

EXECUTIVE SUMMARY

In 2016 February, Council committed one-time funding of \$500,000 from the Community Economic Resiliency Fund to scope and plan solutions for a coordinated intake process across over 60 non-market housing providers in Calgary. Council directed Administration to report back through the Priorities and Finance Committee on this project, known as the One Window initiative, no later than Q3 2017.

The project team, led by an external consultant with support from Administration, conducted a current state analysis of existing housing intake processes utilized by different housing providers within the city; identified potential options for a future state coordinated intake process; and evaluated the options based on multiple criteria. Engagement with past and current affordable housing applicants revealed that under the current fragmented system, citizens shoulder the burden of navigating different providers' complex requirements and completing multiple applications with no access to clear, consolidated information about their housing options. The recommended option is to design a centralized housing intake system that would substantially improve Calgarians' access to non-market housing.

Administration is requesting authorization to proceed with a phased implementation for the proposed One Window solution. The next phase of work will involve detailed gathering of applicant, business process, and IT requirements with a representative sample of non-market housing providers; procurement of a software system; and immediate implementation of several identified "quick wins" to improve housing application processes in the very short term.

Administration is proposing to accomplish the next phase of work with no requirement for new City funding. Of the total \$1.18M estimated budget, \$450,000 has already been committed as a grant from the Government of Alberta, and Administration will pursue opportunities for additional provincial funding. This will be supplemented by \$350,000 of previously approved operating funding committed by Council for implementation of the Corporate Affordable Housing Strategy. Finally, Administration is requesting an extension of the approximately \$35,000 remaining under the original Council commitment of \$500,000, so that these unused funds can support the next phase of work.

ADMINISTRATION RECOMMENDATION(S)

That the Priorities and Finance Committee recommend that Council:

1. Direct Administration to proceed with the next phase of implementation for a One Window coordinated intake process and report back to Council through PFC by Q4 2018.
2. Authorize an extension of any remaining funds from the previously approved commitment of \$500,000 for the One Window initiative within operating budget program 494 – Calgary Housing, to support the next phase of work.

**RECOMMENDATION OF THE PRIORITIES AND FINANCE COMMITTEE, DATED
2017 JUNE 06:**

That Council approve the Administration Recommendations contained in this report.

PREVIOUS COUNCIL DIRECTION / POLICY

On 2016 February 22, Council approved a one-time increase to operating budget program 494 – Calgary Housing, by \$7.4M from the Community Economic Resiliency Fund and directed Administration to report back to Council through PFC by Q3 2017. Of this budget increase, \$6.9M was committed for the Housing Incentive Program to support an increased supply of affordable housing in Calgary, and \$500,000 was committed for scoping and planning to “coordinate housing applications across all housing providers.”

On 2016 July 25, Council unanimously approved the Corporate Affordable Housing Strategy and formalized affordable housing as a Council Priority. The Corporate Affordable Housing Strategy includes Strategic Objective 6 to improve the housing system through research, programs, and partnerships that drive better outcomes for people. Council also approved the 2016-2022 Implementation Plan in principle and directed Administration to bring forward budget recommendations for 2017 and 2018 for Council consideration through Action Plan mid-cycle adjustments in 2016 November. Within the Implementation Plan, the One Window Initiative is identified as Objective 6, Initiative B, Action 1: “Investigate feasibility of a coordinated intake process to be implemented across all non-market housing providers.”

BACKGROUND

The need for a coordinated intake process for non-market housing has been repeatedly identified as a priority by community initiatives and plans in recent years. These include *Enough for All: the Calgary Poverty Reduction Initiative* (2013), *Calgary’s Updated Plan to End Homelessness* (2015), and the Community Housing Affordability Collective’s *Prioritized Action Plan* (2016). The City’s recent research report, *Housing in Calgary: An Inventory of Housing Supply 2015-2016*, found that over 60 independent organizations operate some form of non-market rental housing in Calgary. Most housing providers have developed their own intake processes, and eligibility requirements vary widely across the sector. At least 36 organizations also maintain independent non-market housing waitlists, and the extent of duplication across these lists is unknown.

INVESTIGATION: ALTERNATIVES AND ANALYSIS

Administration selected KPMG as the project consultant for the One Window scoping and planning initiative through an RFP process in 2016 August. The decision to engage an external consultant for this work was based on several factors, including the need for an independent, unbiased analysis that would give equal consideration to the needs of all stakeholders, as well as the need for technical expertise with software systems and business transformation planning. The project work was conducted from 2016 November through 2017 May. The methodology, findings, and recommendations are explained in more detail in the *One Window to Affordable*

Housing: Scoping and Planning Report, Executive Summary (Attachment 1). A summary is provided below.

The project team conducted this investigation in three parts, as follows:

1. Current State Analysis

An in-depth analysis of the current state of non-market housing intake processes included robust stakeholder engagement, process mapping, and assessment of existing technology solutions. This analysis confirmed that current processes are not meeting the needs of clients. Citizens told the project team that they shoulder the burden of navigating a complex system and completing multiple applications with no access to clear information about their housing options. Housing providers told the project team that, as a result of siloed intake processes, service delivery across the sector is inconsistent and clients with complex situations may fall through the cracks. Existing tools for intake are largely manual or paper-based, and are inadequate to meet the needs of either clients or housing providers. Additionally, the current fragmented system lacks a centralized database to provide citywide information about housing need. In spite of these challenges, there are several promising examples of collaboration between housing providers serving similar client groups, which could provide valuable lessons or could be expanded as part of a future integrated system.

2. Options Analysis

The project team identified four key options for a One Window solution to coordinate housing intake processes across providers. The options build on each other and can be implemented through a phased approach, as summarized below:

- **Option 1: Centralized Client Screening and High-Level Housing Registry.** Under this option, participating housing providers would input basic information about their programs and eligibility criteria into a centralized database. Clients could then enter basic screening information into the system to understand which housing providers they are eligible for. Providers could access client details to complete the full application process according to their own intake methods.
- **Option 2: Centralized Client Screening and Housing Registry (includes unit availability).** This option contains all features described in Option 1, and additionally includes information on each provider's housing stock and unit availability. This would enable a choice-based system where clients could indicate specific needs and preferences to be matched with the most appropriate housing stock. More transparent information could also be provided about clients' estimated wait times and/or their likelihood of being housed with different providers.
- **Option 3: Centralized Application, Assessment, and Placement.** This option contains all features described in Options 1 and 2, and additionally fully centralizes all components of the housing application process. Clients would complete a single application for housing, with all sharing of information across providers taking place on the back end.
- **Option 4: Centralized Housing and Support Services System.** This option contains all features described in Options 1, 2, and 3, and additionally creates an integrated system not just for housing, but also for additional support services. This would enable

centralized coordination of services, programs, and related case management for clients.

The options identified above must be considered in tandem with other categories of requirements related to technology, governance, and delivery channels. In the next phase of work, the following decisions will be required to move forward with a One Window approach. These decisions include:

- finding the most appropriate One Window software solution;
- finding the most effective governance and funding structures for future ownership and operation of the system; and
- finding the multiple mechanisms that could be developed for clients to access the system. Examples of developing multiple mechanisms for clients could include, for example, an online portal, one or more in-person office(s), a customer care phone line, and/or a mobile app.

3. Recommendations

The four key options were evaluated based on anticipated operating benefits to clients and housing providers, implementation effort, and complexity and risk associated with implementation. To maximize the anticipated benefits for clients while balancing system complexity and containing costs, Administration is recommending Option 3 as the most appropriate long-term vision for Calgary's non-market housing intake system. Implementation of this option is expected to be complex, requiring significant operating changes from housing providers, establishment of common governance structures, and a robust IT system capable of integrating all application functions. However, Option 3 has the potential to offer a greatly simplified intake process for all clients through a single application.

The recommendation is to implement this solution through a phased approach, by first implementing the basic functionality of Option 1. Administration is confident that even this first step would achieve substantial benefits for stakeholders. Clients would for the first time have access to clear information about their housing options, housing providers would reduce time spent responding to inquiries from clients who are not eligible for their programs, and a common database would enable a centralized waitlist for non-market housing in Calgary. Assuming that the implementation of Option 1 is successful, a decision would be made to release new system features to progress to Option 2, and in the long term there would be an opportunity to move to full capability with Option 3. After each phase of implementation, stakeholders would have the chance to assess system performance, benefits achieved, and any operating challenges encountered. No decision would be made to proceed to the next phase of implementation without a clear indication of readiness and stakeholder support.

Within this overall transformation program, a high level plan is provided for the next phase of work. To design a system that meets the needs of all stakeholders, the project team will gather detailed client, business process, and IT requirements with a representative sample of housing providers, followed by procurement of a technology solution. Concurrently, Administration will immediately begin implementation of several identified "quick wins" to make more transparent information available to clients about their housing options and improve application processes in the short term. "Quick win" actions envisioned include creating and distributing a directory to

provide citizens with information about the range of non-market housing providers in Calgary, creating a process to request permission from new applicants to share their application information across multiple housing providers, and/or piloting co-location of intake staff from different housing providers at one or more central locations.

Stakeholder Engagement, Research and Communication

All findings and recommendations from this initiative were informed by extensive consultation and engagement with a variety of stakeholders, including in-person conversations with over 30 non-market housing providers, over 40 non-market housing tenants and applicants, over 10 social service agencies that work with clients to access housing, as well as the provincial and federal governments. To supplement this in-person engagement, the project team also reached out to staff and clients from 93 organizations via online and paper surveys. Additionally, an Advisory Group of key stakeholders was formed and met regularly with the project team to provide guidance and early feedback on the project work. As a result of this engagement, nine organizations have submitted a letter through the Community Housing Affordability Collective indicating their support in principle for the recommendation (Attachment 2). A key lesson learned during this initial scoping and planning phase is that substantial, continued engagement and change management activities will be required going forward to maintain community support for this project. A majority of stakeholders expressed the need for additional time to give input, address questions, and ensure that the system is planned well at the outset to ultimately meet the needs of a diverse group of end users.

The project findings were also informed by research into leading practices from other jurisdictions that have implemented centralized housing intake systems. Detailed consultation was conducted with the architects of existing systems in BC, Toronto, and Ottawa to understand how their successes, challenges, and lessons learned could be applicable to the Calgary context.

Strategic Alignment

The One Window initiative is aligned with The City's Corporate Affordable Housing Strategy, and specifically with Strategic Objective 6: "Improve the Housing System." It is identified in the Corporate Affordable Housing Strategy Implementation Plan 2016-2022 as Objective 6, Initiative B, Action 1: "Investigate feasibility of a coordinated intake process to be implemented across all non-market housing providers."

Social, Environmental, Economic (External)

Implementation of a One Window coordinated intake process would substantially improve citizens' access to non-market housing. The recommended approach would create a centralized system that is client-centered and easy to navigate, removing systemic barriers to entry and ensuring that Calgary's non-market housing stock is more effectively utilized to meet clients' needs. As a secondary benefit, the One Window system is anticipated to help remove duplication and create significant efficiencies for non-market housing providers through automation and integration of resource-intensive processes. The proposed system would also generate a centralized waitlist and make it possible, for the first time, to accurately gauge the demand for affordable housing across Calgary. New citywide data and analytics on non-market

housing need and housing supply would support informed policy decisions and allocation of resources by all orders of government.

Financial Capacity

Current and Future Operating Budget:

The projected cost for the next phase of work including working with housing providers to perform detailed requirements gathering, procurement of a technology system, and immediate implementation of “quick wins” is \$1.18M. Administration is proposing to accomplish this work with no requirement for new City funding. Of the total budget, \$450,000 has already been committed by the Government of Alberta in the form of a grant effective 2017 January 1. Administration will also continue to pursue opportunities for additional provincial funding. This will be supplemented by \$350,000 approved by Council through the 2016 mid-cycle adjustment process for implementation of action items in the Corporate Affordable Housing Strategy, including City partnership programs to drive improved outcomes for affordable housing tenants. Finally, Administration is requesting an extension of the approximately \$35,000 remaining under the original Council commitment of \$500,000, so that these unused funds may be applied toward the next phase of work.

Current and Future Capital Budget

There are no implications on the capital budget arising from this initiative.

Risk Assessment

Successful implementation of a coordinated One Window intake system depends on a number of factors outside the control of Council and Administration. A meaningful centralized system will require voluntary participation by a critical mass of housing providers representing at least most of Calgary’s non-market rental housing stock. Given the variety of funding models for non-market housing, which range from government subsidy to earned income to philanthropy, there is no one order of government that can mandate all organizations’ participation in a centralized system. As autonomous organizations, the housing providers will need to make independent decisions to participate in a One Window system based on the benefits that they perceive for their clients, the magnitude of change required to their operations and organizational culture, and their readiness to align internal technologies and processes to a centralized system. As a result, there is a risk that housing providers may not voluntarily divulge information or commit staff time for detailed requirements gathering, may not see the benefit in changing their operating processes, or may revoke their participation in the initiative. To mitigate this risk, the project team is recommending that engagement and change management activities (i.e. workshops with providers and tenants, regular meetings of the Advisory Group and ongoing project communication) be conducted on an ongoing basis throughout the next phase of work and all future phases of implementation. Other challenges that may arise during implementation are expected to be mitigated by the phased implementation approach described above, as there will be an opportunity after each phase to assess system performance, evaluate lessons learned, and decide whether to continue.

Given the scale and complexity of the new system to be implemented, there are risks related to potential cost in both the short and long term. The project consultant, KPMG, provided wide-range cost estimates for the next phase of work. The City is proposing a budget of \$1.18M for

this phase based on the “medium” estimate from KPMG, but there is a risk that this funding could be insufficient, for example if there were a need for more stakeholder engagement and change management activities than what is currently projected. There is also a risk that following completion of the upcoming design phase, an adequate funding source might not be identified for the remaining phases of implementation and operation of the system.

Conversely, there is reputational risk should The City decide not to proceed with the next phase of work for this initiative. This includes a risk to the relationships with community stakeholders who have committed time to participate in the initial scoping and planning for One Window and who have indicated their support for the recommendation. Any delay in moving forward with the next phase of work could entail a loss of the momentum generated thus far. Additionally, a decision not to proceed would leave \$450,000 of committed funding from the Province on the table and could jeopardize The City’s ability to secure provincial support for affordable housing initiatives in the future.

REASON(S) FOR RECOMMENDATION(S):

Administration seeks authorization to move forward with a phased implementation plan for the One Window coordinated housing intake solution. Administration believes that the proposed integrated solution is achievable and will deliver substantial, tangible benefits at the local level for both citizens and housing providers. With significant community support in place for this initiative, The City has an opportunity to improve the housing system and enable Calgarians in need of affordable housing to more efficiently and successfully find homes.

ATTACHMENTS

1. One Window to Affordable Housing: Scoping and Planning Report, Executive Summary
2. One Window Initiative Letters of Support