in this Agreement or the proceeds thereof.
14. a. The following fees (to be budgeted for separately by **ABC**) and any other payment to the **Agent** authorized by this Agreement shall be considered to be an operating expense of the premises.
  - b. For management services rendered in accordance with this Agreement, exclusive of salaries of the on-site Janitor/Custodian or other maintenance staff, the **Agent** shall be paid an annual fee as outlined in Schedule C to be payable in equal monthly installments, the first of which shall be made one calendar month from the effective date of this Agreement.

- c. For maintenance services rendered in accordance with this Agreement by a full time qualified Maintenance Person, the Agent shall be paid a Maintenance Fee based on an hourly rate of \$\_\_\_\_ per hour plus GST for hours worked to a maximum of 1950 hours annually, to be paid in monthly installments, the first of which shall be made one calendar month from the effective date of this Agreement. Monthly with the invoice for this service, the **Agent** will provide a report on any deviations from the schedule.
  - d. For janitorial services rendered in accordance with this Agreement, by a full time qualified Janitor/Custodian, the **Agent** shall be paid a Maintenance Fee based on an hourly rate of \$\_\_\_\_ per hour plus GST for hours worked to a maximum of 2080 hours annually, to be paid in monthly installments, the first of which shall be made one calendar month from the effective date of this Agreement. Such fee shall include all costs associated with vacation/illness relief and weekend back-up duties.
  - e. **ABC** reserves to itself the right to withhold the Management Fee or Maintenance Fee payments (or part thereof) if the **Agent** is not fulfilling the terms of the contract.
15. This Agreement shall commence on the 1st day of January 2007 and, shall continue for a term of one year ending the 31st day of December 2007, and may be renewed for a further two years at the same percentage of gross market rent potential.
16. a. **ABC** reserves the right to cancel and terminate this Agreement without cause by giving the **Agent** 60 days' written notice of the decision to terminate this Agreement and with cause by giving 30 days written notice. Such notice shall be given by personal service to the **Agent** in care of:

ABC Property Management Company  
 100 Main Street  
 Anywhere, Ontario  
 A1B 2C3  
**Attention: David Smith, General Manager**

or at such changed address as the Agent may from time to time indicate. Such termination to take effect from the last day of the month, at which time accounts between the parties will be settled.

- b. In the event the Owner sells, leases or in any way disposes of the premises covered by this Agreement, then this Agreement shall automatically terminate on the date on which the said premises shall have been disposed, provided that **ABC** shall have given the **Agent** at least ninety (90) days' written notice to the effect that the premises are to be so disposed. If part(s) only of the premises are disposed of, this Agreement shall continue to operate with respect to the remaining dwelling units owned by **ABC** with such adjustments being made as may be requisite to reflect the decrease in management responsibility, including a reduction in the **Agent** management fee and/or maintenance fee in accordance with the number of dwelling units removed from the premises.
- c. Notwithstanding the provisions of Section 15, if the **Agent** or any of its servants or employees shall fail to perform the specified services and furnish the specified facilities, materials and labour in accordance with the terms and conditions of this Agreement, **ABC** may, by giving written notice to the **Agent** by registered post, as set forth in subparagraph (a) above, require that the **Agent** rectify such failure forthwith, and, if the **Agent** fails to comply with the terms of such notice within thirty (30) days of the mailing thereof, **ABC** shall have the right either to carry out the necessary work with its own resources at the expense of the **Agent** or forthwith to cancel and terminate this Agreement without further notice.

Application shall be made by **ABC** against the **Agent** for the reimbursement of costs incurred by **ABC** either to carry out the work with its own resources or to secure a new Management **Agent** including increased Management Fee or Maintenance Fee payments, increased Labour and Related Costs Budget and Maintenance Operating Budget expenses for the remainder of the term of this Agreement. Annual expenditures exceeding the approved budget shall be cause for termination of the Agreement, unless the **Agent** agrees not to charge the excess amount or unless **ABC** agrees that the over-expenditure is justified.

- d. In the event of termination of this Agreement as above provided, the **Agent** shall be entitled to receive compensation earned hereunder for management and rental services rendered as herein provided up to the date such termination becomes effective.
- e. This Agreement may not be assigned by the **Agent**.
- f. During the re-tendering process prior to the termination of this Agreement, the **Agent** shall provide assistance to **ABC** in reviewing and updating the Request for Proposals for Property Management Services. In addition, the **Agent** shall provide interested tenders full and free access to the premises for the purpose of site inspection.

The **Agent** will be held legally responsible by **ABC** for any substantial deterioration of site conditions through neglect, deliberate action or mismanagement during the final months of the contract.

**ABC** will not accept responsibility for payment of outstanding invoices after termination of this Agreement unless same have been properly accrued within the limits of the **Agent's** approved budget for the year of the term as per the provisions of Section 9(d) and unless **ABC** can assure itself the contracted work was completed satisfactory and/or materials delivered in full.

- g. All books, documents, papers and records pertaining to the **Agent's** operation of the premises are to be turned over in good order by the **Agent** to **ABC** within thirty (30) days of termination of this Agreement.
17. a. If there is a dispute, difference or question between **ABC** and the **Agent** under this Agreement, they may agree that the matter shall be decided by arbitration alone and not by recourse at law.
- b. If **ABC** and the **Agent** agree to arbitration in accordance with sub-section 17 a), they may agree to arbitration by a single arbitrator chosen by the parties, or if they are unable to agree upon an arbitrator, an arbitrator shall be appointed pursuant to the Arbitration Act, 1991, S.O. 1991, c.A. 17. The arbitration award shall be final and binding on the parties and not subject to appeal. Each party shall pay its own costs and one-half of the fees and expenses of the arbitrator. The arbitration shall proceed in accordance with the Arbitration Act, 1991.

IN WITNESS WHEREOF the parties hereto each affixed their Corporate Seals hereto, duly attested by their proper respective officers in that regard.

ABC Non-Profit Housing Corporation

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Chosen Property Management Company

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# **Schedule 'A' to Property Management Agreement**

## Premises Under Agreement

1. Main Street Apartments – 100 Main Street, Anywhere, Ontario  
150 units in one 8-storey apartment building.

# Schedule "B" to Property Management Agreement

The **Agent** shall submit the following reports to the Board of Directors of the **ABC**, or a committee thereof, and speak to the same if so requested:

- a. **Monthly**
  - 1. **Revenue and Expense Summary Report**

This report details monthly and year to date revenue and expense including variance from budget.
  - 2. **Monthly Transaction Record**

This record details all payments made during the month and non-rental revenue received.
  - 3. **Status Report on Fund Balances**

This report details the status of investments and bank accounts.
  - 4. **Rent Arrears Report**

This report details arrears in rent for the month and year to date.
  - 5. **Property Managers Report**

This report provides information on matters related to this Agreement.
  - 6. **Maintenance Activities Report**

This report provides information on maintenance activities.
  - 7. **Targeting Plan Report**

This report details the status of the project's approved target plan.
- b. **Annually**
  - 1. **Vacancy Loss/Bad Debt Report**

This report details vacancy loss and bad debt results at budget year -end.
  - 2. **Annual Inspection Report**

This report details the results of the annual inspection of rental units and common areas.

# Schedule 'C' to Property Management Agreement

The annual property management fee provided for under this contract covers the period from January 1, 2007 to December 31, 2007.

The annual property management fee, to be paid in equal monthly installments, shall be \_\_\_\_\_ dollars (\_\_\_\_,\_\_\_\_.\_\_\_\_) plus GST for the term of the Agreement, which shall be one year.





# Appendix

## Evaluating Bids From Property Management Firms



# Evaluating Bids

## from Property Management Firms

### Evaluating Bids

One of the most difficult but important tasks that a non-profit housing provider's board of directors must undertake is to evaluate bids from property management firms. Directors often lack the experience or understanding of the programs under which their housing is operated to be able to effectively evaluate the bids that they receive in response to a request for proposals. These guidelines are provided to assist board members in that process.

There are a number of steps in the evaluation process. The first is to dispel any belief that you must choose the lowest bidder to manage your project or that the Service Manager may direct you as to which bidder you must choose. What you should look for is the most cost-effective bidder, which will likely not be the lowest one. The experience of housing providers has been that property management firms varied significantly in their ability to effectively manage their social housing portfolios. Finding the best one for your non-profit requires that you carry out a thorough evaluation process.

It is essential to determine the criteria that the board of directors will use to assess the bidders and the weight that will be given to each. In addition to price, both qualitative and quantitative measures should be used. While the following list is a thorough one, the board of directors may wish to include other criteria that allow them to assess the ability of the property management firms to meet specific objectives or mandates of the group.

Quantitative criteria include price and performance measures such as vacancy losses, bad debts, operating surpluses and accumulated surpluses. Length of property management contracts can be an indicator of successful performance. Capital reserves and unit turnovers may also be quantitative criteria where the property management firm can demonstrate how their practices have led to a strong financial position.

Qualitative criteria include the ability of the property management firm to carry out activities of critical importance to the non-profit such as managing targeting plans, carrying out preventative maintenance, supervising contractors and complying with operating agreements or legislation such as the Social Housing Reform Act (SHRA) and the Residential Tenancies Act (RTA).

There are other qualitative criteria that fall into the value added category such as non-profit housing sector support roles, understanding of housing programs and local rules, ability to act for the owner at the Landlord and Tenant Board or Small Claims Court, and the ability to assist the board of directors with training and orientation or business planning.

### Quantitative Criteria

**Price** remains an important consideration. In evaluating price, it is important to use criteria that allow the non-profit to relate the bids they receive to others in the non-profit housing sector. The most commonly used is the percentage of gross market rent potential, which is the maximum rent if all units were at market. This also allows comparison to private sector management.

The bid by the successful property management firm should fall within a specified range of the other bids, which the board of directors should establish in advance. A reasonable target would be for the successful bid to be within 1% of the gross market rent potential of the lowest bidder. If the lowest bid was at 3.5% of GMP, the successful bid should not be more than 4.5% of GMP. The non-profit housing provider should be wary of any bid that is significantly lower than all of the others.

Typically, bids will fall within the range of 4 to 5.5% of GMP, depending on a number of factors that include client group, built form, project size, location, market rents, targeting plan and other criteria that affect the workload of the property management firm. Bids below 4% should be carefully evaluated because it has been the experience, of the most successful staff managed organizations in the non-profit housing sector, that they have spent significantly more than that to perform as well as they have.

**Performance Measures** are very important. They can help you distinguish good property management firms from poor ones. Price becomes a negative factor if any savings that you accrue are lost to high vacancies and bad debts.

- **Vacancy Losses** are a clear indicator of the ability of the property management firm to attain and maintain full occupancy of the housing units. Vacancy losses in the private sector vary from community to community and are closely tied to local vacancy rates. In the SHRA benchmarking process, an industry standard of 3% of market rents was used to establish the vacancy loss benchmark. Performing below that level produces an incentive that ultimately becomes part of the operating surplus calculation. Vacancy losses on rent-geared-to-income units offer limited information to the board of directors as they are greatly affected by client group and the policies of the funders.
- **Bad Debts** are an indicator of the ability of the property management firm to effectively collect rents. Bad debts in the private sector are generally at or near the 2% mark. That standard was adopted in the SHRA benchmarking process to set the target for bad debts. It applies to both market and rent-geared-to-income tenancies. As in the case of vacancy losses, performing below that level produces an incentive that ultimately becomes part of the operating surplus calculation.
- **Operating Surpluses** are an indicator of the ability of the property management firm to maximize incentives that are built into certain funding models, such as the SHRA one. A non-profit housing provider that has market rent units has four ways to produce an operating surplus. One of these was previously mentioned – holding vacancy losses to less than the benchmark. The others are charging market rents higher than benchmark rents, overachieving the non-rental revenue benchmark and spending less than the approved operating budget, which includes bad debts. The first three incentives are important since they offer ways to produce surpluses without lowering service to your properties and clients. You should be cautious if a property management firm spends less than the approved operating budget, as it may be that important tasks such as preventative maintenance are simply not being done.
- **Accumulated Surpluses** are a strong indicator of the ability of the property management firm to consistently maximize incentives. Within the SHRA funding model, the advantage of having this unique situation is that investment income from operating reserves or accumulated surpluses flow into the surplus process. Achieving a healthy financial position helps you to maintain it over the long term.
- **Capital Reserves** can be an indicator of the ability of the property management firm where they can demonstrate that their practices have led to the strong financial position. It has been the experience on the most successful non-profit housing providers that implementing and maintaining a comprehensive preventative maintenance program has been a major factor in their holding onto their reserves. Doing so has allowed them to invest their reserves in ways that has strengthened their financial position. It has been shown that the absence of a program will lead to breakdowns of equipment and facilities and the premature spending of reserves.
- **Unit Turnovers** can be an indicator of performance when combined with vacancy loss information. The two criteria demonstrate the ability of the property management firm to retain residents and to manage the parallel processes of selecting a new tenant and getting the unit ready for them. This can be a difficult area to assess, as turnovers can vary with client group, market rent levels and location of buildings, so it is important to ask them how they handle these processes.
- **Length of Contracts** can be a strong indicator of the ability of the property management firms to satisfy the requirements of boards of directors of non-profit housing providers, particularly if the boards have been effective in their governance role. It is important that references from the property management firms include board members and that those references are checked. You should prepare a set of written questions and record the answers that you receive.

## Qualitative Criteria

**Managing Target Plans** is an important aspect of the business of non-profit housing providers. The SHRA funding model has a certain amount of risk associated with it for groups with market rent units. Keeping those rented with clients that are likely to pay their rents on time will go a long way towards maintaining a healthy financial position. The advantage of being in that position is the ability to maintain a high standard of service to your clients. Keeping the rent-geared-to-income units full may have less of a financial impact on the housing provider but it will affect the local taxpayer so it is still important to manage the process well.

**Carrying Out Preventative Maintenance** is a comprehensive manner can produce quantitative results with respect to capital reserves. It also has a significant impact on the quality of life for your tenants. The breakdown of critical services such as heat, hot water and various other components of the building can disrupt the enjoyment of their homes. Having a thorough program in place not only extends the useful life of your facilities, it reduces breakdowns and allows you to plan for replacements.

**Supervising Contractors** is another important aspect of what your property management firm does for you. If contracts are not administered properly, the quality of service to your tenants suffers and the non-profit doesn't get good value for the money that it is spending. One example of this is the non-profit that had a preventative maintenance contract for its rooftop air exchange units. They had not been inspected or serviced in the three years since they were bought. The property management firm didn't know that because they kept no records and did no follow-up of the contract that they had recommended to the non-profit board of directors.

**Compliance With Operating Agreements/Legislation** is a very important aspect of the performance of property management firms. One way to assess this aspect is to ask funders about the result of operational reviews that they have done on non-profit housing providers that they work with. Most service managers are willing to comment of the working relationship that they have with property management firms that operate within their area of responsibility.

**Value Added Services** from property management firms can have a significant impact of the cost/benefit analysis that you are undertaking when you evaluate the bidders.

- Some firms will include representation to the Landlord and Tenant Board and Small Claims Court at no additional cost to the non-profit. Some firms do not have this expertise so you will have to pay for a lawyer or paralegal to carry out these activities. This can be expensive for a family project.
- The ability of the property management firms to provide training and/or orientation to directors on the SHRA funding model and other aspects of the legislation, or on operating agreements that apply to your projects, can be an important factor in increasing the effectiveness of governance.
- Business planning is a useful tool to help organizations manage effectively the day-to-day operation of their housing portfolio. Boards of directors that have engaged in this process with their property manager have a clearer understanding of their roles and responsibilities and more control over those aspects of their relationship with the property management firm that they have chosen.

## Questions for Property Management Firms

To help make the evaluation process simpler for boards of directors, the following list of questions has been prepared, which should be in addition to asking for the above noted quantitative and qualitative records. They should assist the housing provider in their information gathering activities. The property management firms may have already provided some of this information in their submissions to the non-profit housing provider.

### Financial

What reports of a financial nature do you provide to boards of directors and how frequently?

If the board of directors were to request that you provide additional specific financial information from time to time, would you do so within the fee quoted?

The board of directors would like to know how you propose to maximize the incentives in the funding model/agreement under which our project is operated.

- a. What is your approach to dealing with market rents, for both in-situ tenants and for units turning over?
- b. How would you minimize vacancy loss?
- c. How would you propose to increase non-rental revenue?
- d. What is your approach to managing expenses, including bad debts?

Describe your rent collection process. In particular, how do you deal with arrears of rent? Do you carry out all of the process in-house or do you use a paralegal for Landlord and Tenant Board or Small Claims Court actions?

What is the extent of your year-end financial preparations? Do you do adjusting and closing entries? Do you prepare draft financial statements for the accountant to audit? Do you complete the Annual Information Return?

### Tenant Services

What type of filing system is used for tenancy records? Is it a manual system or computerized? If computerized, what software is used?

Do you obtain credit reports and landlord references on applicants?

Do you periodically conduct market rent surveys to determine what market rents are achievable?

How do you deal with tenant complaints?

Do you periodically conduct tenant surveys to measure their satisfaction with your performance? If yes, how frequently?

Do you encourage or facilitate tenant associations in projects that you manage?

Do you provide funding to tenant associations?

### Maintenance

Do you have a written work order system? What is your response time for work orders?

Do you keep maintenance records for each unit and common areas? How are these records kept? Can you provide us with a sample?

What is your procedure for dealing with maintenance emergencies?

How much time do you require to turn a unit over when a tenant moves out on the last day of the month? What procedures do you employ to expedite this?

What is the skill level of the typical employee performing maintenance/repairs in the properties that you manage? What is the skill level of the person overseeing them?

How would you administer maintenance contracts (ie. snow removal) to ensure that we get full value?

Do you have a comprehensive preventative maintenance program in place for properties that you manage? Do you have examples that you can share with us?

Do you conduct annual inspections of units and common areas? How do you document these activities?

Our building condition assessments are tendered every five years. How would you keep our capital expenditure plan current in years when it is not tendered?

