



Corporation of the City of NEW WESTMINSTER

REQUEST FOR PROPOSAL

NWRFP-15-23

Affordable Housing Project(s) on Small Sites

Closing Time:

Thursday, September 24, 2015
3:00 PM, Local Time, Vancouver BC

Closing Location:

Main Information Desk
City of New Westminster
511 Royal Avenue,
New Westminster, BC, V3L 1H9

Further requests for information :

Purchasing: Heather Rossi

Intermediate Buyer
Telephone: 604-515-3781
Facsimile: 604-527-4509
Email: nwpurchasing@newwestcity.ca

COMPANY NAME		
Street Address:		
City Province Postal Code		
Contact Name:		
Telephone number:		Fax:
Email		Date:
<u>Signature:</u> by officer with express authority to bind the Proponent to the statements made in the Proposal		

PLEASE INCLUDE THIS PAGE WITH SUBMISSION

CORPORATION OF THE CITY OF NEW WESTMINSTER

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CORPORATION OF THE CITY OF NEW WESTMINSTER**1.0 DEFINITIONS**

- 1.1** **“Agreement” “Contract” “Services Agreement”** means a contract that may be issued to formalize with the successful Proponent through a negotiation process with the City based on the proposal submitted and will incorporate by reference the Request for Proposal, any addenda issued, the Proponent’s response and acceptance by the City.
- 1.2** **“City” “Owner”** means City of New Westminster.
- 1.3** **“Consultant” “Developer” “Project Manager”** means the person(s), firm(s) or corporation(s) appointed by the City to carry out all duties, obligations, work and services first contemplated in the Request for Proposal and all associated documentation, which may also include mutually agreed revisions subsequent to submission of a Proposal. Both “Consultant” “Developer” “Project Manager” and “Proponent” are complimentary in terms of duties, obligations, and responsibilities contemplated at the Request for Proposal stage, through evaluation process, execution, and performance of the Services.
- 1.4** **“Mandatory” “Must” “Shall” “Will”** mean a requirement that must be met.
- 1.5** **“Product”** means, unless the context requires otherwise, any and all articles, goods, materials, supplies, commodities, machinery, equipment and fixtures to be supplied by the Contractor that comprise a portion of the Services, but specifically excluding facilities, equipment and materials used or constructed to carry out the Services that are not incorporated permanently into the Services.
- 1.6** **“Proponent”** means responder to this Request for Proposal.
- 1.7** **“Proposal”** means the submission by the Proponent.
- 1.8** **“Provide” “Supply”** shall mean provide and pay for, and supply and pay for.
- 1.9** **“Request for Proposal” “RFP”** shall mean and include the complete set of documents, specifications, drawings, and addenda incorporated herein, and included in this Request for Proposal.
- 1.10** **“Services”** means and includes the provision by the successful Proponent of all services, duties and expectations as further described in this RFP.

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2.0 INTRODUCTION

The City of New Westminster (the “City”) is requesting proposals from for-profit and non-profit developers for innovative affordable ownership or rental housing projects for two city-owned sites. The City is aiming to maximize the use of civic land assets while developing a model for addressing the very pressing issue of housing affordability in Metro Vancouver.

As part of the request, the City has proposed making two municipally owned sites available (630 Ewen Avenue and 43 Hastings Street) to the successful Proponent(s) at no charge. The City will also cover related expenses such as development approval costs and building permit fees, legal fees, and site servicing. The City is open to all ideas and is working closely with BC Housing and the Metro Vancouver Housing Corporation, which could provide additional support in terms of project financing or other advice.

3.0 PROPOSAL INSTRUCTIONS

One (1) electronic and two (2) hard copies (one to be unbound) of the Proposal, are to be submitted and clearly marked on the outside envelope or box as follows:

NWRFP-15-23
Affordable Housing Project(s) on Small Sites
Attention: Purchasing Manager

The City will receive Proposals at the location and time indicated on the title page of this Request for Proposal.

It is the Proponent's responsibility to ensure that the City receives its Proposal prior to the stated closing time. The City may nevertheless choose to consider late proposals. The City does not accept facsimile, electronic mail, or other unsealed submissions.

Requests for clarification or further information must be made in writing only to the individual identified on the first page of this RFP. The City will respond to enquiries that it, in its sole discretion, considers relevant to this RFP. The City intends to respond only to those relevant written enquiries received at least ninety-six (96) hours prior to the closing time. The City will record enquiries and post written responses on its website at [City of New Westminster | Bid Opportunities | Business | Request for Bids & Proposals - Open](#)

4.0 GENERAL CONDITIONS

4.1 **NO CONTRACTUAL OBLIGATIONS AS A RESULT OF RFP OR PROPOSAL**

This is a Request for Proposal, and not a call for tenders or request for binding offers. The City does not intend to enter into contractual relations as part of this RFP process and no contractual obligations whatsoever will arise between the City and any Proponent who submits a Proposal in response to this RFP until and unless the City and a Proponent enter into a formal, written contract for the Proponent to undertake this project.

4.2 **OWNERSHIP OF PROPOSALS AND FREEDOM OF INFORMATION**

All documents submitted to the City in response to this RFP or as part of any subsequent negotiation will become the property of the City, and will not be returned. Proponents should also be aware that the City is subject to the provisions of the *Freedom of Information and Protection of Privacy Act* (FOIPPA) (“Act”). A Proponent may stipulate in their Proposal that a portion(s) of their Proposal that contains confidential

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information and are supplied to the City in confidence. However, under FOIPPA, the City may nevertheless be obligated to disclose all or part of a response pursuant to a request made under the Act, even if the Proponent has stipulated that part of their Proposal is supplied in confidence. The Proponent should review Section 21 and other provisions of FOIPPA in order to gain a better understanding of the City's disclosure responsibilities under the Act.

4.3 CONFIDENTIALITY OF CITY INFORMATION

This RFP and all information provided by the City to a Proponent is provided on a confidential basis, and Proponents will not disclose any such information to any person (other than the Proponent's legal advisers) without the City's prior written consent, nor may any Proponent publicize or advertise its involvement with this RFP process or the City in connection therewith without the prior written consent of the City.

4.4 PROPONENT'S EXPENSES

For clarity, Proponents will be solely responsible for their own expenses incurred in preparing a Proposal or in any subsequent negotiations with the City.

4.5 CONTACTING CITY REPRESENTATIVES

Proponents shall not contact City elected officials, officers or employees directly or indirectly regarding this RFP, except as indicated in this RFP.

4.6 CONFLICT OF INTEREST

By submitting a Proposal, the Proponent confirms that neither it nor any of its officers, directors, employees or proposed subcontractors, has any financial or personal relationship or affiliation with any City elected official, officer or employee or their immediate families which might in any way create or be perceived to create a conflict of interest.

If any of the Proponent's officers, directors, employees or subcontractors, has any financial or personal relationship or affiliation with any elected official, officer or employee of the City of New Westminster or their immediate families which might in any way be seen or perceived, in the City's sole and unfettered discretion, to create a conflict of interest, the Proponent must disclose the relationship in the outset of their Proposal.

5.0 PURPOSE

- 5.1** The City formed a Mayor's Housing Affordability Task Force in 2015. The Task Force will provide recommendations to the Mayor and Council for actions that may be taken by the City and others to create new non-profit housing for low and moderate-income households, affordable rental housing, and/or affordable homeownership. Facilitating the development of an affordable housing project or projects is the highest priority action for the Task Force.
- 5.2** The Task Force has identified two sites that will be made available, at no cost, through a Request for Proposals (RFP) basis to solicit proposals for affordable housing. The City is seeking proposals from for-profit and non-profit developers for projects that create new affordable rental or owner-occupied housing for low income or moderate-income households in the city.
- 5.3** Preference shall be given to those projects that ensure that the housing units remain affordable for the longest period possible, and achieve a level of affordability for low and moderate-income households.

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- 5.4** The City is particularly interested in proposals that meet the following objectives:
- a) that can demonstrate elements that enhance long term affordability;
 - b) that are sympathetic in design with existing neighbourhoods;
 - c) that incorporate units that are suitable for families with children;
 - d) that can be replicated elsewhere in the city; and
 - e) that can be under construction by summer 2017.

6.0 SITES

- 6.1** Two sites are being made available for this RFP. The sites are addressed as:
- a) 630 Ewen Avenue; and
 - b) 43 Hastings Street.

- 6.2** Details on the sites are included in Appendix A. Proponents may submit a Proposal on one or both of the sites.

7.0 SCOPE OF SERVICES

- 7.1** City staff will expect the Developer to have the capacity to exercise independent judgment and to perform those actions necessary to achieve the project objectives. While the Developer will be working under the general direction of City staff and its consultant(s), it should be understood that the City has limited professional staff capacity to support the project and will rely on the personnel, experience, and expertise of the successful Proponent(s) to ensure all necessary components of the housing project are completed in a timely manner.

8.0 REQUIREMENTS FOR SUBMISSIONS

- 8.1** Proponents are asked to describe the details of the proposed project. All projects should meet the requirements outlined below.

8.2 All housing projects:

- a) Proponents should provide a detailed timeline, including any municipal approvals, to demonstrate the progress of the project from initial planning to commencement of construction. Clear milestones to be included in the project timeline;
- b) Proponents should include proposed capital and operating pro-formas for the project;
- c) Proponents should clearly state the target group in terms of maximum household income and household type. Please see Appendix B for a summary of household and housing characteristics in New Westminster;
- d) Proponents should ensure that housing complies with all applicable Zoning and Building Code requirements, recognizing that rezoning may be necessary.
- e) Proponents should attempt to incorporate features, including energy efficiency design, which reduce operating costs;
- f) Proponents should identify three references familiar with their work and experience.

8.3 Owner-Occupied Housing

- a) Proponents should articulate the target housing cost and length of time that the price of the housing will be controlled;
- b) Proponents should describe the method by which the cost of the housing will be restricted upon resale, including the administrative oversight.

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8.4 Rental Housing

- a) Proponents should articulate the target housing cost and length of time that the rent charged will be controlled;
- b) Proponents should describe the method by which the rent will be restricted, including the administrative oversight.

9.0 DELIVERY OF AFFORDABLE HOUSING DEVELOPMENT: DEVELOPMENT SERVICES MODEL

9.1 The successful Proponent will be responsible for rezoning the property, developing the design concept and building plans/drawings, acting as the general contractor to procure all trades and materials, managing the project, and constructing the approved building. This will be made up of the following three stages:

- a) **Stage 1 - Rezoning and Design/Construction** – The successful Proponent will be responsible for obtaining development permits and/or rezoning and designing a viable housing project;
- b) **Stage 2 – Construction** – The successful Proponent will be responsible for project management and oversight in the construction of the approved building plans/drawings;
- c) **Stage 3 – Operation and administration** – The successful Proponent will implement the program to operate and administer the housing, including the execution of legal agreements or contracts.

10.0 FUNDING AND FINANCIAL ASSISTANCE

10.1 The City will provide the land at no charge. Long-term land leases (60 years) are preferred but the City will consider projects with fee simple ownership. The City will also be responsible for the following costs:

- a) Site servicing costs (sewer, water, storm drainage);
- b) Development approvals and Building Permit fees;
- c) Costs associated with public consultation requirements (public meetings, mailing costs, communication materials);
- d) Preparation and registration of legal documents;
- e) Consideration will also be given to reducing property taxes if the rents are established and maintained at a level at least 15% below the Housing Income Limits (HILs) rates.

10.2 Development Cost Charges will be paid for by the Proponent

11.0 REVIEW PROCESS AND CRITERIA FOR SELECTION

11.1 Proposals will be reviewed by City staff and referred to the Housing Affordability Task Force for recommendations. City staff and/or the Task Force may request an interview with representatives of some or all proposals. Recommendations will be submitted to the Mayor and Council for final approval.

11.2 Proposals will be evaluated and applicants selected for further review based on the following criteria:

- a) The quality of the proposal in addressing the objectives of the RFP outlined in Section 5.4;
- b) The ability to meet the timeline and scheduling requirements outlined in the RFP, the readiness of the project to proceed and the anticipated timeframe to complete the project;;
- c) The level of affordability proposed to be achieved and maintained over time;
- d) The applicant's capacity to undertake new or additional projects;

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- e) The quality of the plan of work, the community consultation approach, and the suggested responsibility assignments;
- f) The neighbourhood context and project design. The applicant's knowledge of and experience in identifying the affordable housing needs of the city, the quality of the design of the project as it relates to the context of the neighbourhood and the community impact;
- g) The applicant's record of accomplishment, including whether the applicant and/or development team has successfully completed and/or operated a similar type project or a project of similar scope and size;
- h) The quality of the applicant's references, with particular attention to past projects and client contracts;
- i) The applicant's ability to secure construction financing;
- j) The financial feasibility, including preliminary anticipated costs and revenue sources, the proposed capital and operating pro-formas and construction cost analysis;
- k) The project's innovation in terms of addressing affordability, energy efficient and accessibility considerations; design, and neighbourhood context; and
- l) The construction procurement approach.

11.3 Additional criteria for rental proposal:

- a) The applicant's property management experience, including the number of units and affordable units managed, the years of experience and the performance record. The applicant's familiarity of the various funding sources for housing development and rental subsidies.

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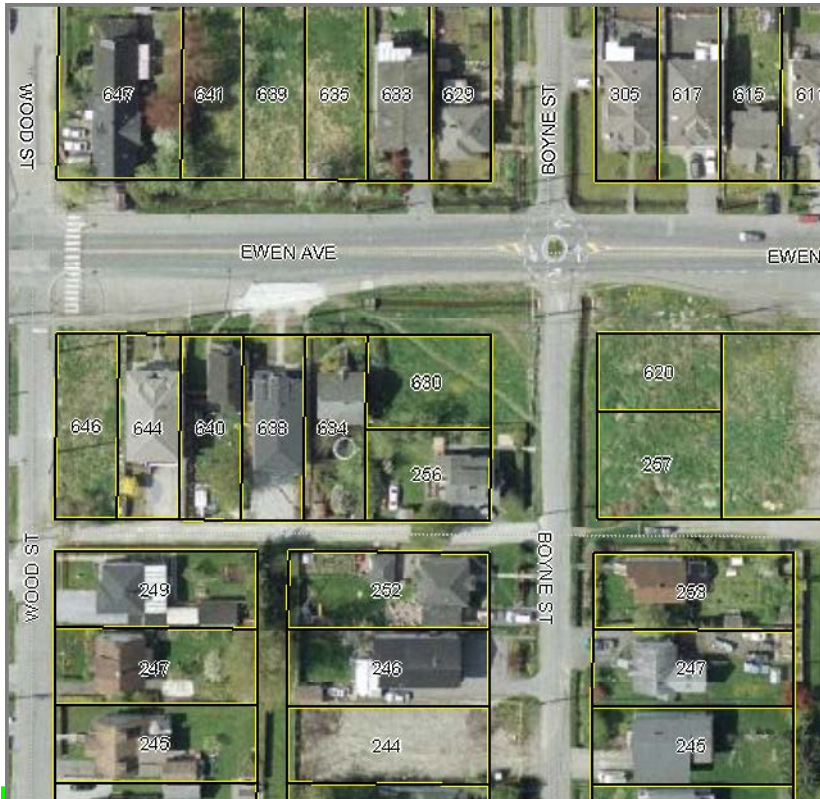


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APPENDIX A

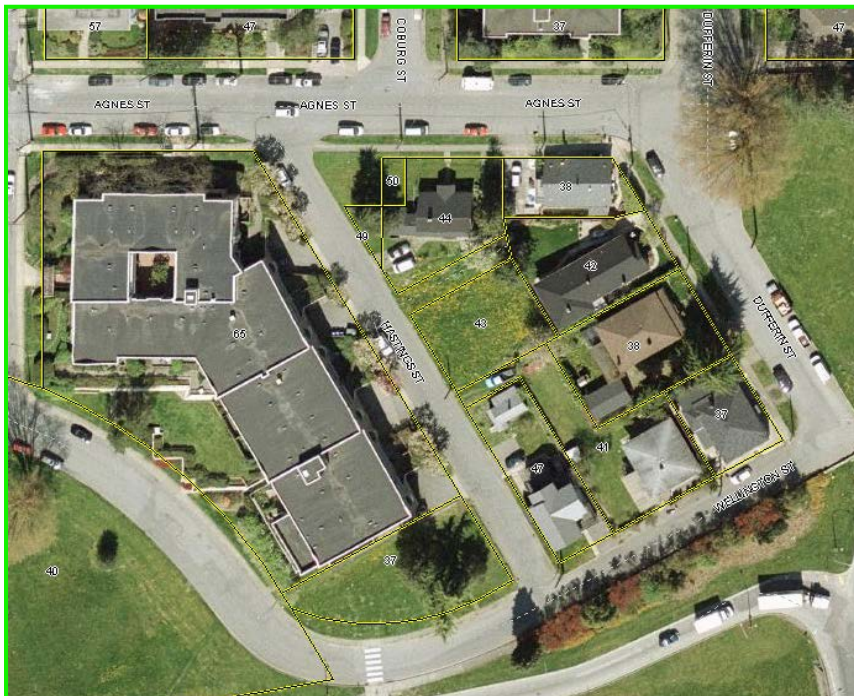
Sites

630 Ewen Avenue



Property Information	
Site Area	449 Square Meters (4,830 Square Feet)
Frontage	24.5 Meters (80.5 Feet)
Average Depth	18.3 Meters (60.0 Feet)
OCP Designation	Residential Low Density (RL) – This area will contain low density residential uses, including single detached houses, houses with a secondary suite, duplexes, detached townhouses, low-density family uses, places of worship, and may contain small-scale commercial uses such as home-based businesses and corner stores.
Zoning	Single-Detached District Queensborough (RQ-1)
Floodplain Considerations	Queensborough is located in the floodplain of the Fraser River and all properties, including 630 Ewen Avenue, have been included in the Flood Hazard Development Permit Area. This area includes guidelines that require new buildings and structures to be constructed at an elevation that is sufficient to minimize the potential for loss of life and property damage in the event of dyke failure, or an extreme flood event that tops the perimeter dykes. The minimum construction level for this property, which is based on current knowledge of flood patterns, is 3.53 metres above Geodetic Survey of Canada datum. No habitable space (e.g., living, storage, etc.) may be constructed below this level.
Current Land Use	Civic Institute and Recreation – Vacant
2015 Gross Assessment	\$335,000

43 Hastings Street (property and unpaved City lane)



Property Information	
Site Area	553.6 Square Meters (5,754.6 Square Feet)
Frontage	23.2 Meters (76.1 Feet)
Average Depth	22.9 Meters (75.1 Feet)
OCP Designation	Residential Low-Rise Apartment (RLA) – Targeted for residential and intended for low-rise apartments. Also may include townhouses, stacked townhouses and row houses; community amenities such as churches, child care, libraries or community space; and small-scale, corner store type retail, including restaurants and service uses.
Zoning	Single-Detached District (RS-2)
Current Land Use	Civic Institution and Recreation – Vacant
2015 Gross Assessment	\$673,303



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APPENDIX B

Household Characteristics

Topic	Facts
Housing stock	In 2011, 20,675 (67.6%) out of 30,590 dwelling units in New Westminster were apartments.
Housing tenure	In 2011, 13,375 (43.7%) out of 30,590 private households in New Westminster were renter households.
Purpose-built rental	There were 8,009 purpose built rental apartments and town home units in New Westminster in October 2014, compared with 8,789 units in October 1994. In October 2014, 157 of these units had three or more bedrooms.
Rental vacancy rate	The rental vacancy rate was 1.4% in New Westminster in October 2014.
Average rental housing starts	Between 2000 and 2014, there was an average of 451 housing starts per year in New Westminster, with an average of 5 rental starts (1.2% of all starts) per year.
Proposed rental housing	As of April 2015, there were 1,172 rental housing units either in the development approvals process or under construction in New Westminster.
Secondary suites	As of November 2014, New Westminster had 2,832 secondary suites, 2,081 of which were being occupied separately from the rest of the house (i.e., being rented out).
Rented condos	As of October 2014, New Westminster had an estimated 2,515 rented condominiums.
Social housing and co-op units	As of January 2015, New Westminster had 1,069 independent (i.e., without supports) social housing units, 415 co-op housing units, and 367 supportive/transitional social housing units.
Seniors housing	As of January 2015, there were 1,094 independent social housing and co-op housing units that seniors and persons with disabilities could apply for, including 688 seniors and persons with disability – exclusive units.
Family housing	As of January 2015, there were 649 independent social housing and co-op housing units that families with children could apply for, including 359 families with children – exclusive units.
Singles housing	As of January 2015, there were 147 independent social housing and co-op housing units that singles (of any age) could apply for.
Couples housing	As of January 2015, there were 338 independent social housing and co-op housing units that couples (of any age) could apply for.
Large social housing units	As of January 2015, there were 242 large social housing and co-op housing units (three or more bedrooms) in New Westminster, include 237 three bedroom units and 5 four bedroom units.
Subsidy expiration	There are 863 social housing and co-op units in New Westminster with operating agreements that will expire between 2015 and 2025.
Population growth	New Westminster's population is expected to grow from 68,280 in 2013 to 103,864 in 2041.
Child growth	New Westminster's child and youth (0-17 years old) population is expected to grow from 10,229 in 2013 to 13,898 in 2041.
Seniors growth	New Westminster's senior (65+ year old) population is expected to grow from 9,403 in 2013 to 24,649 in 2041.
Household size	In 2011, New Westminster had an average household size of 2.1.
One-person households	In 2011, New Westminster had 12,115 one-person households (39.6% of all households)
Aboriginal population	In 2011, New Westminster had 2,240 Aboriginal identity residents (3.4% of the population)
Recent immigrants	In 2011, New Westminster had 4,555 recent immigrants (7.0% of the population)
Disabled persons	In 2011, New Westminster had 14,480 persons with a disability (22.4% of the population)
Singles incomes	In 2012, the median before-tax income for singles was \$29,750 in New Westminster.
Families with children incomes	In 2012, the median before-tax income for families with children was \$78,130 in New Westminster.
Renter and owner household incomes	In 2010, the median before-tax household income was \$36,726 for renter households and \$72,525 for owner households in New Westminster.
After-tax poverty rates	In 2012, the after-tax poverty rates (LIM-After Tax) in New Westminster were 15.4% for the general population (9,470 people in poverty), 7.3% for seniors (640 seniors in poverty), and 17.8% for children and youth (1,790 children and youth in poverty)
Median rents	In October 2014, the median rent for a two bedroom purpose-built apartment/town home was \$1,114/month in New Westminster, \$164/month more than in October 2009.

Topic	Facts
Benchmark housing prices	In April 2015, the benchmark price was \$750,600 for a single detached house and \$283,900 for an apartment in New Westminster.
Social housing wait lists	In 2014, there were 460 households on social housing waiting lists in New Westminster, including 145 families with children, 42 single people, 146 senior households, 109 persons with a disability households and 18 households with a need for a wheelchair accessible unit.
Homeless count	There were 106 homeless people in New Westminster in 2014, down from 124 in 2008 and 132 in 2011. Of these 106 homeless people, 72 were sheltered and 34 were street.
SAFER	In 2012-2013, there was an average of 571 senior households in New Westminster receiving the SAFER rent supplement from BC Housing.
RAP	In 2012-2013, there was an average of 290 families with children in New Westminster receiving the RAP rent supplement from BC Housing.
Core housing need	In 2011, 5,980 households (21.1% of all households) were in core housing need in New Westminster, including 1,780 owner households and 4,200 renter households. 5,410 of these households were below the affordability standard, 900 were below the adequacy standard, and 1,100 were below the suitability standard. The average STIR before taxes for core housing need households in New Westminster was 49.0%.
Core housing need – household type	In 2011, there were 3,365 one person households in core housing need in New Westminster (the most of any household type), followed by 1,540 couple family households and 645 lone parent family households.
Core housing need – children and seniors	In 2011, there were 1,190 households with children under 18 years old in core housing need and 1,590 senior-led households in core housing need in New Westminster.
Income levels – households with children under 18 years old in core housing need	In 2011, of the 1,190 households with children under 18 years old in core housing need in New Westminster, 655 of these households had before-tax household incomes of less than \$35,000/year, 410 of these households had before-tax household incomes of \$35,000-\$49,999/year and 130 of these households had before-tax household incomes of \$50,000-\$64,999/year.
Income levels – senior-led households (65+ years old) in core housing need	In 2011, of the 1,590 senior-led households in core housing need in New Westminster, 1,510 of these households had before-tax household incomes of less than \$35,000/year and 80 of these households had before-tax household incomes of \$35,000-\$49,999/year
Income levels – singles living alone in core housing need	In 2011, all of the 3,365 singles living alone in core housing need in New Westminster had before-tax household incomes of less than \$35,000/year.
INALH- spending 50% to 100% of income on housing costs	In 2011, there were 2,400 households (8.5% of all households) in core housing need and spending 50% to 100% of their before-tax household incomes on housing costs in New Westminster, including 1,645 renter households and 760 owner households.

Information Sources: Statistics Canada 2011 National Household Survey for core housing need and housing tenure data. Note: some numbers may not add up due to random rounding by Statistics Canada, etc.

Statistics Canada 2011 Census for household type and housing stock data.

CMHC (Canada Mortgage and Housing Corporation) for purpose-built rental housing data.

Metro Vancouver Housing Data Book for rented condominium information.

Statistics Canada. 2012 Taxfiler data for singles and families with children incomes and poverty rates.

Coriolis Consulting for overall population projections.

BC Stats for child and senior population projections.

BC Housing for social housing and wait list statistics

City of New Westminster for secondary suite data.



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APPENDIX C

Additional Information

What are the most important characteristics of the project team?

ANSWER: The City is looking for simplicity, affordability and expedited delivery with appropriate risk mitigation. We are seeking partners who are experienced, are able to deal with complex projects and optimize delivery. The project team will need to designate a “lead proponent” that the City will deal with directly.

Who is the lead for assembling the financial team?

ANSWER: The successful Proponent is responsible for securing the construction financing. The City will seek to facilitate discussions with other levels of government, funders, and housing operators to secure low-interest construction and take-out finance. The City will not be providing financial guarantees.

Is there a defined role for BC Housing in this process?

ANSWER: BC Housing is aware of this RFP, and the City is in discussions with BC Housing to determine what role they can play, including providing low interest financing.

Will there be a City process to fast track the rezoning process?

ANSWER: Yes, building affordable housing is a Council priority and the City will be working with the various City Departments to find efficiencies in the rezoning and development approval process to expedite the development approvals and permit issuance.

Will the site be offered on the basis of a lease or fee simple?

ANSWER: The preferred leasehold period will be 60 years. The City may consider a shorter or longer term if this improves affordability, amount of housing and delivery. Fee simple ownership may also be considered, particularly for homeownership proposals.

Is the City looking for detailed project drawings in the Response?

ANSWER: No, at this stage understanding how much effort, time, and expense can go into detailed drawings; the City is only looking for a description of the concept, basic project sketches and submission of the responses to the exercises as per the RFP.